



SANDFIRE
RESOURCES NL

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Report Presentation
and Webcast
24 July 2019**

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DeGrussa and Monty Mineral Resource

The information in this presentation that relates to the DeGrussa and Monty Mineral Resource is based on information compiled by Mr Callum Browne who is a Member of The Australasian Institute of Mining and Metallurgy. Mr Browne is a permanent employee of Sandfire Resources NL (Sandfire) 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 Browne consents to the inclusion in the presentation of the matters based on his information in the form and context in which it appears.

DeGrussa and Monty Ore Reserve

The information in this presentation 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 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 presentation of the matters based on his information in the form and context in which it appears.

Black Butte Mineral Resource

The information in this presentation 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 presentation of the matters based on his information in the form and context in which it appears.

Competent Person's Statements



Exploration Results Doolgunna

The information in this presentation 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 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 presentation 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 continuing exploration programs aimed at reporting additional JORC compliant resources for the Greater Doolgunna 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.



Agenda



Highlights

Safety

Operations

Guidance & Costs

Development

Exploration

Summary





Production and Operations

- ▶ June 2019 Quarter: 18,519t of contained copper and 11,967oz of contained gold produced; C1 US\$0.74/lb
- ▶ FY2019: 69,394t of contained copper and 44,455oz of contained gold produced; C1 US\$0.83/lb
- ▶ FY2020 Guidance: 70-75kt of contained copper and 38-42koz of contained gold; C1 costs ~US\$0.90-0.95/lb

Development

- ▶ Scheme of Arrangement to acquire MOD Resources Limited
- ▶ Black Butte permitting: Draft EIS public comment period closed

Exploration

- ▶ Multi-pronged exploration programs continuing across Sandfire's Greater Doolgunna Project

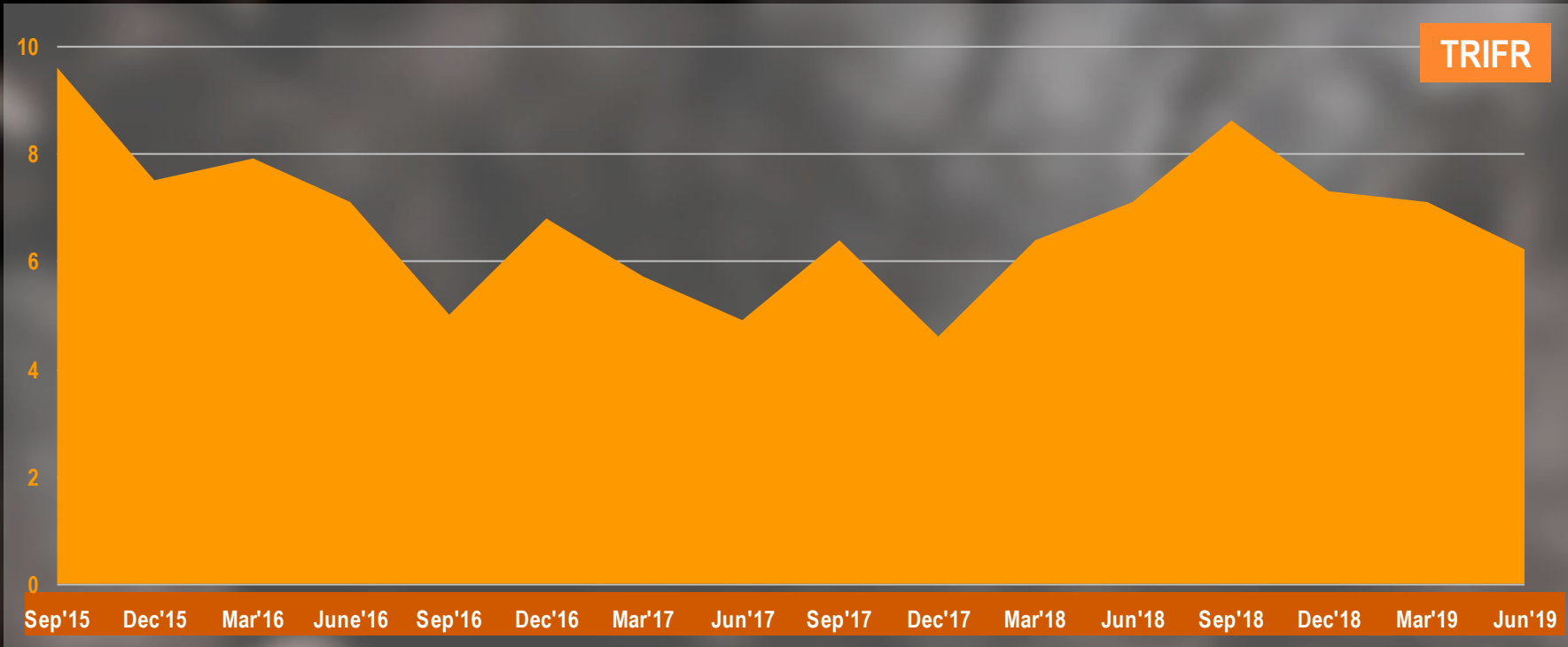
Corporate and Financial

- ▶ Cash and deposits \$243.0M (Sandfire); \$247.4M (Group) – unaudited
- ▶ Appointment of Jason Grace as Chief Operating Officer, to commence September 2019





- ▶ Total Recordable Injury Frequency Rate (TRIFR) of 6.2 at Quarter-end (vs. 7.1 at March 2019 Quarter-end)
- ▶ Principal hazard management – key theme to improve safety culture
- ▶ Focus continues to be applied to improving safety leadership, culture and assurance of critical controls





Underground production

- ▶ DeGrussa ore production for the Quarter of 347,643t grading 4.4% Cu (FY2019: 1,505,520t grading 4.6% Cu)
- ▶ Monty ore production for the Quarter of 76,091t grading 7.9% Cu (FY2019: 119,468t grading 6.4% Cu)
- ▶ Total ore production for the Quarter of 423,734t grading 5.0% Cu (FY2019: 1,624,988t grading 4.7% Cu)
- ▶ Monty grade control drilling continues to further define ore body geometry and stope design
- ▶ FY2020 ore production to come from DeGrussa (1.33Mt at ~4.3%) and Monty (0.27Mt at 7.3%); combined 1.60Mt at ~4.8%
- ▶ Monty mined grade first half of FY2020 ~6%; second half lifts to ~8-9%





Mill throughput

- ▶ Quarter: 412,473t milled at average feed grade of 4.8% Cu
- ▶ FY2019: 1,619,714t milled at average feed grade of 4.6% Cu
- ▶ FY2020 Guidance: 1.6Mt tonnes milled at average feed grade of 4.8% Cu

Recovery

- ▶ Quarter: Copper recovery of 93.0%; Gold recovery 49.4%
- ▶ FY2019: Copper recovery of 92.4%; Gold recovery 46.6%
- ▶ FY2020 Guidance: Copper recovery of 93%; Gold recovery 48%

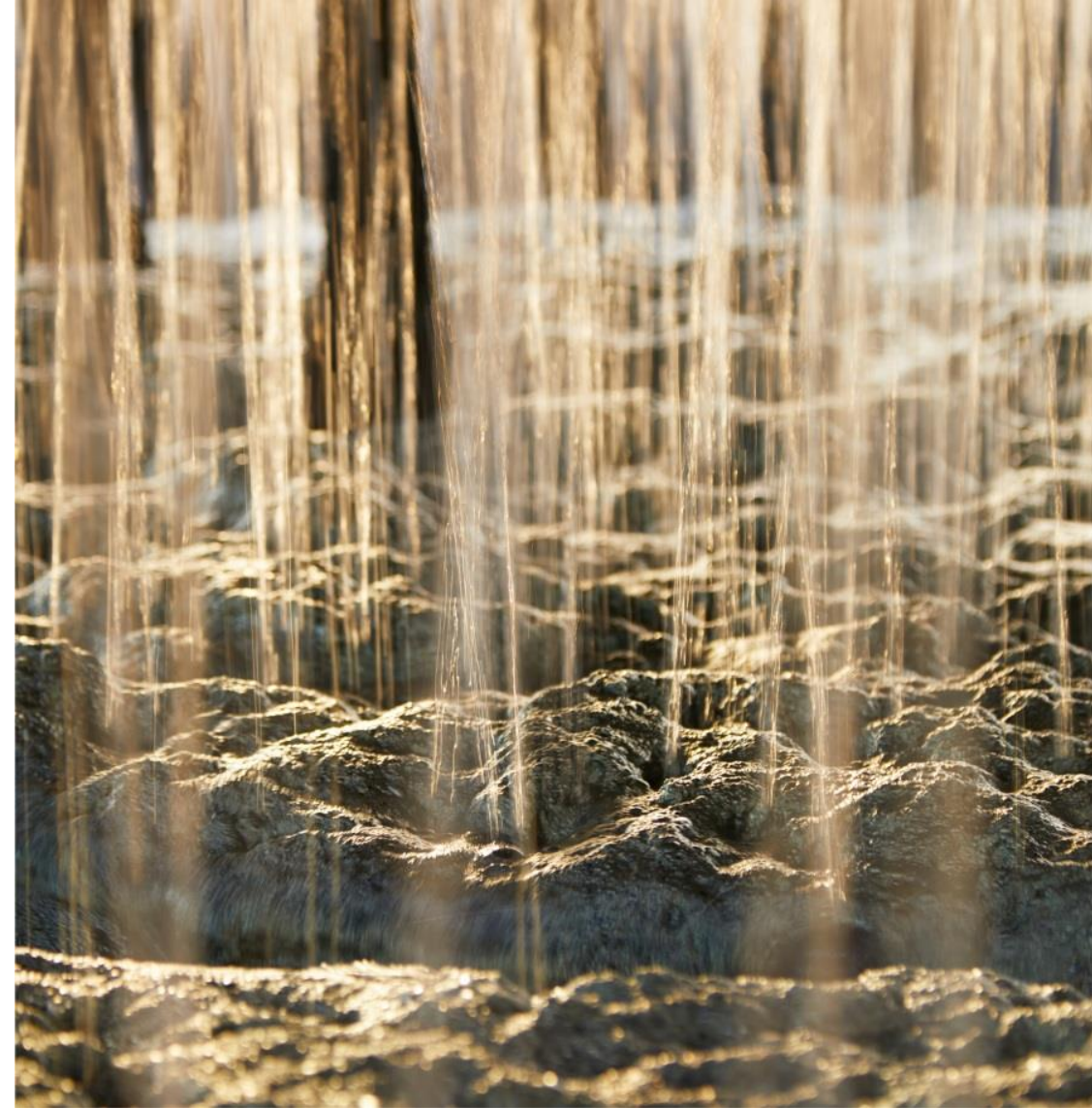
Concentrate & metal production

- ▶ 77,558t of concentrate produced (FY2019: 288,173t)
- ▶ 18,519t of contained copper produced (FY2019: 69,394t)
- ▶ 11,967oz of contained gold produced (FY2019: 44,455oz)





- ▶ PFS Oxide Stockpile completing Q1FY2020
- ▶ Stage 4 tailings storage facility lift scheduled for completion late August
- ▶ Container storage for concentrate handling to port





- ▶ June 2019 Quarter: Sales of 73,949t of concentrate (dry) containing 17,788t of copper (17,069t payable) and 11,689oz of gold (10,934oz payable)
- ▶ FY2019: Sales of 282,928t of concentrate (dry) containing 67,967t of copper (65,074t payable) and 42,269oz of gold (39,265oz payable)
- ▶ 7 shipments completed for the Quarter; 27 shipments for the year
- ▶ FY2019 revenue \$592M – net of treatment and refining charges (unaudited and subject to reconciliation adjustments)



Operations – Unit Operating Costs

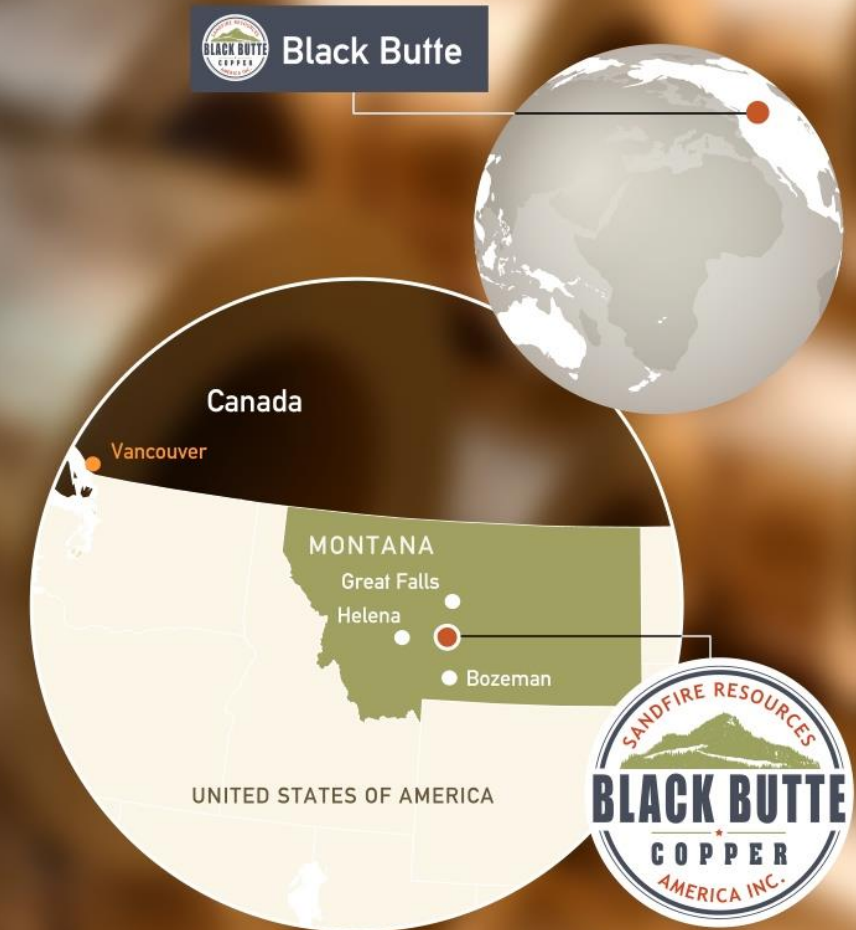


Unit operating costs	Q4 FY2019 (US\$/lb)	YTD FY2019 (US\$/lb)	Commentary
Mining (net of development)	0.40	0.40	<p>C1 cost guidance for FY2020 is expected to rise to US\$0.90-\$0.95/lb, impacted by:</p> <ul style="list-style-type: none"> - Reduction with increased copper production - Increase with higher number of stopes and DeGrussa mine void paste fill - Increase with first half Monty mining costs below LOM head grade - Increase with DeGrussa mining scale for total 1.6Mtpa target plant throughput inclusive of Monty - Increase with reduced gold production and resulting by-product credits - Guidance set at FX AU:US \$0.70 <p>FY2019: US\$0.21/lb of transport, treatment and refining operating costs relate to treatment and refining charges</p> <p>FY2019: DeGrussa Mine development \$33M - unaudited (FY2020 Guidance: \$38M)</p> <p>FY2019: Monty Mine development \$21M – unaudited (FY2020 Guidance: \$46M)</p> <p>FY2019: Sustaining and strategic capital \$36M - unaudited (FY2020 Guidance: \$12M)</p> <p>FY2019: Depreciation and amortisation \$140M – unaudited</p> <p>FY2019: Exploration and evaluation expenditure \$55M (Group) - unaudited, across Greater Doolgunna Projects; Australian and International Projects, including JV with White Rock Minerals Ltd; and Butte Copper Project</p> <p>FY2019: Tax payments \$82M</p>
Processing	0.24	0.28	
Business services	0.10	0.11	
Transport, treatment and refining	0.44	0.44	
C1 cost (pre by-product credit)	1.16	1.22	
By-product credit (gold and silver)	(0.43)	(0.39)	
C1 cost	0.74	0.83	
Royalties	0.15	0.15	
Production cost	0.89	0.98	
Depreciation and amortisation	0.84	0.68	
Total production cost	1.73	1.66	

Development and Growth – Black Butte Copper Project, USA



- ▶ 86% stake in Black Butte Copper Project, central Montana (via stake in Sandfire Resources America Inc.)
- ▶ 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)*
- ▶ Draft Environmental Impact Statement (EIS) completed and public comment period closed
- ▶ Final stage of state permitting process nearing completion
- ▶ Feasibility Study progressing well across key areas
 - Resource Modelling
 - Geotech and metallurgical drilling and testwork
 - Mine planning
 - Processing plant and paste plant design
 - Site facilities and infrastructure



* Refer release “Sandfire Group JORC Mineral Resource and Ore Reserve Statement” (dated 19 October 2017) and associated disclosures.

Doolgunna Exploration Overview



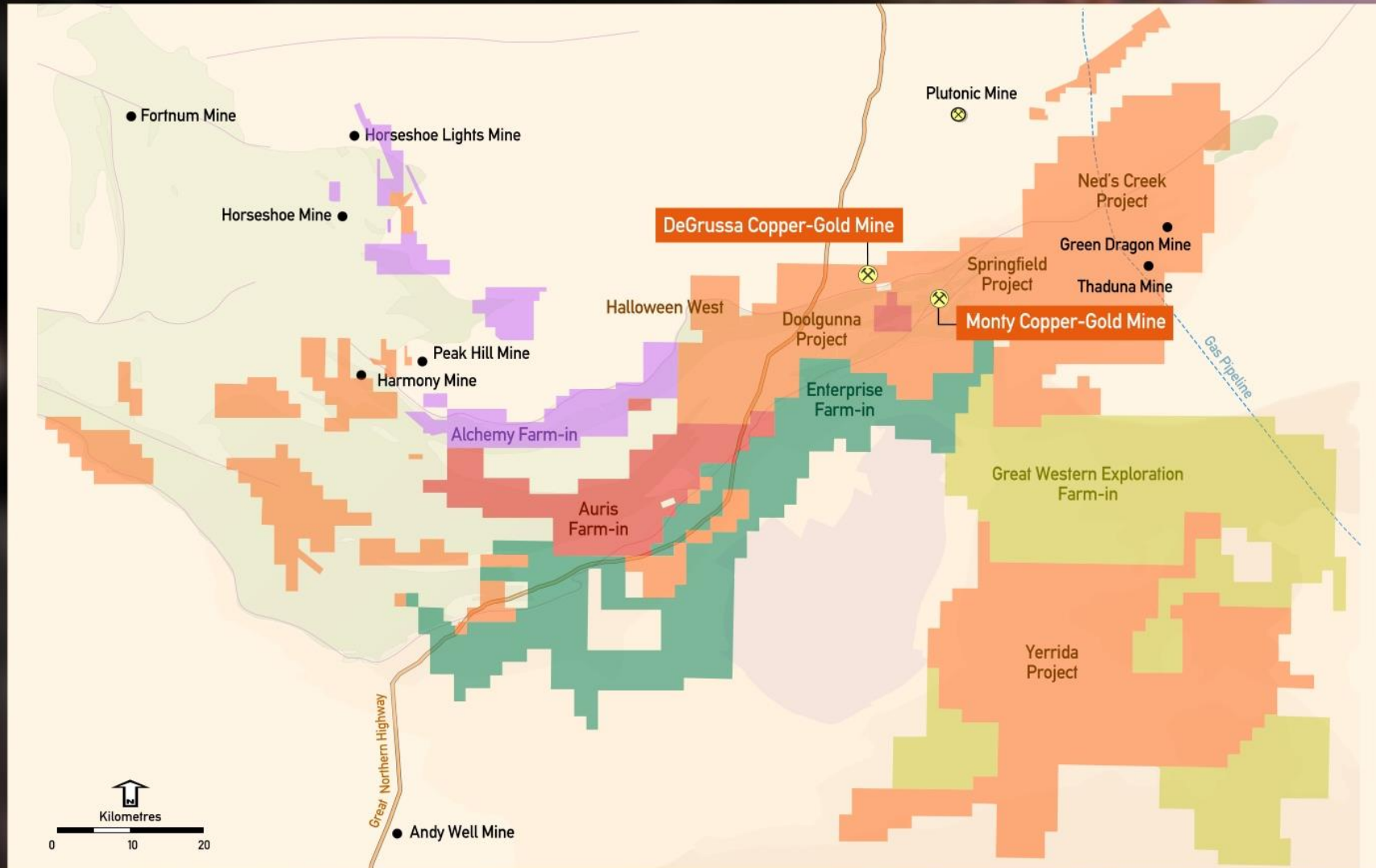
- ▶ Exploration continuing as a priority along highly prospective VMS corridor that hosts the DeGrussa and Monty deposits.
 - Continuation of major regional AC drilling programs to aid geological interpretation and provide quality geochemical coverage.
 - RC and DD at Morck Well targeting MLEM geophysical anomaly and to investigate anomalous geochemical results from AC drilling.
 - Completion of regional round Gravity Surveys across the district.
 - Commencement of an extensive evaluation of the Peak Hill Project (Alchemy Resources Ltd Earn in JV) including:
 - Moving Loop Ground EM surveys of the prospective corridor;
 - Major initial AC program; and
 - Follow up RC and DD drilling.



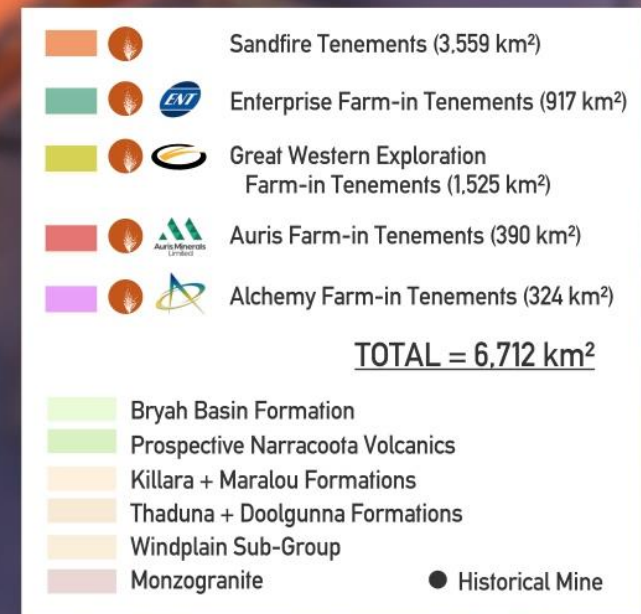
Doolgunna Exploration Overview



- ▶ Exploration advancing at multiple prospects within Greater Doolgunna area



- ▶ 62,745m AC/RAB drilling
- ▶ 13,421m RC drilling
- ▶ 22 506m UG DD drilling
- ▶ 451m surface DD drilling



Summary & Outlook



▶ Production and cost performance:

- FY2019: 69,394t of contained copper and 44,455oz of contained gold produced; C1 US\$0.83/lb;
- FY2020 guidance: 70-75kt of contained copper and 38-42koz of contained gold; C1 costs US\$0.90-0.95; and
- Monty high grade ore on stream.

▶ Draft EIS finalised for 86%-owned Black Butte Copper Project, USA and closed for public comment; Feasibility Study progressing well

▶ Scheme of Arrangement to acquire MOD Resources Limited

▶ Active exploration underway targeting the next VMS discovery across the emerging Bryah Basin VMS district





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