



ASX/Media Release

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FIRST STOPPING ORE MINED AT DEGRUSSA

Sandfire Resources NL (ASX: **SFR**; "Sandfire") is pleased to advise that it has successfully mined the first stopping ore from its 100%-owned **DeGrussa Copper-Gold Project** in Western Australia, ahead of schedule.

The first stope to be mined includes over 130,000 tonnes of sulphide material with an estimated average grade of 5.1% copper.

The firing of the first stopping ore represents a key milestone for the Company's underground mining operations and follows the production of the first copper concentrate from DeGrussa last week.

Underground mine development is progressing on schedule with a total of 7,200m of development completed to date. 83,000 tonnes of massive sulphide ore at a grade of 4.5% Cu has been mined to date during development activities from underground and open pit. 15,000 tonnes has been fed to the plant to date. Underground mining will now progressively ramp up, with full production rates expected to be achieved in 1H 2013.

Sandfire's Managing Director, Mr Karl Simich, said he was very pleased with the progress of mine development and commissioning activities, with the DeGrussa Project well on track to ramp up copper production to its targeted annualised rate of 77,000tpa.

"Coming hard on the heels of first concentrate production last week, the firing of our first stope ore is an exciting achievement and I would like to commend the DeGrussa operations team for achieving this important milestone well ahead of schedule," he said.

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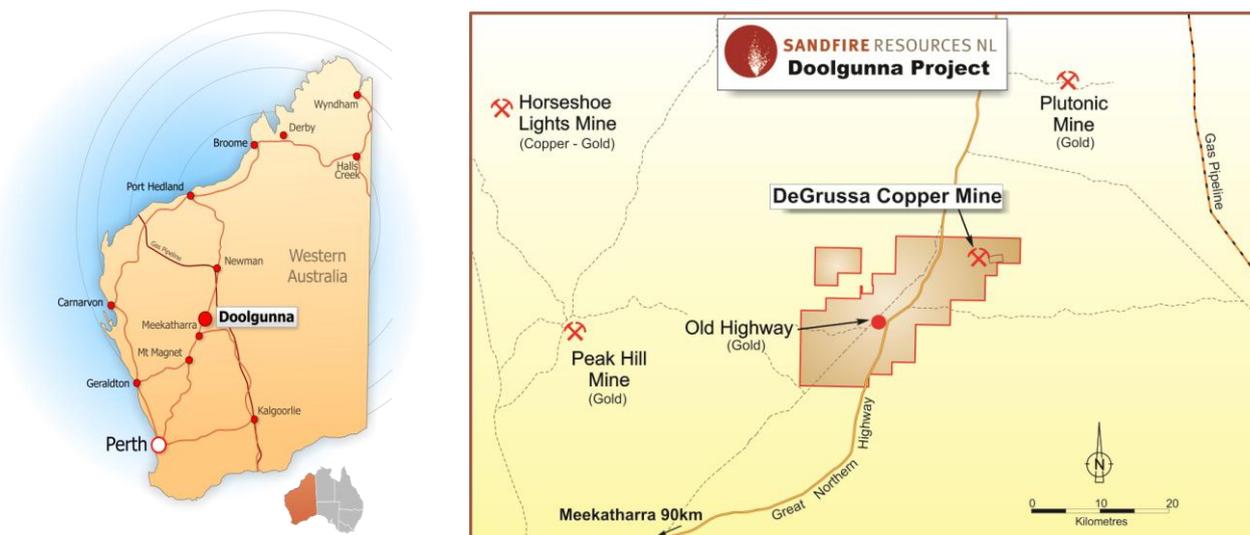
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Figure 1 – DeGrussa Copper Mine location



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