



December 2021 Quarterly Report Presentation

Karl Simich, Managing Director & CEO
20 January 2022

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1.00pm (AEDT) at the link below:

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All figures are expressed in Australian dollars unless otherwise stated.

This presentation should be read in conjunction with the Company's December 2021 Quarterly Report released today, 20 January 2022.

This presentation is authorised for release by Sandfire's Managing Director and CEO, Mr Karl Simich.

Forward-Looking Statements

This presentation may include forward-looking statements. Forward-looking statements are only predictions and are subject to risks, uncertainties and assumptions which are outside the control of Sandfire. There is continuing uncertainty as to the full impact of COVID-19 on Sandfire's business, the Australian economy, share markets and the economies in which Sandfire conducts business. Given the high degree of uncertainty surrounding the extent and duration of the COVID-19 pandemic, it is not currently possible to assess the full impact of COVID-19 on Sandfire's business or the price of Sandfire securities. Actual values, results or events may be materially different to those expressed or implied in this presentation. Given these uncertainties, recipients are cautioned not to place reliance on forward-looking statements. Any forward-looking statements in this presentation speak only at the date of issue of this presentation. Subject to any continuing obligations under applicable law and the ASX Listing Rules, Sandfire does not undertake any obligation to update or revise any information or any of the forward-looking statements in this presentation or any changes in events, conditions or circumstances on which any such forward-looking statement is based.

Strategy

Our Purpose
'Creating value
through
opportunity'





Highlights

December 2021
Quarter

- **DeGrussa Operations:** 18,675t of contained copper and 8,739oz of contained gold at C1 US\$1.07/lb:
 - **FY2022 production guidance maintained:** 64-68kt Cu and 30-34koz Au
 - **FY2022 C1 cost guidance increased to:** ~US\$1.10-\$1.20/lb
 - Maiden Indicated Mineral Resource estimate complete for the Old Highway Gold Deposit
 - 2.8Mt @ 2.5g/t Au for 223,000oz of contained gold
- **Motheo Production Copper Mine** construction progressing on schedule:
 - Construction activities continued to ramp up with 750 personnel on site
 - Over 1,000m³ of structural concrete was placed during the quarter
 - Mining equipment has arrived on site and is being assembled
 - Definitive Feasibility Study (DFS) for the 5.2Mtpa Motheo expansion is on track to be completed in the June 2022 Quarter.
 - Significantly expanded exploration activity both within the Motheo Expansion Project and high priority exploration targets in regional areas.
- **Transformational acquisition of MATSA:**
 - Spanish Foreign Investment Authority and Competition Authority approvals received satisfying the outstanding conditions precedent to the MATSA Sale and Purchase Agreement (SPA). The transaction is now unconditional and will proceed toward completion on or around 31 January 2022.
- **\$1,654 million (US\$1,202 million) cash holding** at 31 December 2021.

HSEC

The safety, health and wellbeing of our people is integral to our success

Safety, health and wellbeing

- Total Recordable Injury Frequency Rate (TRIFR) of 6.9 at Quarter-end (5.6 at September 2021 Quarter-end).
- Continued focus on employee and contractor health and wellbeing during the COVID-19 pandemic and response.
- Sandfire Beekeeping Capacity Building Initiative hosted local primary school children for practical training on how to inspect and harvest beehives. The program is aimed at imparting learners with skills to enable them to start their own projects.



Qasa the beekeeper explaining the formation of the bee comb to students



Students taking the lead during bee-hive inspection

Doolgunna

Strong
foundations in
Western Australia



DeGrussa Operations (WA)

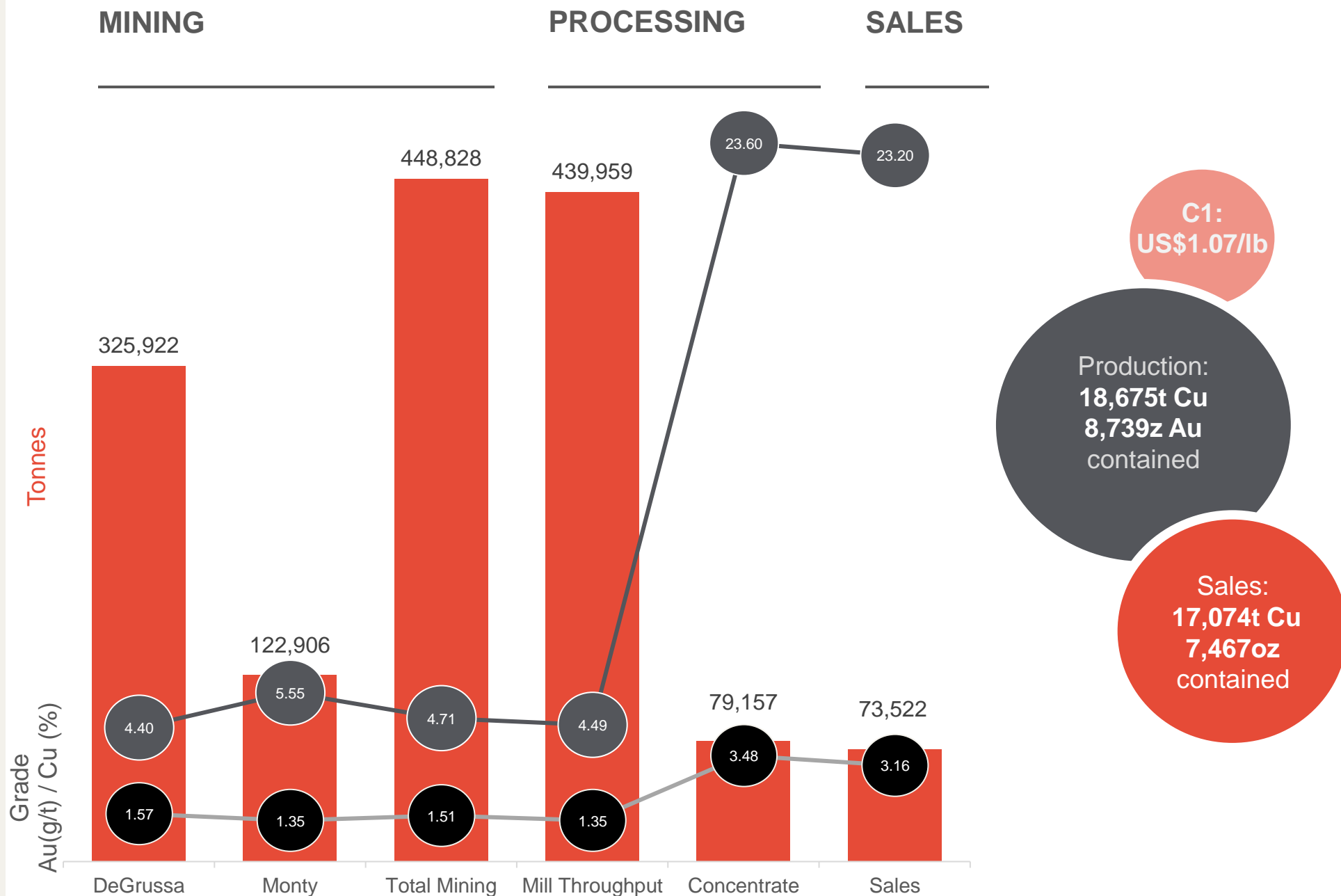
- DeGrussa Copper-Gold Mine
- Monty Copper-Gold Mine

Exploration

- Greater Doolgunna Province, WA
- East Coast Portfolio, NSW

DeGrussa Operations

December Quarter
Physicals



Sandfire DeGrussa Operations | Operating costs and capital

Unit operating costs	Q2 FY2022 (US\$/lb)
Mining	0.47
Processing	0.29
Business services	0.12
Transport Costs	0.40
Treatment and refining	0.19
C1 cost (pre by-product credit)	1.47
By-product credit	(0.40)
C1 cost	1.07
Royalties	0.25
Production cost	1.32
Depreciation and amortisation	0.96
Total production cost	2.28

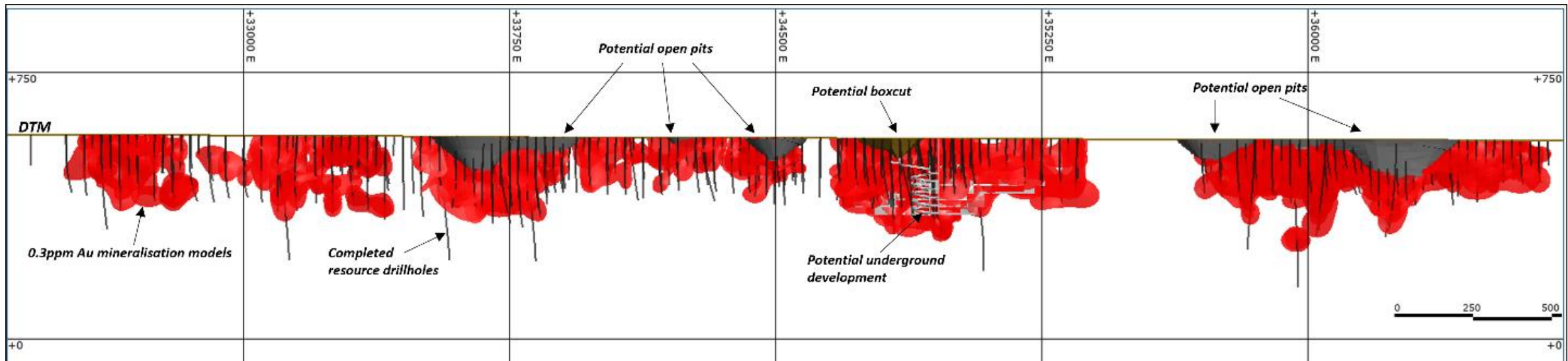
- December Quarter C1 operating costs of US\$1.07/lb remain marginally above budget driven by higher power costs due to diesel price and higher shipping and demurrage aligned with higher market rates.
- December Quarter DeGrussa Mine development \$10M; FY2022 guidance \$41M.
- December Quarter Monty Mine development \$2M; FY2022 guidance \$6M.
- 26,376t of copper concentrate holding at Quarter-end.

Sandfire Doolgunna | Old Highway Gold Deposit Maiden Resource

Maiden Indicated Mineral Resource

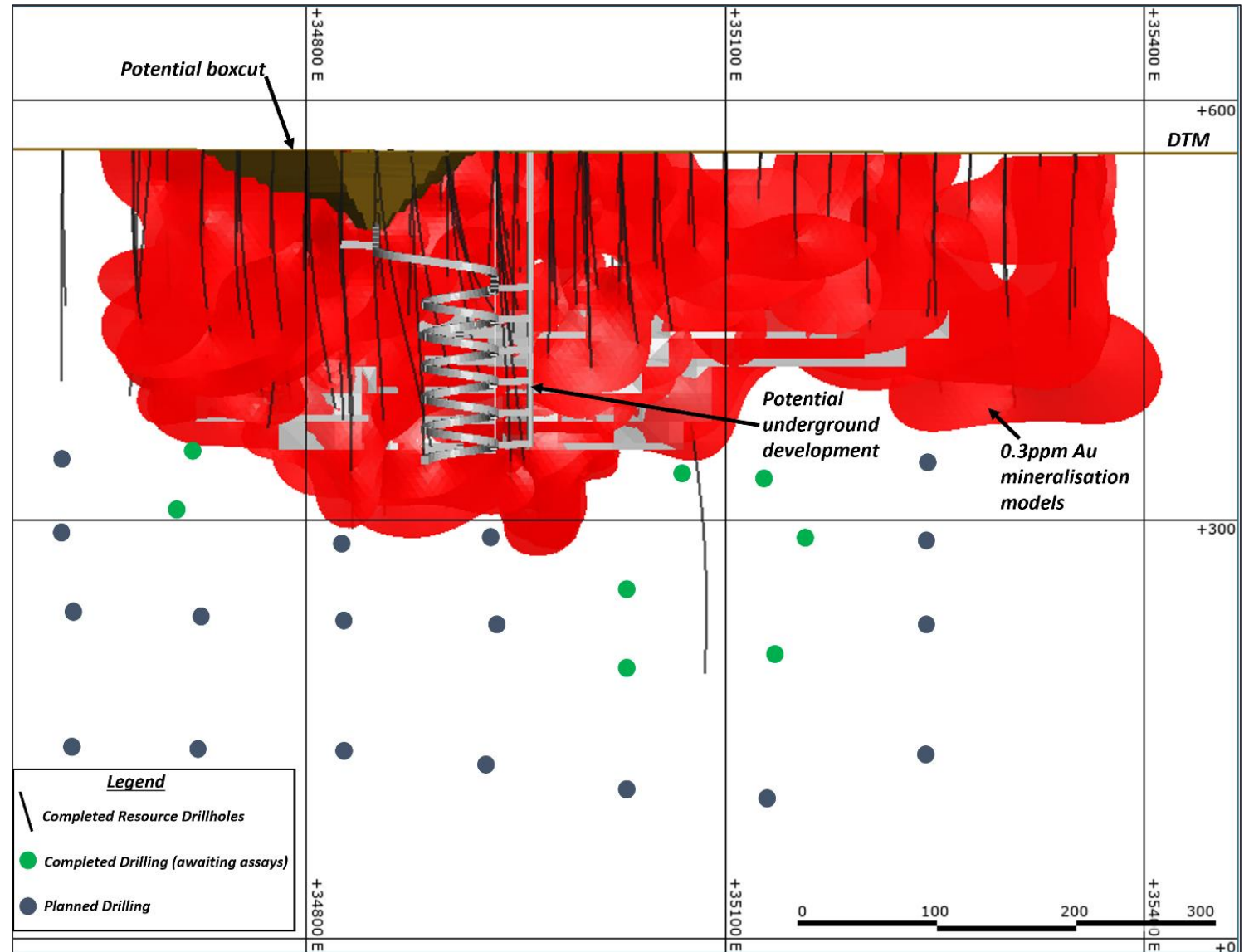
- 2.8Mt at 2.5g/t for 223,000oz of contained gold
- 20km WSW of DeGrussa Copper-Gold Mine
- Drilling continues at Central Deep's with potential to extend underground positions
- Study work continuing to evaluate development options

Area	Resource Category	Cut-off grade (g/t Au)	Tonnes (Mt)	Au (g/t)	Au (koz)
Non-Central Area (Open Pit)	Indicated	0.6	2.3	1.5	113
Central Area (Open Pit)	Indicated	0.6	0.1	2.9	7
Central Area (Underground)	Indicated	2.0	0.3	9.5	102
Grand Total	Indicated		2.8	2.5	223



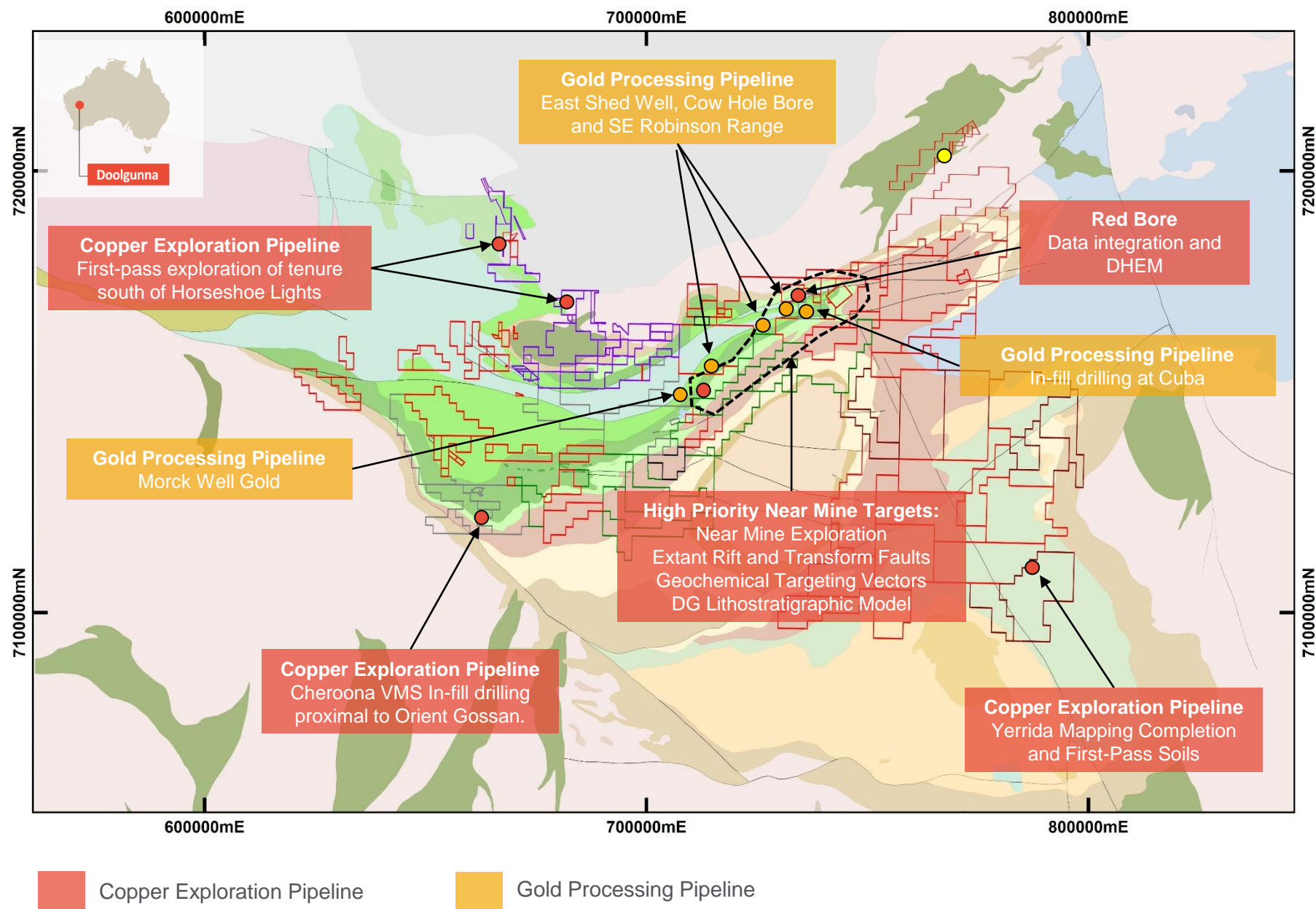
Resource extension drilling underway

- 24 hole ~9,100m diamond drill program commenced, focused on extending the high-grade mineralisation in 'Central Deeps'.
- The deepest holes from this program will test ~200m below the currently defined extent of the mineralisation.
- Eight holes (~3,200m) of this program have been completed to date, the majority of which have intersected quartz veins in the expected position down-dip of the known mineralisation.
- Assay results for these holes are awaited.



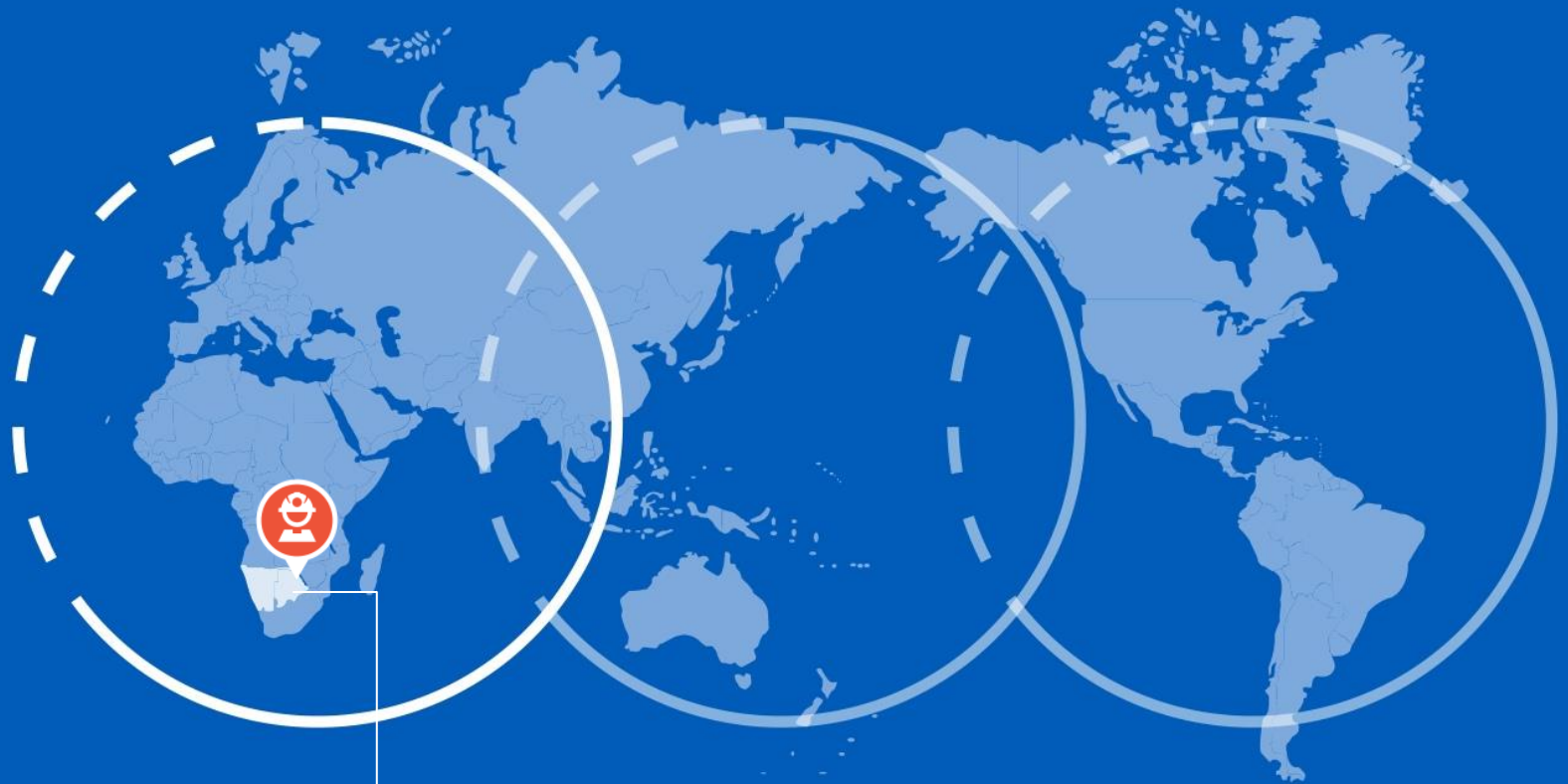
Doolgunna

Dual-track exploration strategy



Kalahari

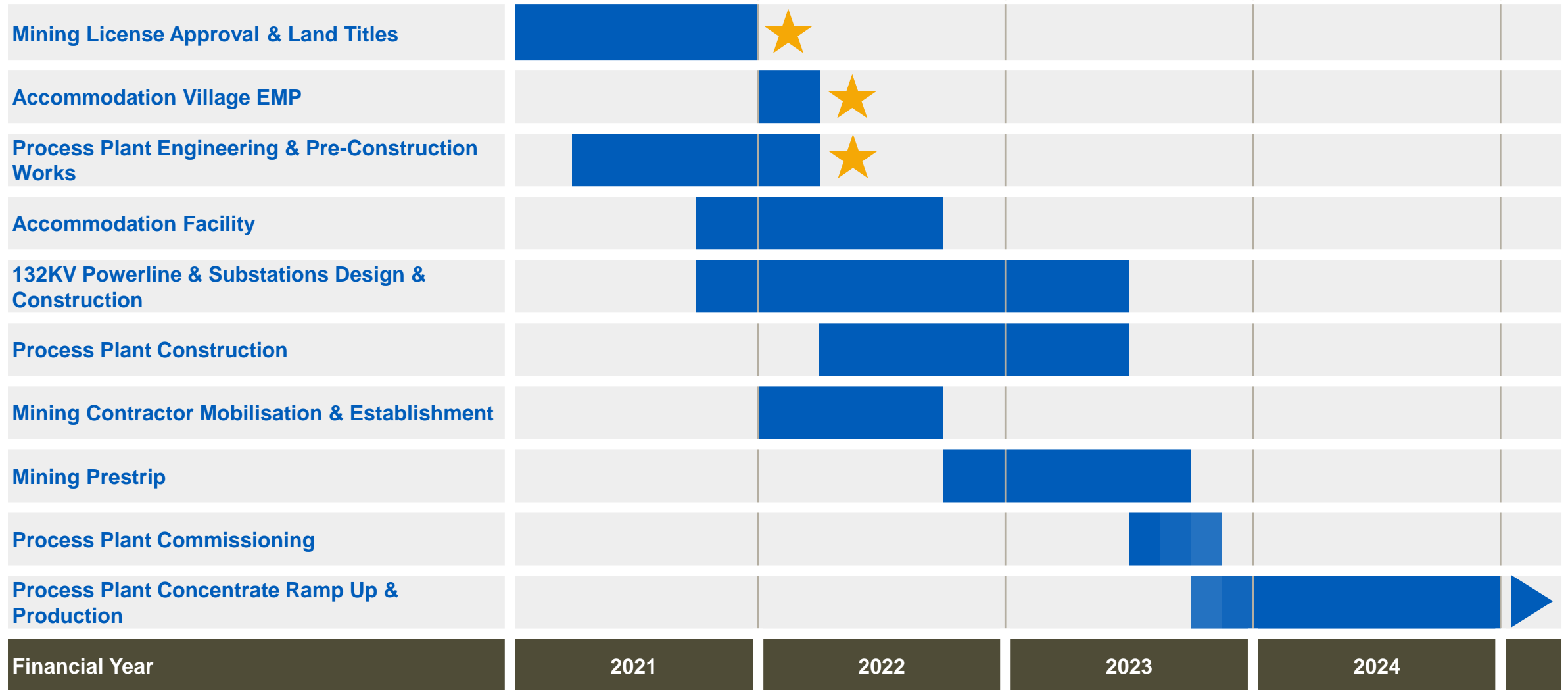
Expanding
horizons in
Botswana and
Namibia



Kalahari (Botswana and Namibia)

- Motheo Copper Mine
- Motheo Expansion Project
- Extensive Kalahari exploration portfolio (Botswana and Namibia)

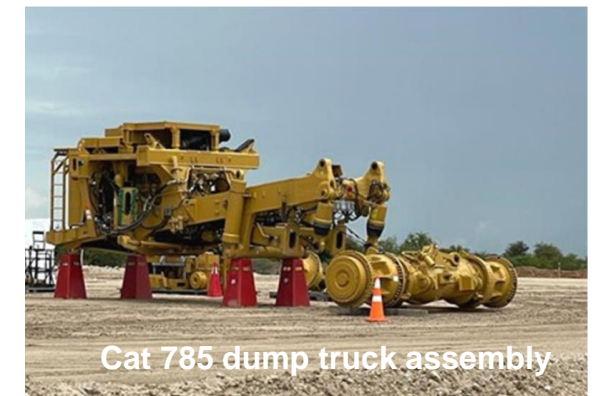
Motheo Copper Mine Development Timeline



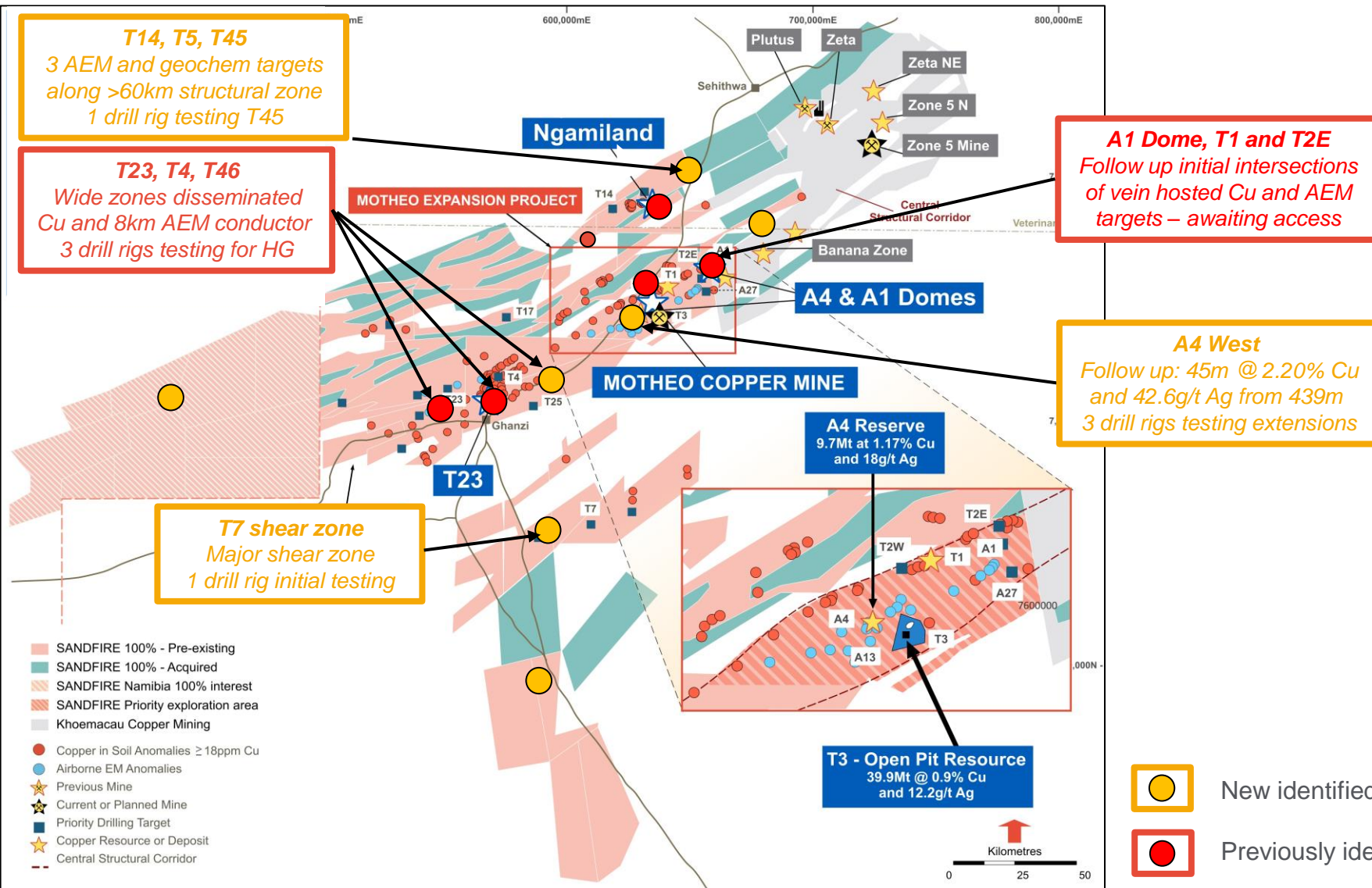
Motheo Copper Mine

Key progress

- Development is proceeding on schedule and on budget.
- AMS (Perenti) has mobilised to site and recently delivered mining equipment is being assembled.
- Bulk earthworks well advanced.
- Civils contractor mobilised to site and has poured over 1,000m³ of concrete for SAG Mill, Primary Crusher and Reclaim Tunnel bases.
- Permanent accommodation facility (750 rooms) construction contractor mobilised to site. Stage 1 camp occupation is planned for late in the March 2022 Quarter.
- Mechanical and Electrical Equipment fabrication well advanced. All forecast equipment delivery dates are well ahead of required dates on site.
- 5.2Mtpa Feasibility Study is on track for completion in June 2022 Quarter.
- Project debt funding discussions progressing.



Sandfire Kalahari Exploration – Priority Target Areas



- Fleet increased to 10 drill rigs in November.
- Motheo Expansion Project remains a high priority targeting high grade vein mineralisation (A4 West, A1 Dome).
- Drilling now underway at regional targets:
 - T4-T23 structural zone ~80km south-west of Motheo
 - T5, T14 and T45 targets ~60km north of Motheo
 - T7 ~50km south of the town of Ghanzi

- New identified/acquired targets FY21
- Previously identified Cu-Ag targets

Black Butte

Montana, USA



Black Butte Copper Project (Montana, USA)

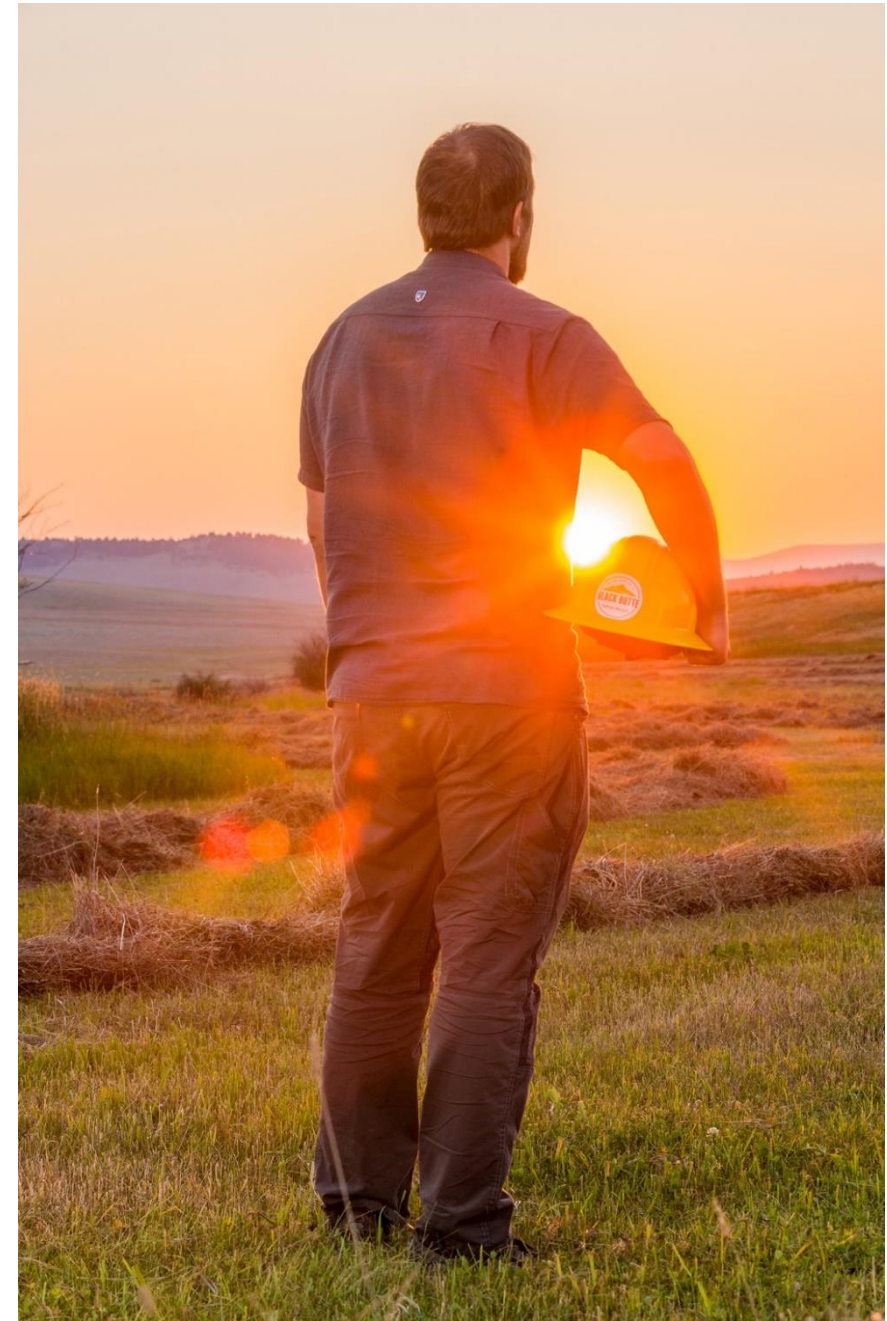
- Johnny Lee Deposit
- Lowry Deposit



Black Butte

Montana, USA

- Enhancement of Feasibility Study being progressed.
- 14,000m resource definition core drilling program at the Lowry deposit.
 - The Lowry deposit is not covered by the current Mine Operating Permit.
 - Inferred Mineral Resource of 8.3 million tonnes at 2.4% Cu.
 - Lowry Prefeasibility technical report to be completed in 2022.
- Continuing response to legal challenges to permitting.



Key takeaways

December 2021
Quarter

- 🕒 **Global vision** – Spanish authority approval of transformational acquisition of MATSA
- 🕒 **Strong growth platform** – DeGrussa cash-flows, \$1,654m cash at 31 December 2021
- 🕒 **New production hub** – construction of expanded 5.2Mtpa Motheo Copper Mine in Botswana progressing well
- 🕒 **Strong pipeline** – high-quality development opportunities and a global exploration portfolio in Tier-1 jurisdictions
- 🕒 **Refreshed and focused** – an international exploration, development and mining team strongly aligned with our growth objectives



A4 Ore Reserve

The information in this presentation that relates to the A4 Open Pit Ore Reserve, is based on information compiled by Mr Jake Fitzsimons who is a Member of The Australasian Institute of Mining and Metallurgy. Mr Fitzsimons is employed by Oreology Consulting Pty Ltd 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 Fitzsimons consents to the inclusion in this presentation of the matters based on his information in the form and context in which it appears. Refer to ASX Announcement, dated 22 September 2021, titled 'Maiden Ore Reserve for A4 Deposit and PFS confirms 5.2Mtpa Motheo Copper Project'.

T3 Ore Reserve

The information in this presentation that relates to the T3 Open Pit Ore Reserve, is based on information compiled by Mr Jake Fitzsimons who is a Member of The Australasian Institute of Mining and Metallurgy. Mr Fitzsimons is employed by Oreology Consulting Pty Ltd 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 Fitzsimons consents to the inclusion in this presentation of the matters based on his information in the form and context in which it appears. Refer to ASX Announcement, dated 1 December 2020, titled 'Sandfire Approves Development of New Long-life Copper Mine in Botswana'.

T3 and A4 Mineral Resource

The information in this presentation that relates to the T3 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 was 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 Browne consents to the inclusion in this presentation of the matters based on his information in the form and context in which it appears. Refer to ASX Announcement, dated 1 December 2020, titled 'Sandfire Approves Development of New Long-life Copper Mine in Botswana'.

The information in this presentation that relates to the A4 Mineral Resource is based on and fairly represents information and supporting documentation prepared by Mr Mark Zammit who is a Member of the Australian Institute of Geoscientists. Mr Zammit is a full-time employee of Cube Consulting Pty Ltd. Mr Zammit has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity that he is undertaking to qualify as a Competent Person as defined in the 2012 Edition of the 'Australasian Code for Reporting of Exploration Results, Minerals Resources and Ore Reserves'. Mr Zammit consents to the inclusion in this presentation of the matters based on the information in the form and context in which it appears. Refer to ASX Announcement, dated 21 July 2021, titled 'Sandfire delivers 34% increase in contained copper at satellite A4 Copper-Silver Deposit at Motheo'.

Motheo Expansion Case






The Expansion Case to 5.2Mtpa referred to in this presentation, where it relates to A4 and other prospects, is based on the T3 Mineral Resource Estimate and Ore Reserve, the 3.2Mtpa Definitive Feasibility Study completed in December 2020, A4 Mineral Resource Estimate and Ore Reserve and the 5.2Mtpa Pre-Feasibility Study. The 5.2Mtpa Pre-Feasibility Study has been completed to an overall level of accuracy of $\pm 15\text{-}25\%$ and is based on material assumptions outlined elsewhere in the ASX announcement titled 'Maiden Ore Reserve for A4 Deposit and PFS confirms 5.2Mtpa Motheo Copper Project' dated 22 September 2021.

Exploration and Resource Targets

Any discussion in relation to the potential quantity and grade of Exploration and Resource Targets is only conceptual in nature. While Sandfire is continuing exploration programs aimed at reporting additional JORC compliant Mineral Resources, 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.



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