



ACQUISITION OF 85% INTEREST IN RED BORE PROJECT

Sandfire Resources Ltd (ASX: SFR; **Sandfire** or **the Company**) advises that it has entered into agreements that will see it acquire an 85% joint venture interest in the Red Bore Copper Project (**Red Bore**) (ML52/597), located adjacent to its DeGrussa Copper-Gold Mine in Western Australia.

The Red Bore Project comprises a 2km² granted Mining Licence, ML52/597, located approximately 1km east of the DeGrussa Copper-Gold Mine (Figure 1). The tenement was previously subject to a joint venture between Ora Gold Ltd (ASX: OAU) (90% interest) and Mr William Richmond (10% interest).

Sandfire will make a cash payment of \$1.25 million to Mr Richmond and grant him a 1.25% net smelter royalty over minerals produced from Red Bore.

Upon Sandfire reaching a decision to mine, Ora Gold has a put option to sell its retained 15% interest. If Ora Gold does not exercise its put option, Sandfire must continue to cover Ora Gold's share of any cash call by way of interest-free loans repayable from 75% of Ora Gold's free cash-flow from its share of any minerals produced from Red Bore.

Sandfire's Managing Director, Mr Karl Simich, said the agreements entered into with Ora Gold and Mr Richmond consolidate ownership of this strategically located tenement adjacent to the DeGrussa Copper-Gold Mine.

"The Red Bore Project will be incorporated within our near-mine exploration programs at DeGrussa and explored using our leading geochemical and geophysical exploration methodologies" he said.

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This announcement is authorised for release by Sandfire's Managing Director and CEO.

Forward-Looking Statements

Certain statements made during or in connection with this announcement contain or comprise certain forward-looking statements regarding Sandfire's Mineral Resources and Reserves, exploration and project development operations, production rates, life of mine, projected cash flow, capital expenditure, operating costs and other economic performance and financial condition as well as general market outlook. Although Sandfire believes that the expectations reflected in such forward-looking statements are reasonable, such expectations are only predictions and are subject to inherent risks and uncertainties which could cause actual values, results, performance or achievements to differ materially from those expressed, implied or projected in any forward-looking statements and no assurance can be given that such expectations will prove to have been correct.

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.

Accordingly, results could differ materially from those set out in the forward-looking statements as a result of, among other factors, changes in economic and market conditions, delays or changes in project development, success of business and operating initiatives, changes in the regulatory environment and other government actions, fluctuations in metals prices and exchange rates and business and operational risk management.

Except for statutory liability which cannot be excluded, each of Sandfire, its officers, employees and advisors expressly disclaim any responsibility for the accuracy or completeness of the material contained in these forward-looking statements and excludes all liability whatsoever (including in negligence) for any loss or damage which may be suffered by any person as a consequence of any information in forward-looking statements or any error or omission. Sandfire undertakes no obligation to update publicly or release any revisions to these forward-looking statements to reflect events or circumstances after today's date or to reflect the occurrence of unanticipated events other than required by the Corporations Act and ASX Listing Rules. Accordingly, you should not place undue reliance on any forward-looking statement.

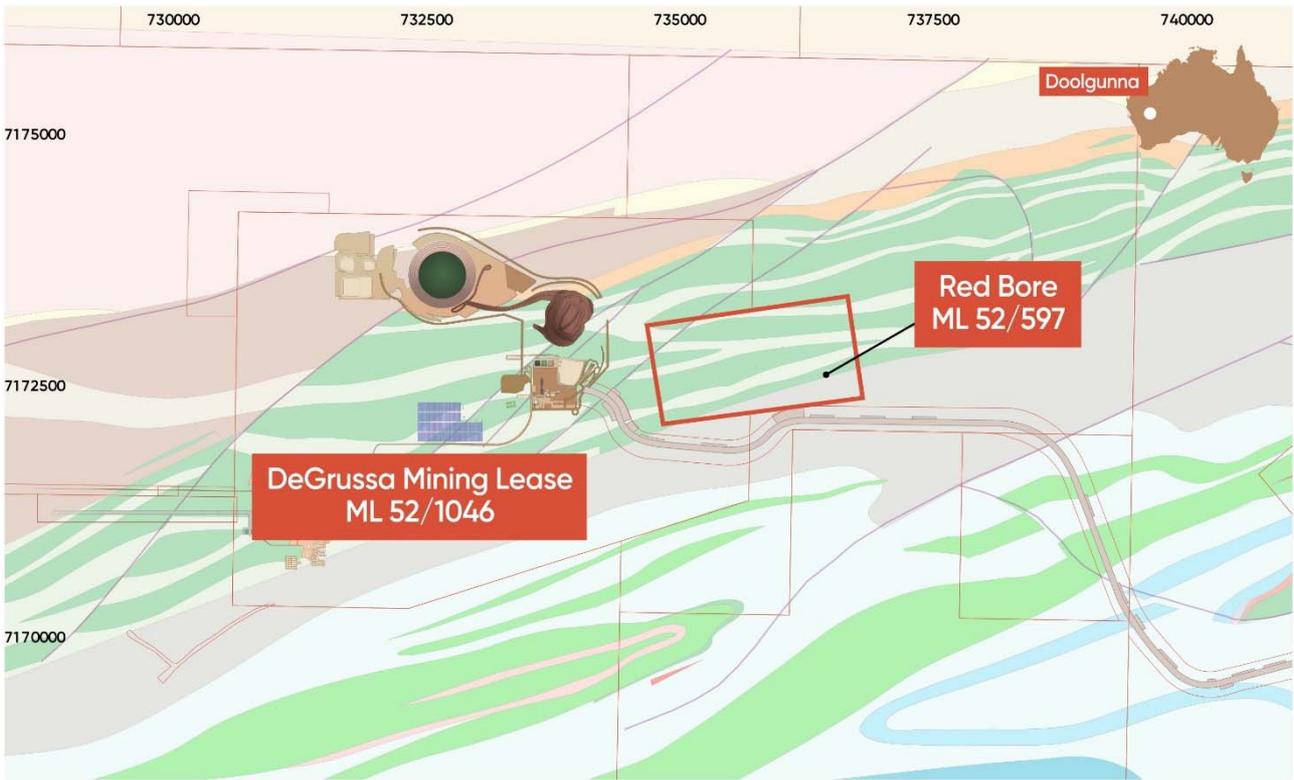


Figure 1: Location of ML52/597 relative to the DeGrussa Mining Lease.