



SANDFIRE RESOURCES NL

A QUALITY COPPER-GOLD COMPANY ASX Code- SFR

New mines and new opportunities in a rising copper market

- ▶ Debt-free and harvesting cash
- ▶ Developing new high-grade mines in Australia and the USA



Global Investor Presentation – February 2018 / Karl Simich – Managing Director & CEO

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Currency in AUD unless otherwise stated.

Sandfire – Investment Snapshot



- ▶ Consistent, low-cost copper producer
- ▶ High-value, high margin operations
- ▶ Strong balance sheet, no debt
- ▶ Large global Mineral Resource inventory
- ▶ Growing development pipeline
- ▶ Rising production profile
- ▶ International growth pipeline
- ▶ Strong exploration commitment
- ▶ Business Development

6 years of operations

~\$3B revenue

\$164.4M cash (Dec 17)

1.9Mt Cu, 2.7Moz Au, 15.8Moz Ag

Australia, USA

New high-grade Monty mine

Black Butte copper project, USA

Up to \$30M annual budget

Strong in-house team targeting global opportunities

Our vision is to be a significant mid-tier miner operating in the upper quartile of global performance benchmarks

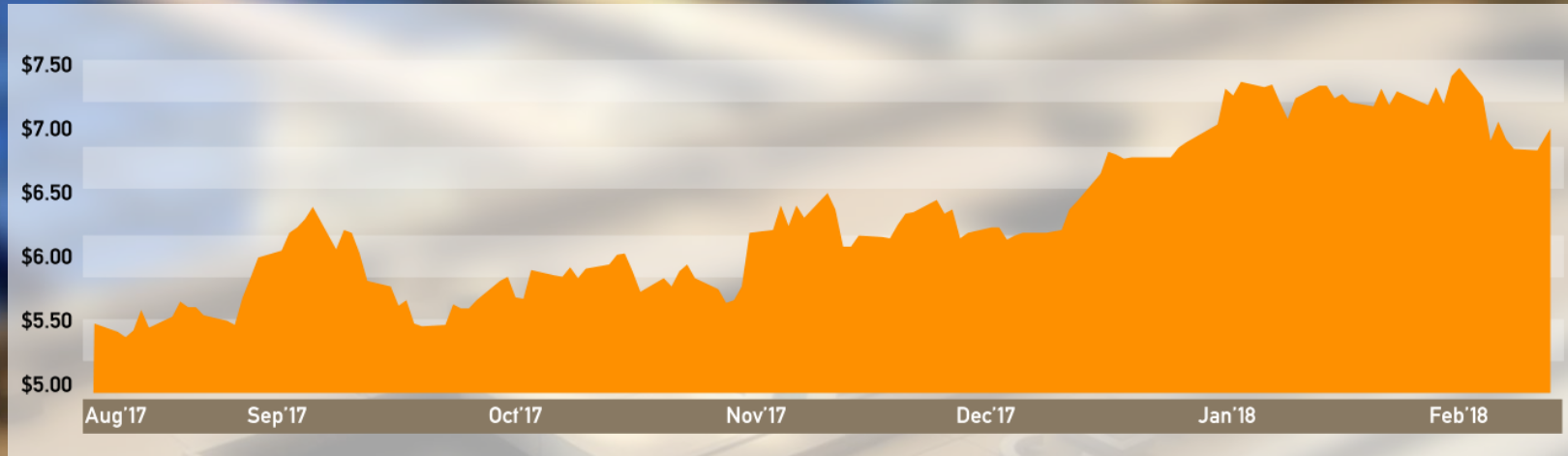
Corporate Summary



KEY CORPORATE DATA

Issued Capital	Market Capitalisation
157.8 MILLION	~\$1.13 BILLION
Shares	at \$7.18
Cash	Debt
\$164.4 MILLION	NIL
At 31 December 2017	Repaid FY 17
FY17 Dividend	1HFY18 Dividend
18c	8c
11c in FY16	5c in FY16

6-MONTH SHAREPRICE



CURRENT BROKER COVERAGE



ASX Code: SFR



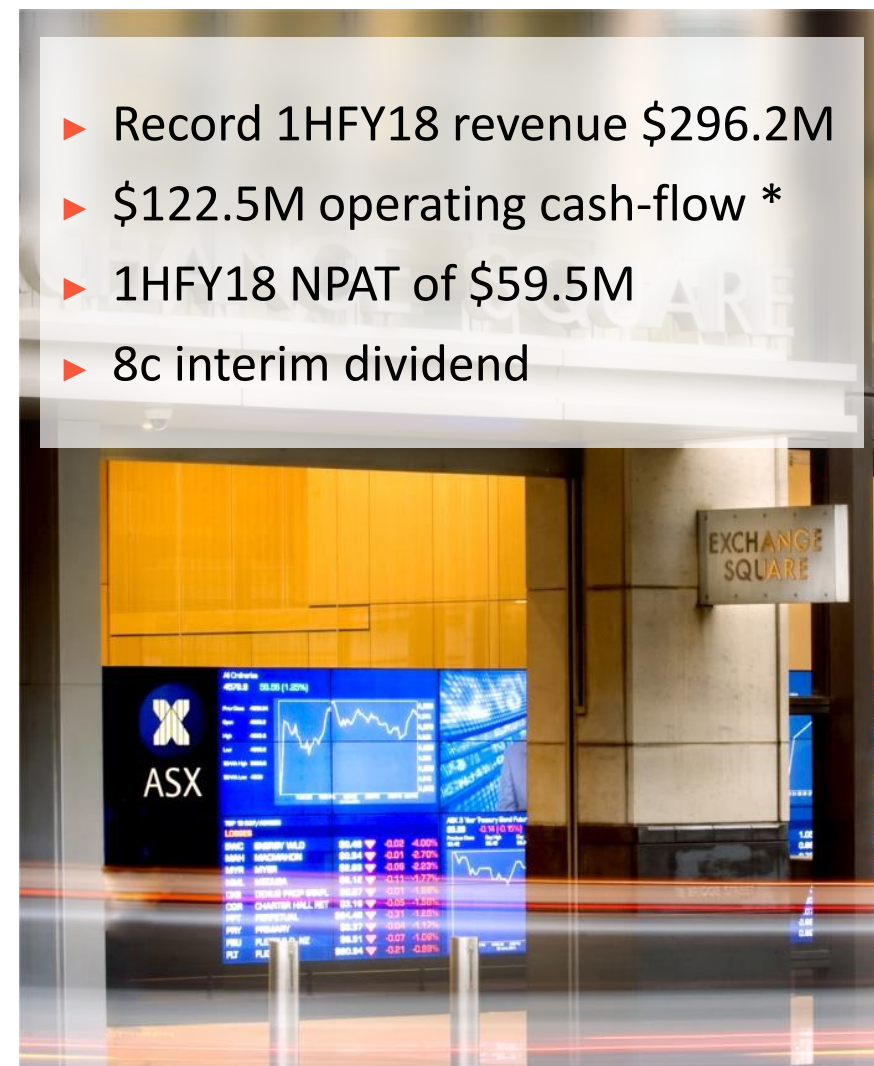
Financial Performance – Benefiting from a Rising Copper Price



FINANCIAL OVERVIEW:	FY 2013	FY 2014	FY 2015	FY2016	FY2017	1HFY2018
Revenue	\$507.3M	\$525.7M	\$548.6M	\$497.2M	\$532.5M	\$296.2M
Operating Cash-flow*	\$272.4M	\$249.5M	\$250.1M	\$166.5M	\$248.3M	\$122.5M
NPAT	\$88.0M	\$78.2M	\$69.0M	\$46.4M	\$75.0M	\$59.5M
Earnings per Share (basic)	57.48c	50.22c	44.18c	30.54c	49.16	37.7c
Cash + Deposits	\$77M	\$58M	\$107M	\$66M	\$127M	\$164.4M
Debt	\$285M	\$160M	\$120M	\$50M	NIL	NIL
Dividends	N/A	10c unfranked	13c 10c franked	11c 11c franked	18c 18c franked	8c 8c franked

*Prior to exploration expenditure

- ▶ Record 1HFY18 revenue \$296.2M
- ▶ \$122.5M operating cash-flow *
- ▶ 1HFY18 NPAT of \$59.5M
- ▶ 8c interim dividend

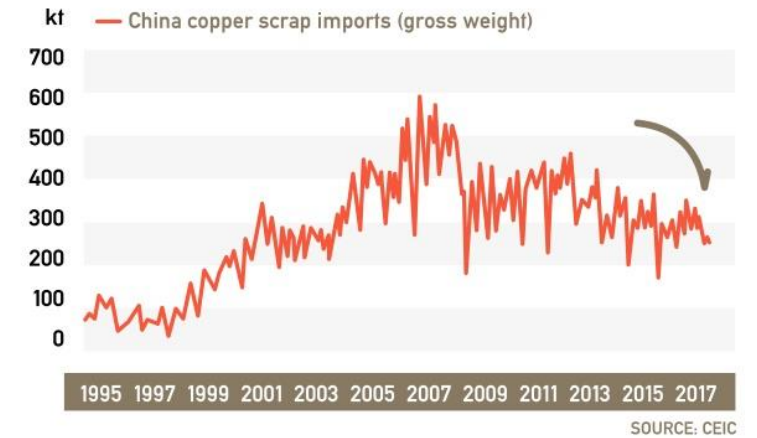


Copper – The Best Outlook in Years?



- ▶ Robust outlook for copper underpinned by synchronized global economic growth, weakening US\$ and supply constraints:
 - China reducing imports of scrap copper as part of environmental clean-up initiative – full import ban expected
 - Wood Mackenzie forecasts that up to 3.5Mt of mine production may be affected by labour contract renegotiations in 2018
- ▶ Goldman Sachs has recently upgraded its copper price forecast to reach US\$8,000 by the end of the year (up from US\$7,050 previously)

China copper scrap imports are falling



LME COPPER HISTORICAL PRICE GRAPH



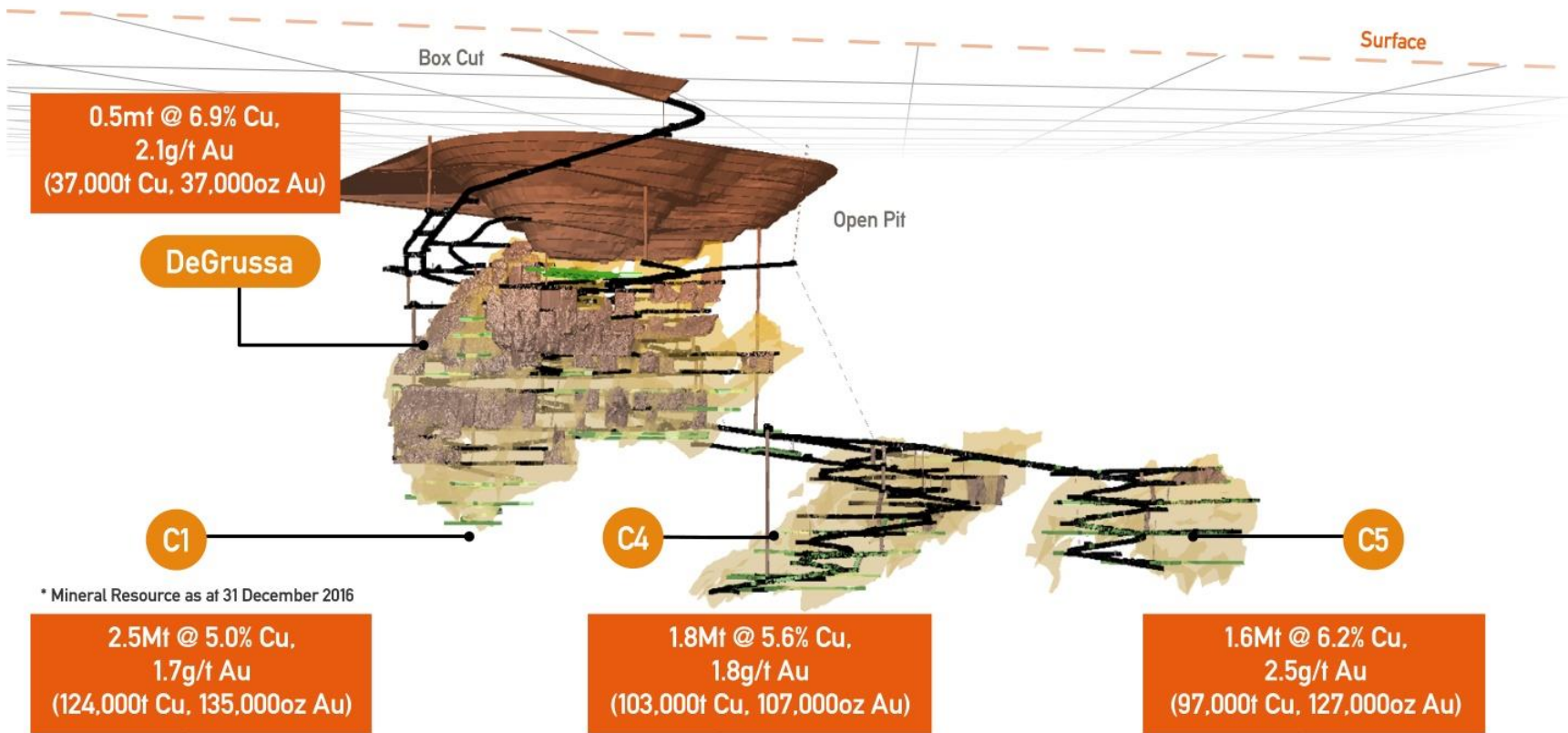
Large number of labor negotiations expected in 2018



Summary of Key Assets – Mineral Resources



DeGrussa Underground Mine – All Lenses Now On Stream



- ▶ DeGrussa and Monty Mine Plan: **7.0Mt at 5.1% Cu and 1.6g/t Au (359,000t Cu, 368,000oz Au)**
- ▶ Milling rates maintained at **1.6Mtpa**
- ▶ Recoveries targeted at **~92% (LOM)**

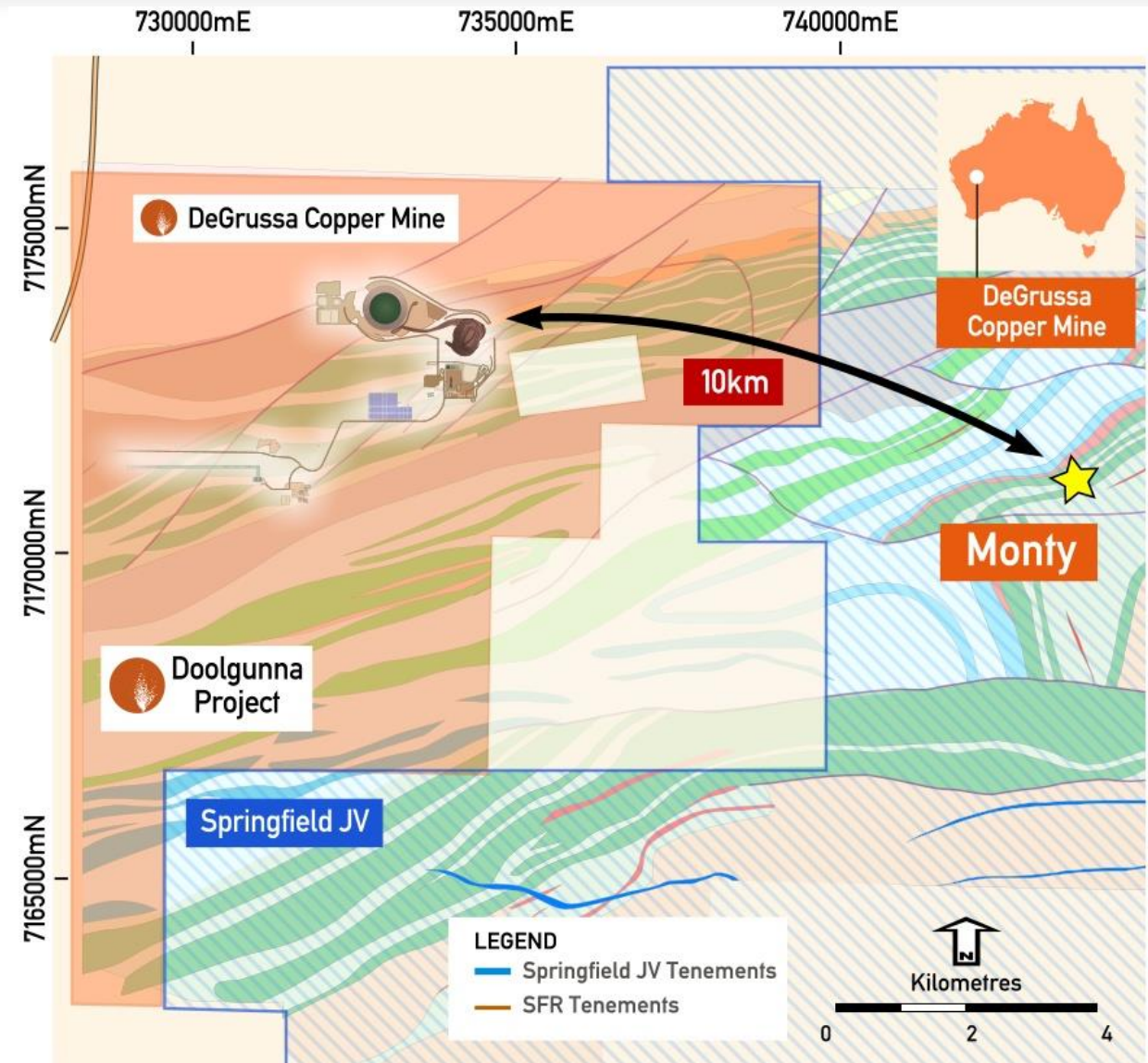


DeGrussa and Monty Underground Mines	Tonnes (Mt)	Copper (%)	Gold (g/t)	Contained Copper (t)	Contained Gold (oz)	Monty basis
Mine Plan	7.0	5.1	1.6	359,000	368,000	100%
Ore Reserve	6.8	5.0	1.6	337,000	355,000	70%
Mineral Resource	7.2	6.0	1.9	434,000	450,000	70%

Monty – Set to become one of the World’s Highest-Grade Copper Mines



- ▶ New satellite mine located 10km east of DeGrussa
- ▶ Part of Springfield JV with Talisman – Sandfire 70% and manager
- ▶ Mining by underground method to 400m below surface
- ▶ Mine Plan: 0.8Mt at 9.4% Cu, 1.5 g/t Au for 74,000t Cu and 38,000oz Au (100%)
- ▶ Talisman 30% share of ore will be sold to Sandfire for processing at DeGrussa
- ▶ Project development commenced July 2017
- ▶ Excellent exploration potential



Development – Monty Site Infrastructure



June 2017

Timeline

- Early mobilisation
- DG tie-in
- Civils contractor

July 2017

- Project approval
- Start of infrastructure

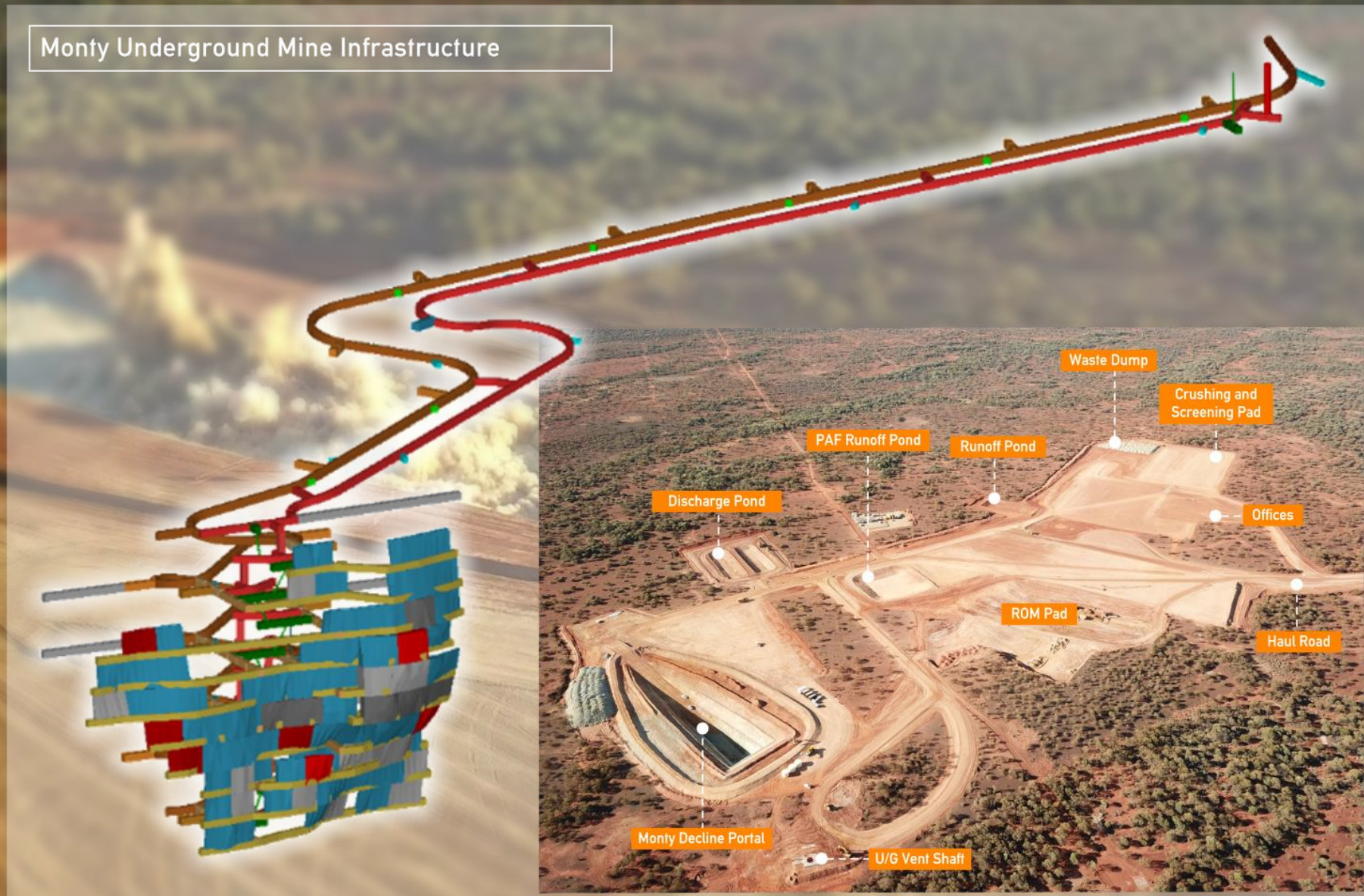
Q2 FY 2018

- Start of decline
- U/G contractor

Q2 FY 2019

- First ore from development

Monty Underground Mine Infrastructure



Monty – Development Progress



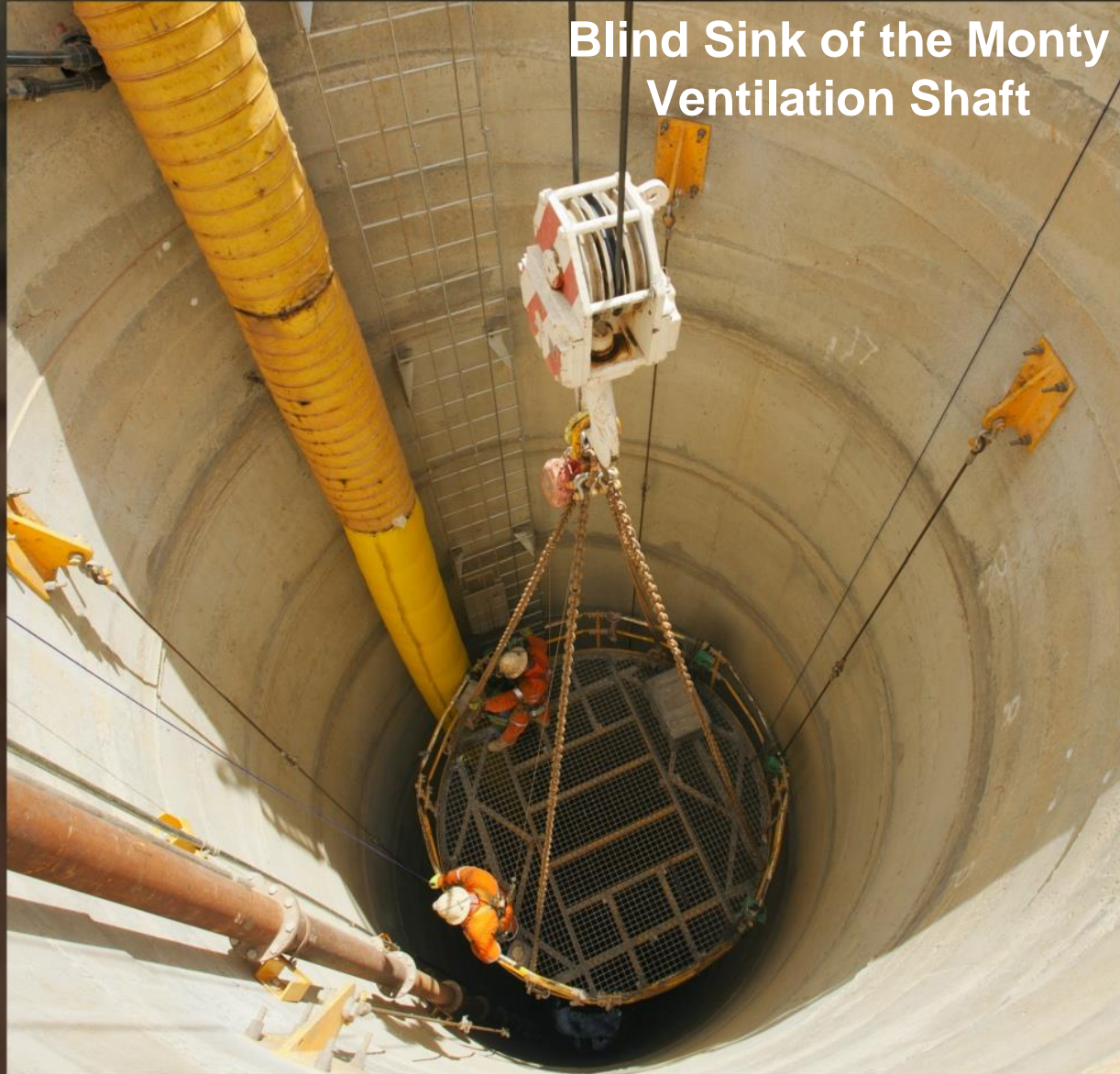
Foreground: PAF Runoff Pond
Background: Monty Decline Portal



Monty Portal



Monty – Development Progress



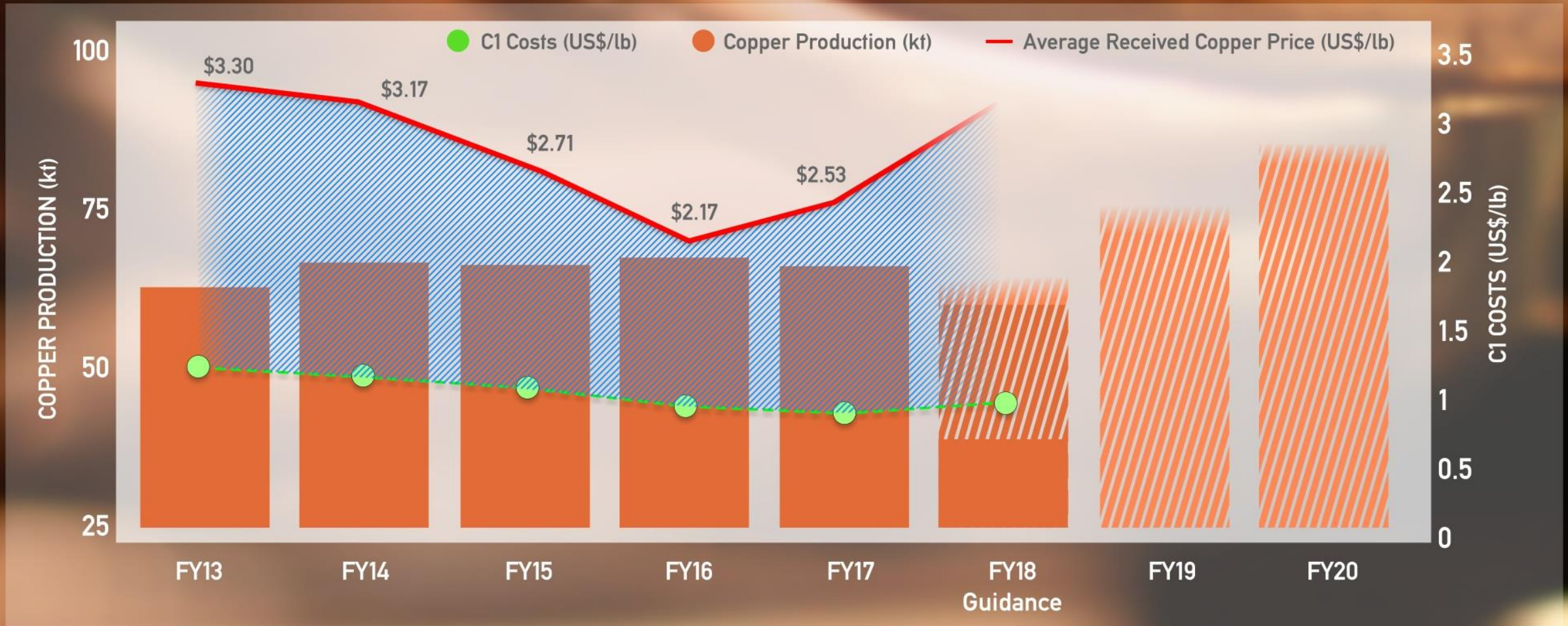
**Blind Sink of the Monty
Ventilation Shaft**



Underground Support Work



Debt-free with rising production profile in a rising copper market



Development Pipeline – Doolgunna Growth Projects



Growth projects currently under evaluation against the backdrop of an improved copper price environment



Near-Mine Opportunities

- ▶ UG Mineral Resource not in Ore Reserve, in zones located close to development
- ▶ 1.4Mt at 4.4% Cu and 1.5g/t Au (60,000t Cu, 64,000oz Au)



Oxide Copper Project

- ▶ ~2.8Mt oxide stockpiles at 1.2% Cu and 1.0g/t Au (35,000t Cu, 84,000oz Au)
- ▶ New processing concept developed and currently being further evaluated
- ▶ PFS planned following successful testwork



Thaduna Copper Projects

- ▶ 3 structurally controlled copper deposits: Green Dragon, Rooney, Thaduna
- ▶ Extensive oxide resources with significant upside potential
- ▶ Development pathways under evaluation



Development Pipeline – Black Butte Copper Project, USA



- ▶ 78% stake in copper development subsidiary Sandfire Resources America Inc. (TSX-V: SFR) – ~A\$40M invested to date

Acquisition cost equivalent to approx US\$3c/lb of contained copper in resource

- ▶ Developing the Black Butte Copper Project, central Montana, USA
- ▶ Advanced, high quality copper project in stable jurisdiction:

Mineral Resource: 18Mt at 3.3% Cu, 14g/t Ag, 0.10% Co for 597,000t of copper, 7,980,000oz of silver and 18,000t of cobalt (JORC)*

- ▶ One of the top-10 undeveloped copper projects worldwide by grade
- ▶ Outstanding near-mine and district-wide exploration potential
- ▶ **Mine Operating Permit (MOP) for Johnny Lee copper deposit approved after being found to be “Complete and Compliant” by Montana Department of Environmental Quality (DEQ)**
- ▶ **Environmental Impact Statement (EIS) underway and expected to take 12 months – final stage of permitting process**
- ▶ **Potential to commence development by end CY2018**

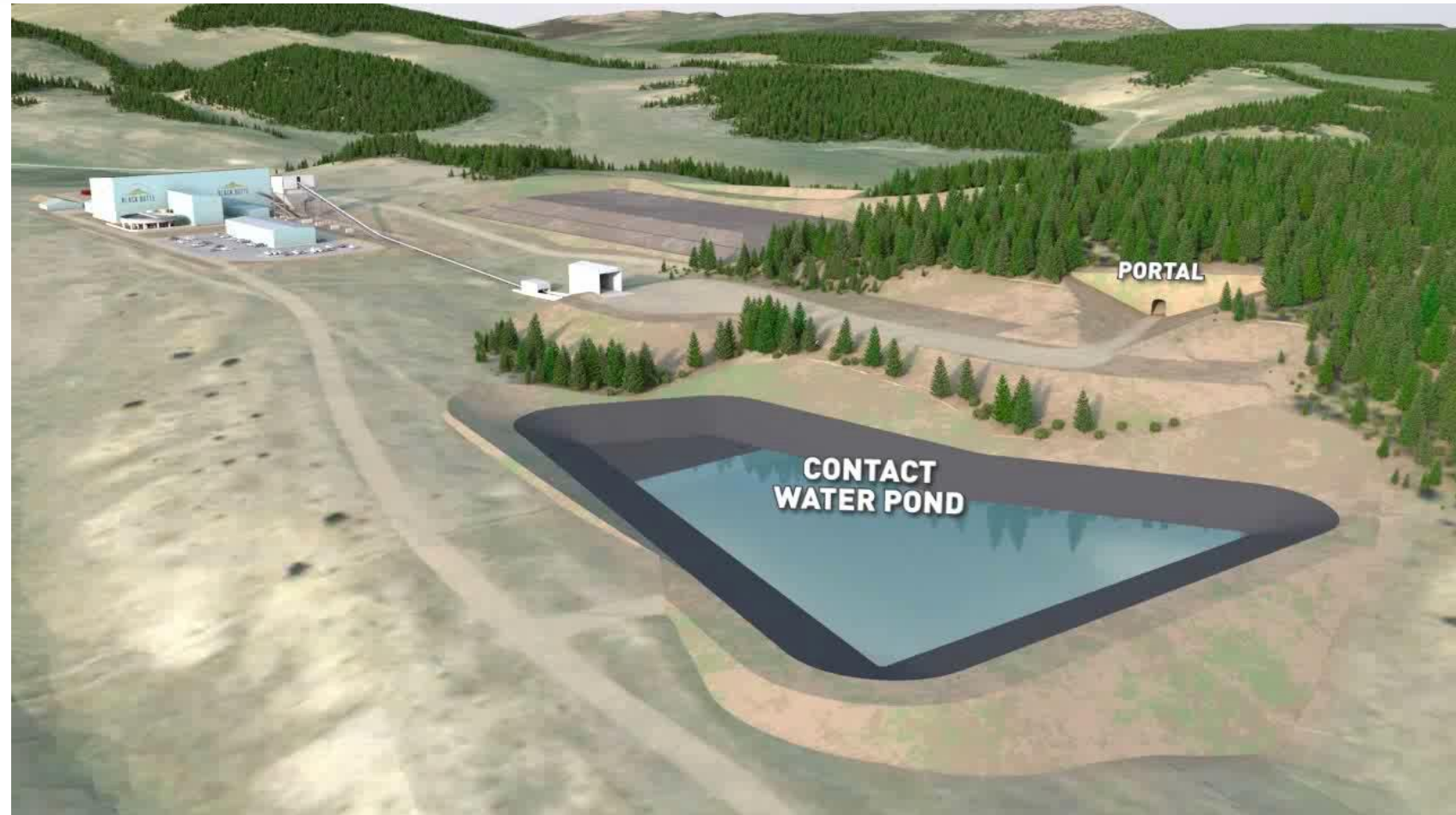


* Refer September Quarterly release, 19 October 2017 “Sandfire Group JORC Mineral Resource and Ore Reserve Statement” and associated disclosures.

Development Pipeline – Black Butte Copper Project, USA



- ▶ Upfront capital expenditure of ~US\$220M *
- ▶ 2 year construction period with operations over 11-14 years *
- ▶ Very small surface footprint – will be 100% reclaimed
- ▶ Highly engineered, state-of-the-art underground mine
- ▶ Mine design, layout and geology ensures that water quality and quantity will be protected
- ▶ Stringent monitoring and approval process
- ▶ Reclamation bond to be posted with the State of Montana before construction commences – remains in place until reclamation is complete



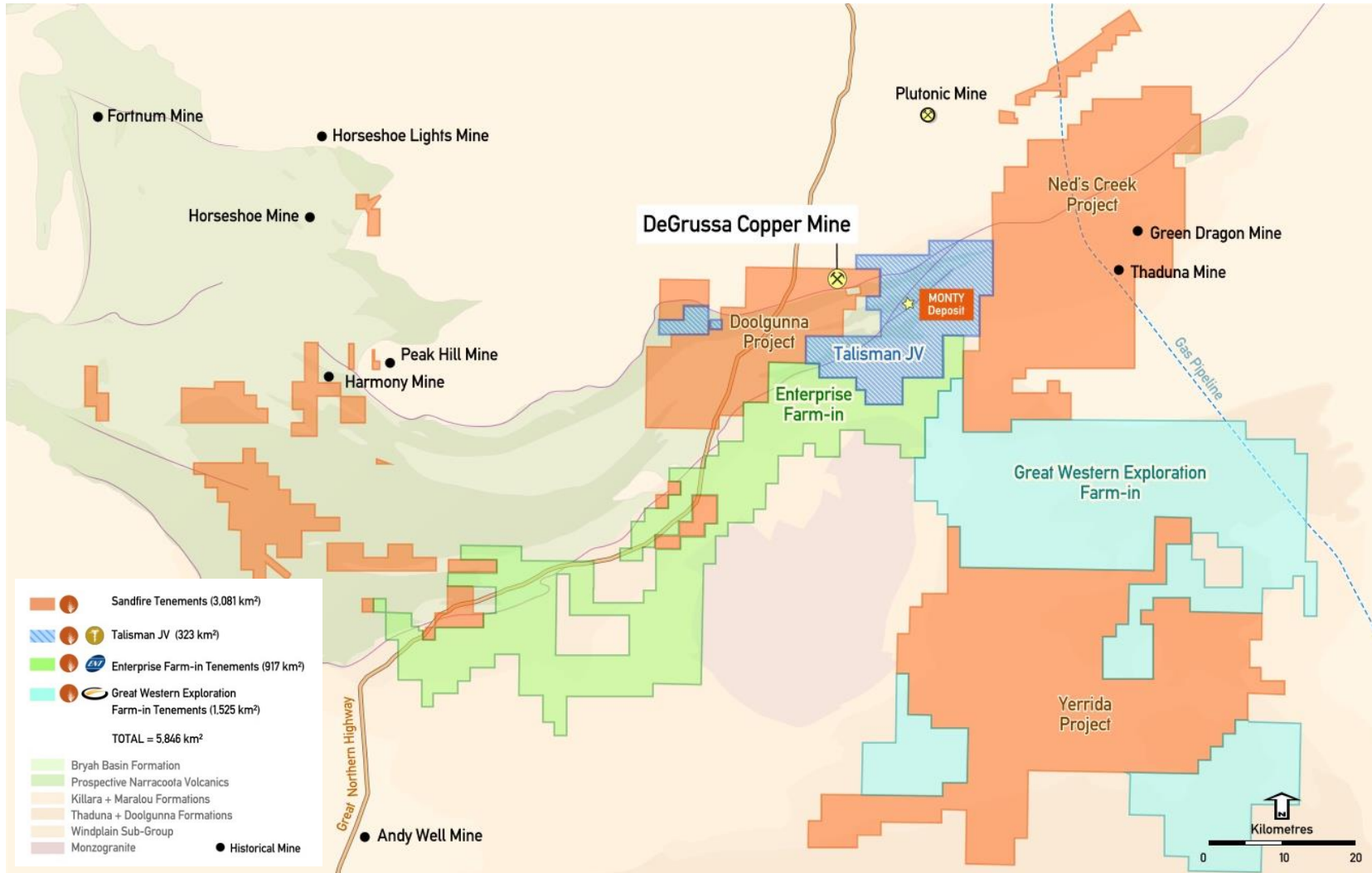
Modern mining restores the site to original land uses and water flows, fully protecting our water and landscapes long term.

* NI 43-101 M&I and I Mineral Resources – Refer TSXV Announcement “Preliminary Economic Assessment Black Butte Project”, 12 July 2013”
http://www.sandfireamerica.com/assets/docs/ppt/TAU-UpdatedPEA_07-12-2013.pdf

Doolgunna – Dominant Position in a World-Class VMS Province



- ▶ Sandfire has more than tripled its ground position over key geological horizons in the past two years



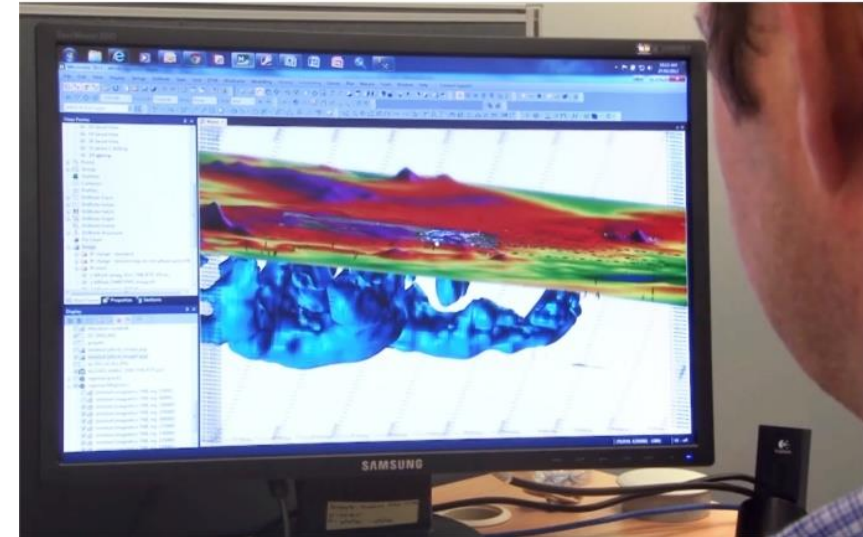
- ▶ Greater Doolgunna region: 5,846km² including 65km strike length of prospective VMS lithologies
- ▶ Recent farm-in deals:
 - ▶ Enterprise Metals (ASX: ENT) to earn up to 75% interest in tenements to the south
 - ▶ Great Western Exploration (ASX: GTE) at North Yerrida



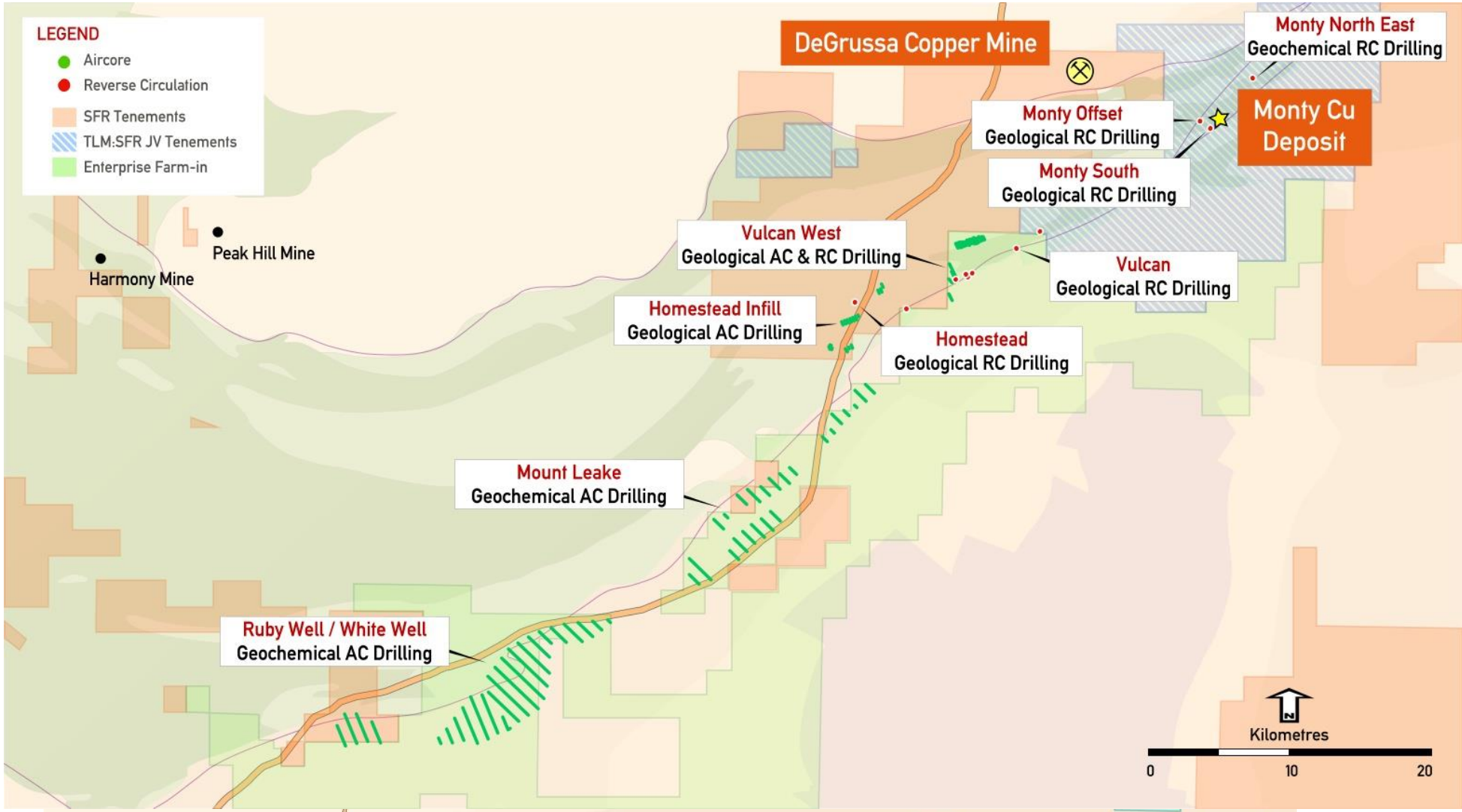
Exploration – New Ground, New Technology



- ▶ Aggressive push into new areas – Enterprise JV, Great Western JV and Yerrida
- ▶ Revisiting “old” areas using cutting-edge new technologies, e.g. ultra-high powered MLEM (~15% more powerful than previous systems)
- ▶ Host Sequence at Homestead and Vulcan has very encouraging alteration previously not seen away from mineralised centres
- ▶ Extensive airborne EM survey planned using Fixed Wing (SPECTREM) technology, designed to detect discrete EM targets for drill testing
- ▶ New MLEM technology being deployed along DeGrussa Mine Corridor and then extending to new JV areas
- ▶ DHEM coverage to be expanded into areas not yet covered
- ▶ Significant new target areas to be tested, e.g. Turtle prospect (North Robinson Range)



Doolgunna Exploration – Aggressive Drilling Commitment

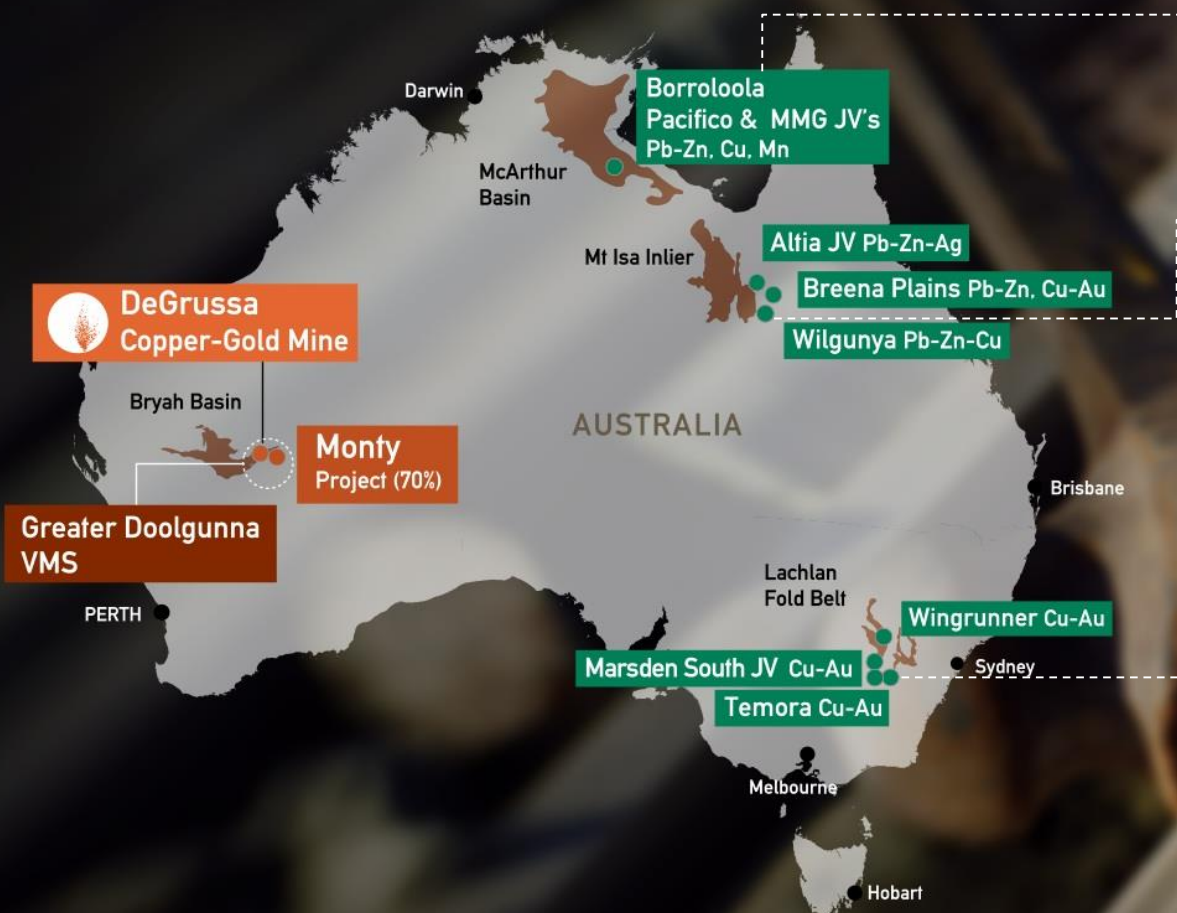


- ▶ Exploration continuing as priority along prospective VMS corridor hosting DeGrussa and Monty
- ▶ DDH drilling at Monty NE testing geochemical anomalies
- ▶ RC and DDH drilling within Homestead and Vulcan West prospects (deep DHEM platforms)
- ▶ Extensive first pass AC drilling defining the prospective sequence to the SW

Australian Regional Exploration Projects



Targeting world-class discoveries in Australia's premier exploration provinces



Northern Territory

- ▶ Active drilling by JV partners in Borroloola tenements

Queensland Base Metals

- ▶ 2,400km² in Mt Isa-Cloncurry province including 100km strike length with potential for Broken Hill/Cannington-style and IOCG mineralisation
- ▶ Key targets include 100%-owned, Strathfield, Breena Plains and Cannington West projects

NSW Base Metals

- ▶ 2,100km² in Lachlan Fold Belt with outstanding potential for porphyry mineralisation
- ▶ New porphyry discovery at 100%-owned Temora Project – evaluation of recent results from Donnington underway
- ▶ Number of priority gold and base metal targets

Strategy: acquire the best ground with potential for a significant discovery that can be quickly developed. Increased focus on gold.

Summary – Positioned for Growth and Success



✓ EXPLORATION - delivering new discoveries



✓ PRODUCTION - consistent & profitable



✓ GROWTH - & success



✓ RETURNS - for shareholders



- ▶ **Consistent** low-cost production
- ▶ **Strong** balance sheet – net cash position
- ▶ **Growing** free cash-flows
- ▶ **Committed** to organic growth via exploration
- ▶ **Unlocking** the potential at Doolgunna
- ▶ **Developing** a growth pipeline for the future
- ▶ **Strongly** positioned with capacity to grow

Sandfire is a high-margin, low-cost Australian copper-gold producer, ideally positioned for its next chapter of growth



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New mines and new opportunities in a rising copper market

- ▶ Debt-free and harvesting cash
- ▶ Developing new high-grade mines in Australia and the USA



Global Investor Presentation – February 2018 / Karl Simich – Managing Director & CEO



DeGrussa and Monty Mineral Resource and Ore Reserve

The information in this report that relates to the DeGrussa and Monty Mineral Resource is based on information compiled by Mr Ekow Taylor who is a Member of The Australasian Institute of Mining and Metallurgy. Mr Taylor was a permanent employee of Sandfire Resources NL at the time of Mineral Resource compilation and has sufficient experience that is relevant to the style of mineralisation and type of deposit under consideration and to the activity which he is undertaking to qualify as Competent Person as defined in the 2012 Edition of the Australasian Code for Reporting of Exploration Results, Mineral Resource and Ore Reserve. Mr Taylor consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.

The information in this report that relates to the DeGrussa and Monty Ore Reserve is based on information compiled by Mr Neil Hastings who is a Member of The Australasian Institute of Mining and Metallurgy. Mr Hastings is a permanent employee of Sandfire Resources NL and has sufficient experience that is relevant to the style of mineralisation and type of deposit under consideration and to the activity which he is undertaking to qualify as Competent Person as defined in the 2012 Edition of the Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves. Mr Hastings consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.

Black Butte Mineral Resource

The information in this report that relates to Black Butte Mineral Resource is based on information compiled by Mr. Michael J. Lechner who is a Registered Member of SME, a CPG with AIPG, a RPG in Arizona, and a P. Geo. In British Columbia. Mr. Lechner is an independent consultant and has sufficient experience that is relevant to the style of mineralisation and type of deposit under consideration and to the activity which he is undertaking to qualify as Competent Person as defined in the 2012 Edition of the Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves. Mr Lechner consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.

Thaduna and Green Dragon Mineral Resource

The information in this report that relates to the Thaduna and Green Dragon Mineral Resource is based on information compiled by Mr Ekow Taylor who is a Member of The Australasian Institute of Mining and Metallurgy. Mr Taylor was a permanent employee of Sandfire Resources NL at the time of Mineral Resource compilation and has sufficient experience that is relevant to the style of mineralisation and type of deposit under consideration and to the activity which he is undertaking to qualify as Competent Person as defined in the 2012 Edition of the Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves. Mr Taylor consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.



Temora Project Mineral Resource

The information in this report that relates to the Dam, Cullingerai, Estoril, Mandamah, Yiddah and Gidginbung Mineral Resources is based on information compiled by Mr Ross Corben who is a Fellow of The Australasian Institute of Mining and Metallurgy. Mr Corben is an Independent Consultant and has sufficient experience that is relevant to the style of mineralisation and type of deposit under consideration and to the activity which he is undertaking to qualify as Competent Person as defined in the 2012 Edition of the Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves. Mr Corben consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.

Exploration Results Doolgunna

The information in this report that relates to Exploration Results is based on information compiled by Mr. Shannan Bamforth who is a Member of The Australasian Institute of Mining and Metallurgy. Mr Bamforth is a permanent employee of Sandfire Resources and has sufficient experience that is relevant to the style of mineralisation and type of deposit under consideration and to the activity which he is undertaking to qualify as Competent Person as defined in the 2012 Edition of the Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves. Mr Bamforth consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.

Exploration Results Temora

The information in this report that relates to Exploration Results at Temora is based on information compiled by Mr Bruce Hooper who is a Registered Professional Geoscientist (RPGeo) of The Australian Institute of Geoscientists. Mr Hooper is a permanent employee of Sandfire Resources and has sufficient experience that is relevant to the style of mineralization and type of deposit under consideration and to the activity which he is undertaking to qualify as Competent Person as defined in the 2012 Edition of the Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves. Mr Hooper consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.

Exploration and Resource Targets

Any discussion in relation to the potential quantity and grade of Exploration Targets is only conceptual in nature. While Sandfire is confident that it will report additional JORC compliant resources for the DeGrussa Project, there has been insufficient exploration to define mineral resources in addition to the current JORC compliant Mineral Resource inventory and it is uncertain if further exploration will result in the determination of additional JORC compliant Mineral Resources.



- ▶ **Group Mineral Resource: DeGrussa, Monty, Black Butte, Thaduna, Green Dragon and Temora Projects are estimated to contain 1.9Mt of copper, 2.7Moz of gold and 15.8Moz of silver.**
- ▶ **Group Ore Reserve: DeGrussa Copper-Gold Mine (100%-owned) and Monty Copper-Gold Project (70%-owned; under development):**
 - ▶ 6.8Mt at 5.0% Cu, 1.6g/t Au, 13g/t Ag for 337,000t of contained copper, 355,000oz of contained gold and 2,766,000oz of contained silver;
 - ▶ 2.8Mt at 1.2% Cu, 1.0g/t Au, 36g/t Ag for 35,000t of contained copper, 84,000oz of contained gold and 3,175,000oz of contained silver (oxide copper stockpile); and
 - ▶ Total 9.5Mt at 3.9% Cu, 1.4g/t Au, 19g/t Ag for 372,000t of contained copper, 439,000oz of contained gold and 5,941,000oz of contained silver.
- ▶ **Mineral Resource for Sandfire's 78.1%-owned Black Butte Copper Project in central Montana, USA (JORC reported):**
18.0Mt at 3.3% Cu, 14g/t Ag, 0.10% Co for 597,000t of copper, 7,980,000oz of silver and 18,000t of cobalt.
- ▶ **Mineral Resource for the Thaduna and Green Dragon Copper Projects, located within the wider Doolgunna Project north-east of DeGrussa (Updated):**
8.2Mt at 1.8% Cu, 3.7g/t Ag for 150,000t of copper and 963,000oz of silver.
- ▶ **Mineral Resource for the Temora Copper-Gold Project in the Lachlan Fold Belt, NSW (Updated):**
240Mt at 0.30% Cu, 0.29g/t Au for 728,000t of copper and 2,207,000oz of gold.

Note: DeGrussa and other projects stated as at 31 December 2016; Monty stated as at 31 March 2017.

Refer September Quarterly release, 19 October 2017 "Sandfire Group JORC Mineral Resource and Ore Reserve Statement" and associated disclosures.