



ASX RELEASE

23 July 2009

FURTHER OUTSTANDING COPPER INTERSECTIONS FROM DOOLGUNNA

Further to its recent announcements, Sandfire Resources NL (ASX: **SFR**; **Sandfire**) is pleased to report **additional excellent assay results** from the first diamond core hole, DGDD-001, completed at its 100%-owned Doolgunna Project in Western Australia.

Results have now been received for:

- i) the last 3 metres of Intersection 1 (DeGrussa zone);
- ii) a newly identified intermediate intersection of sulphide mineralisation below Intersection 1; and
- iii) the first 6 metres of Intersection 2 (DeGrussa zone).

New assay results received to date for DGDD-001 are summarised in Table 1.

TABLE 1 SUMMARY OF ASSAY RESULTS FOR DGDD-001 RECEIVED TO 23 JULY 2009						
	Interval (down hole)			Copper (Cu) (%)	Gold (Au) (g/t)	Silver (Ag) (g/t)
	From (m)	To (m)	Total (m)			
Intersection 1						
Previously reported	146.1	154.0	7.9	27.3	1.9	34.9
New result	154.0	156.8	2.8	22.9	0.9	35.3
Combined total	146.1	156.8	10.7	26.2	1.7	35.0
Lower Grade Intermediate Intersection Continuation of Intersection 1						
New Result	156.8	167.4	10.6	6.5	0.9	15.3
Intersection 2						
New Result	175.9	182.0	6.1	21.4	1.7	40.1
Notes:						
1. From 167.4 to 175.9 metres (8.5 metres down hole) low copper, gold and silver values were reported; averaging Cu – 1.4%, Au – 0.5 g/t, Ag – 4.8 g/t.						
2. g/t = grams per tonne						

The assay results received to date for DGDD-001 are excellent and provide further evidence for the strength of the mineralised system discovered at Conductor 1 and DeGrussa.

Assay results are still awaited for the following intersections from DGDD-001.

- Intersection 2 – the additional 25 metres (down hole) of the massive sulphide intersection recorded from 182.0m to 207.0m in the DeGrussa zone.
- Intersection 3 – comprising sulphide mineralisation recorded from 318.9m to 324.9m (6 metres down hole) in the Conductor 1 zone.
- Intersection 4 – massive sulphide, which was recorded from 337.8m to 356.3m (18.5m down hole) in the Conductor 1 zone.

Material assay results from these intersections will be reported as they become available.

DGDD-001 was located at 7173000mN, 733840mE, approximately 240 metres south of RC hole DGRC-115 (previously reported), drilling 60 degrees to the north.

A program of step-out drilling is continuing at Doolgunna, with diamond drill hole DGDD-003, the third step-out hole in the current drilling program, now complete and drilling of the fourth hole, DGDD-004, currently underway. A second diamond drilling rig is due to commence drilling on the Project by 26 July 2009.

W JOHN EVANS
TECHNICAL DIRECTOR (AUSIMM Competent Person)

Competent Person's Statement

The information in this report that relates to Exploration Results is based on information compiled by John Evans who is a Fellow of the Australasian Institute of Mining and Metallurgy. John Evans has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which he is undertaking to qualify as a Competent Person as defined in the 2004 Edition of the Australasian Code of Reporting of Exploration Results, Mineral Resources and Ore Reserves. John Evans consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.

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