



SANDFIRE RESOURCES NL

ASX Code: SFR

A Premier Australian Copper Producer

2013 Annual General Meeting
Wednesday, 27 November 2013





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A Premier Australian Copper Producer

Managing Director's Address
Karl Simich, Managing Director and CEO

Sandfire – Realising our Vision

A quality Australian mining company focused on shareholder returns



Strong Production and Cash Flow

- Deliver **superior returns** to our owners from the premier high-grade DeGrussa VMS copper-gold mine

+90%

Copper recoveries being achieved through the plant on wholly-underground ore, with the ramp-up to 1.5Mtpa throughput completed and ore now sourced 100% from underground.



1.5Mtpa

Our underground mining rate following the successful ramp-up of underground operations

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\$507.3 million

Our sales revenue for FY2013, which drove cash flow from operating activities of \$250.2m and a maiden annual net profit after income tax of

\$88.0 million



64,017t Cu

42,679oz Au

The amount of metal-in-concentrate we produced in
FY2013

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65-75,000t Cu

35-45,000oz Au

US\$1.05-1.15/lb

Our production and C1 cash cost guidance for FY2014



+15km

The total amount of underground development we have completed to date, with development of the new Conductor 1 and Conductor 4/5 Declines now well advanced.

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Growth through Exploration

- Discover **additional VMS deposits** within the emerging Doolgunna mineral field

7 years

The current mine life at DeGrussa through until late 2020

66,000t Cu
149,000oz Au

The amount of metal we added to our Mineral Resource inventory as at 31 March 2013 following successful surface drilling programs targeting extensions of the Conductor 4 and 5 deposits.

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35,000t Cu

Mineral Resource contained metal available for the Oxide Copper Project at DeGrussa, with a final decision to be made in 2014

\$20 million

The amount we are spending each year at DeGrussa as part of a disciplined and focused quest to find new deposits and extensions to our existing lenses of mineralisation.

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\$9 million

The amount of expenditure in stages under a joint venture to earn up to an 80% interest in the Thaduna/Green Dragon Project, located 40km from DeGrussa.

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The next chapter: business development

- **Explore for, develop and mine** key raw materials in Australia and overseas

\$10 million

The amount we are spending each year on asset-driven exploration ventures and business development activities both in Australia and offshore

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The next chapter: business development

- **Explore for, develop and mine** key raw materials in Australia and overseas

5

The number of farm-in joint ventures we have established around Australia in prospective mineral provinces in the Northern Territory, South Australia, NSW and Queensland.

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Strong Production and Cash Flow

- Deliver **superior returns** to our owners from the premier high-grade DeGrussa VMS copper-gold mine

Growth through Exploration

- Discover **additional VMS deposits** within the emerging Doolgunna mineral field

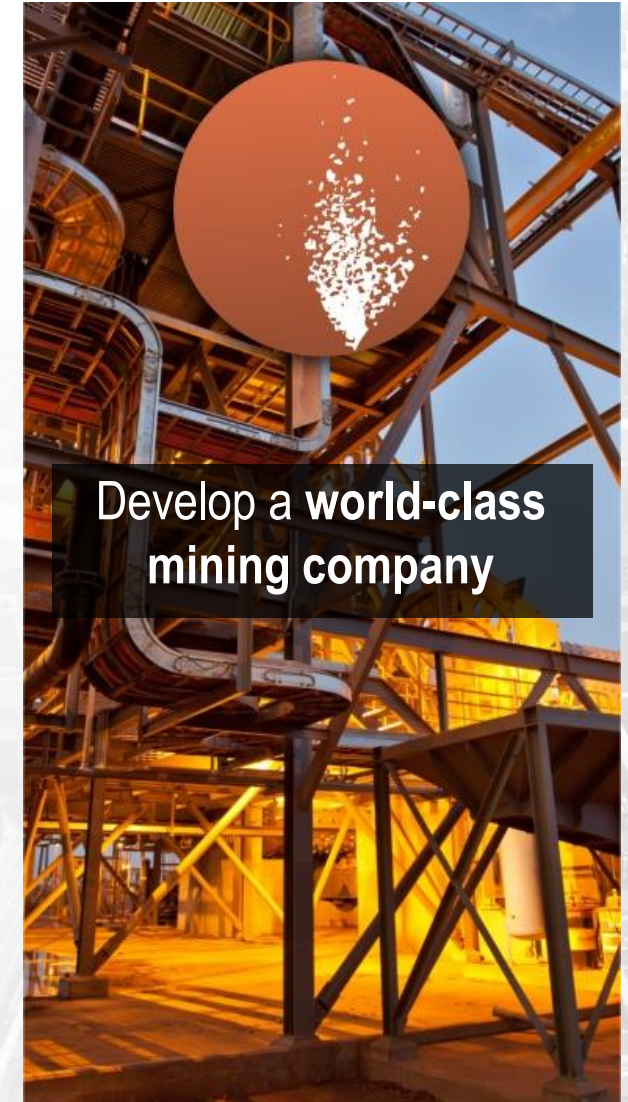
The next chapter: business development

- **Explore for, develop and mine** key raw materials in Australia and overseas

Maintain the highest standards of **safety, integrity and quality** at all times

Foster and develop **long-term strategic relationships** with raw material end-users and traders

Develop a **world-class mining company**



A Premier Australian Copper Producer

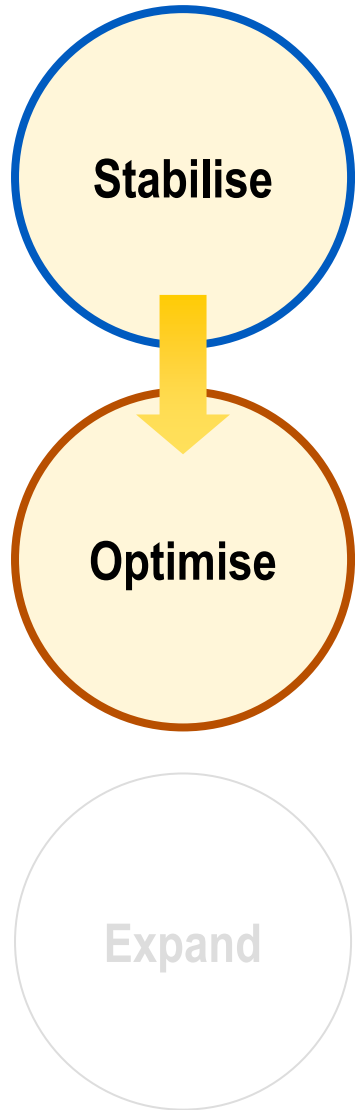


Strong production and cash flow



Operations Overview

Strong focus on optimising existing operations to lay foundations for growth



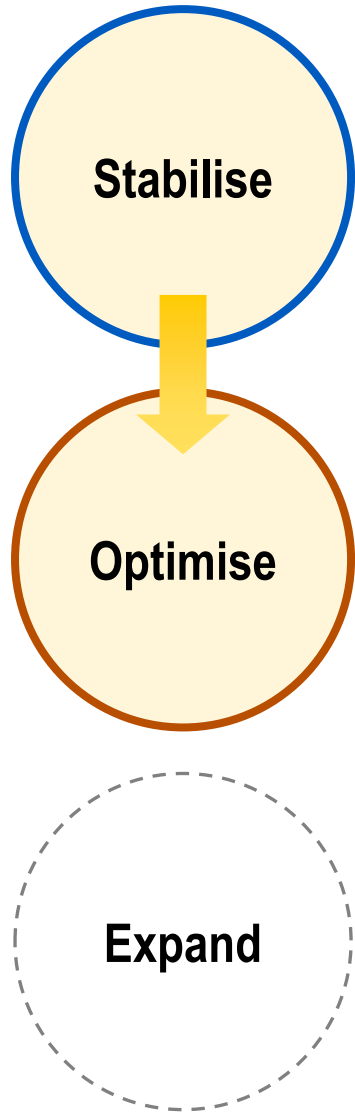
Mining

- Life-of Mine plan incorporating up-to-date resource and geotechnical knowledge
- Capacity review underway to consider production growth options in conjunction with mine schedule
- Ground support optimisation underway to reduce mining costs
- Optimisation of paste strengths underway to reduce filling costs



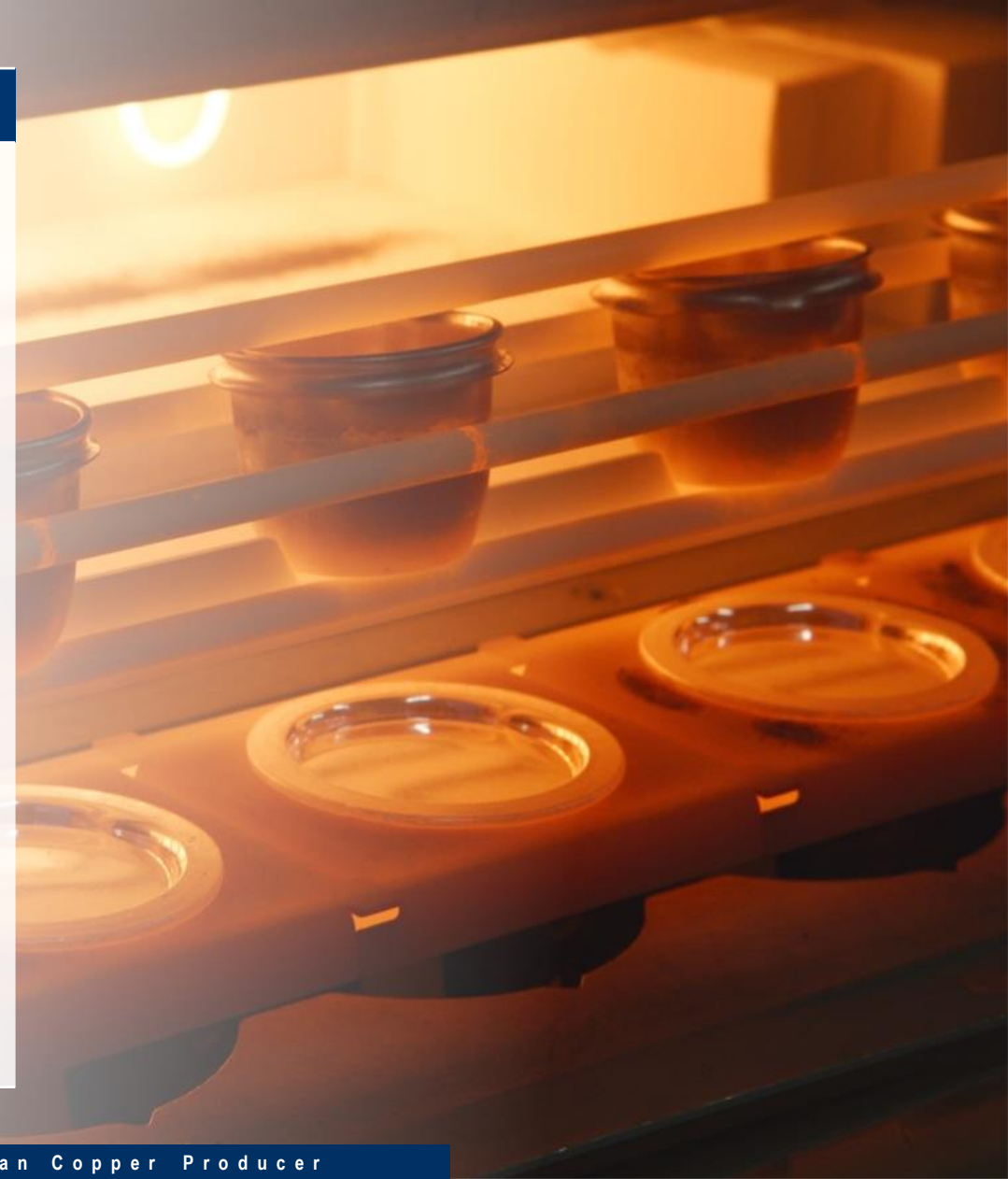
Operations Overview

Strong focus on optimising existing operations to lay foundations for growth



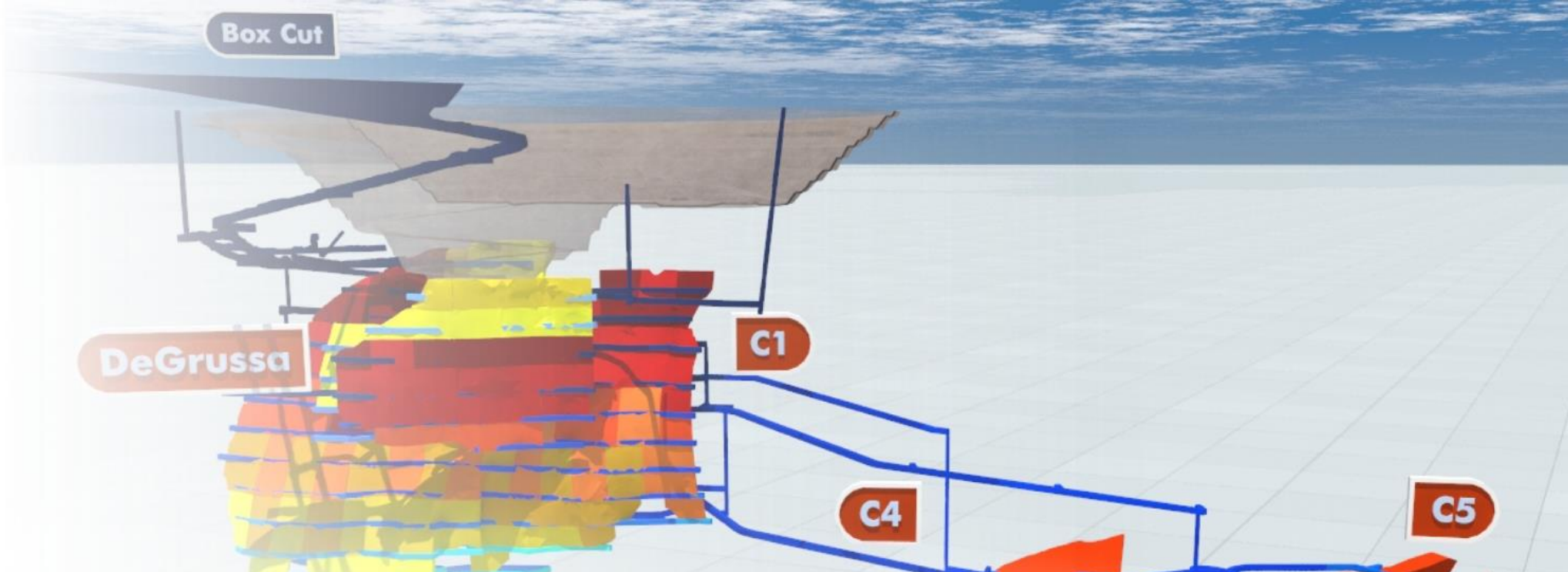
Processing

- Grind and reagent optimisation underway to continue to increase copper recoveries
- Work underway to increase gold recoveries
- Throughput and recoveries through the plant being increased through the implementation of advanced control systems
- Capacity review underway to understand the potential to increase nameplate capacity as required
- Strategies to reduce processing costs being evaluated and implemented including shutdown strategies and sourcing of processing consumables



Operations Overview

Strong focus on optimising existing operations to lay foundations for growth



Resource

- Diamond Drilling for extensions of DeGrussa, C1 and C4 underway and C5 when access is available
- Surface drilling for potential 'deep' C5 extension to occur early 2014

Summary

Strong production and margin outlook; exploration gathering momentum



- Strong production and cost outlook for FY2014
- Strong operating cash flow
- Mine life extended to late 2020
- Underground exploration underway and accelerating
- Strong commitment to organic growth at DeGrussa
- First regional growth opportunity secured
- Well placed to pursue external growth opportunities

A premier, high-grade Australian copper producer





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Important Information and Disclaimer

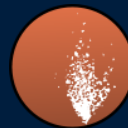
Competent Person's Statement and Forward-Looking Statements



Forward-Looking Statements

- This presentation has been prepared by Sandfire Resources NL. This document contains background information about Sandfire Resources NL current at the date of this presentation. The presentation is in summary form and does not purport be all inclusive or complete. Recipients should conduct their own investigations and perform their own analysis in order to satisfy themselves as to the accuracy and completeness of the information, statements and opinions contained in this presentation.
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Appendix: Competent Person's Statements



Competent Person's Statement – Mineral Resources and Open Pit Ore Reserves

- The information in this report that relates to Mineral Resources and Open Pit Ore Reserves is based on information compiled by Mr. Ekow Taylor who is a Member of The Australasian Institute of Mining and Metallurgy. Mr. Taylor is a permanent employee of Sandfire Resources and has sufficient experience that is relevant to the style of mineralization 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 Taylor 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 Resources is based on information compiled by Mr Shane McLeay who is a Fellow of The Australasian Institute of Mining and Metallurgy. Mr. McLeay is a permanent employee of Entech Pty Ltd and has sufficient experience that is relevant to the style of mineralization 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 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 – Exploration Results

- The information in this report that relates to Exploration Results is based on information compiled by Mr. Shannan Bamforth who is a Member of The Australasian Institute of Mining and Metallurgy. Mr. Bamforth is a permanent employee of Sandfire Resources and has sufficient experience that is relevant to the style of mineralization 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 Bamforth 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 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 Mineral Resource inventory and it is uncertain if further exploration will result in the determination of additional JORC compliant Mineral Resources.

Ore Reserve & Mineral Resource



Appendix 1 – Ore Reserve and Mineral Resource

DeGrussa Mine - Underground As at 31 March 2013												
Deposit	Ore Reserve						Mineral Resource					
	Reserve category	Tonnes (Mt)	Copper (%)	Gold (g/t)	Contained Copper (t)	Contained Gold (oz)	Resource category	Tonnes (Mt)	Copper (%)	Gold (g/t)	Contained Copper (t)	Contained Gold (oz)
DeGrussa	Proved	1.2	5.7	1.8	67,000	66,000	Measured	1.0	7.4	2.3	73,000	72,000
	Probable	0.4	8.2	2.1	32,000	26,000	Indicated	0.4	9.4	2.4	34,000	28,000
Conductor 1	Proved	1.4	5.4	1.8	76,000	82,000	Measured	1.3	6.5	2.2	86,000	92,000
	Probable	3.9	4.4	1.7	174,000	210,000	Indicated	3.7	5.1	1.9	190,000	231,000
							Inferred	0.2	4.6	1.8	11,000	14,000
Conductor 4	Probable	1.0	4.3	1.5	43,000	47,000	Indicated	1.0	5.3	1.8	54,000	59,000
							Inferred	1.1	4.4	1.7	48,000	60,000
Conductor 5	Probable	-	-	-	-	-	Inferred	1.4	6.2	2.8	88,000	129,000
Stockpiles	Proved	<0.1	7.9	3.0	2,000	3,000	Measured	<0.1	7.9	3.0	2,000	3,000
	Proved	2.6	5.6	1.8	145,000	151,000	Measured	2.3	6.9	2.2	161,000	167,000
	Probable	5.3	4.7	1.7	248,000	282,000	Indicated	5.1	5.4	1.9	278,000	318,000
							Inferred	2.8	5.3	2.3	147,000	203,000
	Total	7.9	5.0	1.7	393,000	434,000	Total	10.2	5.7	2.1	586,000	688,000
DeGrussa Mine – Open Pit As at 31 March 2013												
Deposit	Ore Reserve						Mineral Resource					
	Reserve category	Tonnes (Mt)	Copper (%)	Gold (g/t)	Contained Copper (t)	Contained Gold (oz)	Resource category	Tonnes (Mt)	Copper (%)	Gold (g/t)	Contained Copper (t)	Contained Gold (oz)
Conductor 1	Probable	-	-	-	-	-	Indicated	0.1	3.9	1.8	2,000	3,000
Stockpiles	Proved	3.1	1.5	1.1	45,000	104,000	Measured	3.1	1.5	1.1	45,000	104,000
	Proved	3.1	1.5	1.1	45,000	104,000	Measured	3.1	1.5	1.1	45,000	104,000
	Probable	-	-	-	-	-	Indicated	-	-	-	-	-
							Inferred	-	-	-	-	-
	Total	3.1	1.5	1.1	45,000	104,000	Total	3.1	1.5	1.1	48,000	108,000

Ore Reserve & Mineral Resource



Appendix 1 – Ore Reserve and Mineral Resource

DeGrussa Mine - Total As at 31 March 2013												
Deposit	Ore Reserve						Mineral Resource					
	Reserve category	Tonnes (Mt)	Copper (%)	Gold (g/t)	Contained Copper (t)	Contained Gold (oz)	Resource category	Tonnes (Mt)	Copper (%)	Gold (g/t)	Contained Copper (t)	Contained Gold (oz)
DeGrussa	Proved	1.2	5.7	1.8	67,000	66,000	Measured	1.0	7.4	2.3	74,000	72,000
	Probable	0.4	8.2	2.1	32,000	26,000	Indicated	0.4	9.4	2.4	34,000	28,000
Conductor 1	Proved	1.4	5.4	1.8	76,000	82,000	Measured	1.3	6.5	2.2	86,000	92,000
	Probable	3.9	4.4	1.7	174,000	210,000	Indicated	3.8	5.1	1.9	192,000	234,000
							Inferred	0.3	4.6	1.8	12,000	15,000
Conductor 4	Probable	1.0	4.3	1.5	43,000	47,000	Indicated	1.0	5.3	1.8	54,000	59,000
							Inferred	1.1	4.4	1.7	48,000	60,000
Conductor 5		-	-	-	-	-	Inferred	1.4	6.2	2.8	88,000	129,000
Stockpiles	Proved	3.1	1.5	1.1	47,000	107,000	Measured	3.1	1.5	1.1	47,000	107,000
	Proved	5.7	3.4	1.4	190,000	256,000	Measured	5.4	3.8	1.6	206,000	271,000
	Probable	5.3	4.7	1.7	248,000	282,000	Indicated	5.2	5.4	1.9	280,000	321,000
							Inferred	2.8	5.3	2.3	148,000	203,000
	Total	11.0	4.0	1.5	439,000	538,000	Total	13.4	4.7	1.9	634,000	795,000