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ASX Release **30 January 2013**

APPENDIX 5B FOR THE QUARTER ENDING 31 DECEMBER 2012

On 24 January 2012, Sandfire Resources NL (ASX; SFR "**Sandfire**") released its Activities Report and Presentation for the December 2012 Quarter, which included production information, sales statistics and commentary on the Company's performance.

Further, Sandfire hereby releases an Appendix 5B Quarterly Cash Flow Report for the quarter ended 31 December 2012.

Although Sandfire is in production at its **DeGrussa Copper-Gold Mine** in Western Australia, the ASX Listing Rules require Sandfire to continue to file an Appendix 5B (mining *exploration* quarterly report) for each quarter until Sandfire satisfies the ASX's requirements to be classified as a "mining *producing* entity". Sandfire believes that it will satisfy ASX's requirements to transfer its status to a "mining *producing* entity" following four consecutive quarters of production (receipts from sales), which is expected to be satisfied following the quarter ending 31 March 2013.

The Auditor reviewed Interim Financial Report for the half year ended 31 December 2012 will be released within 75 days of the end of the period, being on or before 16 March 2013 and will include Consolidated Statements of Comprehensive Income, Financial Position, Changes in Equity and Cash Flows, including accompanying notes. The Interim Financial Report will contain important information that is not currently available for inclusion with the attached Appendix 5B Quarterly Cash Flow Report.

ENDS

For further information contact:

Sandfire Resources NL
Karl Simich – Managing Director/CEO
Matthew Fitzgerald – Chief Financial Officer
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Rule 5.3

Appendix 5B

Mining exploration entity quarterly report

Introduced 1/7/96. Origin: Appendix 8. Amended 1/7/97, 1/7/98, 30/9/2001, 01/06/10.

Name of entity

SANDFIRE RESOURCES NL

ABN	Quarter ended ("current quarter")
55 105 154 185	**31 December 2012**

Consolidated statement of cash flows

	Cash flows related to operating activities	Current quarter $A'000	Year to date (6 months) $A'000
1.1	Receipts from sale of goods	161,121	230,243
1.2	Payments for (a) exploration and evaluation	(8,597)	(16,189)
	(b) development	(31,990)	(68,261)
	(c) production	(58,347)	(87,507)
	(d) administration	(5,255)	(7,261)
1.3	Dividends received	-	-
1.4	Interest and other items of a similar nature received	1,007	2,046
1.5	Interest and other costs of finance paid	-	-
1.6	Income taxes paid	-	-
1.7	Other - Movement in Working Capital	-	-
	Net Operating Cash Flows	57,939	53,071
	Cash flows related to investing activities		
1.8	Payment for purchases of: (a) prospects	-	-
	(b) equity investments	-	(600)
	(c) other fixed assets	(21,319)	(58,759)
1.9	Proceeds from sale of: (a)prospects	-	-
	(b)equity investments	-	-
	(c)other fixed assets	-	-
1.10	Loans to other entities	-	-
1.11	Loans repaid by other entities	-	-
1.12	Other (payments for security deposits/bonds)	(10)	(69)
	Net investing cash flows	(21,329)	(59,428)
1.13	Total operating and investing cash flows (carried forward)	36,610	(6,357)

+ See chapter 19 for defined terms.

1.13	Total operating and investing cash flows (brought forward)	36,610	(6,357)
	Cash flows related to financing activities		
1.14	Proceeds from issues of shares, options, etc.	783	3,042
1.15	Share issue expenses	(5)	(86)
1.16	Proceeds from borrowings	-	30,000
1.17	Repayment of borrowings – finance lease payments	(243)	(445)
1.18	Finance establishment costs	-	-
1.19	Interest and other costs of finance paid	(6,182)	(11,747)
1.20	Other	-	-
	Net financing cash flows	(5,647)	20,764
	Net (decrease) increase in cash held	30,963	14,407
1.21	Cash at beginning of quarter/year to date	83,833	100,389
1.22	Exchange rate adjustments to item 1.21	-	-
1.23	**Cash at end of quarter/year**	114,796	114,796

Payments to directors of the entity and associates of the directors Payments to related entities of the entity and associates of the related entities

		Current quarter $A'000
1.24	Aggregate amount of payments to the parties included in item 1	1,588
1.25	Aggregate amount of loans to the parties included in item 1.10	-

1.26 Explanation necessary for an understanding of the transactions

Payment of director and consulting fees to directors and director related entities.

Non-cash financing and investing activities

2.1 Details of financing and investing transactions which have had a material effect on consolidated assets and liabilities but did not involve cash flows

None.

2.2 Details of outlays made by other entities to establish or increase their share in projects in which the reporting entity has an interest

None.

Financing facilities available

Add notes as necessary for an understanding of the position.

		Amount available $A'000	Amount used $A'000
3.1	Loan facilities	380,000	380,000
3.2	Credit standby arrangements	-	-

Note (i) The Company also has access to a $10 million environmental bonding facility (non cash-backed).

Estimated cash outflows for next quarter

		$A'000
4.1	Exploration and evaluation	5,900
4.2	Development (including payments for purchases of other fixed assets)	17,220
4.3	Production	67,210
4.4	Administration	1,640
	Total	**91,970**

Reconciliation of cash

Reconciliation of cash at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts is as follows.		Current quarter $A'000	Previous quarter $A'000
5.1	Cash on hand and at bank	114,796	83,833
5.2	Deposits at call	-	-
5.3	Bank overdraft	-	-
5.4	Term Deposits	-	-
	Total: cash at end of quarter (item 1.23)	**114,796**	**83,833**
Note	$78 million of the Company's cash balance as at 31 December 2012 is held in a debt service and cost overrun account, relating to the Company's financing facilities.		

Changes in interests in mining tenements

		Tenement reference	Nature of interest (note (2))	Interest at beginning of quarter	Interest at end of quarter
6.1	Interests in mining tenements relinquished, reduced or lapsed		WA Miscellaneous Licence		
		L52/120	Surrendered	100%	-
6.2	Interests in mining tenements acquired or increased		WA Miscellaneous Licence		
		L52/151	Application	-	100%
		L52/152	Application	-	100%
			Qld Exploration Permit Minerals		
		EPM19418	Granted	100%	100%
		EPM25123	Application	-	100%
			SA Exploration License		
		2012/00313	Application	-	100%
			NSW Exploration Licence		
		EL7982	Granted	100%	100%
		EL8025	Granted	100%	100%
		ELA4717	Application	-	100%
			Peru Mining Concession		
		01-01432-12	Granted	100%	100%
		01-01438-12	Granted	100%	100%

+ See chapter 19 for defined terms.

Issued and quoted securities at end of current quarter

Description includes rate of interest and any redemption or conversion rights together with prices and dates.

		Total number	Number quoted	Issue price per security (see note 3)	Amount paid up per security (see note 3)
7.1	**Preference +securities** *(description)*				
7.2	Changes during quarter (a) Increases through issues (b) Decreases through returns of capital, buy-backs, redemptions				
7.3	**+Ordinary securities**	153,524,301	153,524,301		Fully paid
7.4	Changes during quarter (a) Increases through issues (b) Decreases through contributing shares paid up in full	 37,500 800,000	 37,500 800,000	 $3.80 $0.80	 Fully paid Fully paid
7.5	**+Convertible debt securities** *(description)*				
7.6	Changes during quarter (a) Increases through issues (b) Decreases through securities matured, converted				
7.7	**Options** *(description and conversion factor)*	 210,000 180,000 1,600,000 990,000 33,333 200,000 333,335 1,499,995 1,416,665 1,333,340		**Exercise price** $0.60 $0.80 $1.00 $4.66; $5.44 and $6.22 $3.80 $4.40 $5.00 $9.00 $10.30 $11.70	**Expiry date** 12 Jul 2013 12 Jul 2013 12 Jul 2013 27 Nov 2014 15 Jun 2015 15 Jun 2015 15 Jun 2015 28 Feb 2016 28 Feb 2016 28 Feb 2016
7.8	Issued during quarter				
7.9	Exercised during quarter	37,500 800,000		$3.80 $0.80	15 Jun 2015 12 Jul 2013
7.10	Expired during quarter				
7.11	**Debentures** *(totals only)*				
7.12	**Unsecured notes** *(totals only)*				

+ See chapter 19 for defined terms.

Compliance statement

1 This statement has been prepared under accounting policies which comply with accounting standards as defined in the Corporations Act or other standards acceptable to ASX (see note 4).

2 This statement does give a true and fair view of the matters disclosed.

Sign here: Matthew Fitzgerald Date: 30 January 2013
(Company Secretary)

Notes

1 The quarterly report provides a basis for informing the market how the entity's activities have been financed for the past quarter and the effect on its cash position. An entity wanting to disclose additional information is encouraged to do so, in a note or notes attached to this report.

2 The "Nature of interest" (items 6.1 and 6.2) includes options in respect of interests in mining tenements acquired, exercised or lapsed during the reporting period. If the entity is involved in a joint venture agreement and there are conditions precedent which will change its percentage interest in a mining tenement, it should disclose the change of percentage interest and conditions precedent in the list required for items 6.1 and 6.2.

3 **Issued and quoted securities** The issue price and amount paid up is not required in items 7.1 and 7.3 for fully paid securities.

4 The definitions in, and provisions of, *AASB 1022: Accounting for Extractive Industries* and *AASB 1026: Statement of Cash Flows* apply to this report.

5 **Accounting Standards** ASX will accept, for example, the use of International Accounting Standards for foreign entities. If the standards used do not address a topic, the Australian standard on that topic (if any) must be complied with.