



June 2021 Quarterly Report Presentation

Karl Simich, Managing Director & CEO
29 July 2021

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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 Quarterly Report released today.

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

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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.

The Expansion Case to 5.2Mtpa referred to in this presentation, where it relates to A4 and other prospects, is based on resource drilling, technical and economic assessments. Study work at A4 is currently insufficient to support estimation of Ore Reserves or to provide assurance of an economic Expansion Case for the Motheo Production Hub.

Strategy

Creating value
through
opportunity



Highlights

June 2021
Quarter

- **DeGrussa copper production:** 18,252t of contained copper (FY21: 70,845t) and 9,016oz of contained gold (FY21: 39,459oz) at C1 US\$0.93/lb (FY21 US\$0.82/lb); pleasing safety performance:
 - **FY2022 guidance:** 64-68kt Cu and 30-33koz Au; C1 costs ~US\$1.00-\$1.10/lb
 - **Resource drilling at Old Highway Gold Prospect well-advanced** – studies continue on transition to gold production at DeGrussa, leveraging existing infrastructure
- **5.2Mtpa Motheo Production Hub** concept rapidly advancing:
 - Mining Licence for the Motheo Copper Mine granted by the Government of Botswana
 - Mining contract for the T3 Open Pit awarded to African Mining Services (AMS), a subsidiary of Perenti Global Ltd (ASX: PRN)
- Updated Indicated and Inferred Mineral Resource Estimate delivered for the satellite A4 copper-silver deposit, 8km west of the Motheo, subsequent Quarter-end:
 - **9.8Mt at 1.4% Cu and 21g/t Ag for 134,000t of contained copper and 6.6Moz of contained silver** (using a 0.5% Cu cut-off). Ninety-three percent of contained copper is within Indicated MRE and available for conversion to Ore Reserves.
- **Black Butte Copper Project, USA** – Feasibility Study enhancement underway; new near-resource exploration drilling completed, with assay results pending
- **Strong \$574M cash holding and no debt** at Year-end (excluding lease liabilities)

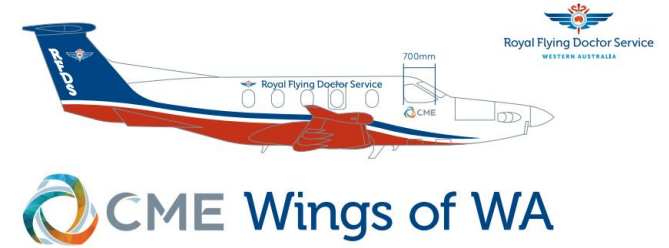


HSEC

The health and well-being of our people is of paramount importance to us

Safety, health and well-being

- Total Recordable Injury Frequency Rate (TRIFR) of 4.0 at Quarter-end (4.7 at March 2021 Quarter-end)
- Continued focus on employee and contractor health and well-being during the COVID-19 global pandemic and response.
- DeGrussa employees volunteered with Teach Learn Grow at their biannual mentoring trip to Meekatharra District High School. Sandfire, along with 22 other members of the CME donated to RFDS Response Ready COVID relief fundraiser enabling them to purchase a new Pilatus PC-12 aeromedical aircraft.



DeGrussa

Strong
foundations in
Western Australia



DeGrussa Operations, WA

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

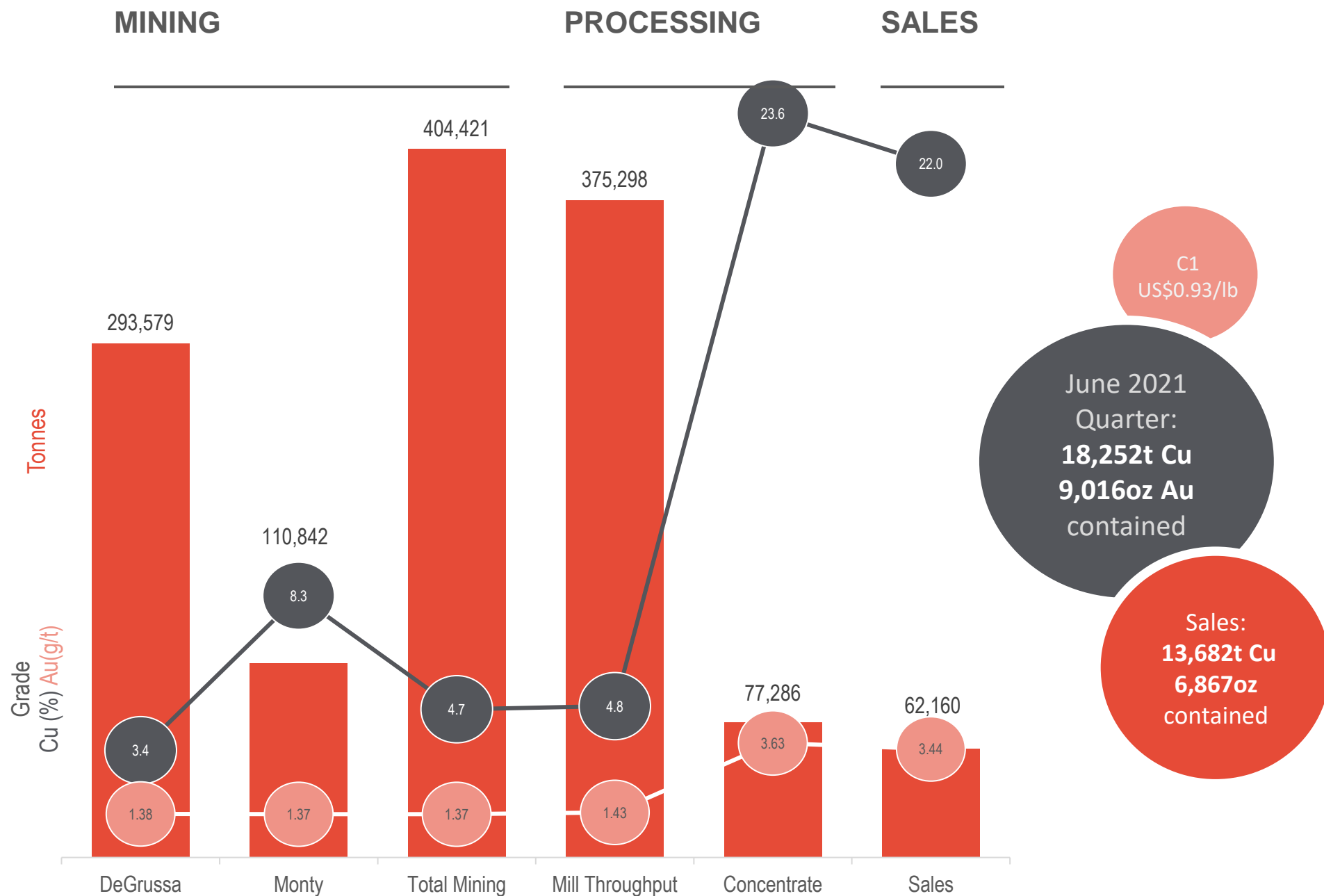
Exploration

- Greater Doolgunna Province, WA
- East Coast Portfolio (NSW, Qld)



DeGrussa Operations

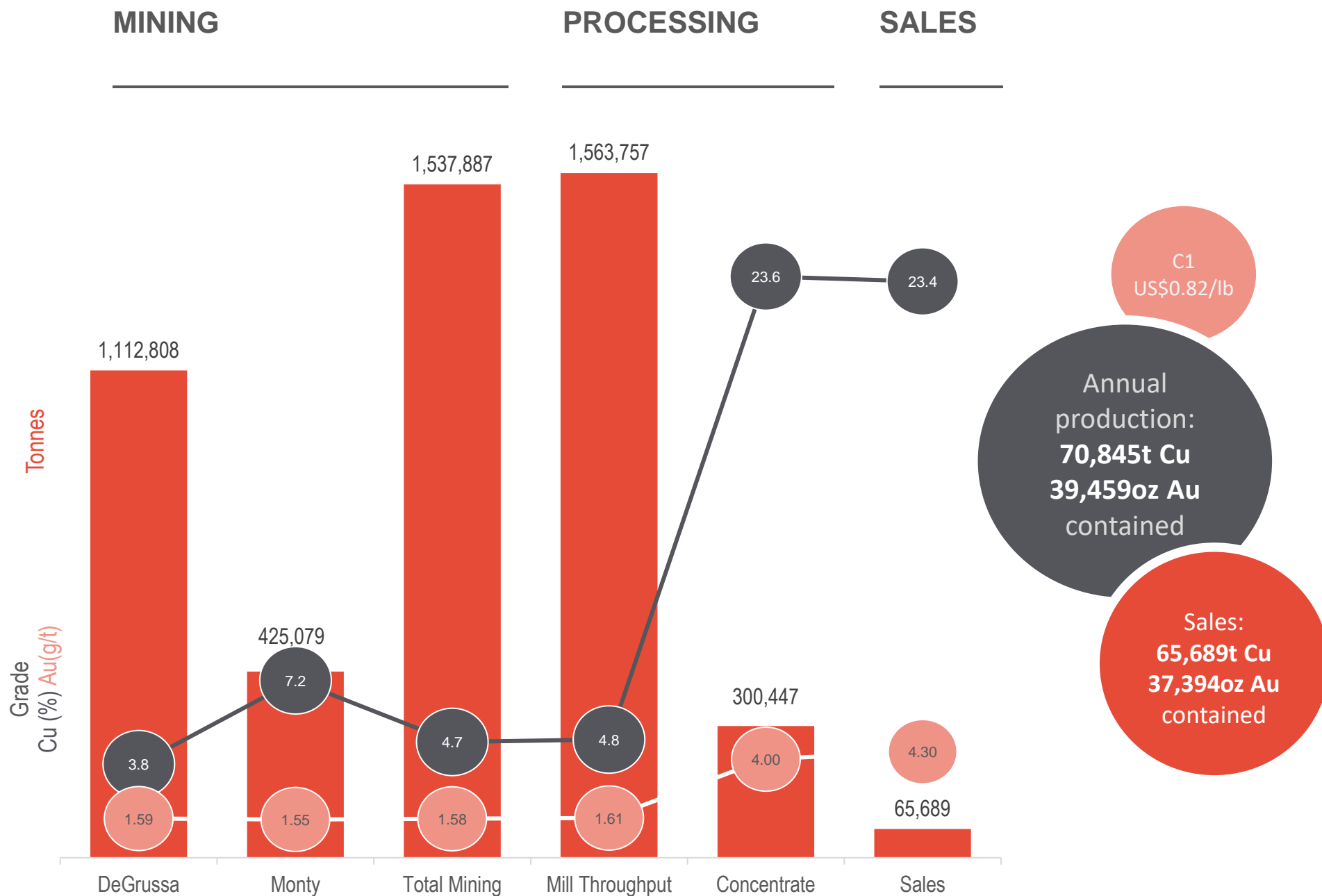
June Quarter Physicals





FY2021

Full Year
Physicals



Unit operating costs	Q4 FY2021 (US\$/lb)	FY2021 (US\$/lb)
Mining	0.45	0.50
Processing	0.32	0.30
Business services	0.13	0.12
Transport Costs	0.33	0.27
Treatment and refining	0.15	0.15
C1 cost (pre by-product credit)	1.39	1.35
By-product credit	(0.46)	(0.53)
C1 cost	0.93	0.82
Royalties	0.26	0.22
Production cost	1.18	1.03
Depreciation and amortisation	0.89	0.86
Total production cost	2.07	1.89

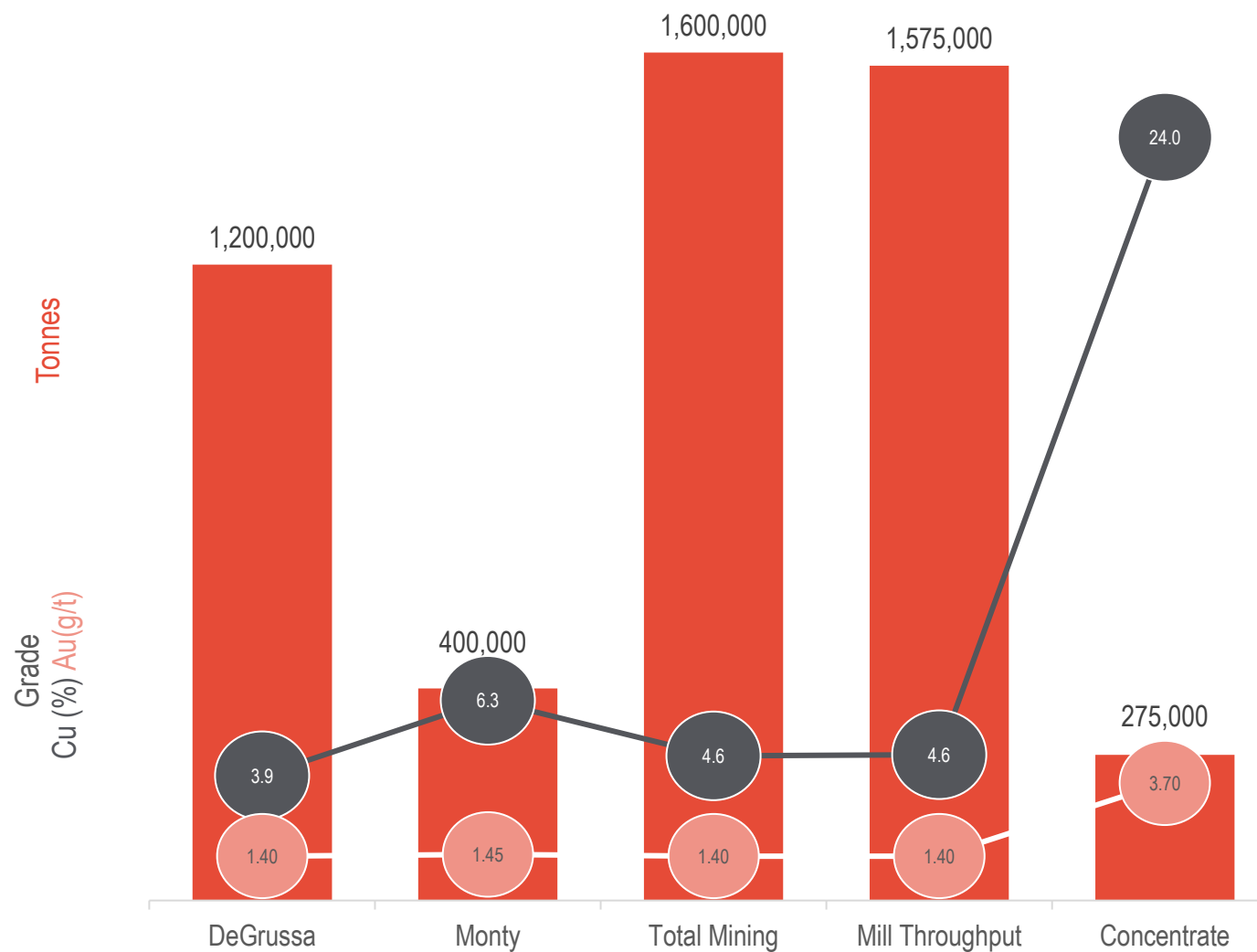
- Q4 FY2021 C1 operating costs of US\$0.93/lb Cu which was better than plan driven by higher grades, better than forecast recovery and a higher gold price which translated to higher by-product credits.
- Q4 FY2021 DeGrussa mine development \$10M, FY2021 total \$39M; FY22 guidance \$41M
- Q4 FY2021 Monty mine development \$1M, FY2021 total \$9M; FY22 guidance \$6M
- 24,800t of copper concentrate holding at Quarter-end
- The strong cost performance for the quarter resulted in FY21 C1 costs of \$0.82/lb Cu, at the lower end of the reduced US\$0.80-\$0.85/lb Cu guidance range.

FY2022 Guidance

Full Year Physicals

MINING

PROCESSING



FY2022
Guidance:
64kt – 68kt Cu
30koz – 34koz Au
contained

Operating cost
Guidance:
C1 US\$1.00 -
\$1.10/lb



FY21 v FY22 C1 Guidance Midpoint

Cash cost
Payable Cu
(US\$/lb)

Cash Cost Payable Cu (US\$/lb)	FY21 (US\$/lb)	FY22 GUIDANCE MID-POINT (US\$/lb)	Commentary
Mining	0.50	0.48	Lower copper production
Processing	0.30	0.33	Higher power costs due to diesel price and lower Cu production
Operations Services	0.12	0.15	Labour and diesel cost increase YoY, lower Cu production
Total Transport	0.27	0.33	Increase YoY due to Overseas Shipping and Demurrage, lower Cu production
Total Treatment and Refining	0.15	0.20	Longer term benchmark, lower Cu production
C1 Cash Cost before By-Product Credits	1.34	1.48	
Total By-Product Credits	(0.52)	(0.42)	Lower Au production
C1 Cash Cost US/lb	0.82	1.05	

Note: Operating cost are rounded to the nearest US\$0.01. Errors may occur due to rounding. Production statistics are subject to change following reconciliation and finalisation subsequent to the end of the Quarter.

Sandfire Old Highway Resource Definition

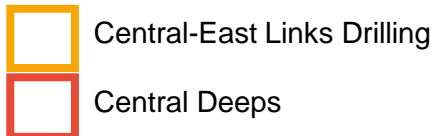
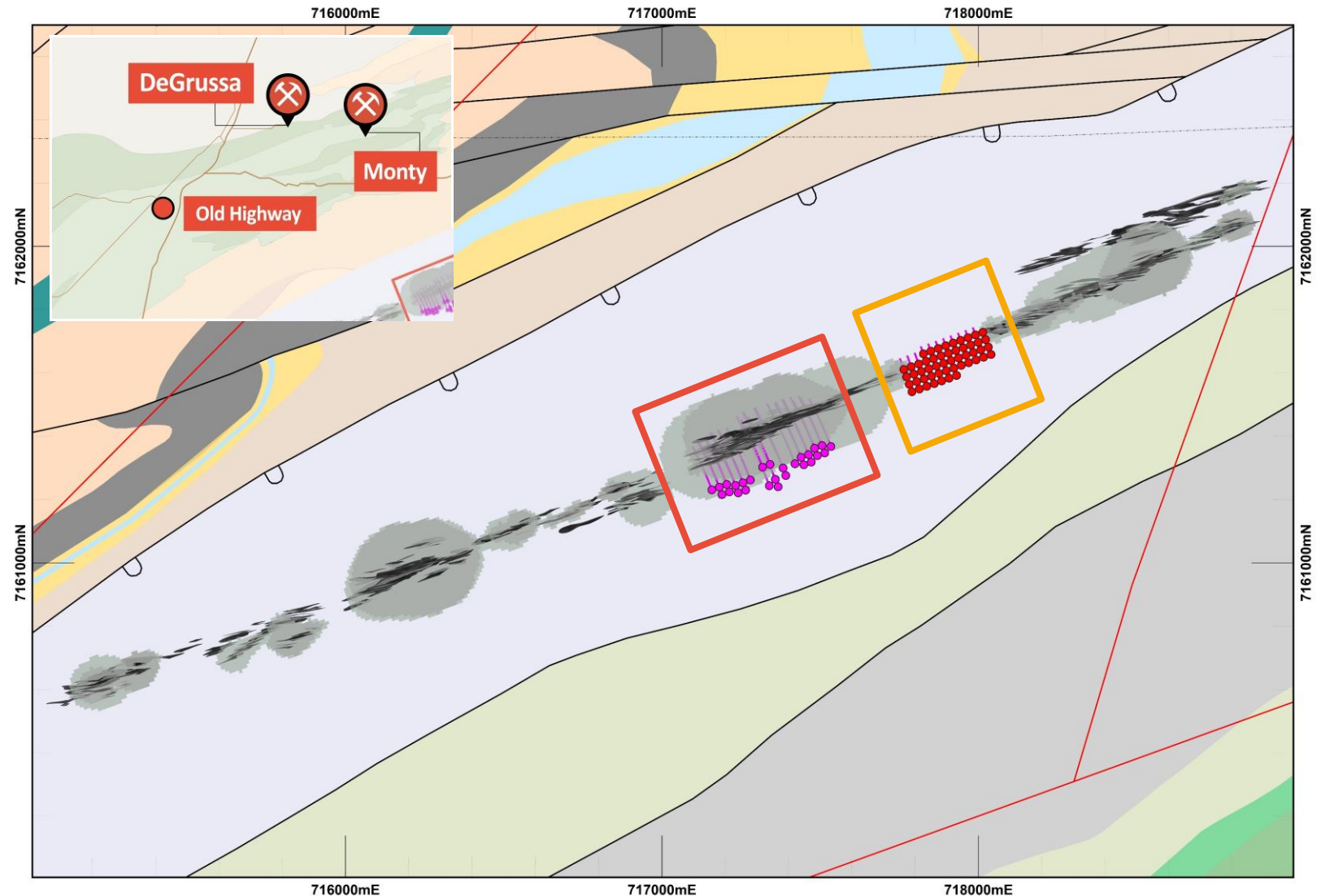
Remaining resource definition drilling programs to commence in Q1:

Central Deeps (Q1 – Q3):

- 25m x 25m diamond drill pattern planned for extension drilling of Old Highway Deeps
- Multiple high-grade intercepts showing good continuity of mineralisation at depth
- Planned total of 23 diamond drill holes totalling 7,630m

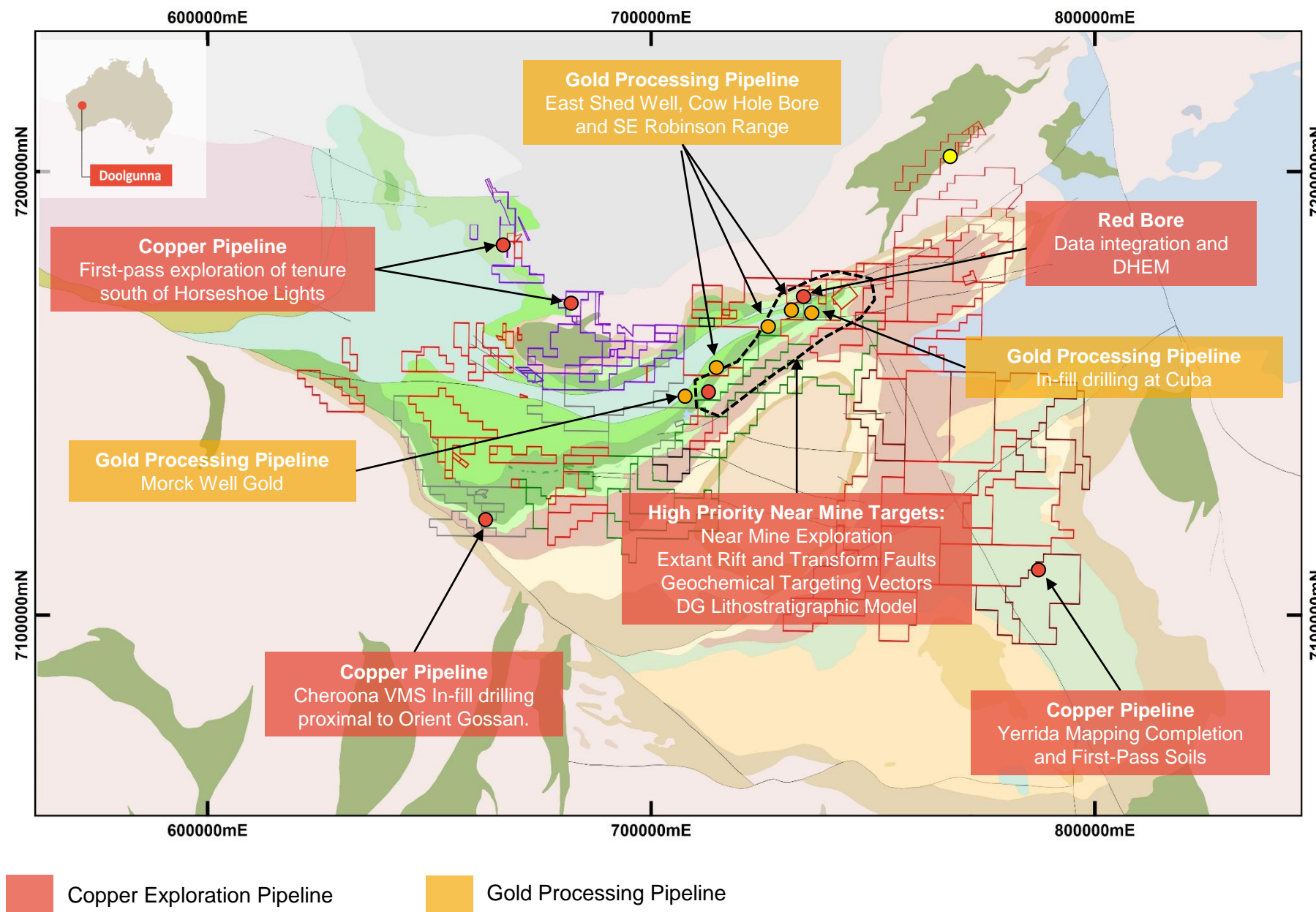
Central-East Links (Q1 – Q2):

- 25m x 25m RC pattern planned over the heritage area within the strike of the current resource
- Planned total of 56 RC holes totalling 6,780m



Doolgunna

Dual-track exploration strategy



Kalahari

Expanding
horizons in
Botswana and
Namibia



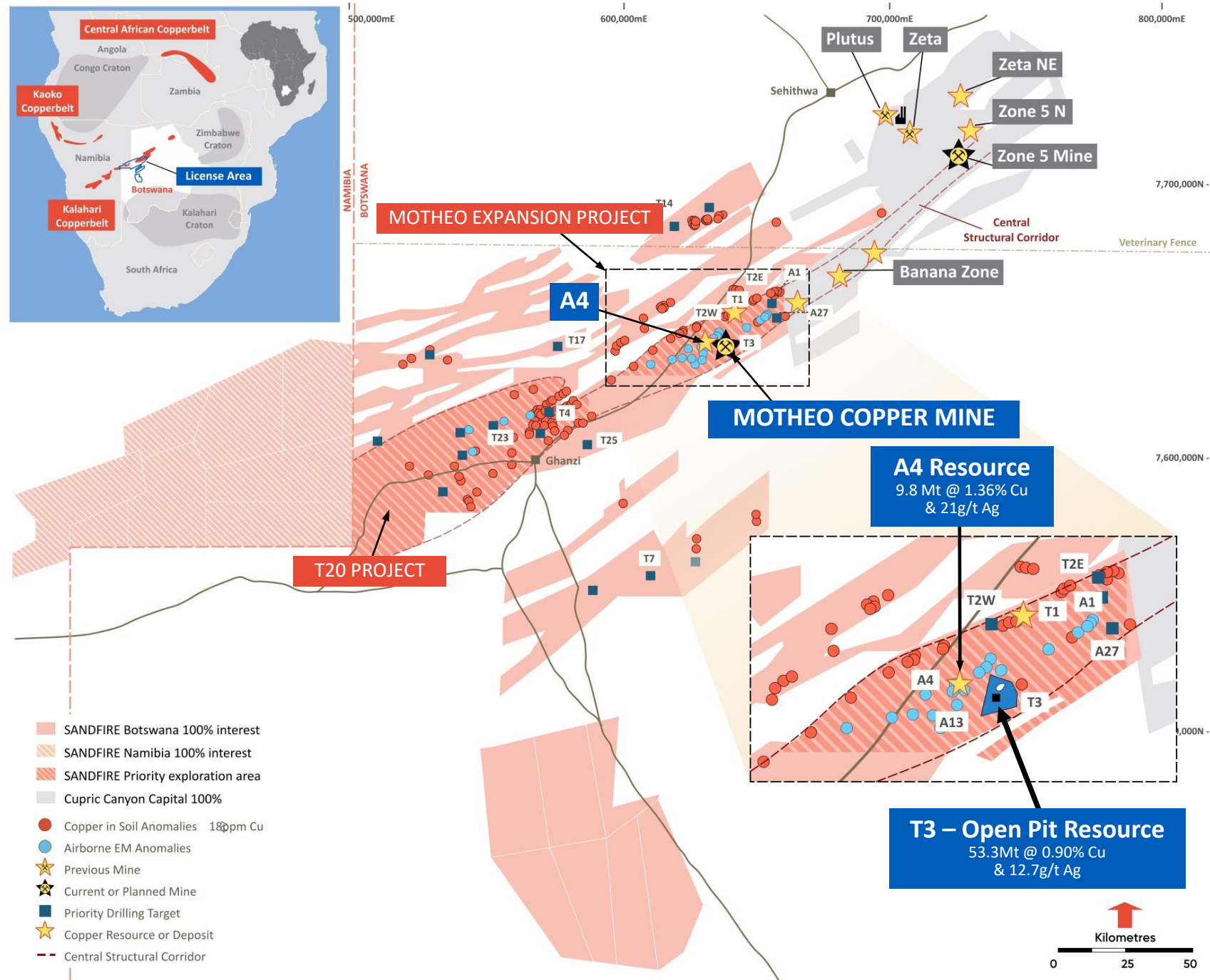
Kalahari (Botswana and Namibia)

- Motheo Copper Mine
- A4 Expansion Project
- Extensive Kalahari exploration portfolio (Botswana and Namibia)



Kalahari Copper Belt

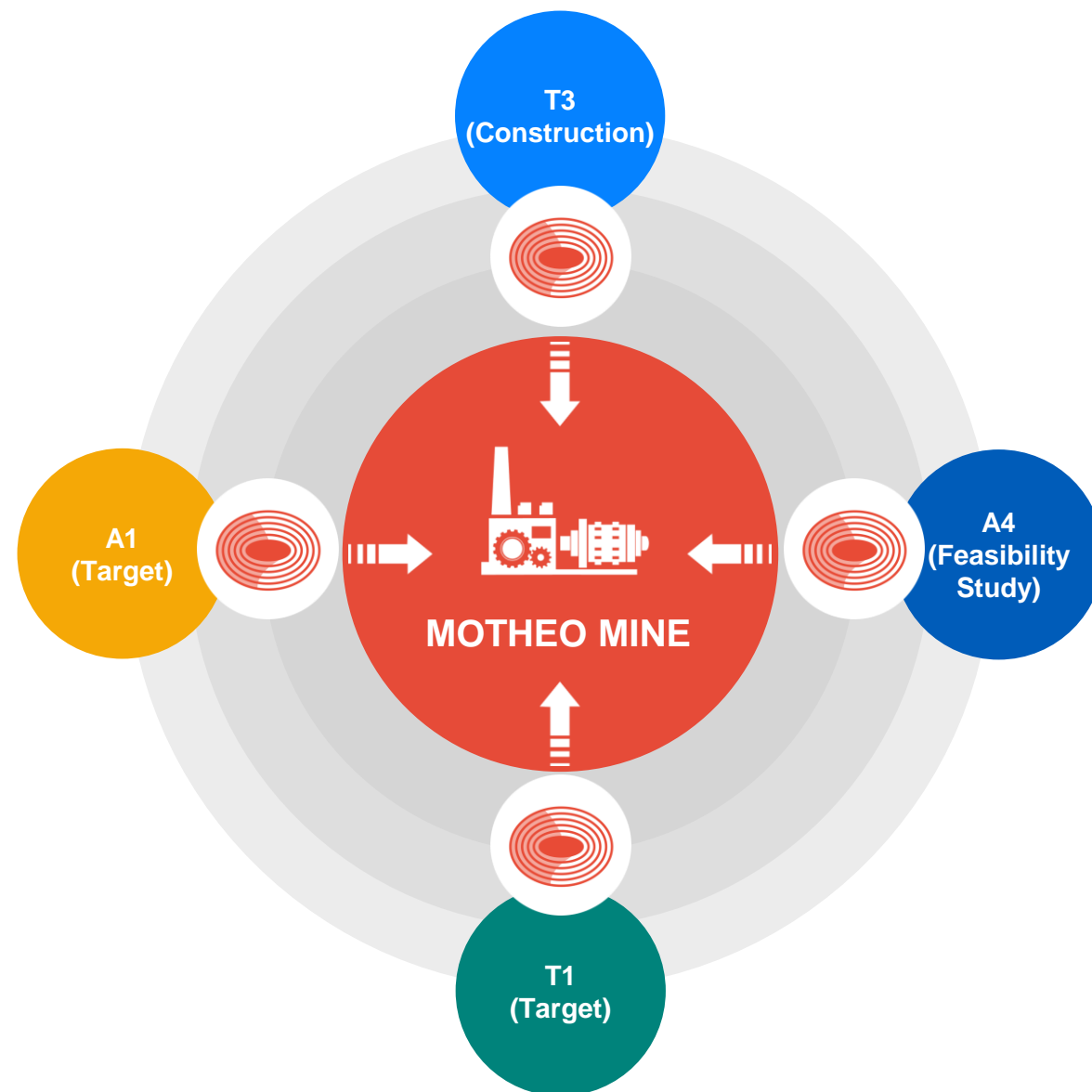
Extensive exploration ground in Botswana and Namibia



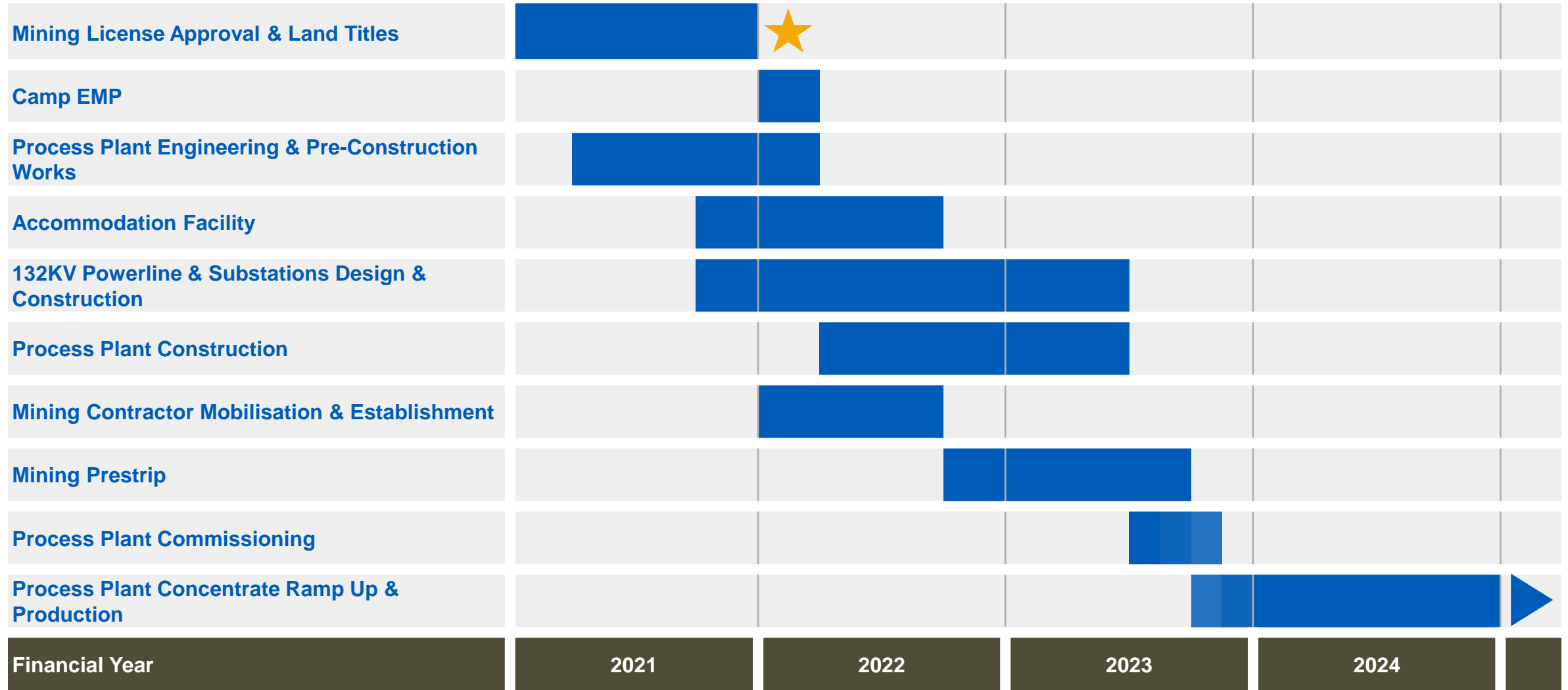
Motheo Production Hub

3.2Mtpa
base case with
visibility to
5.2Mtpa
expansion case

- Motheo Copper Mine
3.2Mtpa full-scale
construction commenced
- Resource update for A4 -
study work continues in
support of satellite
operation
- Clear visibility to rapidly
expand production to
5.2Mtpa through the
addition of the A4 deposit
- Significant potential to
extend mine life through
drilling at further targets
including A1, T1, T2W &
T2E, A27 and A13 – all
located within ~30km
radius of processing
plant



Sandfire T3-Motheo Development Timeline



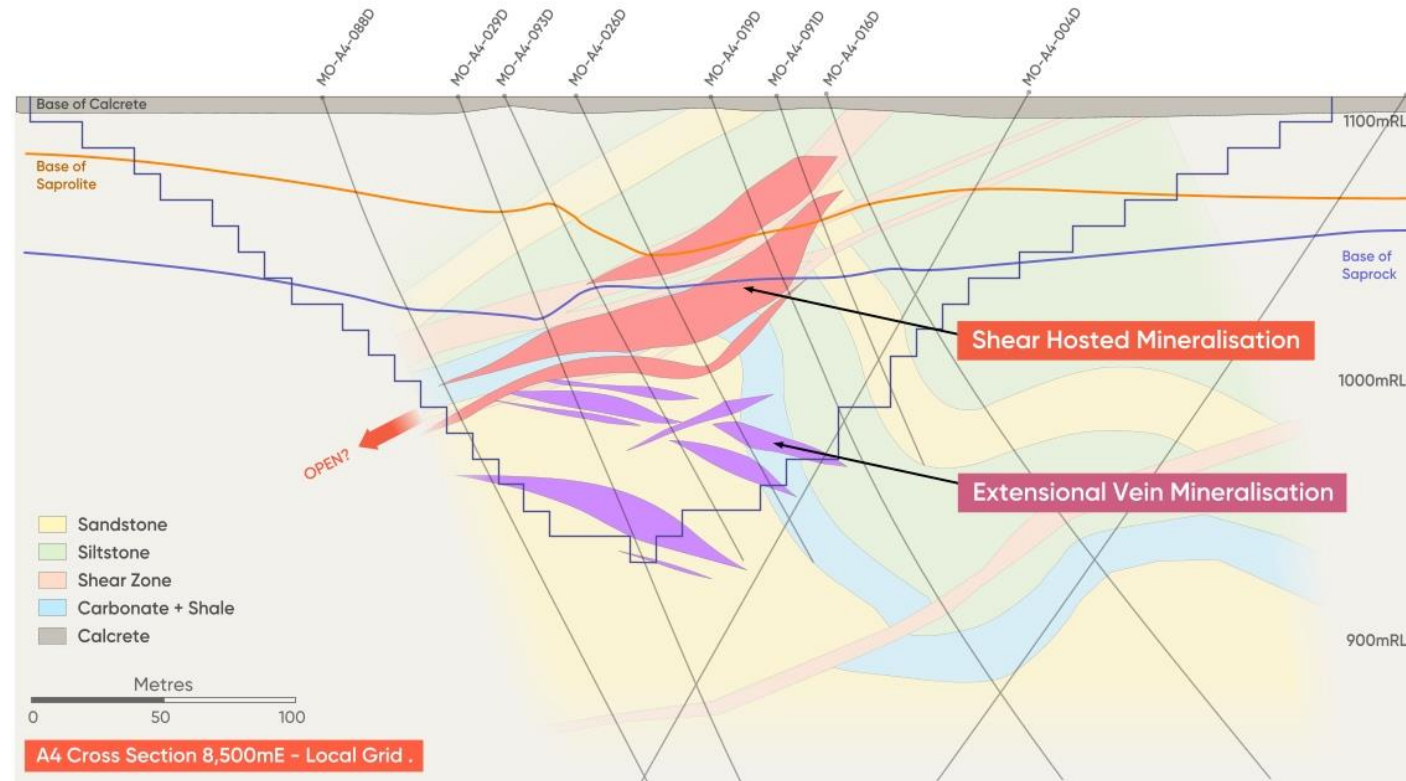
Motheo Production Hub

Key Progress

- T3 Mining Licence granted
- T3 Mining Contract awarded to AMS (Perenti)
- County Head of Botswana and GM operations appointed
- Project debt funding final term sheets underway
- A4 Mineral Resource update supports Feasibility and Engineering Studies
- Detailed engineering design of the process plant by Lycopodium 78.5% complete and will be finished in October 2021
- TSF design complete, issued for tender to construction contractors
- Contracts awarded for Access Road, 750 person Permanent Accommodation facility (Design and Construct), High Voltage Substation and Switching station (Design and Construct)



- A4 Copper-Silver Deposit, located 8km west of the Motheo Copper Mine in Botswana:
- **Indicated and Inferred Mineral Resource:** 9.8Mt at 1.4% Cu and 21g/t Ag for 134,000t of contained copper and 6.6Moz of contained silver (using a 0.5% Cu cut-off):
- Updated MRE delivers a **34 per cent increase in total contained copper** with **93 per cent of contained copper** now reported in the higher confidence Indicated Mineral Resource category and available for inclusion in Ore Reserves:
- A4 Deposit continuing to emerge as a **key potential source of satellite ore feed for the Motheo Copper Mine**:
- Feasibility Study program continuing, maiden **Ore Reserve on track** for December 2021 Quarter and **Feasibility Study due in the March 2022 Quarter**. This will provide a clear development pathway for the integration of A4 into the proposed **5.2Mtpa Motheo Production Hub**.



July 2021 A4 Mineral Resource update

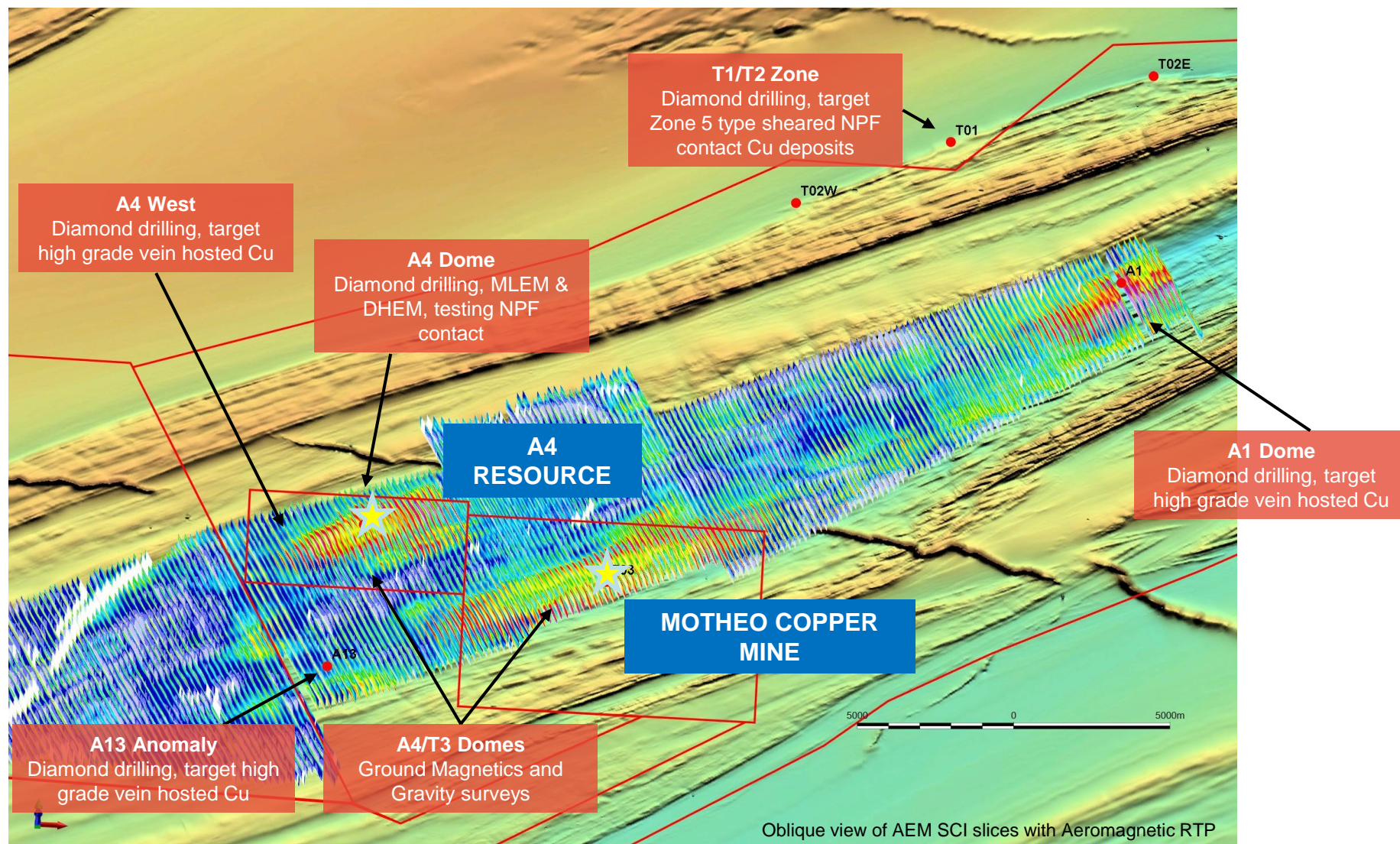
Mineral Resource Category	Tonnes	Copper Grade (% Cu)	Silver Grade (g/t Ag)	Contained Cu (t)	Contained Ag (oz)
Indicated	8,900,000	1.4	22.0	124,000	6,200,000
Inferred	920,000	1.0	15.0	9,000	400,000
TOTAL	9,820,000	1.4	21.0	134,000	6,600,000

Notes:

Calculations have been rounded to the nearest: 100kt; 0.01% Cu grade; and 1kt Cu metal and 0.1g/t Ag grade; and 100koz Ag metal. Differences may occur due to rounding. Full details of the A4 Mineral Resource update were provided in the Company's ASX Announcement dated 21 July 2021

Motheo Production Hub – Expansion targets

- Vein-hosted mineralisation within the A4 Mineral Resource has delivered some outstanding intersections including a standout **35.7m at 7.1% Cu and 116g/t A4**. There is potential for further high-grade vein-hosted mineralisation along the A4 Dome and in other targets within the Motheo Expansion Project
- Ngwako Pan Formation (NPF) contact mineralisation is more typical of sediment-hosted copper deposits globally and hosts the 60-65ktpa Zone 5 underground mine in the eastern part of the Kalahari Copper Belt



Black Butte

Montana, USA



Black Butte Copper Project, Montana, USA (87%)

- Johnny Lee early works completed
- Enhanced Feasibility Study
- Mine Lease exploration drilling

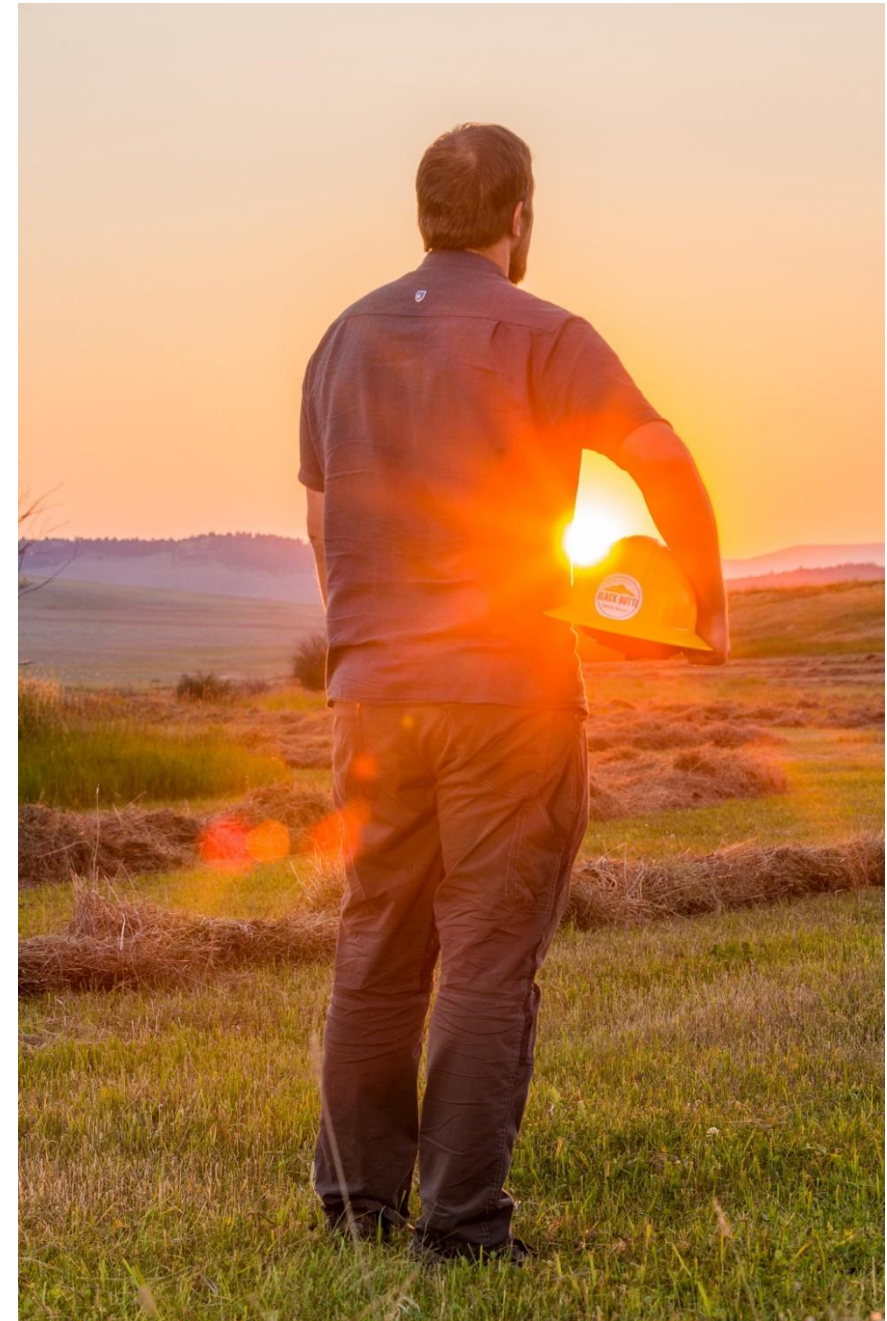


Black Butte

Montana, USA

- Early project works complete
- Enhancement of Feasibility Study being progressed
- Exploration program within the Mining Lease targeting potential extensions and other near-mine opportunities
 - Initial results for hole SC21-256 which intercepted **12.45m grading 3.4% copper and 6.5g/t silver** in the Lowry Lower Zone, including **4.65m of 6.0% copper and 14.6g/t silver**
 - Confirms the presence and continuity of the higher grade-thicknesses in this area
- Continuing to respond to and deal with legal challenges to permitting
 - Oral arguments presented and now being considered by presiding Judge

Full details of the assay results reported from Black Butte during the Quarter are available from Sandfire Resources America's website, www.sandfireamerica.com.



Key takeaways

June 2021
Quarter


- 🕒 **Global vision** – our transformation into a diversified, international and sustainable mining company is underway
- 🕒 **Strong growth platform** – DeGrussa cash-flows, debt-free balance sheet and \$570m in group cash
- 🕒 **New production hub** – construction of Motheo Copper Mine in Botswana underway
- 🕒 **Strong pipeline** – high-quality development opportunities and a global exploration portfolio in Tier-1 jurisdictions
- 🕒 **Refreshed and focused** – an international exploration, development and mining operations team strongly aligned with our growth objectives







Thank you

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