



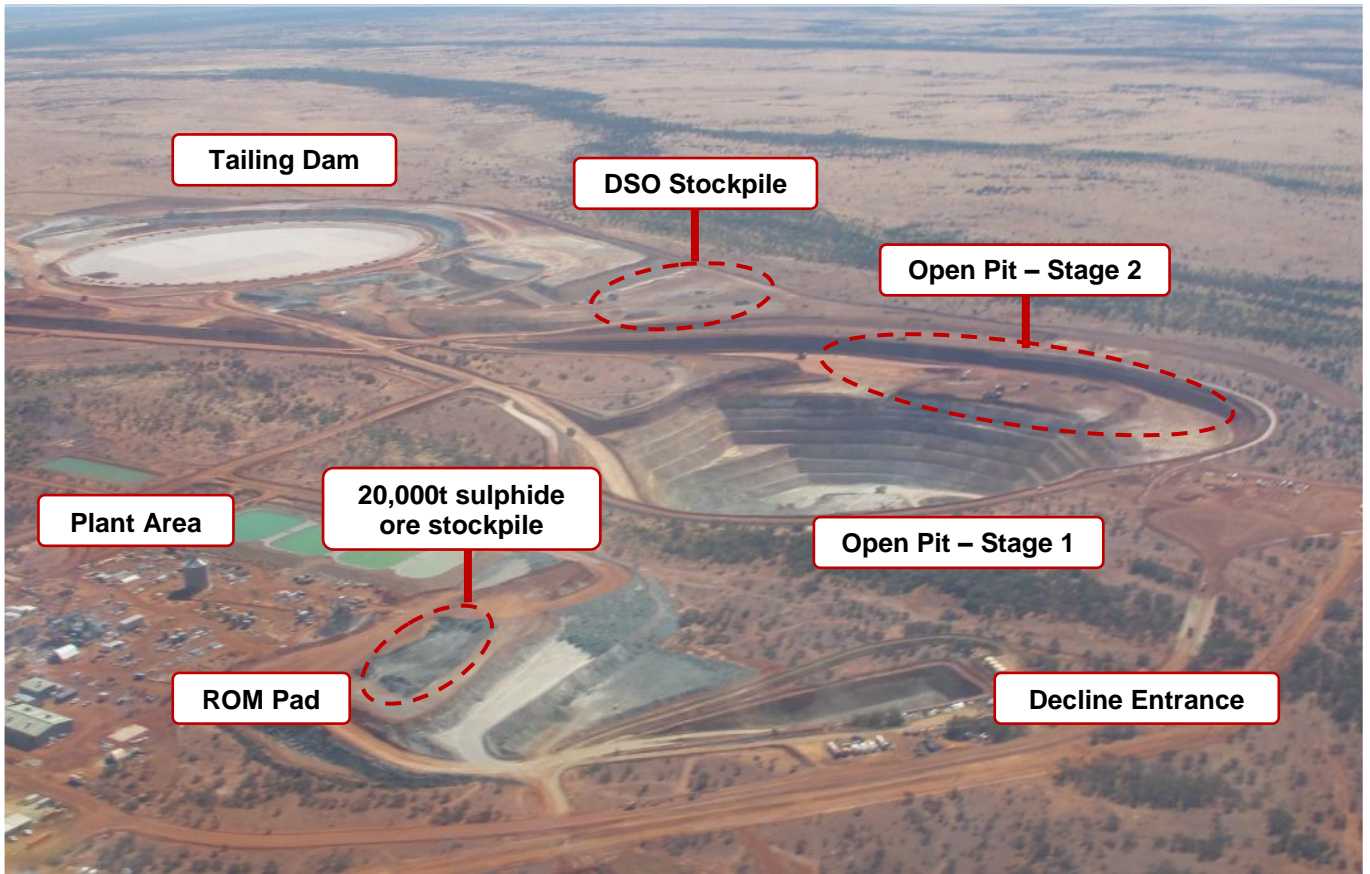
## DEGRUSSA PROJECT PICTORIAL UPDATE

Sandfire Resources NL is pleased to provide a pictorial update on the ongoing progress of construction, mining and copper production at DeGrussa.

- The first shipment of Direct Shipping Ore (DSO) grading approximately 30% Cu has departed from Geraldton for delivery to customers in China.
- Open pit Stage 1 mining is progressing on schedule with a total of 6.5 million bank cubic metres (bcm) of material mined to date. A further 1.2 million bcm has been mined from Stage 2.
- Underground mine development is progressing on schedule with the Evans Decline currently advanced to 1,350 metres from the portal and 220m below surface. A total of 4,000 metres of development has been completed to date.
- 20,000t of massive sulphide ore has been mined from the underground mine to the ROM pad ready for processing.
- Construction of the Process Plant continues on schedule for completion in 3QCY2012.
- Construction of the Tailing Storage Facility (TSF) is complete.
- The Power Station became operational in April 2012, supplying power to the underground mine, workshops, batch plant and exploration and village areas.

**6,600 dry tonnes of DeGrussa DSO  
grading approx 30% Cu shipped from Geraldton**

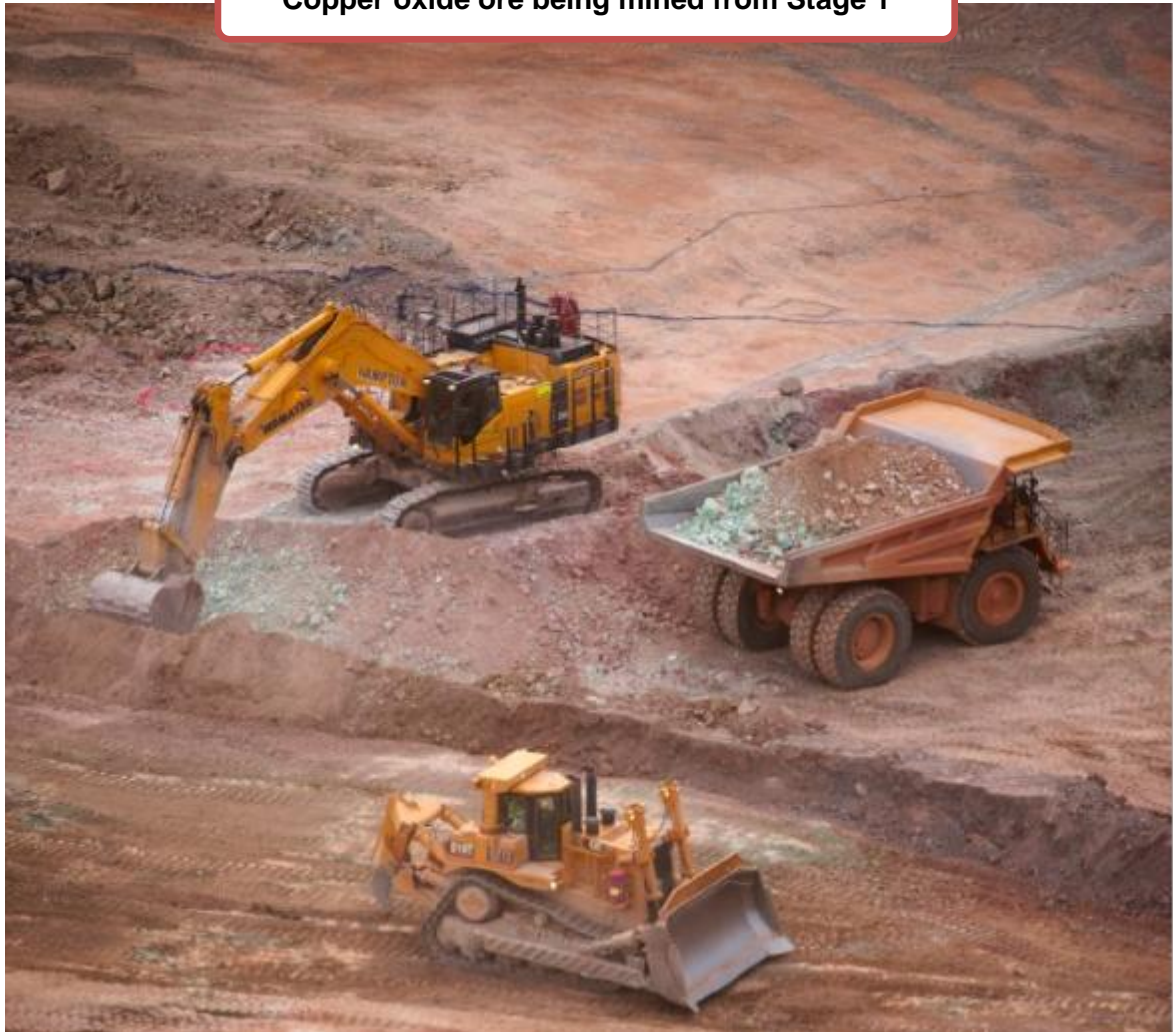




6.5M bcm of material mined from DeGrussa open pit Stage 1



**Copper oxide ore being mined from Stage 1**



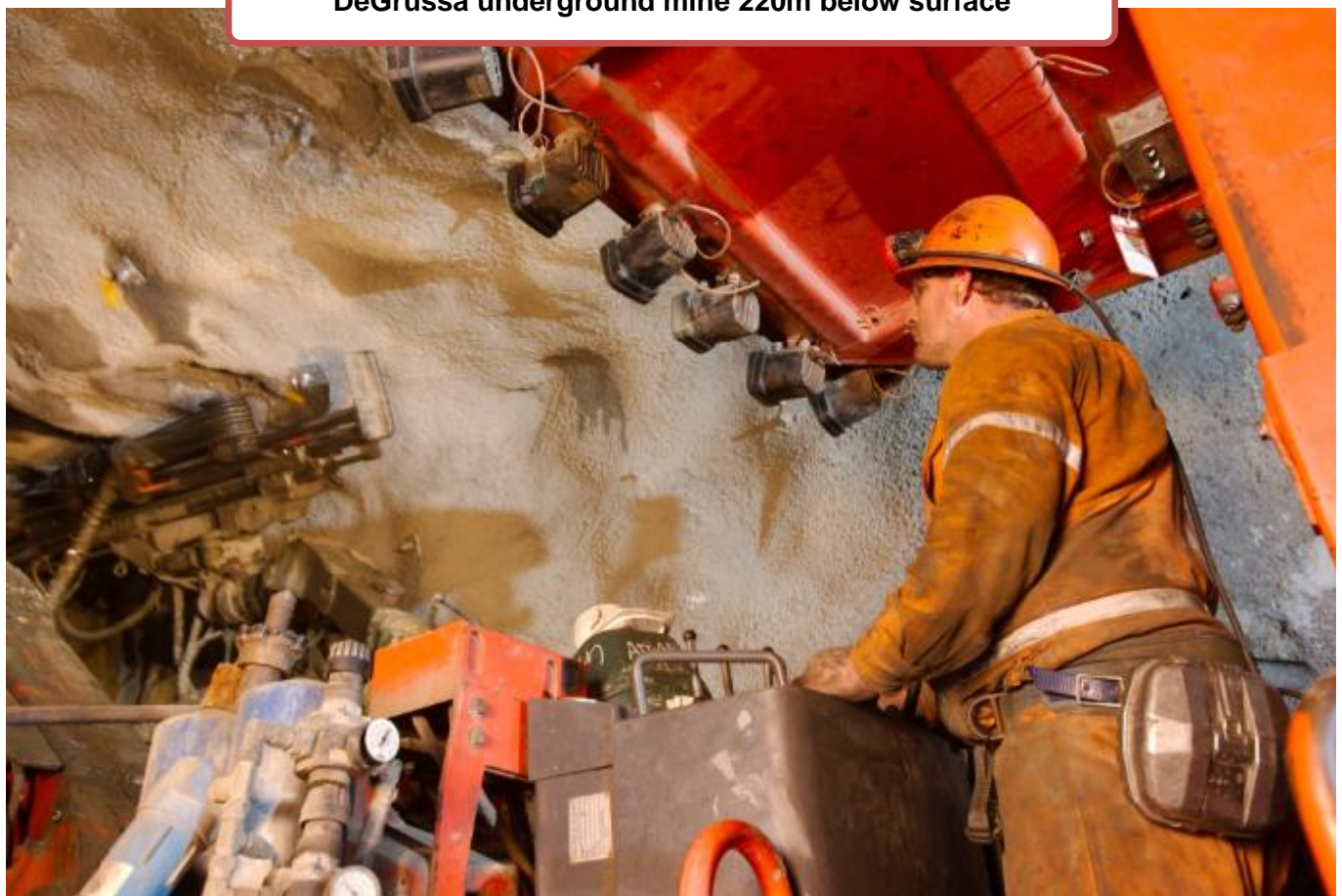
**1.2 bcm of material mined from DeGrussa open pit Stage 2**



Massive sulphide ore in the Conductor 1 ore body



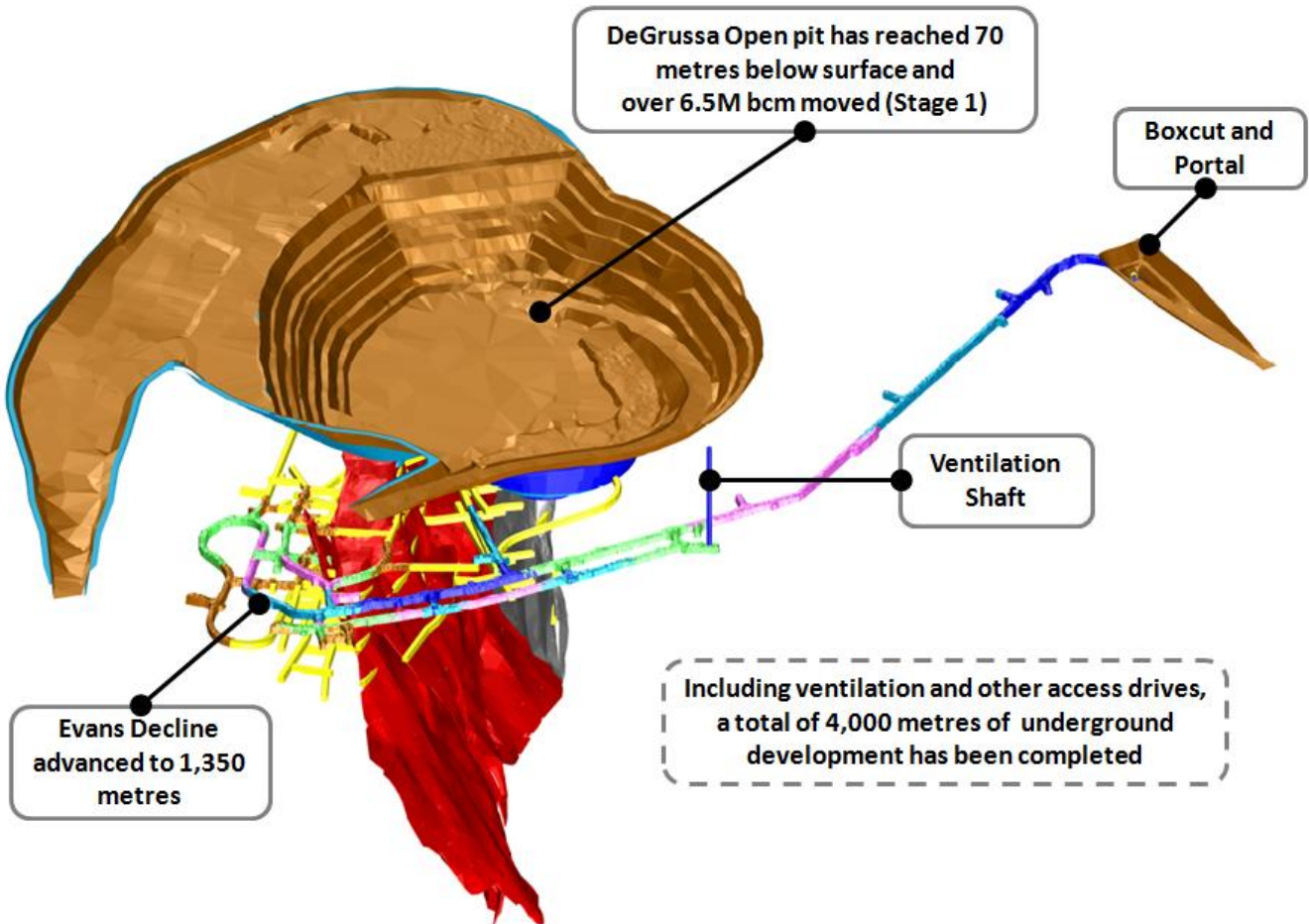
DeGrussa underground mine 220m below surface



Raise drill head



Massive sulphide ore being stockpiled at the process plant



**Process plant construction**

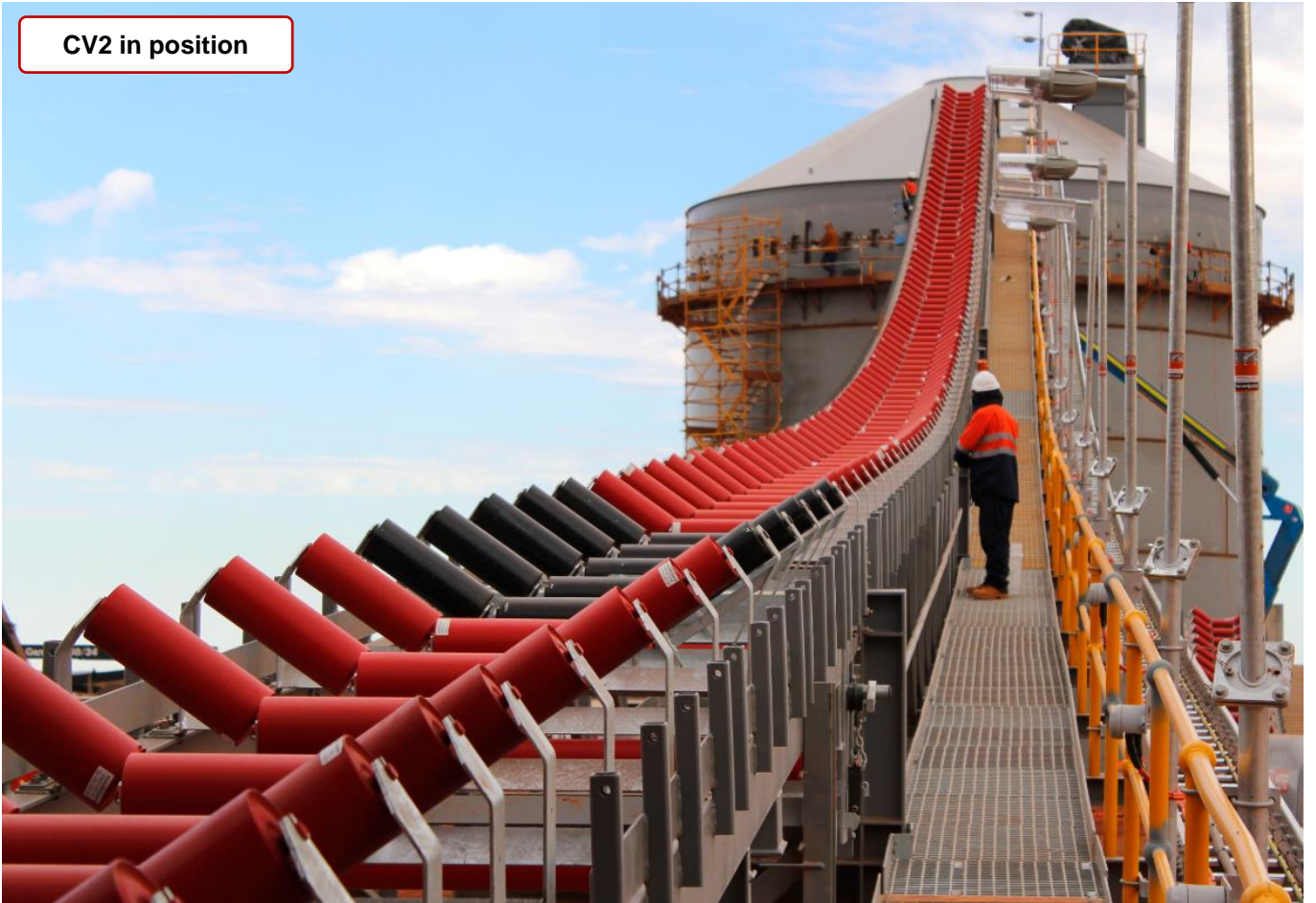
**Crusher installation nearing completion**



**Crusher control room in position**



CV2 in position



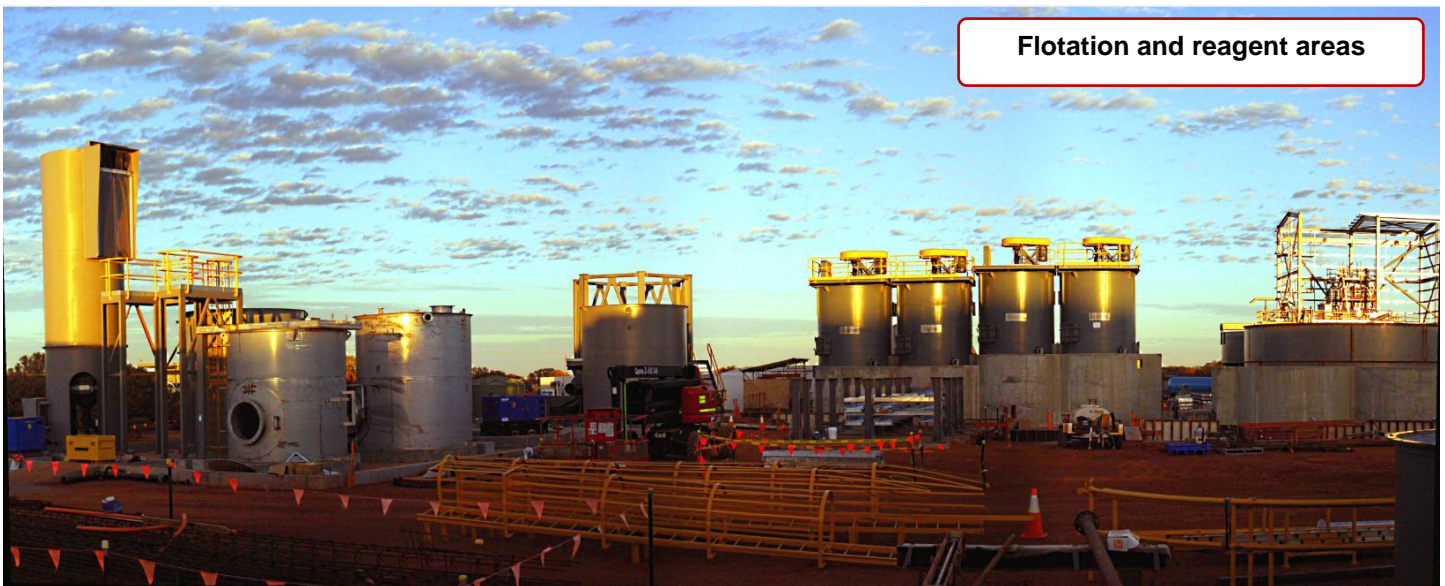
Mill area



Directors' site visit with Sandfire staff



**Regrind mill filter building and thickeners**



**Flotation and reagent areas**



**DeGrussa 600 room accommodation village and aerodrome**

**ENDS**

For further information contact:

Sandfire Resources NL

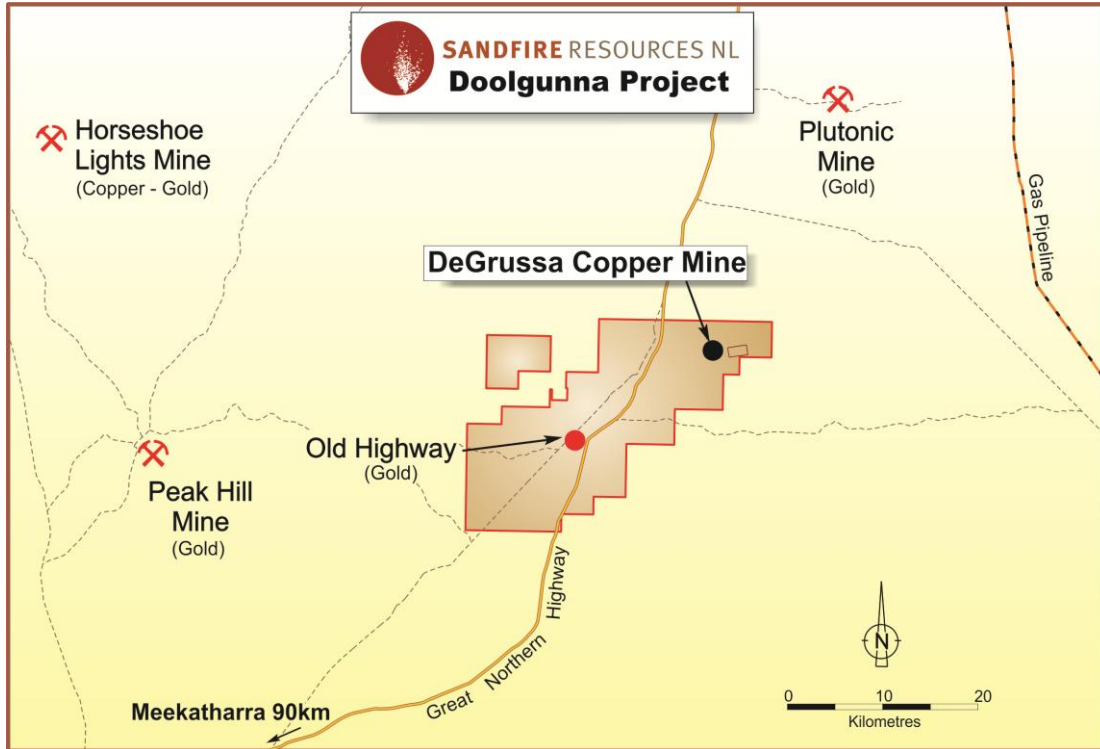
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**Figure 1 – DeGrussa Copper-Gold Project location**



**Forward-Looking Statements**

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