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ASX Release

OZ Minerals acquires major stake in Sandfire Resources



OZ Minerals is pleased to announce that it has acquired approximately 25.8m shares representing approximately 19% of Australian listed Sandfire Resources NL. This is considered a strategic investment which provides exposure to Sandfire's high quality Doolgunna project located in Western Australia.

The acquisition of the stake was completed today with the majority purchased from a small number of high net worth / institutional investors and the balance from on-market purchases. The total consideration for the purchase was approximately A\$100 million.

Commenting on the transaction, OZ Minerals' Managing Director Terry Burgess said, "While the Doolgunna project is still at a relatively early stage, we have been impressed by the work undertaken by the Sandfire team and we hope to be able to work constructively with them in maximising the full value of this asset. Given the size of the stake, OZ Minerals is formally requesting a seat on the Sandfire Board of Directors. We are particularly excited by the exploration potential of the project. Doolgunna appears to represent the discovery of a new high grade copper deposit with considerable upside yet to be realised."

Head of Business Development for OZ Minerals, Richard Hedstrom added, "Whilst we will not be rushed into making important investment decisions for our stakeholders, our significant cash balance does give us the ability to move quickly on opportunities, such as the Sandfire equity stake, as and when they arise. Our intention is to maintain the interest in Sandfire at this level, at this stage. This acquisition is in line with the Company's previously stated strategy of investing in promising copper assets."

The Sandfire equity stake forms part of the growing portfolio of assets within OZ Minerals, centred on the Prominent Hill copper-gold mine in South Australia. Supplementing this is an extensive exploration effort around the Prominent Hill copper mine and in the broader Prominent Hill region, as well as exploration interests in Cambodia, Australia and Mexico.

The OZ Minerals stake in Sandfire complements other such strategic equity stakes, including IMX and Toro, a complete list of which is on the OZ Minerals web site.

OZ Minerals was advised by Argonaut.

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