

12 March 2010

The Manager
Company Announcements Office
ASX Limited

SANDFIRE RESOURCES NL – SHARE PURCHASE PLAN (SPP)

Sandfire Resources NL (ASX: SFR) has today commenced dispatch of the attached Share Purchase Plan documentation to eligible shareholders.

Important dates of the SPP (which are subject to change at the discretion of Sandfire Resources NL) are as follows:

Record date:	7.00pm (Sydney time) 2 March 2010
Offer opens:	12 March 2010
Offer closes:	5.00pm (Perth time) 9 April 2010
Allotment date:	19 April 2010
Trading date:	21 April 2010
Dispatch of confirmations of allotment:	22 April 2010

Yours sincerely



Matthew Fitzgerald
Company Secretary



SANDFIRE RESOURCES NL

Share Purchase Plan Offer

This document is dated 12 March 2010.

Sandfire Resources NL ABN 55 105 154 185

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This is an important document. Please read it carefully before making an investment decision in relation to the SPP Offer.

This document does not provide financial advice and has been prepared without taking into account your particular objectives, financial situation or needs. You should consider the appropriateness of participating in the SPP Offer having regard to your objectives, financial situation and needs. You are encouraged to obtain independent advice before deciding whether to participate in the SPP Offer.



12 March 2010

Dear Shareholder

I am pleased to invite you to participate in the Sandfire Resources NL (**Sandfire**) Share Purchase Plan offer (the **SPP Offer**) to raise up to \$15 million. The SPP Offer provides each eligible shareholder with an opportunity to apply for up to \$15,000 of new fully paid ordinary shares in Sandfire (**New Shares**), without paying brokerage or other transaction costs, on the terms and conditions of the SPP Offer.

On 26 February 2010, Sandfire announced that it had completed a \$51.6 million share placement (**Placement**). Settlement of that part of the Placement made to institutional and sophisticated investors occurred on 4 March 2010 raising \$42.5 million. The remaining part of the Placement was made to Sandfire's major shareholder, POSCO Australia Pty Ltd (**POSA**), and remains conditional on POSA obtaining Foreign Investment Review Board approval.¹

As announced on 25 February 2010, Sandfire also intends making an approximately \$2.6 million non-underwritten placement, conditional upon shareholder approval, to allow interests associated with Sandfire Non-Executive Director, John Hutton, to maintain their percentage shareholding in Sandfire.

The SPP Offer provides eligible shareholders with an opportunity to participate in the equity raising by Sandfire at a price no greater than the issue price under the Placement.

Participation in the SPP Offer is optional and is open to eligible shareholders who, as at 7.00pm (Sydney time) on 2 March 2010, were registered as holders of fully paid ordinary Sandfire shares and whose address on the share register is in Australia or New Zealand. The SPP Offer is also being extended to eligible shareholders who are custodians to participate in the SPP Offer on behalf of certain beneficiaries on the terms and conditions of the SPP Offer.

New Shares issued under the SPP Offer are expected to be allotted on 19 April 2010 and will rank equally with shares on issue from that date. Trading in New Shares on the Australian Securities Exchange (**ASX**) is expected to commence on 21 April 2010.

Purpose of the SPP Offer

The proceeds from the equity raising (comprising the Placement and the SPP Offer) will be applied towards:

- completing a feasibility study, seeking approvals and other pre-development activities for a copper-gold mine at the DeGrussa Project, part of Sandfire's 100%-owned Doolgunna Project in Western Australia;
- continuing aggressive exploration at Doolgunna and other regional exploration targets within this emerging copper-gold mineralised province; and
- progressing exploration across Sandfire's portfolio of base metal and gold projects in the Northern Territory and Western Australia.

¹ Shareholder approval of the placement to POSA is not required.

Key elements of the SPP Offer

The SPP Offer price per share will be the lesser of:

- \$3.20, being the issue price under the Placement; and
- a 2.5% discount to the volume weighted average price of Sandfire ordinary shares traded on ASX over the 5 trading days up to, and including, the day on which the SPP Offer is scheduled to close (being 5.00pm (Perth time) on 9 April 2010) rounded down to the nearest cent.

This means that you will pay no more than \$3.20 for each New Share issued under the SPP Offer.

Sandfire is seeking to raise up to \$15 million under the SPP Offer. Proceeds from the SPP Offer will be capped at \$15 million and Sandfire will scale back applications on a pro rata basis if they exceed \$15 million in aggregate. Full details of the SPP Offer are set out in the attached SPP Offer document.

How to apply

The SPP Offer opens on 12 March 2010. To participate in the SPP Offer, you must:

- complete and return your Application Form, together with your cheque, bank draft or money order drawn on an Australian bank in Australian dollars; or
- pay directly by **BPAY**^{®2} via the internet or telephone banking (for shareholders with an eligible Australian bank account only),

in accordance with the instructions contained in the SPP Offer Document and Application Form, by no later than close of the SPP Offer at 5.00pm (Perth time) on 9 April 2010.

The SPP Offer does not take into account the individual investment objectives, financial situation or particular needs of any person. You should consider seeking independent advice before making a decision as to whether or not to participate in the SPP Offer.

I encourage you to carefully read the attached SPP Offer Document. Should you require further assistance, please call Sandfire's share registry, Security Transfer Registrars Pty Ltd, Monday to Friday, 8.00am – 5.00pm (Perth time) on + 61 8 9315 2333.

Yours sincerely

Karl Simich
Acting Chairman and Chief Executive Officer

This document does not constitute an offer to sell, or a solicitation of an offer to buy, securities in the United States or to any person that is, or is acting for the account or benefit of, a "U.S. person" (as defined in Regulation S under the U.S. Securities Act of 1933, as amended (the "U.S. Securities Act") ("U.S. Person")). This document may not be distributed or released in the United States or to, or for the account or benefit of, any U.S. Person. The securities to be issued in the SPP Offer have not been and will not be registered under the U.S. Securities Act, or under the securities laws of any state or other jurisdiction of the United States. Accordingly, the securities in the SPP Offer may not be offered, or sold, directly or indirectly, within the United States or to, or for the account or benefit of, U.S. Persons, except in a transaction exempt from, or not subject to, the registration requirements of the U.S. Securities Act and applicable U.S. state securities laws.

² © registered to BPAY Pty Limited ABN 69 079 137 518.

SPP Offer Document

Eligible shareholders each have the opportunity to participate in the Share Purchase Plan offer (**SPP Offer**) by subscribing for up to \$15,000 of new fully paid ordinary shares in Sandfire (**New Shares**) at the SPP Offer price without incurring brokerage or other transaction costs. Details of the SPP Offer and how to participate are set out below.

Sandfire is seeking to raise up to \$15 million under the SPP Offer. Proceeds from the SPP will be capped at \$15 million and Sandfire will scale back applications on a pro rata basis if they exceed \$15 million in aggregate.

On 26 February 2010, Sandfire announced that it had completed a \$51.6 million share placement (**Placement**). Settlement of that part of the Placement made to institutional and sophisticated investors occurred on 4 March 2010 raising \$42.5 million. The remaining part of the Placement was made to Sandfire's major shareholder, POSCO Australia Pty Ltd (**POSA**), and remains conditional on POSA obtaining Foreign Investment Review Board approval.³

As announced on 25 February 2010, Sandfire also intends making an approximately \$2.6 million non-underwritten placement, conditional upon shareholder approval, to allow interests associated with Sandfire Non-Executive Director, John Hutton, to maintain their percentage shareholding in Sandfire.

The SPP Offer provides eligible shareholders with an opportunity to participate in the equity raising by Sandfire at a price no greater than the issue price under the Placement.

SPP Offer key dates

Event	Date
Record date	7.00pm (Sydney time) 2 March 2010
Offer opens	12 March 2010
Offer closes	5.00pm (Perth time) 9 April 2010
Allotment date	19 April 2010
Trading date	21 April 2010
Dispatch of confirmations of allotment	22 April 2010

Note: Sandfire has the discretion to alter these key dates

Who is an eligible shareholder?

You are eligible to participate in the SPP Offer (an **Eligible Shareholder**) if you were a registered holder of fully paid ordinary Sandfire shares (**Shares**) at 7.00pm (Sydney time) on 2 March 2010 (the **Record Date**) with an address on the share register in Australia or New Zealand, provided that you are not in the United States, or a U.S. Person (as defined below), or acting for the account or benefit of a U.S. Person, subject to the terms and conditions of the SPP Offer. Sandfire has determined that it is not practical for holders of Shares with addresses on the share register in other jurisdictions to participate in the SPP Offer. (See "Foreign securities restrictions" below for more information on restrictions on participation.)

³ Shareholder approval of the placement to POSA is not required.

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How much can Eligible Shareholders apply for under the SPP Offer?

Each Eligible Shareholder may participate in the SPP Offer in \$5,000 increments from a minimum of \$5,000 up to the maximum of \$15,000 (subject to scale back).

Participation by Eligible Shareholders

The following rules apply to participation by Eligible Shareholders in the SPP Offer:

Single holders – If you are the registered holder of Shares and you receive more than one offer under the SPP Offer (for example, due to multiple registered holdings, including joint holdings), you may only apply for up to \$15,000 of New Shares in total.

Joint holders – If you are recorded with one or more other persons as the joint holder of Shares, that joint holding is considered to be a single registered holding for the purpose of the SPP Offer and a certification given by any of the joint holders is taken to be a certification given by all of them. A joint holder who receives more than one SPP Offer due to multiple registered holdings (including both sole and joint holdings), may only apply for up to \$15,000 of New Shares in total.

Custodians – The SPP Offer also enables Eligible Shareholders who hold Shares as a "custodian" to participate in the SPP Offer on behalf of each beneficiary on whose behalf the custodian is holding Shares up to a maximum amount of \$15,000 of New Shares for each beneficiary.

Under ASIC Class Order [CO 09/425] (and any relevant applicable ASIC relief) you are a custodian if:

- you hold an Australian financial services licence that:
 - covers the provision of a custodian or depository service; or
 - includes a condition requiring the holder to comply with the requirements of ASIC Class Order [CO 02/294]; or
- you are exempt under:
 - paragraph 7.6.01(1)(k) of the Corporations Regulations 2001; or
 - ASIC Class Order [CO 05/1270] to the extent that it relates to ASIC Class Order [CO 03/184],

from the requirements to hold an Australian financial services licence for the provision of a custodial or depository service.

If a custodian holds Shares jointly on behalf of 2 or more persons, the \$15,000 limit applies jointly in relation to those persons as if the custodian held the Shares on behalf of a single person, and the custodian is taken to have been instructed to apply for New Shares on behalf of those persons if the custodian has received such an instruction in accordance with the terms on which the Shares are held, or if the terms do not cover the giving of instructions of this kind, the custodian has received such an instruction from any of those persons.

Custodians wishing to participate on behalf of one or more beneficiaries must submit a custodian certificate to Sandfire. If you are a custodian and did not receive a custodian certificate, please contact Sandfire's share registry, Security Transfer Registrars Pty Ltd (**Share Registry**), to obtain further information on how to apply and the form of certification to be given to Sandfire. **Do not return the enclosed Application Form if you wish to apply as a custodian.**

Eligible Shareholders who hold Shares in the capacity of a trustee or a nominee (or in another capacity) for another person but who are not a custodian (as defined above) cannot participate for beneficiaries in the manner outlined above. In this case, the rules for "Single holders" (above) apply.

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Custodians must not distribute any documents relating to the SPP Offer to any person in the United States or to any U.S. Person (as defined below).

See "Foreign securities restrictions" below for more information on restrictions on participation.

How to apply for New Shares under the SPP Offer

The SPP Offer opens on 12 March 2010 and under the SPP Offer you may apply for New Shares in \$5,000 increments from a minimum of \$5,000 up to the maximum of \$15,000 (subject to any scale back).

If you are an Eligible Shareholder and wish to apply for New Shares under the SPP Offer, you can either:

- complete the enclosed Application Form and return it together with your cheque, bank draft or money order made payable to "Sandfire Resources NL" drawn on an Australian bank and in Australian dollars, by post to the Share Registry such that your application and payment are received no later than 5.00pm (Perth time) on 9 April 2010; or
- for shareholders with an Australian bank account, make a BPAY payment on the internet or by telephone banking by using the personalised customer reference number shown on your Application Form which is required to identify your holding. If you make your payment using BPAY, you do not need to return your Application Form, but are taken to make the certifications and representations described in this booklet and on the Application Form. If applying by BPAY, you need to ensure your payment is received by the Share Registry by no later than 5.00pm (Perth time) 9 April 2010. Applicants should be aware that their own financial institution may implement early cut off times with regards to electronic payment, and therefore should take this into consideration when making payment. It is the responsibility of the applicant to ensure that funds submitted through BPAY are received by the close of the SPP Offer.

Custodians wishing to apply on behalf of one or more beneficiaries should contact the Share Registry for more details (see below for contact details for the Share Registry). If you wish to apply as a custodian, an alternative form will be provided if requested by you for this purpose.

Applicants should not forward cash. Receipts for payment will not be issued. Applications will not be accepted at the Share Registry's or Sandfire's offices.

Applications and payments must be received by 5.00pm (Perth time) on 9 April 2010. Applications and payments received after that time will not be accepted.

Applications may only be made for parcels of New Shares in \$5,000 increments from a minimum of \$5,000 up to the maximum of \$15,000. If the amount of the cheque, bank draft or money order tendered with your Application Form or your BPAY payment is:

- less than \$5,000 – Sandfire will not allot any New Shares to you and will refund your application money to you;
- greater than \$15,000 – subject to scale back, Sandfire will allot \$15,000 of New Shares to you at the SPP Offer price and will refund the excess application money to you; or
- for an amount between \$5,000 and \$15,000 that is not a multiple of \$5,000 – subject to scale back, Sandfire will allot to you the number of New Shares that would have been allotted had you applied for a multiple of \$5,000 that is nearest to but less than the amount of your payment, and will refund the excess application money to you.

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If your cheque does not clear, your application will not be accepted and you agree to be responsible for any dishonour fees or other costs incurred. If your cheque is dishonoured, it will not be re-presented.

If your Application Form is incomplete, contains errors or is otherwise invalid or defective, Sandfire may, in its sole discretion, accept, reject, correct or amend your application, issue such number of New Shares to you as it determines, refund your application money, or take any combination of these actions. Any refund will be paid to you shortly after the allotment of New Shares under the SPP Offer. No interest will be paid to applicants on any refunded money.

Any application monies refunded by Sandfire will be paid by cheque or such other payment method as determined by Sandfire in its absolute discretion in Australian currency.

Applications and payments under the SPP Offer may not be withdrawn once they have been received by Sandfire. Application money will not bear interest as against Sandfire under any circumstances. Please read the enclosed SPP Offer Application Form for further details of how to apply for New Shares under the SPP Offer.

Participation is optional

Participation in the SPP Offer is entirely optional (subject to the eligibility criteria set out in this document). The offer to acquire New Shares is not a recommendation. If you are in any doubt about the SPP Offer, whether you should participate in the SPP Offer or how participation will affect you, you should consider seeking independent financial and taxation advice before making a decision as to whether or not to accept the SPP Offer. Sandfire also recommends that you monitor the Sandfire Share price, which can be found on Sandfire's website at www.sandfire.com.au or in the financial pages of major Australian metropolitan newspapers, or on the Australian Securities Exchange (**ASX**) website at www.asx.com.au (ASX code: SFR). If you do not wish to participate in the SPP Offer, you do not need to do anything.

Applications may be scaled back

Sandfire is seeking to raise up to \$15 million under the SPP Offer. Proceeds from the SPP will be capped at \$15 million and Sandfire will scale applications on a pro rata basis if they exceed \$15 million in aggregate.

If there is a scale back you may receive less than the parcel of New Shares for which you have applied. If a scale back produces a fractional number of New Shares when applied to your parcel, the number of New Shares you will be allocated will be rounded up to the nearest whole number of New Shares.

In the event of a scale back, the difference between the application monies received, and the number of New Shares allocated to you multiplied by the SPP Offer price, will be refunded to you.

Offer price

Under the SPP Offer, Eligible Shareholders have an opportunity to subscribe for up to \$15,000 of New Shares at the SPP Offer price, being the lesser of:

- \$3.20, being the issue price under the Placement; and
- a 2.5% discount to the volume weighted average price of Sandfire Shares traded on ASX over the 5 trading days up to, and including, the day on which the SPP Offer is scheduled to close (being 5.00pm (Perth time) on 9 April 2010), rounded down to the nearest cent.

Therefore, the maximum price that Eligible Shareholders will pay is \$3.20 per New Share. Sandfire will determine the final SPP Offer price after the SPP Offer closes at 5.00pm (Perth time) on 9 April 2010.

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You should note that Sandfire's Share price may rise or fall between the date of this SPP Offer document and the date when the New Shares are allotted and issued to you under the SPP Offer. This means that the price you pay per New Share pursuant to this SPP Offer document may be either higher or lower than the Sandfire Share price at the date of this SPP Offer document or at the date the New Shares are issued and allotted to you under the SPP Offer. Please refer to the information under "Participation is optional" about how to monitor current trading prices of Sandfire Shares.

Calculation of the number of New Shares to be issued to you

In the absence of scale back (or any of the circumstances specified on page 5 under "How to apply for New Shares under the SPP Offer"), the number of New Shares to be issued to you will be calculated by dividing the application money that you pay by the SPP Offer price, with any resulting fractions of a New Share being rounded up to the nearest whole number of New Shares.

Allotment and trading dates

New Shares are expected to be allotted under the SPP Offer on 19 April 2010 and are expected to commence trading on ASX on 21 April 2010.

Sandfire expects to dispatch a confirmation of allotment in respect of any New Shares allotted to you under the SPP Offer on 22 April 2010. You should confirm your holding before trading in any New Shares you believe have been allotted to you under the SPP Offer.

Foreign securities restrictions

To the extent that you hold Shares on behalf of another person resident outside Australia or New Zealand, it is your responsibility to ensure that any participation complies with all applicable foreign laws.

In particular, the New Shares to be issued under this SPP Offer have not been, and will not be, registered under the U.S. Securities Act of 1933, as amended (the **U.S. Securities Act**), or the securities laws of any state or other jurisdiction of the United States.

In order to comply with relevant securities laws, the New Shares to be issued under this SPP Offer may not be offered, sold, or otherwise transferred to shareholders located in the "United States" or to shareholders who are, or who are acting for the account or benefit of, "U.S. persons". As used herein, the terms "United States" and "U.S. persons" are as defined in Regulation S under the U.S. Securities Act (**United States** and **U.S. Person**, respectively).

Because of these legal restrictions, you must not send copies of this document or any other material relating to the SPP Offer to any person in the United States or who is, or is acting for the account or benefit of, a U.S. Person.

Consistent with the warranties contained in this document and the Application Form included with this document, you may not submit any completed Application Forms for any person in the United States or who is, or is acting for the account or benefit of, a U.S. Person. Failure to comply with these restrictions may result in violations of applicable securities laws.

The New Shares are not being offered or sold to the public within New Zealand other than to existing shareholders of the Company with registered addresses in New Zealand to whom the offer of New Shares is being made in reliance on the Securities Act (Overseas Companies) Exemption Notice 2002 (New Zealand).

This document has not been registered, filed with or approved by any New Zealand regulatory authority under the Securities Act 1978 (New Zealand). This document is not an investment statement or prospectus under New Zealand law and is not required to, and may not, contain all the information that an investment statement or prospectus under New Zealand law is required to contain.

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Acknowledgements

By making payment (including through BPAY) or returning an Application Form or custodian application form, you certify, acknowledge, warrant and represent as true, correct and not misleading to Sandfire that:

- you have read and accepted the terms and conditions in this booklet in full;
- you declare that all details and statements in your application are true and complete and not misleading;
- your application, on the terms and conditions of the SPP Offer set out in this booklet (including the Application Form and custodian application form), will be irrevocable and unconditional (that is, it cannot be withdrawn);
- as at 7.00pm (Sydney time) on 2 March 2010, you are recorded on Sandfire's Share register as being a registered holder of Shares and having an address in Australia and New Zealand;
- if you have a registered address in New Zealand, you continue to hold Shares as at opening of the SPP Offer on Friday, 12 March 2010;
- you, and each person for whose account or benefit you are acting, are not in the United States and are not a U.S. Person, or acting for the account or benefit of a U.S. Person;
- you acknowledge that the New Shares have not, and will not be, registered under the U.S. Securities Act or the securities laws of any state or other jurisdiction of the United States, and accordingly, the New Shares may not be offered, sold or otherwise transferred except in a transaction exempt from, or not subject to, the registration requirements of the Securities Act and applicable U.S. state securities laws;
- you represent that you have not, and you agree that you will not, send any materials relating to the SPP Offer to any person in the United States or to any person who is, or is acting for the account or benefit of, a U.S. Person;
- if you are applying on your own behalf (and not as a custodian):
 - the total of the application price for the following does not exceed \$15,000:
 - the New Shares the subject of the application; and
 - any other New Shares issued to you under the SPP Offer or any similar arrangement in the 12 months before the application (Note: Sandfire has not conducted a similar arrangement in the prior 12 months); and
 - any other New Shares which you have instructed a custodian to acquire on your behalf under the SPP Offer; and
 - any other Shares issued to a custodian in the 12 months before the application as a result of an instruction given by you to the custodian to apply for Shares on their behalf under an arrangement similar to the SPP Offer (Note: Sandfire has not conducted a similar arrangement in the prior 12 months);
- if you are a custodian and are applying on behalf of one or more beneficiaries on whose behalf you hold Shares:
 - you are custodian (as that term is defined in ASIC Class Order [CO 09/425]);

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- you held Shares on behalf of one or more beneficiaries as at 7.00pm (Sydney time) on 2 March 2010, who have subsequently instructed you to apply for New Shares on their behalf under the SPP Offer;
- there are no participating beneficiaries in respect of which the total of the application price for the following exceeds \$15,000:
 - the New Shares applied for by you on their behalf under the SPP Offer; and
 - any other Shares issued to you in the 12 months before the application as a result of an instruction given by them to you to apply for Shares on their behalf under an arrangement similar to the SPP Offer (Note: Sandfire has not conducted a similar arrangement in the prior 12 months); and
- you certify the additional matters or provide the additional information as might be required under or desirable as a result of any ASIC relief in relation to the SPP Offer as advised to you by Sandfire or the Share Registry before close of the SPP Offer;
- you may be offered New Shares pursuant to the SPP Offer in accordance with all applicable laws, and any acceptance by you on your own behalf or in respect of any person for which you are acting complies with all applicable laws;
- you accept the risk associated with any refund that may be dispatched to you by cheque or other payment method to your address shown on Sandfire's register;
- you are responsible for any dishonour fees or other costs Sandfire may incur in presenting a cheque for payment which is dishonoured;
- you agree to be bound by the provisions of the constitution of Sandfire (as amended and as they may be amended from time to time in the future);
- you authorise Sandfire and their affiliates, officers and representatives to do anything on your behalf necessary for New Shares to be issued to you in accordance with these terms and conditions;
- you authorise Sandfire (and its officers and agents) to correct minor or easily rectified errors in, or omissions from, your application and to complete the application by the insertion of any missing minor detail; and
- Sandfire may at any time irrevocably determine that your application is valid in accordance with these terms and conditions, even if the application is incomplete, contains errors or is otherwise defective.

Additional information

The offer to purchase New Shares under the SPP Offer is non-renounceable. This means that you cannot transfer your right to purchase New Shares under the SPP Offer to anyone else.

No brokerage, commission or other transaction costs are payable by you in respect of the issue of New Shares under the SPP Offer.

All New Shares issued under the SPP Offer will rank equally with existing Shares from the date of issue, and therefore will carry the same voting rights, dividend rights and other entitlements as existing Shares.

This offer of New Shares under the SPP Offer is made in accordance with ASIC Class Order [CO 09/425] and, or, any amending or further applicable modifications of the Corporations Act by ASIC.

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As a consequence, Sandfire is relieved from the requirement to prepare a prospectus for the offer of New Shares under the SPP Offer.

Once submitted, applications for New Shares under the SPP Offer cannot be withdrawn or altered.

Sandfire reserves the right to waive strict compliance with any provision of these terms and conditions, to amend or vary these terms and conditions and to suspend or terminate the SPP Offer at any time. Any such amendment, variation, suspension or termination will be binding on all shareholders even where Sandfire does not notify you of that event.

Sandfire reserves the right not to issue New Shares or to issue New Shares to a value less than that applied for under the SPP Offer by an Eligible Shareholder (including a custodian applying on behalf of its beneficiaries) if Sandfire believes that the issue of those New Shares would contravene any law or the ASX Listing Rules.

If the SPP Offer is terminated before the issue of New Shares, all application monies will be refunded. No interest will be paid on any money refunded to you.

Sandfire may make determinations in any manner it thinks fit, including in relation to any difficulties, anomalies or disputes which may arise in connection with or by reason of the operation of the SPP Offer, whether generally or in relation to any participant or application. Any determinations by Sandfire will be conclusive and binding on all Eligible Shareholders and other persons to whom the determination relates. Sandfire's rights may be exercised its board of directors or any delegate of the board.

All amounts are in Australian dollars, unless otherwise stated.

The SPP Offer is governed by the law in force in Western Australia. By applying for New Shares under the SPP Offer, you submit to the non-exclusive jurisdiction of the courts of Western Australia.

The SPP Offer will not be underwritten.

Further information

If you have any questions in respect of the SPP Offer, please call the Share Registry, Monday to Friday, 8.00am – 5.00pm (Perth time) on +61 8 9315 2333.

PAYMENT INSTRUCTIONS



Biller Code: 117226

BPAY® this payment via internet or phone banking. Your reference number is quoted on the front of this form. Your BPAY® reference number is unique to this offer and is not to be used for any other offer.

Multiple acceptances must be paid separately.

Applicants should be aware of their financial institution's cut-off time (the time payment must be made to be processed overnight) and ensure payment is processed by their financial institution on or before the day prior to the closing date of the offer. BPAY applications will only be regarded as accepted if payment is received by the registry from your financial institution **no later than 5.00pm Perth Time on 9 April 2010**. It is the Applicant's responsibility to ensure funds are submitted correctly by the closing date and time.

You do not need to return this application form if you have made payment via BPAY.

Your BPAY reference number will process your payment to your entitlement electronically and you will be deemed to have applied for such Shares for which you have paid.

By making your payment via BPAY, you will be deemed to have completed this application form in respect of your application and agreed to all of the terms of the SPP including as set out in the SPP Offer Document and this application form."



CHEQUE/MONEY ORDER

All cheques should be drawn on an Australian bank and expressed in Australian currency and crossed "Not Negotiable".

Sufficient cleared funds should be held in your account as your acceptance may be rejected if your cheque is dishonoured.

Cheques or bank drafts drawn on overseas banks in Australian or any foreign currency will NOT be accepted. Any such cheques will be returned and the acceptance deemed to be invalid.

Do not forward cash. Receipts for payment will not be issued.

When completed, this form together with the appropriate payment should be forwarded to the share registry:

Security Transfer Registrars Pty Ltd
PO Box 535, APPLECROSS WA 6953.

Applications must be received by Security Transfer Registrars Pty Ltd no later than 5.00pm Perth Time on 9 April 2010.

ENQUIRIES

All enquiries should be directed to Sandfire's share registry:

Security Transfer Registrars Pty Ltd
PO Box 535, Applecross WA 6953 AUSTRALIA
770 Canning Highway, Applecross WA 6153 AUSTRALIA
Telephone +61 8 9315 2333
Facsimile +61 8 9315 2233
Email registrar@securitytransfer.com.au

CERTIFICATION

By making payment for the application monies, I/we hereby:

1. Acknowledge that I/we have read and understood the Terms of the SPP;
2. Agree to be bound by the Terms of the Constitution of Sandfire and the SPP and make the certifications, acknowledgements, warranties and representations set out in the SPP Offer Document and this Application Form;
3. Agree to accept any lesser number of new Shares that may be allotted to me/us under the terms of the SPP; and
4. I/we am not/are not in the United States and are not a "US person" (as defined in Regulation S under the U.S. Securities Act 1933, as amended)("U.S. Person") and are not acting for the account or benefit of a U.S. Person and I/we have not sent any offering materials relating to the SPP Offer to any such person;
5. (If not a Custodian as defined in ASIC Class Order 09/425) Certify that the amount of Shares subscribed for by me/us pursuant to the SPP does not exceed the maximum amount taking into account the Shares the subject of this application and any other Shares applied for by me/us under the SPP or any other similar arrangement within the 12 months prior to this application including joint and other beneficial interests.

LIMITATION ON PARTICIPATION

The maximum subscription limitation of \$15,000 will apply even if an eligible Shareholder has received more than one form (whether in respect of a joint holding or because the eligible Shareholder has more than one holding under separate Security accounts). Please refer to the SPP Offer Document for further details regarding the limitations on participation in the SPP.

CUSTODIAN CERTIFICATION

If you are a Custodian (as defined in ASIC Class Order 09/425), you must submit a custodian certificate.

If you did not receive a custodian certificate, contact Security Transfer Registrars Pty Limited. If you need further information to determine whether you are a Custodian, refer to the terms and conditions of the SPP which accompany this Application Form or contact Security Transfer Registrars Pty Limited.

Each beneficial owner on whose behalf you are submitting this Application Form must be named in your respective custodian certificate and must be a resident in Australia or New Zealand and not a "US person" (as defined in Regulation S under the U.S. Securities Act 1933, as amended)("U.S. Person") and not acting for the account or benefit of a U.S. Person and you certify that you have not sent any offering materials relating to the SPP Offer to any such person.

PRIVACY STATEMENT

Personal information is collected on this form by Security Transfer Registrars Pty Ltd as the registrar for securities issuers for the purpose of maintaining registers of securityholders, facilitating distribution payments and other corporate actions and communications. Your personal details may be disclosed to related bodies corporate, to external service providers such as mail and print providers, or as otherwise required or permitted by law. If you would like details of your personal information held by Security Transfer Registrars Pty Ltd or you would like to correct information that is inaccurate please contact them at the address on this form.

Custodian certificate and application form 2010 Sandfire Resources NL (Sandfire) Share Purchase Plan (SPP)

Completed form and payment by cheque, bank draft or money order must be received by no later than 5.00pm (Perth time) on 9 April 2010

By making payment, I/we agree to be bound by the Constitution of Sandfire and agree that submission of this payment by me/us constitutes an irrevocable offer by me/us to Sandfire to subscribe for new fully paid ordinary shares in Sandfire (**Shares**) on the terms and conditions of the SPP. In addition, by submitting this form, I/we make the certifications, acknowledgements, warranties and representations set out in the letter and offer document from Sandfire dated 12 March 2010 (**SPP Offer Document**) and certify to Sandfire that:

1. I am/we are a custodian (as that term is defined in ASIC Class Order [CO 09/425])*;
2. I/we wish to purchase Shares under the SPP on behalf of the participating beneficiaries listed below on behalf of whom we held Shares at 7.00pm (Sydney time) on 2 March 2010 (**Record Date**), and pursuant to instructions received from those beneficiaries after the Record Date;
3. I/we certify that there are no participating beneficiaries in respect of whom the total application price exceeds A\$15,000 for Shares I/we have applied for on their behalf under the SPP and any other Shares issued to me/us as custodian in the 12 months before this application as a result of any instruction given by them to me/us to apply for Shares on their behalf under an arrangement similar to the SPP;
4. each beneficial owner on whose behalf I am/we are participating is named below and is resident in Australia or New Zealand and is not a "US person" (as defined in Regulation S under the U.S. Securities Act 1933, as amended)(**U.S. Person**) and is not acting for the account or benefit of a U.S. Person and I/we have not sent any offering materials relating to the SPP to any such person;
5. I am/we are applying for Shares under the SPP on behalf of a total of _____ participating beneficiaries; and
6. the required details for each participating beneficiary are listed below.

Participating beneficiaries

	Name and address of each participating beneficiary**	Number of Shares held on behalf of the participating beneficiary at the date of this application	Number of Shares held on behalf of the participating beneficiary at the Record Date	Dollar (\$) amount of Shares applied for under this SPP (in increments of A\$5,000 up to a maximum of A\$15,000)
1				A\$
2				A\$
3				A\$
4				A\$
5				A\$
6				A\$
7				A\$

* Under ASIC Class Order [CO 09/425], a "custodian" is defined as a registered holder:

- (a) that holds an Australian financial services licence that:
- covers the provision of a custodial or depositary services; or
 - includes a condition requiring the holder to comply with the requirements of ASIC Class Order [CO 02/294]; or
- (b) that is exempt under:
- paragraph 7.6.01(1)(k) of the Corporations Regulations 2001; or
 - ASIC Class Order [CO 05/1270] to the extent that it relates to ASIC Class Order [CO 03/184],

from the requirement to hold an Australian financial services licence for the provision of a custodial or depositary service.

** i.e. each person for whom you held Shares as at the record date of 7.00pm (Sydney time) on 2 March 2010 and who has subsequently instructed you to apply for Shares on their behalf under the SPP.

I/We hereby confirm that I/we understand the procedures for my/our lodgement of completed custodian application form(s) under the SPP and agree to the terms set out in the SPP Offer Document.

Dated _____

Executed on behalf of the Custodian / signed by: **

** Insert appropriate clause.