



DEGRUSSA COPPER-GOLD MINE

Sandfire Resources Ltd (ASX: SFR; “the Company” or “Sandfire”) refers to an article which appeared on *The Australian* news site last night regarding a water ingress event at its DeGrussa Copper-Gold Mine in Western Australia and provides the following clarification.

Underground mining was temporarily suspended at the DeGrussa Mine earlier this week when rainwater within the open pit, associated with Tropical Cyclone Damien, overtopped a section of a containment bund above the crown pillar stope and entered the Evans Decline.

The current mining schedule includes all four ore lenses at the DeGrussa Mine and the Monty Mine. Mining of the DeGrussa lens includes mining of the crown pillar, which is being undertaken as scheduled beneath the existing open pit.

Appropriate measures were activated in line with standard underground mining safety protocols and, following assessment and subsequent clearance, all personnel were safely moved to the surface via light vehicles. Our employees and contractors responded professionally, with the safety of our people paramount at all times.

The immediately impacted area was isolated and damage was limited to erosion of a section of the decline road surface, a light vehicle and one piece of underground mining equipment. Minor water remains at the base of the decline and is being managed with existing ancillary pumps.

The Department of Mines, Industry Regulation and Safety (DMIRS) attended site and completed an inspection with underground mining operations resuming yesterday.

The DeGrussa Concentrator has been unaffected and has continued to process run-of-mine (ROM) stockpiles from DeGrussa and Monty. With both the DeGrussa and Monty mines operating in steady state, previously announced production guidance is maintained for FY2020.

ENDS

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