



SANDFIRE
RESOURCES NL
ASX Code: SFR

Annual General Meeting 2012

27 November 2012

Important Information and Disclaimer

Forward-looking statements and Competent Person's Statement

Competent Person's Statement

- The information in this public presentation that relates to Exploration Results and Mineral Resources is based on information compiled by Mr John Evans who is a Fellow of the Australasian Institute of Mining and Metallurgy. Mr Evans is a permanent employee and Director of Sandfire Resources NL. Mr 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. Mr Evans consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.

Forward-Looking Statements

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Sandfire – Our Vision

A mining company focused on shareholder returns

- Deliver **superior returns** to our owners from the premier high-grade DeGrussa VMS copper-gold mine
- Discover **additional VMS deposits** within the emerging Doolgunna mineral field
- Explore for, develop and mine **key raw materials**, in Australia and overseas
- Foster and develop **long-term strategic relationships** with raw material end-users and traders
- Maintain the highest standards of **safety, integrity and quality** at all times
- Develop a **world-class mining company**



Corporate Snapshot

Australia's newest copper producer



Key Data

Issued Capital	152.7M Shares, 8.6M options
Market Capitalisation	~\$1.3 billion
Key Project	DeGrussa (Doolgunna)
Product Customers	POSCO, Yunnan Copper, MRI (DSO)

Key People

Board	Derek La Ferla	Non-executive Chairman
	Karl Simich	Managing Director / CEO
	W. John Evans	Executive Technical Director
	Soocheol Shin	Non-executive Director
	Robert Scott	Non-executive Director
Management	Matt Fitzgerald	Chief Financial Officer
	Martin Reed	Chief Operating Officer
	Rob Klug	Chief Commercial Officer

Shareholders

OZ Minerals	19.6%
Posco	15.5%
Institutions	22.8%
Founders/Board	8.0%
Others	34.1%



Sandfire – Snapshot

A position of strength and opportunity

- **Discovery to production:** less than 3 years (2009 to 2012)
- **Delivery of project milestones on time and on budget**
 - **Open pit operations and DSO shipments:** underway
 - **Plant commissioning and ramp-up:** underway
 - **Concentrate shipments:** commenced Q4 2012
- **Exceptional life-of-mine grade +5% Cu** with significant gold credits
- **High-margin copper production** to ramp-up by early 2013
 - **77,000tpa copper, 36,000ozpa gold**
 - C1 cash costs in **lowest cost quartile globally (~US\$1.20/lb LOM)**
 - Production from **oxide copper reserves mid-2013**
- **Strong operating cash flows** building from Q3/Q4 2012
 - Ability to fund **exploration, growth, shareholder returns**
- **A new growth chapter**
 - **Cash flow, organic growth, business development opportunities**



Sandfire – the Strategy

A multi-pronged approach to building a leading diversified mining company



Production

- DeGrussa Project
- 77ktpa Cu, 36ozpa Au
- Strong cash flows building



Near-Mine Exploration

- Targeting additional VMS deposits/ lenses
- +30km mine corridor
- 400km² landholding



Australian Regional Exploration

- Zinc-lead: NT
- IOCG Cu-Au: QLD, Gawler Craton (SA)
- Porphyry Cu-Au: NSW
- Iron ore: NT



International Exploration

- Copper-gold exploration in Chile, Peru
- Quality, long-life mineral assets



Business Development

- Targeting quality assets which can add genuine value
- Cu, Cu-Au, Pb-Zn-Ag, others



Sandfire – the Strategy

A multi-pronged approach to building a leading diversified mining company



Production	Near-Mine Exploration	Australian Regional Exploration	International Exploration	Business Development
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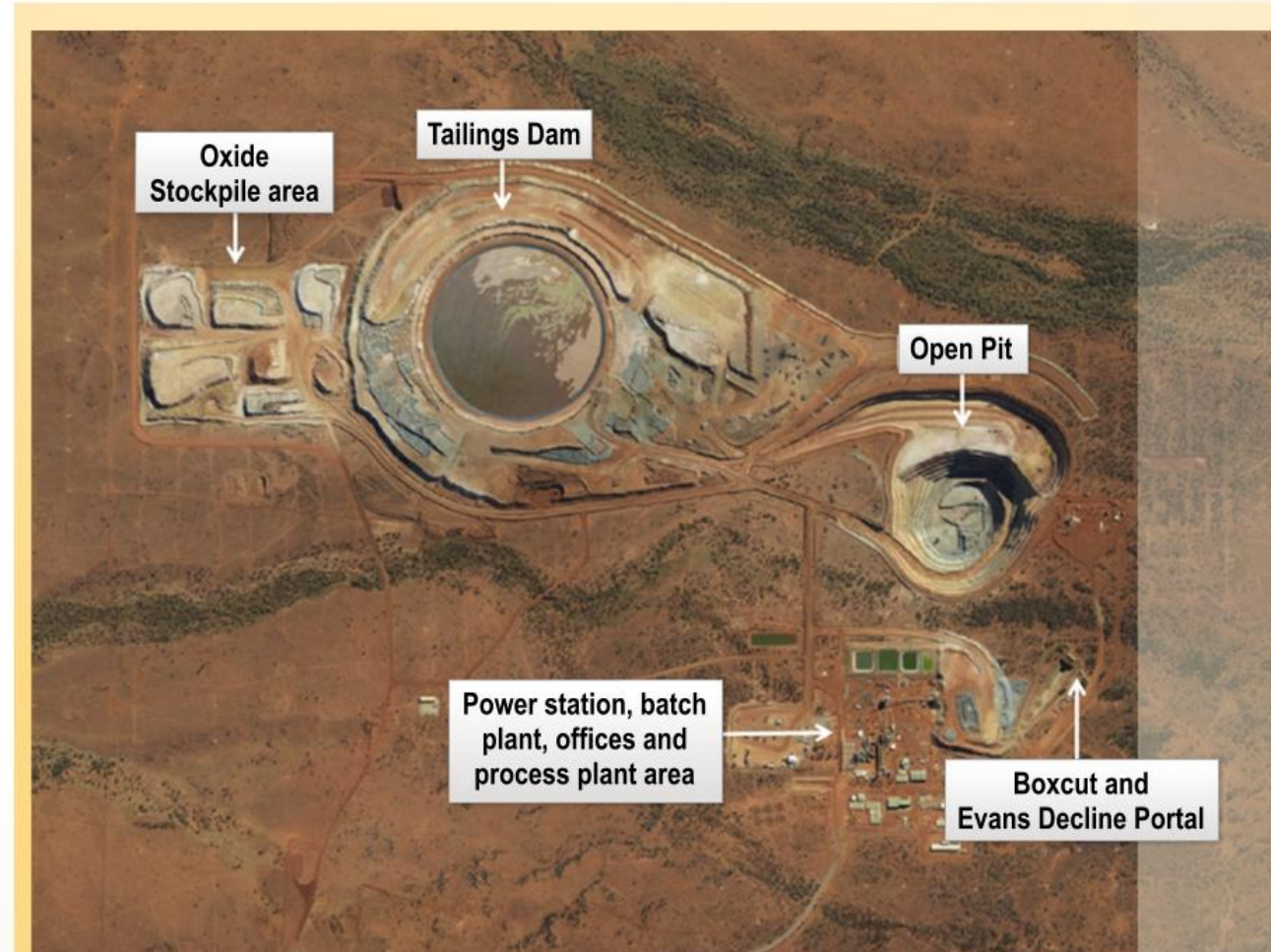
DeGrussa Project – Key Facts

Copper production underway and ramping up



DeGrussa Project

Mining:	Open pit + underground
Mine Life:	+7 years
Processing:	+1.5Mtpa on-site concentrator
Production:	10.72Mt @ 5% Cu, 1.7g/t Au 541kt Cu, 599koz Au
Open pit DSO Ore Reserve	38kt Cu (25.6%), 12koz Au (2.5g/t) contained (as at 31 March 2012)
Concentrate	300,000tpa grading 27% Cu (FY2013-2015) 220,000tpa grading 27% Cu (FY2016 onwards)



DeGrussa – Mining & Production

Q1 FY 2013 mining and production performance



Production statistics		Tonnes	Grade (% Cu)	Grade (g/t Au)	Contained copper (t)	Contained gold (oz)
DSO	Mined	86,089	27.1	2.6	23,355	7,225
	Crushed	70,796	29.9	2.4	21,181	5,542
	DSO Sales	40,660	28.4	2.5	11,547	3,268
Concentrator	Mined	50,526	4.5	1.3	2,274	2,119
Oxide gold	Mined	3,559	-	0.8	-	94
	Milled (toll treatment)	19,501	-	2.1	-	1,296
	Gold production					1,174
	Gold sales					1,174
Total	Mined	140,175	18.3	2.1	25,629	9,437
	Crushed/Milled	90,297	23.5	2.4	21,181	6,838
	Copper production	70,796	29.9	2.4	21,181	5,542
	Gold production					1,174
Total	Contained metal				21,181	6,716
	Copper and gold sales	40,660	28.4		11,547	4,442

The Case for Copper

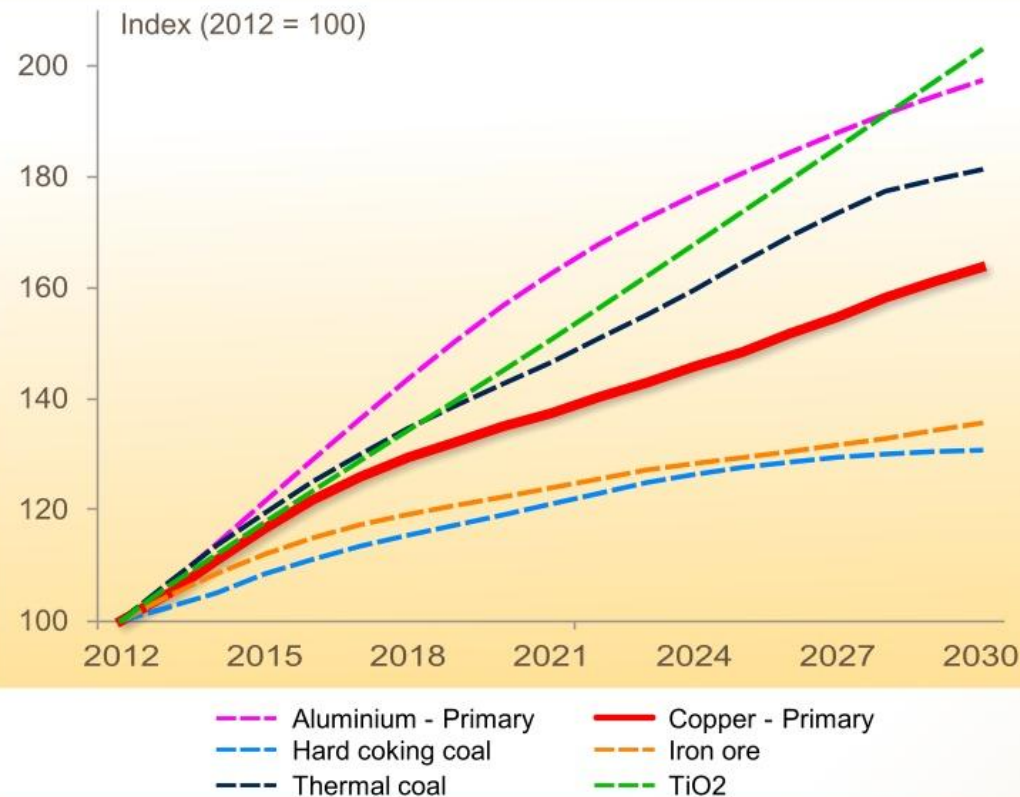
The outlook for copper remains extremely robust...



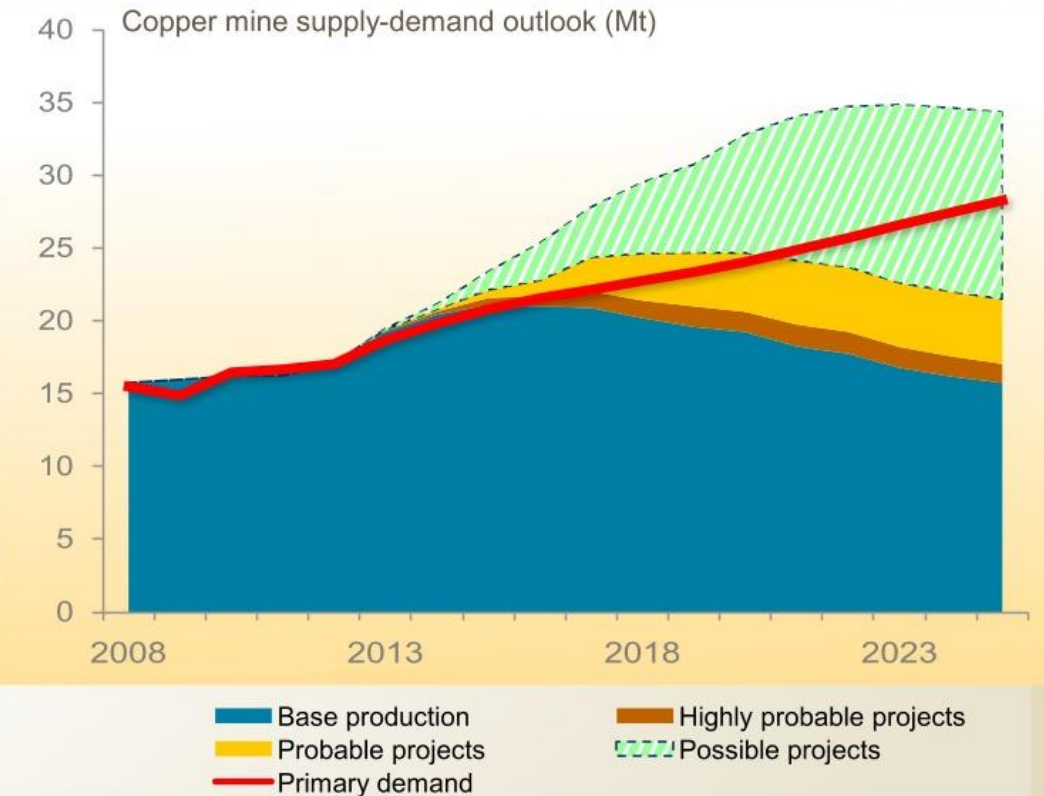
Copper has one of the most impressive demand trajectories of all metals, driven by urbanisation, China's ongoing growth and the electrification of large emerging markets

But supply remains challenged due to declining grades and mine closures

Global commodity demand trajectories



Continued project development is necessary to meet medium term demand



Source: Rio Tinto Presentation, Economic Outlook and Commodity Prices, 9 November 2012

Source: Rio Tinto Presentation, Investor Seminar, London/New York, 9 October 2012

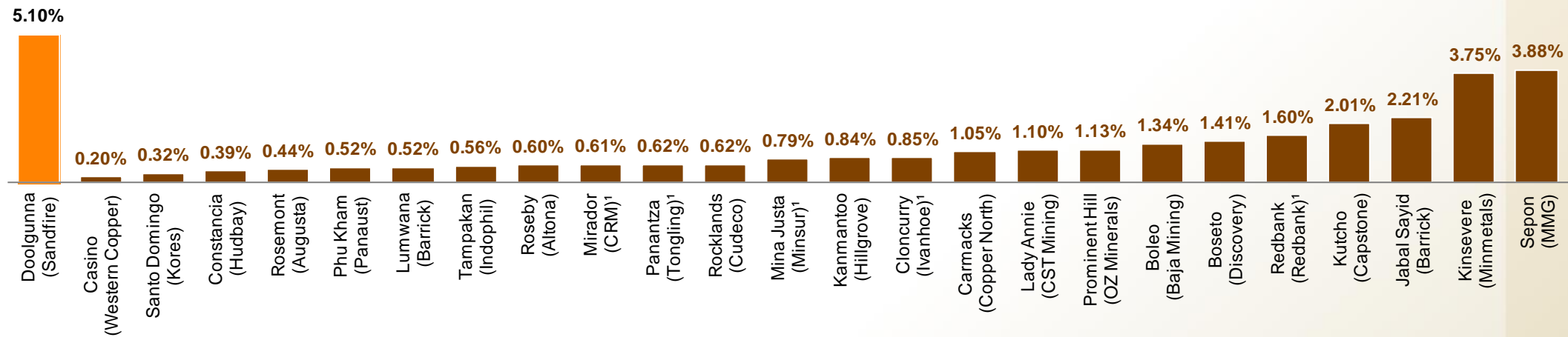
The Case for Copper

...and DeGrussa will be one of the highest grade mines in the world



Sandfire has superior physical positioning compared to global peers

Reserve Grade¹ (%)












Source: AME, company disclosures
¹ Resource grade shown for projects with no disclosed reserves

Sandfire – the Strategy

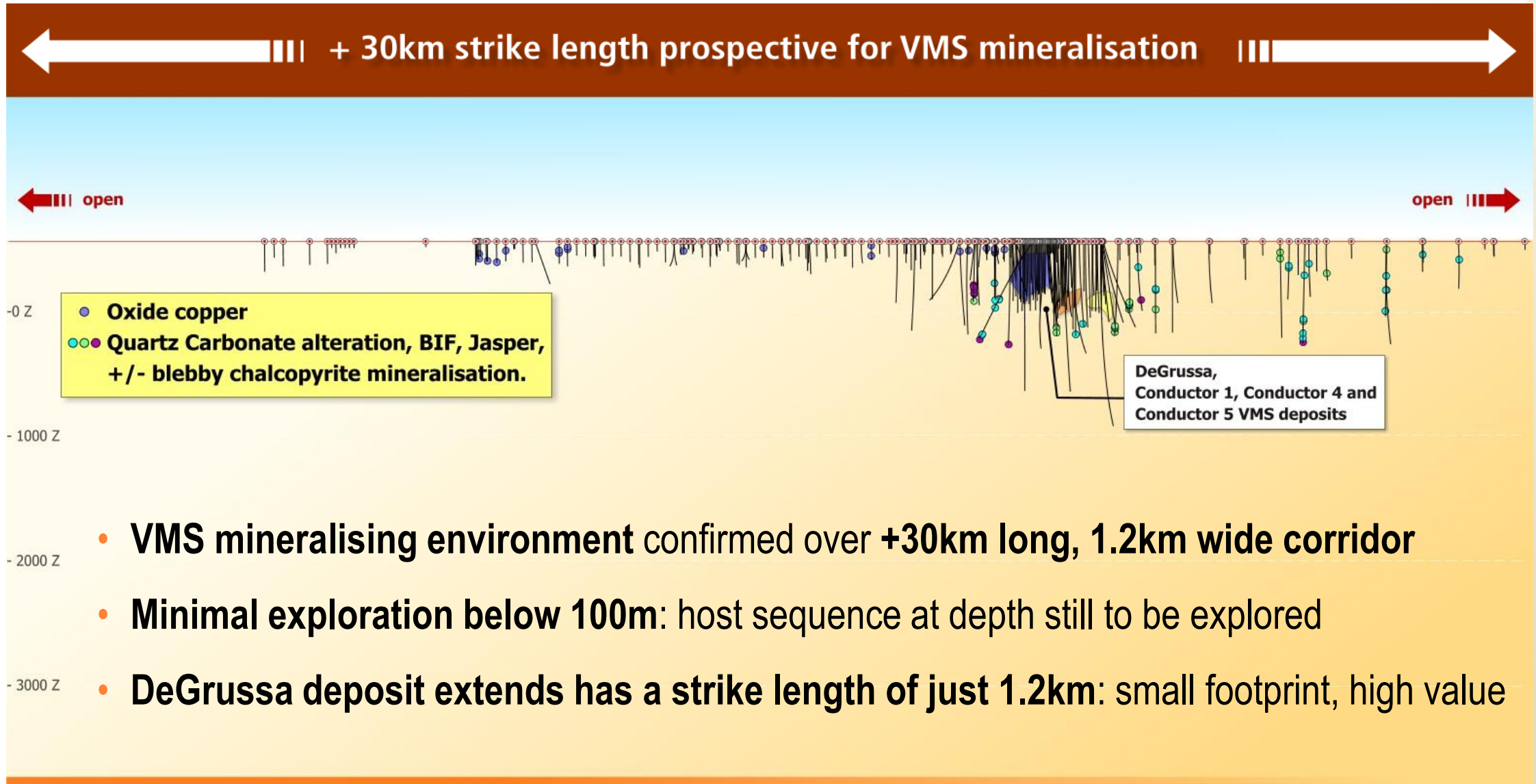
A multi-pronged approach to building a leading diversified mining company



Production	Near-Mine Exploration	Australian Regional Exploration	International Exploration	Business Development
<ul style="list-style-type: none">• DeGrussa Project• 77ktpa Cu, 36ozpa Au• Strong cash flows building  	<ul style="list-style-type: none">• Targeting additional VMS deposits/ lenses• +30km mine corridor• 400km² landholding  	<ul style="list-style-type: none">• Zinc-lead: NT• IOCG Cu-Au: QLD, Gawler Craton (SA)• Porphyry Cu-Au: NSW• Iron ore: NT  	<ul style="list-style-type: none">• Copper-gold exploration in Chile, Peru• Quality, long-life mineral assets  	<ul style="list-style-type: none">• Targeting quality assets which can add genuine value• Cu, Cu-Au, Pb-Zn-Ag, others  

DeGrussa – “Corridor of Riches”

Minimal exploration conducted along +30km prospective corridor



DeGrussa Exploration

\$20M exploration budget to discover additional high-value VMS copper-gold deposits at Doolgunna

- **Systematic and scientific approach**

- Extensive regional drilling to define prospective VMS sequences
- Re-logging and spectral scanning to define alteration systems
- Systematic drilling of regional targets: +150,000m completed

- **Near-mine exploration**

- Developing robust structural model
- Leveraging off detailed geological understanding to identify DeGrussa genetic signature

- **Innovative new techniques**

- Establishing baseline data over known deposits
- If successful, survey to be extended along Mine Corridor to discover next generation of VMS deposits

- **New phase of target drilling underway**



Sandfire – the Strategy

A multi-pronged approach to building a leading diversified mining company

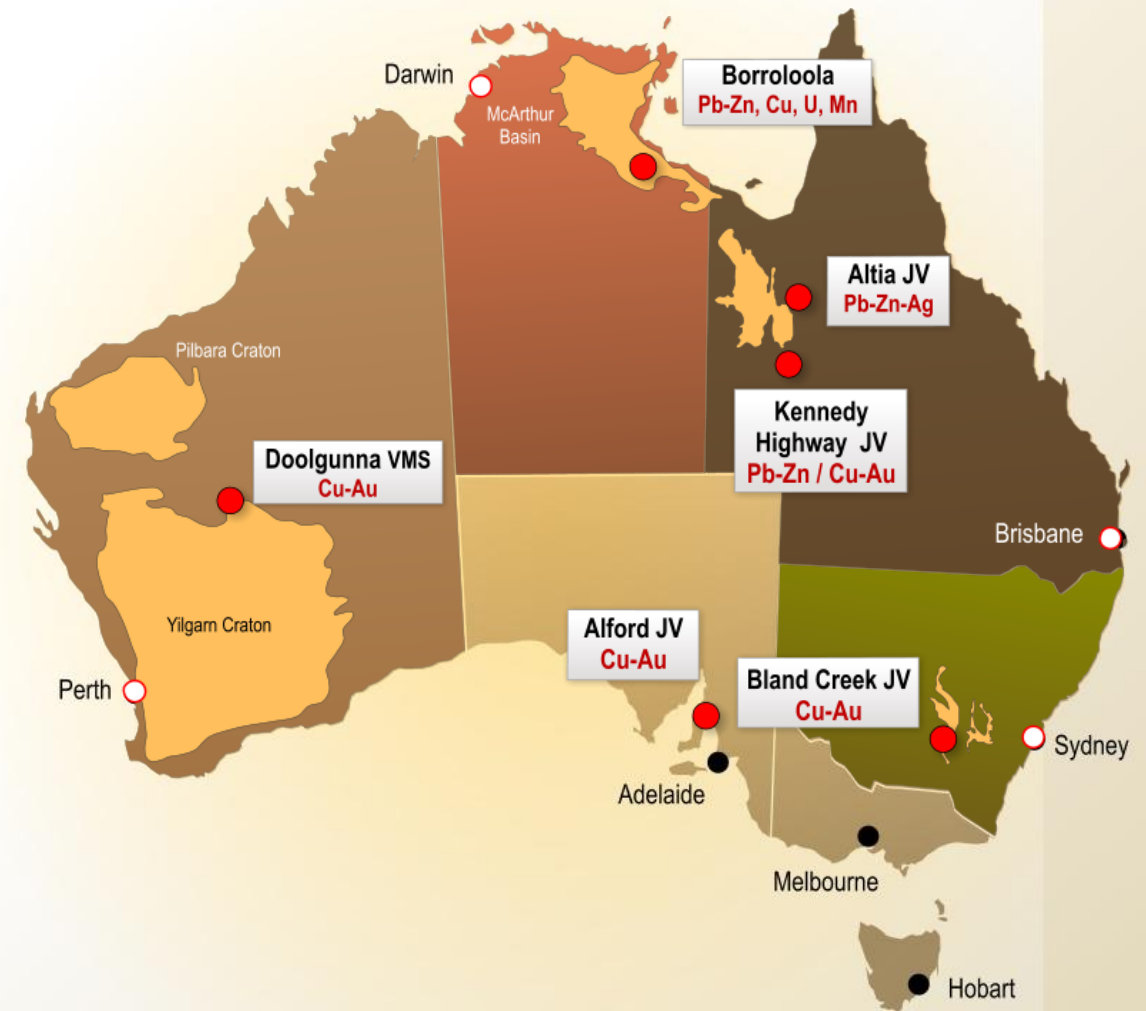


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Australian Regional Exploration

Extensive portfolio with a focus on discovering Tier One deposits

- Reviewing **high-quality, asset-driven exploration opportunities** in Australia
- Focus outside Doolgunna is on **IOCG copper-gold, porphyry-style copper-gold** and **lead-zinc-silver**
- **\$5-10M** annual exploration budget Australia-wide
- Current activities:
 - **Kennedy Highway JV** (Queensland) – targeting structurally controlled IOCG copper-gold
 - **Altia JV** (Queensland) – targeting world-class lead-zinc-silver and copper-gold deposits
 - **Bland Creek JV** (NSW) – targeting porphyry copper-gold
 - **Borrooloola** (NT) – targeting Sedex Pb-Zn-Ag, iron ore and manganese
 - **Alford JV** (SA) – targeting Prominent Hill-style copper-gold



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International Exploration and Business Development

Focused team seeking opportunities globally

- Targeting high quality, asset-driven opportunities
 - Projects with genuine potential to add value
- Strong focus in South America
 - Copper-gold, gold, base metals
- In-house Business Development Team
 - Overseen by Technical Director: John Evans
 - Exploration & Business Development Manager: Bruce Hooper
 - Business Analyst supported by strong technical team
- Ability to target, identify, assess and evaluate high-quality opportunities in selected regions
- Objective to establish multiple asset growth horizons



Sandfire Summary

Australia's newest copper producer entering its next chapter of growth

- DeGrussa Project now in production
- Concentrator commissioning underway
- High-margin production profile
- Exceptional cash flow
- Exploration to establish a VMS copper-gold camp
- Quality project pipeline + ability to secure new quality projects
- Strong and supportive major shareholders
- Experienced Board and Management

Delivering Strong Shareholder Returns and Value Growth





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Annual General Meeting 2012

27 November 2012

Appendix: Competent Person's Statements

Competent Person's Statement – Mineral Resources

- The information in this report that relates to Mineral Resources (except the Indicated Resource of Supergene Chalcocite) is based on information compiled by Diederik Speijers who is a Fellow of the Australasian Institute of Mining and Metallurgy. Mr Speijers is a permanent employee of McDonald Speijers and 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. Mr Speijers consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.

Competent Person's Statement – Mineral Resources

- The information in this report that relates to the Indicated Resource of Supergene Chalcocite is based on information compiled by David Slater who is a Fellow of the Australasian Institute of Mining and Metallurgy. Mr Slater is a permanent employee of Coffey Mining and 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. Mr Slater consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.

Competent Person's Statement – Underground Ore Reserves

- The information in this report that relates to Underground Ore Reserves is based on information compiled by Shane McLeay of Entech Pty Ltd, who is a Member of the Australasian Institute of Mining and Metallurgy. Mr McLeay 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. Mr McLeay consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.

Competent Person's Statement – Open Pit Ore Reserves

- The information in this report that relates to Open Pit Ore Reserves is based on information compiled by Quinton de Klerk of Cube Consulting, who is a Fellow of the Australasian Institute of Mining and Metallurgy. Mr de Klerk has sufficient experience which is relevant 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. Mr de Klerk consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.

Forward-Looking Statements

- Certain statements made during or in connection with this statement contain or comprise certain forward-looking statements regarding Sandfire's Mineral Resources and Reserves, exploration operations, project development operations, production rates, life of mine, projected cash flow, capital expenditure, operating costs and other economic performance and financial condition as well as general market outlook. Although Sandfire believes that the expectations reflected in such forward-looking statements are reasonable, such expectations are only predictions and are subject to inherent risks and uncertainties which could cause actual values, results, performance or achievements to differ materially from those expressed, implied or projected in any forward looking statements and no assurance can be given that such expectations will prove to have been correct. Accordingly, results could differ materially from those set out in the forward-looking statements as a result of, among other factors, changes in economic and market conditions, delays or changes in project development, success of business and operating initiatives, changes in the regulatory environment and other government actions, fluctuations in metals prices and exchange rates and business and operational risk management. Except for statutory liability which cannot be excluded, each of Sandfire, its officers, employees and advisors expressly disclaim any responsibility for the accuracy or completeness of the material contained in this statement and excludes all liability whatsoever (including in negligence) for any loss or damage which may be suffered by any person as a consequence of any information in this statement or any error or omission. Sandfire undertakes no obligation to update publicly or release any revisions to these forward-looking statements to reflect events or circumstances after today's date or to reflect the occurrence of unanticipated events other than required by the Corporations Act and ASX Listing Rules. Accordingly you should not place undue reliance on any forward looking statement.

Exploration and Resource Targets

- Any discussion in relation to the potential quantity and grade of Exploration Targets for the DeGrussa Project is only conceptual in nature. While Sandfire is confident that it will report additional JORC compliant resources for the DeGrussa Project, there has been insufficient exploration to define mineral resources in addition to the current JORC compliant resource inventory and it is uncertain if further exploration will result in the determination of additional JORC compliant Mineral Resources.

Appendix – DeGrussa: Mineral Resources



Table 1: DeGrussa Copper-Gold Project – Mineral Resource Statement as at 31 March 2012

Zone - in situ	Resource Category	Tonnes (mt)	Copper (%)	Gold (g/t)	Contained Copper (t)	Contained Gold (oz)	Competent Person
Au Laterite	Measured	0.04	0.00	1.17	-	2,000	1
Copper Oxides	Measured	0.23	0.8	0.1	2,000	1,000	1
	Indicated	1.06	1.6	0.5	17,000	16,000	1
Supergene Chalcocite	Indicated	0.23	17.9	2.6	42,000	19,000	2
	Inferred	0.19	4.4	1.2	8,000	7,000	1
Primary Massive Sulphides	Indicated	7.84	5.8	2.0	456,000	502,000	1
	Inferred	2.31	4.4	2.0	102,000	146,000	1
Total		11.91	5.3	1.8	627,000	693,000	

Stockpile	Resource Category	Tonnes (mt)	Copper (%)	Gold (g/t)	Contained Copper (t)	Contained Gold (oz)
Laterite Gold	Measured	0.17	0.2	2.2	-	12,000
Copper Oxide	Measured	1.42	1.1	0.3	16,000	16,000
Supergene Chalcocite	Measured	0.01	34.2	2.7	2,000	-
Total	<i>Measured</i>	1.59	1.1	1.2	18,000	28,000

Note: Refer to the Competent Person's Statements – Mineral Resources

1. Competent Person for these zones of resource was Diederik Speijers of McDonald Spielers
2. Competent Person for these zones of resource was David Slater of Coffey Mining



Appendix – DeGrussa: Ore Reserves

Table 2: DeGrussa Copper-Gold Project – Ore Reserve Statement as at 31 March 2012

Deposit	Reserve Category	Mining Method	Tonnes (Mt)	Copper (%)	Gold (g/t)	Contained Copper (t)	Contained Gold (oz)
Laterite Gold	Proved	Open Pit	0.10	-	3.0	-	9,000
Copper Oxide	Proved	Open Pit	0.52	2.0	0.7	10,000	11,000
Copper Oxide	Probable	Open Pit	0.52	2.5	0.4	13,000	7,000
DeGrussa	Probable	Open Pit - DSO	0.15	25.9	2.5	38,000	12,000
DeGrussa/C1/Chalcocite	Probable	Open Pit	0.34	5.3	2.2	18,000	25,000
DeGrussa	Probable	Underground	1.50	6.6	1.9	99,000	90,000
Conductor 1	Probable	Underground	5.70	4.9	1.8	281,000	333,000
Conductor 4	Probable	Underground	0.76	4.4	1.2	33,000	30,000
Total	Proved		0.62	1.7	1.0	10,000	20,000
Total	Probable		8.97	5.4	1.7	482,000	497,000
Total	Proved & Probable		9.59	5.1	1.7	492,000	517,000

Note *Ore Reserves contained in this table have been updated from the Ore Reserve Statement disclosed by the Company on 29 March 2011. Mining activities, including stockpiling, and sale of product have continued since 31 March 2012.

Note 1 A cut-off grade of 8.5% Cu is applied on the Chalcocite to provide a targeted 26% Cu direct sale product. All other material within the defined deposit boundaries has been included in the reporting of Ore Reserves with any sub-economic grade material being treated as internal diluents. These Ore Reserves include an overall assumption of 2.5% mining dilution at nil grade for all grade categories along with an assumed 2.5% mining loss of ore tonnes when mined. Calculations rounded to the nearest 10,000 tonnes; 0.1% Cu grade, 0.1 g/t Au grade; 1,000 tonnes Cu metal and 1,000 ounces Au metal. Errors of rounding may occur. The in-situ Ore Reserves occur within an open pit design containing 14Mt of total material, resulting in a waste to ore strip ratio of 12:1. Low grade laterite gold stockpiles not included in reserve.

Note 2 A 1.0% Cu lower cut-off grade has been applied to the copper oxide open pit in-situ Ore Reserves. The reported copper oxide stockpiles only include existing stockpiles with an estimated average grade above 1.0 % Cu.

Note 3 Mining recovery factor of 95% applied to diluted stoping blocks, with cut-off grade of 1.5% Cu and minimum stope size of 2,000t. Calculations rounded to the nearest 1,000t, 0.1%, 0.1g/t and 1,000 ounces; errors of rounding may occur; assumes commodity prices of US\$7,673/t for copper and US\$1,300/oz for gold with a USD/AUD exchange rate of \$0.86; assumes 91% metallurgical recovery rate. Note: Refer to the Competent Person Statements – Ore Reserves at the end of this release.

Note 4 These Ore Reserves are stated as at 31 March 2012.

Mineral Resource zones still to be converted to Ore Reserve status:

- 2.32Mt of Inferred Massive Sulphide resources @ 4.3% Cu, 2.0g/t Au (100kt contained copper, 149koz contained gold)

