SANDFIRE RESOURCES
ASX Code- SFR

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March 2020 Quarterly Report Presentation and Webcast

17 April 2020

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Competent Person's Statements

DeGrussa and Monty Mineral Resource

The information in this presentation that relates to the DeGrussa and Monty Mineral Resource is based on information compiled by Mr Callum Browne who is a Member of The Australasian Institute of Mining and Metallurgy (**AusIMM**). Mr Browne is a permanent employee of Sandfire Resources Ltd (**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 Resource and Ore Reserve. Mr Browne consents to the inclusion in the presentation of the matters based on his information in the form and context in which it appears.

DeGrussa and Monty Ore Reserve

The information in this presentation that relates to the DeGrussa and Monty Ore Reserve is based on information compiled by Mr Neil Hastings who is a Member of AusIMM. Mr Hastings is 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 Hastings consents to the inclusion in the presentation of the matters based on his information in the form and context in which it appears.

Exploration Results

The information in this presentation that relates to Exploration Results is based on information compiled by Mr Julian Hanna who is a Member of AusIMM. Mr Hanna is 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 Hanna consents to the inclusion in the presentation of the matters based on his information in the form and context in which it appears.

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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COVID-19 Response and Update

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Our people

- Health and safety protocols developed in line with formal guidance of State health authorities
- Non-essential site personnel and head office personnel working from home
- Enhanced workforce communication and promotion of Sandfire's health and wellbeing programs, including mental health
- Planning workforce retention programs
- Extended sick and compassionate leave assistance to our employees, including casuals

Facilities management and logistics

- Workforce social distancing measures developed across aviation, transit and workplaces
- Enhanced cleaning measures implemented
- Health screening introduced at airport for personnel travelling to site
- Modified flight schedules and reduced number of personnel on each flight
- Testing, self isolation and quarantine systems and processes developed

Assisting our contractors and local communities

- Consulting with and assisting our communities
- Working with our contractors to provide assistance
- Maintaining critical payment timing to contractors

COVID-19 Response and Update

Production and sales

- Increasing ROM stocks
- Maximising available storage capacity at the DeGrussa Operations
- Securing additional supplies of consumables and critical spares

Development

- Optimisation of T3 Copper-Silver Project Feasibility Study continues with decision to mine and any subsequent commencement of development activities delayed, pending COVID-19 impact
- Black Butte Copper Project Final EIS received and Record of Decision (ROD) for Mine Operating Permit issued, marking completion of permitting; timing for completion of the Feasibility Study may be delayed, pending COVID-19 impact

Exploration

- Greater Doolgunna exploration programs continuing with exploration team placed in separate camp from production team
- Kalahari Copper Belt exploration programs suspended, re-commencement subject to review and Botswana Government instruction

Financials

- Strong cash holding and debt free
- In line with accounting standards, the Company is assessing whether there are any indicators of impairment for Group assets

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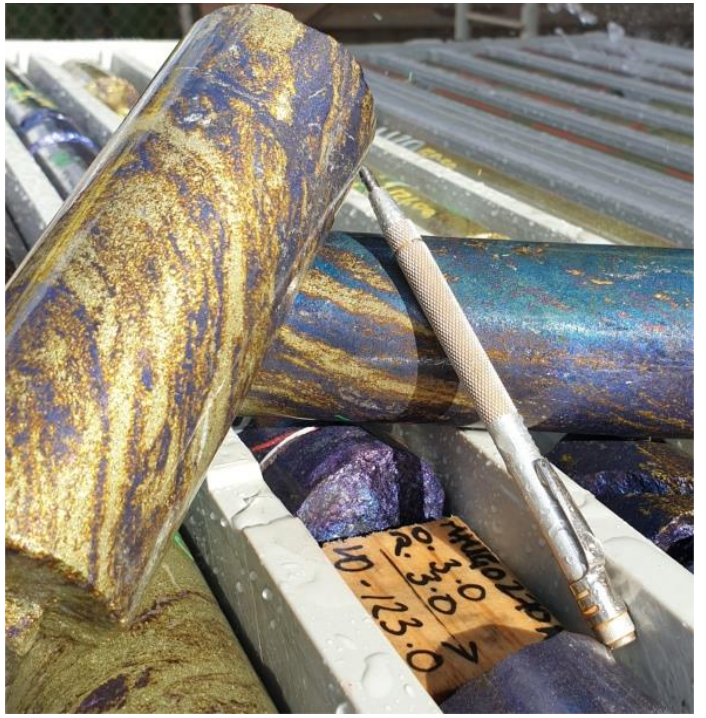
March 2020 Quarter Highlights

Production

- March 2020 Quarter: 17,936t of contained copper and 9,352oz of contained gold produced; C1 US$0.74/lb
- FY2020 YTD: 52,924t of contained copper and 28,722oz of contained gold produced; C1 costs US$0.80/lb
- FY2020 Guidance: Withdrawn subject to further assessment of the impacts of COVID-19 (previously 70-72kt of contained copper and 38-40koz of contained gold; C1 costs ~US$0.90/lb)
- Updated underground Ore Reserve and Mineral Resource released for the DeGrussa and Monty Copper-Gold Mines

Development

- Optimisation of T3 Copper-Silver Project Feasibility Study continues
- Black Butte Copper Project Final EIS received; positive ROD received subsequent to the end of the March Quarter



Exploration

- Exploration programs continue across Sandfire's Greater Doolgunna Project
- Kalahari Copper Belt exploration advanced with promising results at A4

Corporate and Financial

- Cash and deposits $242.0M (Group) (unaudited)

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Safety

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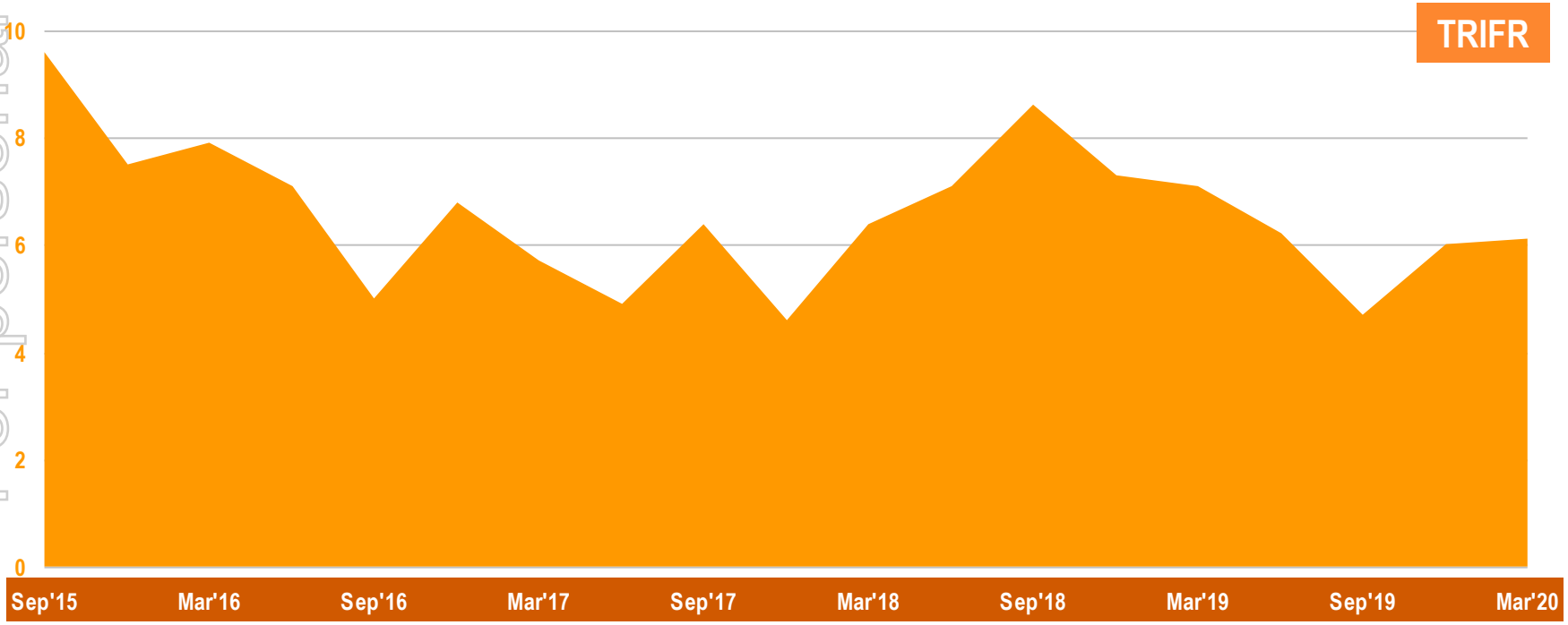
- Total Recordable Injury Frequency Rate (TRIFR) of 6.1 at Quarter-end (6.0 at December 2019 Quarter-end)
- Principal hazard management – driving continuous improvement in safety leadership, culture and assurance of critical controls



DeGrussa Operations – Mining

Underground production

- DeGrussa ore production for the Quarter of 302,791t grading 4.5% Cu and 1.8g/t Au
- Monty ore production for the Quarter of 133,533t grading 7.3% Cu and 1.6g/t Au
- Total ore production for the Quarter of 436,324t grading 5.4% Cu and 1.7g/t Au

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DeGrussa Operations – Ore Reserve and Mineral Resource

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Updated Underground Ore Reserve for the DeGrussa and Monty Copper-Gold Mines:

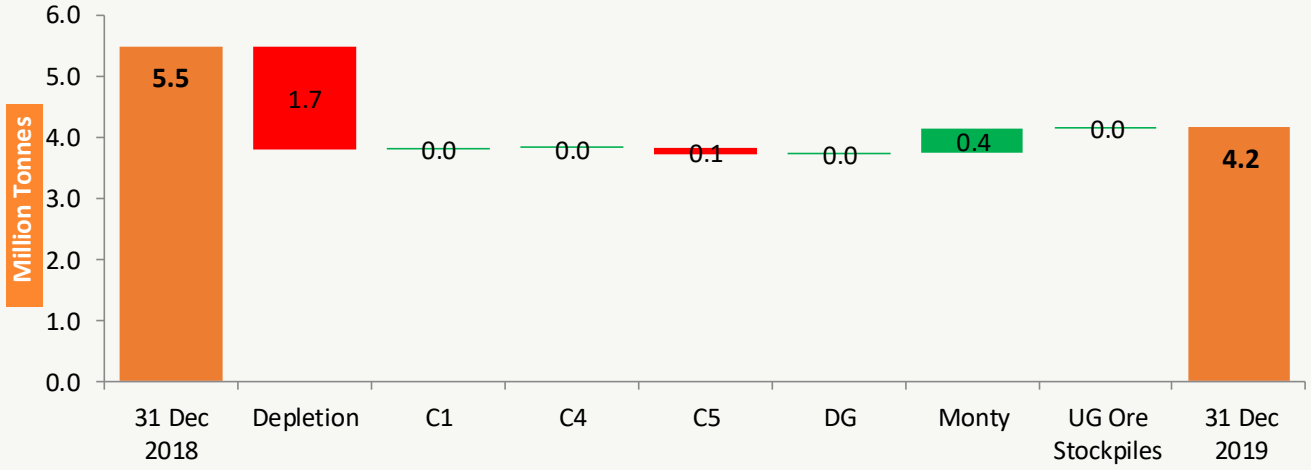
- 4.2Mt grading 4.9% Cu and 1.6g/t Au for 203kt of contained copper and 210koz of contained gold

Updated Underground Mineral Resource for the DeGrussa and Monty Copper-Gold Mines:

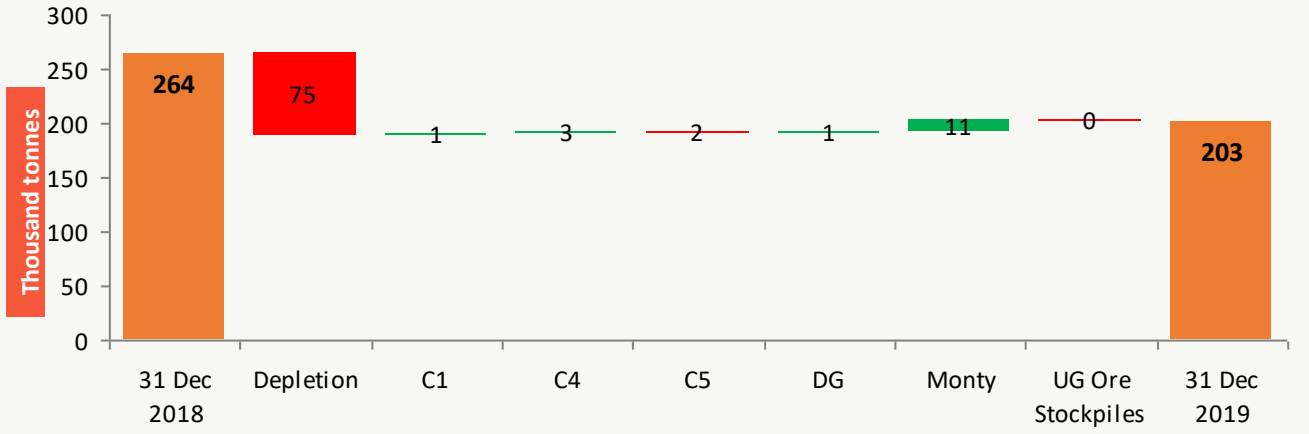
- 3.6Mt grading 6.4% Cu and 2.1g/t Au for 230kt of contained copper and 241koz of contained gold

Refer to Sandfire's ASX Announcement, dated 17 April 2020, titled 'DeGrussa Operations Underground Ore Reserve and Mineral Resource Update' for details.

Ore Reserve Tonnes



Ore Reserve Contained Copper



DeGrussa Operations – Processing

Mill throughput

- 382,605t milled at average feed grade of 5.0% Cu and 1.7g/t Au

Recovery

- Copper recovery of 94.0%; Gold recovery 45.3%

Concentrate & metal production

- 75,696t of concentrate produced
- 17,936t of contained copper produced
- 9,352oz of contained gold produced

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DeGrussa Operations – Sales

- March 2020 Quarter: Sales of 73,945t of concentrate (dry) containing 17,564t of copper (16,801t payable) and 9,226oz of gold (8,369oz payable)
- 7 shipments completed for the Quarter
- FY2020 YTD revenue A$457M (unaudited)

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DeGrussa Operations – Unit Operating Costs

Unit operating costs	Q3 FY2020 (US$/lb)	FY2020 YTD (US$/lb)
Mining (net of development)	0.38	0.42
Processing	0.25	0.26
Business services	0.12	0.12
Transport	0.21	0.22
Treatment and refining	0.16	0.18
C1 cost (pre by-product credit)	**1.12**	**1.20**
By-product credit (gold and silver)	(0.38)	(0.40)
C1 cost	**0.74**	**0.80**
Royalties	0.13	0.14
Production cost	**0.87**	**0.94**
Depreciation and amortisation	1.01	0.90
Total production cost	**1.88**	**1.84**

Commentary

- Strong quarterly production driven by increasing Monty grades and associated recovery
- High by-product credits from strong gold production and realised price
- C1 costs reduced by sharply lower USD:AUD FX rate
- Q3 FY2020 DeGrussa Mine development $11M - FY2020 Guidance: $40M
- Q3 FY2020 Monty Mine development $9M - FY2020 Guidance: $40M
- Q3 FY2020 Sustaining and strategic capital $1M - FY2020 Guidance: $10M

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Doolgunna Exploration Overview

Exploration continuing as a priority along highly prospective VMS corridor that hosts the DeGrussa and Monty deposits:

- Continuation of major regional AC drilling programs to aid geological interpretation and provide quality geochemical coverage
- RC and DD drilling at Morck Well targeting MLEM geophysical anomaly and to investigate anomalous geochemical results from AC drilling
- Significant first pass gold anomalism at Morck Well to be followed up[1]
- Commenced AC drilling on the newly signed Cheroona Project JV[2]
- Extensive evaluation of the Peak Hill Project (Alchemy Resources Ltd Earn-in JV) including:
  - Major initial AC program
  - Follow up RC and DD drilling

1 Refer to Auris Minerals Ltd ASX Announcement, dated 30 March 2020, titled 'Significant Gold in Morck Well JV Regional Air Core Drilling'.

2 Refer to Auris Minerals Ltd ASX Announcement, dated 11 February 2020, titled 'Sandfire Farm-In to Cheroona JV, Bryah Basin'.

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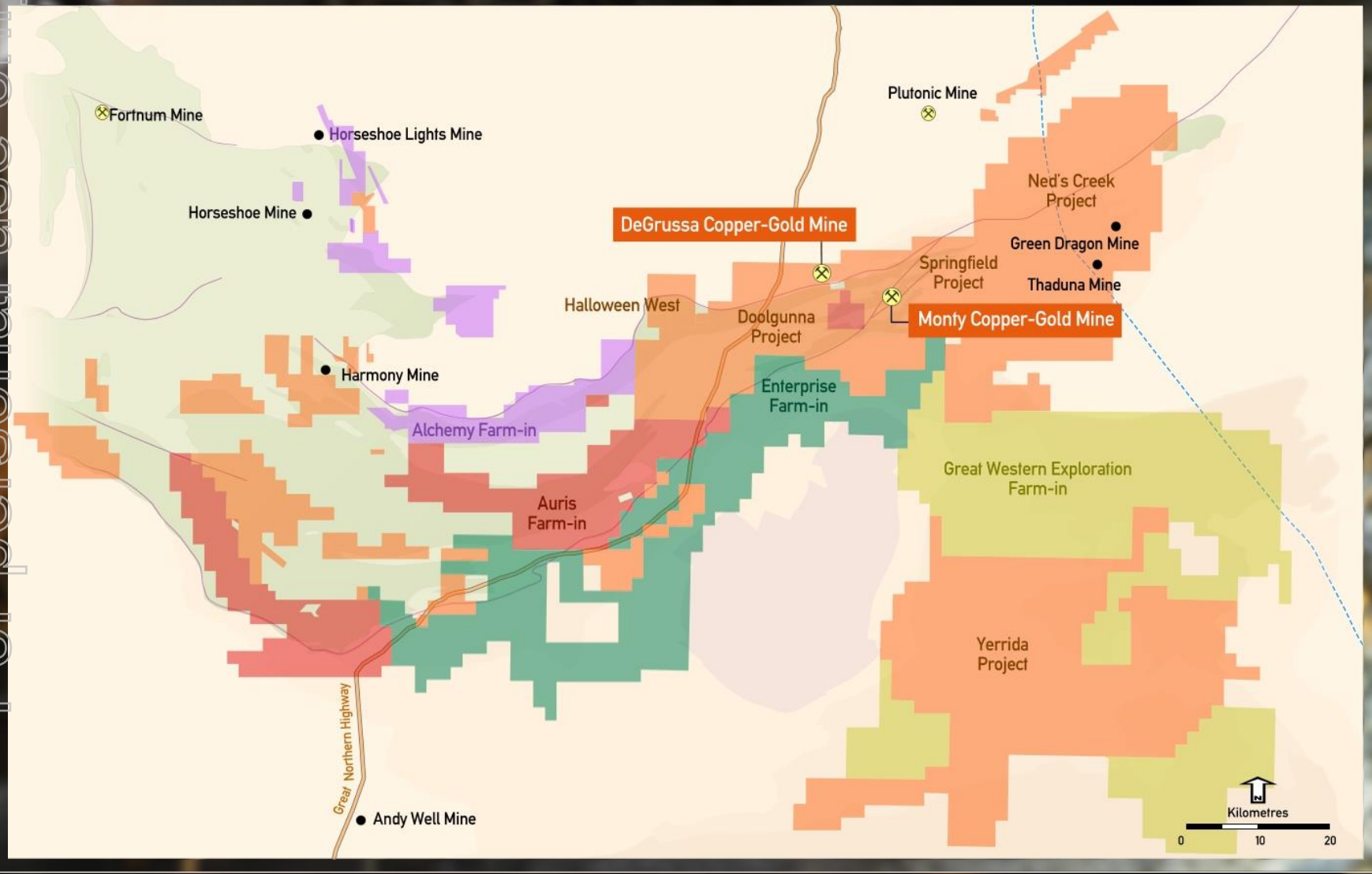
Doolgunna Exploration Overview

Exploration advancing at multiple prospects within Greater Doolgunna area.



- 51,494m AC/RAB drilling
- 4,550m RC drilling
- 873m underground DD drilling
- 266m surface DD drilling

Sandfire Tenements (3,559 km²)
Enterprise Farm-in Tenements (917 km²)
Great Western Exploration Farm-in Tenements (1,525 km²)
Auris Farm-in Tenements (726 km²)
Alchemy Farm-in Tenements (324 km²)

TOTAL = 7,048 km²

Bryah Basin Formation
Prospective Narracoota Volcanics
Killara + Maralou Formations
Thaduna + Doolgunna Formations
Windplain Sub-Group
Monzogranite
Historical Mine

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Tshukudu, Botswana – T3 Feasibility Study

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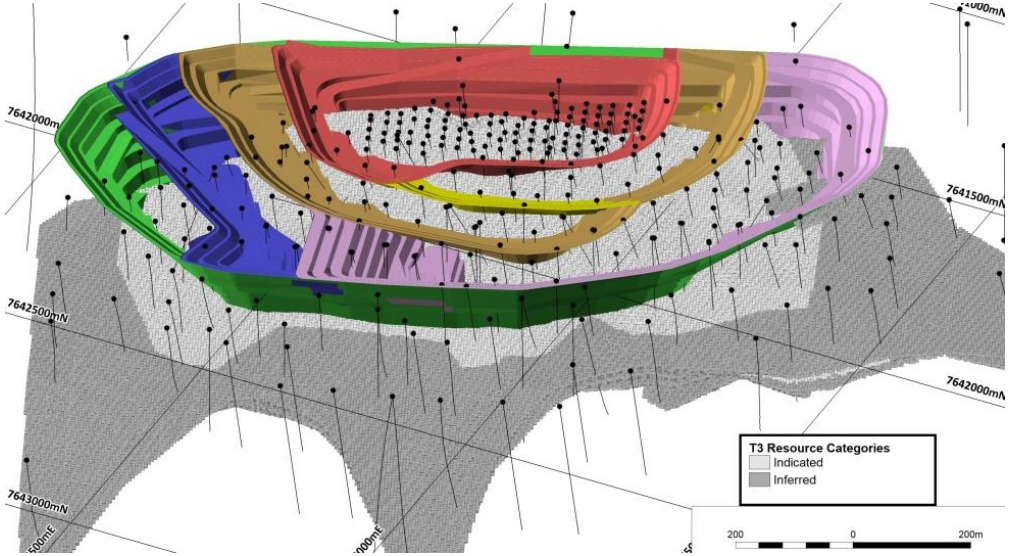
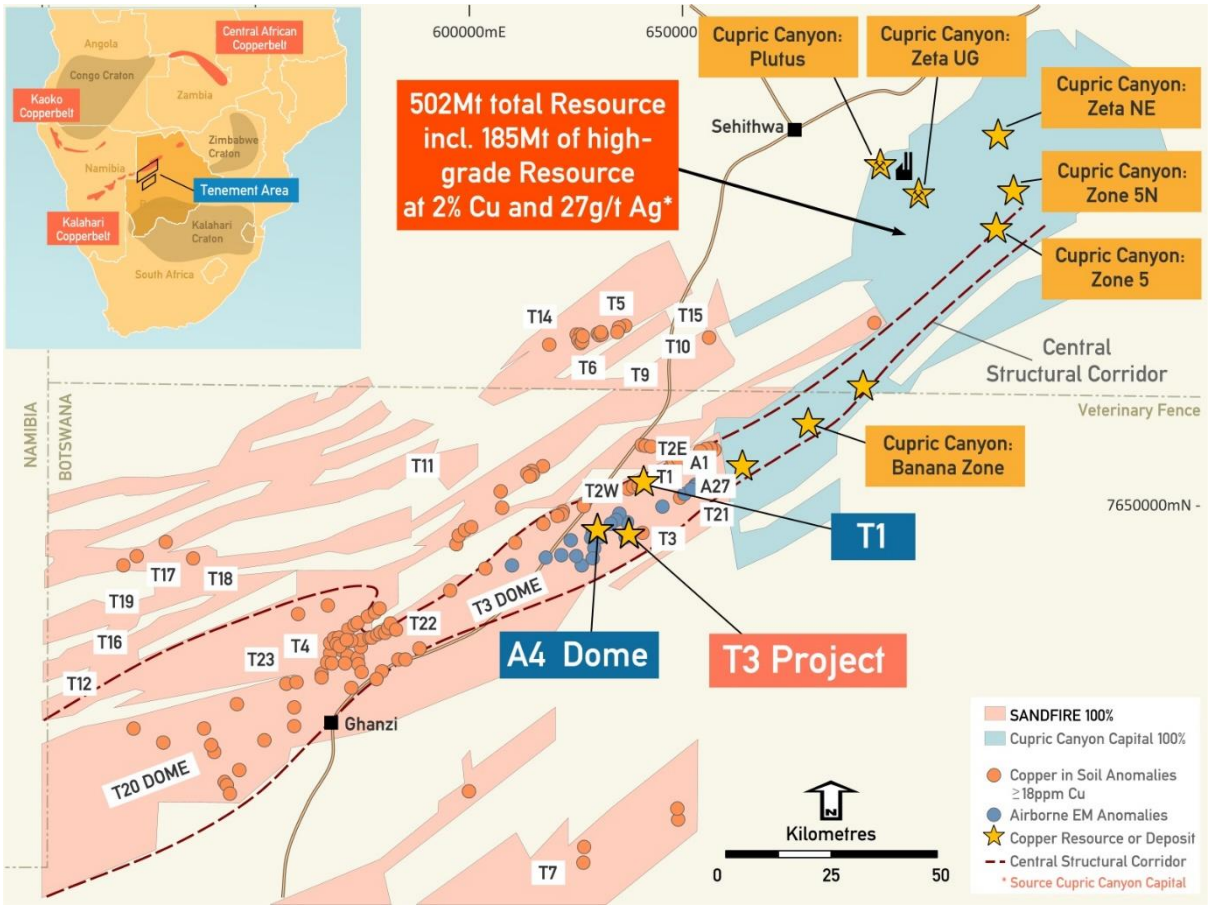
- Optimisation of T3 Copper-Silver Project Feasibility Study continuing
- ESIA approval expected soon with Mining Licence Application to follow
- Updated Feasibility Study and Ore Reserve timing to be advised following COVID-19 impact assessment



Significant 100% licence holding (~11,700km²). Numerous drilling targets



* Source: Cupric Canyon's website www.khoemacau.com

Tshukudu, Botswana – Exploration overview

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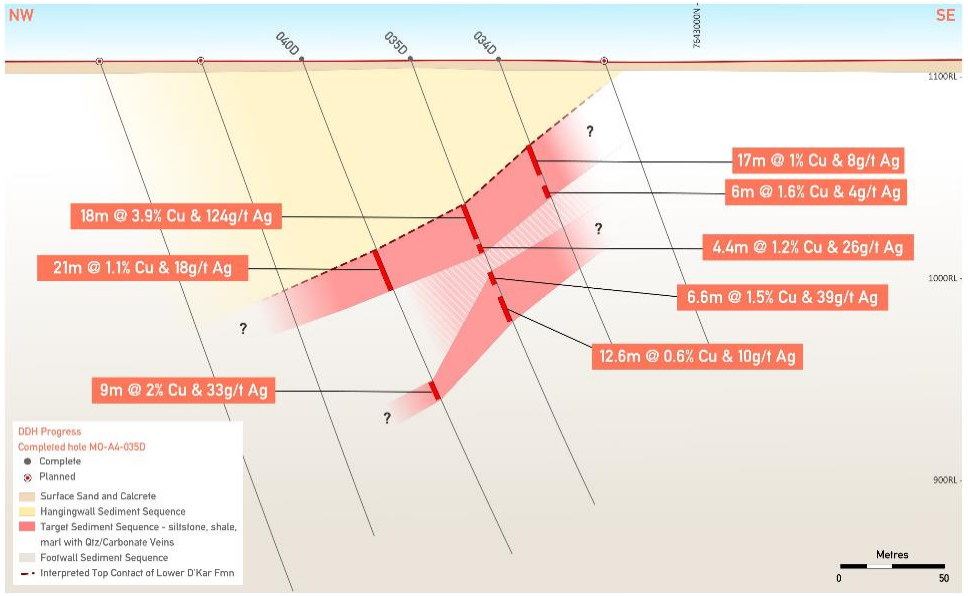
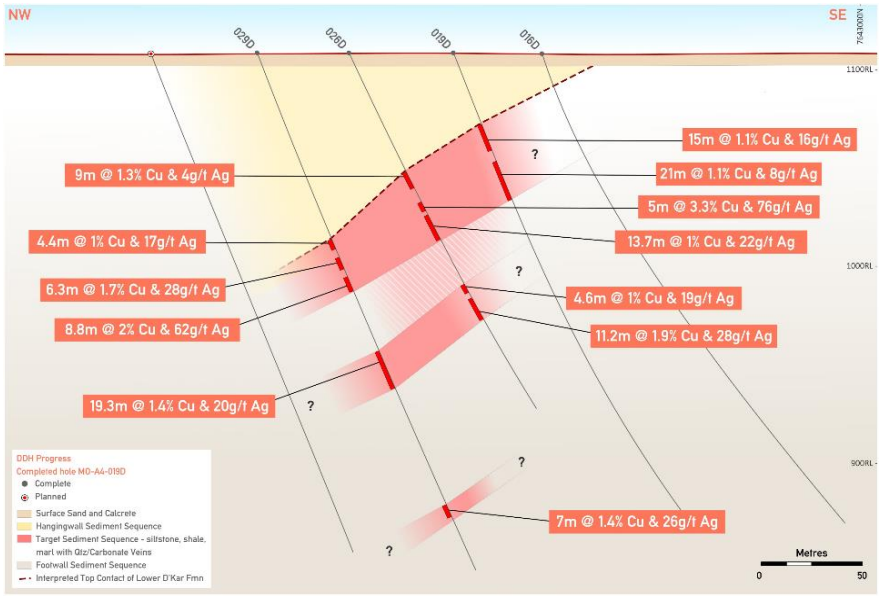
Tshukudu Exploration Project strategy weighted towards targeting high-grade satellite discoveries with potential to expand the scale of T3:

- Outstanding new results received during the Quarter from step-out drilling at the A4 discovery, 8km west of T3, extending the zone of near-surface, vein-hosted mineralisation to a strike length of over 700m (previously 250m).
- Resource drilling is being undertaken on a 50x50m drill pattern, with good continuity interpreted along strike based on the assays received to date.
- Airborne Electromagnetic (AEM) data for both the T3 and A4 doubly-plunging anticlines ('domes') has been re-processed and re-interpreted, resulting in the identification of several new high-priority structural targets for drilling.
- Re-processing of AEM data is continuing to open up the wider potential within the 11,700km^2 Tshukudu Exploration Project and a major AEM survey is planned to cover other regional structural zones once restrictions have been lifted.



Preliminary interpreted cross section through hole MO-A4-035D with completed and planned drill holes. Refer to Sandfire's ASX Announcement, dated 17 April 2020, titled 'Tshukudu Exploration Update' for details.



Preliminary interpreted cross section 250m east of hole MO-A4-035D, with completed and planned drill holes. Refer to Sandfire's ASX Announcement, dated 17 April 2020, titled 'Tshukudu Exploration Update' for details.

Tshukudu, Botswana – Exploration overview

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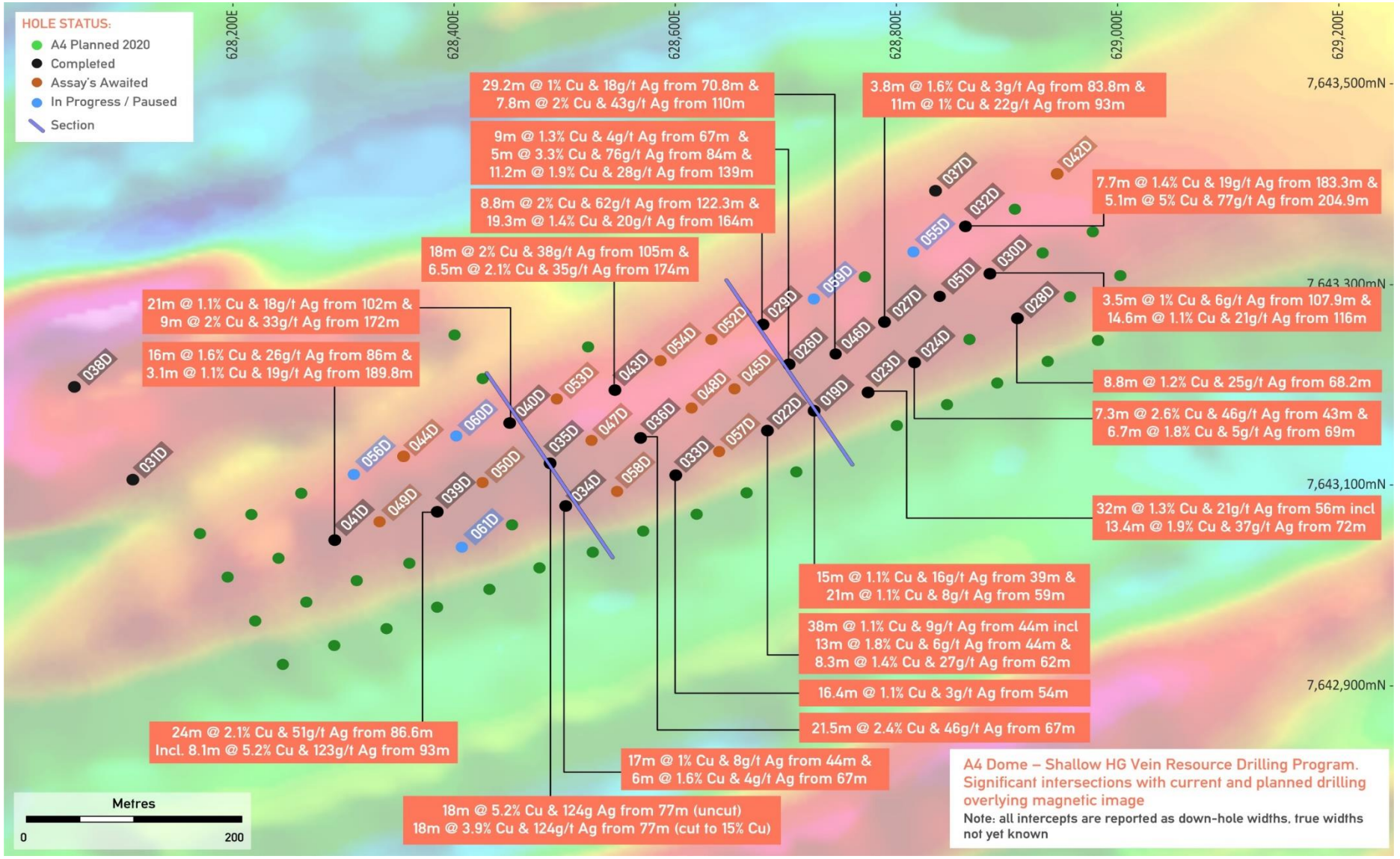

A4 resource drilling program showing significant intersections from results received to date and drill-hole collars plotted over magnetic image. Locations of the cross-sections in slide 16 highlighted.

Black Butte Copper, USA

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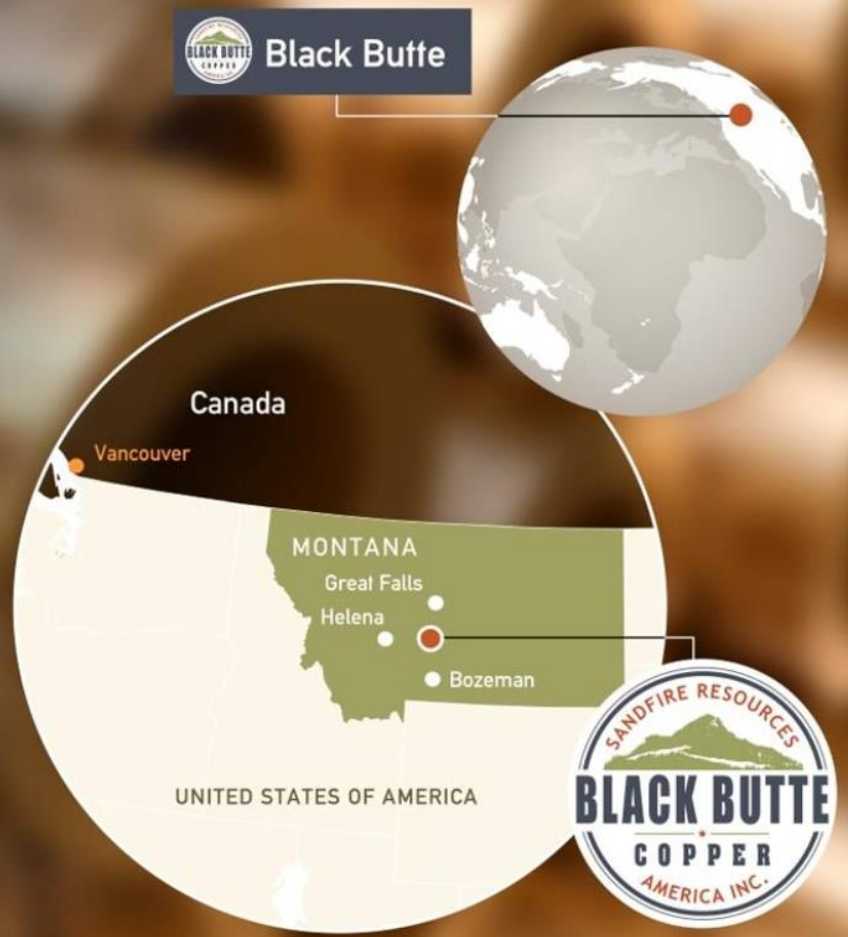
- 85% stake in the Black Butte Copper Project, central Montana (via interest in Sandfire Resources America Inc.)
- Advanced, high quality copper project in stable jurisdiction
- NI 43-101 Mineral Resource estimate completed for the Johnny Lee Deposit, following 48 additional diamond drill-holes[1]:
  - Measured and Indicated Resource: 10.9Mt at 2.9% Cu for 311,000t of contained copper (at a 1.0% Cu cut-off grade); and
  - Inferred Resource of 2.7Mt at 3.0% Cu for 80,000t of contained copper (at a 1.0% Cu cut-off grade).
- Environmental Impact Statement (EIS) and Record of Decision (ROD) issued, completing permitting process
- Feasibility Study completing across key areas



1 Refer to Sandfire Resources Ltd ASX Announcement, dated 30 October 2019. Excludes the Lowry Resource.

Summary & Outlook

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- COVID-19 response:
  - Focus on health and safety of our people, contractors and communities
  - Increasing ROM stocks, securing additional supplies of consumables and critical spares
  - Production, cost and project timeline impacts under review
- Production and cost performance:
  - March 2020 Quarter: 17,936t of contained copper and 9,352oz of contained gold produced; C1 US$0.74/lb
  - YTD FY2020: 52,924t of contained copper and 28,722oz of contained gold produced; C1 costs US$0.80/lb
- Optimisation of T3 Copper-Silver Project Feasibility Study continuing
- Exploration push paused in Kalahari Copper Belt; delivering pleasing results with initial A4 drill program
- Final EIS and positive ROD issued for Black Butte Copper Project; Feasibility Study progressing
- Active exploration underway targeting the next VMS discovery across the emerging Bryah Basin VMS district

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