SANDFIRE RESOURCES NL

LEVEL 1, 31 VENTNOR AVE
WEST PERTH WA 6005
ABN 55 105 154 185

PO BOX 1495
WEST PERTH WA 6872
www.sandfire.com.au

T +61 8 6430 3800
F +61 8 6430 3849
E admin@sandfire.com.au

5 January 2016

The Manager
Company Announcements Office
ASX Limited

**ISSUE OF ORDINARY SHARES - NOTICE IN ACCORDANCE WITH SECTION 708(A) OF THE CORPORATIONS ACT 2001 (Cth)**

Sandfire Resources NL (ASX: **SFR**, or the **Company**) advises that 470,240 new fully paid ordinary shares (**New Shares**) have been allotted and issued to Aeris Resources Ltd (formerly Straits Resources Ltd) as consideration for the acquisition of exploration tenements. A completed Appendix 3B in respect of the New Shares is attached.

**Secondary Trading Exemption Notice**

The Corporations Act 2001 ("Corporations Act") restricts the on-sale of securities without disclosure, unless the sale is exempt under Section 708 or 708A of the Corporations Act. By Sandfire giving this notice, on-sale of the New Shares will fall within the exemption offered by Section 708A (5) of the Corporations Act.

Sandfire hereby notifies the ASX (as the operator of the prescribed financial market on which the New Shares are to be quoted) under Section 708A(5)(e) of the Act that:

1. The Company issued the New Shares without disclosure to investors under Part 6D.2 of the Corporations Act;

2. As at the date of this notice the Company has complied with the provisions of Chapter 2M of the Corporations Act as they apply to the Company, and with Section 674 of the Corporations Act; and,

3. As at the date of this notice there is no information that is excluded information for the purposes of sections 708A(7) and (8) of the Corporations Act.

Yours faithfully

Matthew Fitzgerald
Joint Company Secretary

*Rule 2.7, 3.10.3, 3.10.4, 3.10.5*

# Appendix 3B

## New issue announcement, application for quotation of additional securities and agreement

*Information or documents not available now must be given to ASX as soon as available. Information and documents given to ASX become ASX's property and may be made public.*

Introduced 01/07/96. Origin: Appendix 5. Amended 01/07/98, 01/09/99, 01/07/00, 30/09/01, 11/03/02, 01/01/03, 24/10/05, 01/08/12, 04/03/13

| | |
|---|---|
| Name of entity: | **SANDFIRE RESOURCES NL** |

| | |
|---|---|
| ABN: | **55 105 154 185** |

We (the entity) give ASX the following information.

## Part 1 - All issues

*You must complete the relevant sections (attach sheets if there is not enough space).*

| | | |
|---|---|---|
| 1 | +Class of +securities issued or to be issued | Ordinary fully paid shares. |
| 2 | Number of +securities issued or to be issued (if known) or maximum number which may be issued | 470,240 |
| 3 | Principal terms of the +securities (eg, if options, exercise price and expiry date; if partly paid +securities, the amount outstanding and due dates for payment; if +convertible securities, the conversion price and dates for conversion). | Shares issued on the same terms as existing ordinary fully paid shares. |
| 4 | Do the +securities rank equally in all respects from the date of allotment with an existing +class of quoted +securities?<br><br>If the additional securities do not rank equally, please state:<br>• the date from which they do<br>• the extent to which they participate for the next dividend, (in the case of a trust, distribution) or interest payment<br>• the extent to which they do not rank equally, other than in relation to the next dividend, distribution or interest payment | Yes. |

+ See chapter 19 for defined terms.

| | | |
|---|---|---|
| 5 | Issue price or consideration | $5.32 per ordinary share (15 trading day VWAP). |
| 6 | Purpose of the issue<br>(If issued as consideration for the acquisition of assets, clearly identify those assets) | Shares issued to Aeris Resources Ltd (previously Straits Resources Ltd) as consideration for the acquisition of exploration tenements. Refer ASX announcement titled, *SRQ: Sale of Temora and Currumburrama Exploration Projects*, dated 6 October 2015 for details. |
| 6a | Is the entity an +eligible entity that has obtained security holder approval under rule 7.1A?<br><br>If Yes, complete sections 6b – 6h *in relation to the +securities the subject of this Appendix 3B*, and comply with section 6i | No. |
| 6b | The date the security holder resolution under rule 7.1A was passed | N/A. |
| 6c | Number of +securities issued without security holder approval under rule 7.1 | N/A. |
| 6d | Number of +securities issued with security holder approval under rule 7.1A | N/A. |
| 6e | Number of +securities issued with security holder approval under rule 7.3, or another specific security holder approval (specify date of meeting) | N/A. |
| 6f | Number of securities issued under an exception in rule 7.2 | N/A. |
| 6g | If securities issued under rule 7.1A, was issue price at least 75% of 15 day VWAP as calculated under rule 7.1A.3? Include the issue date and both values. Include the source of the VWAP calculation. | N/A. |
| 6h | If securities were issued under rule 7.1A for non-cash consideration, state date on which valuation of consideration was released to ASX Market Announcements | N/A. |
| 6i | Calculate the entity's remaining issue capacity under rule 7.1 and rule 7.1A – complete Annexure 1 and release to ASX Market Announcements | N/A. |

+ See chapter 19 for defined terms.

| | | |
|---|---|---|
| 7 | +Issue dates<br>Note: The issue date may be prescribed by ASX (refer to the definition of issue date in rule 19.12). For example, the issue date for a pro rata entitlement issue must comply with the applicable timetable in Appendix 7A.<br>Cross reference: item 33 of Appendix 3B. | 4 January 2016 |

| | | Number | +Class |
|---|---|---|---|
| 8 | Number and +class of all +securities quoted on ASX (*including* the securities in clause 2 if applicable) | 157,324,918 | Ordinary fully paid shares (SFR). |

| | | Number | +Class |
|---|---|---|---|
| 9 | Number and +class of all +securities not quoted on ASX (*including* the securities in clause 2 if applicable) | 1,466,663 | Options exercisable at $9.00 expiring 28 February 2016. |
| | | 1,383,332 | Options exercisable at $10.30 expiring 28 February 2016. |
| | | 1,300,005 | Options exercisable at $11.70 expiring 28 February 2016. |
| | | 1,695,000 | Options exercisable in three equal tranches at $7.60; $8.80 and $10.00 expiring 15 July 2018. |
| | | 546,142 | Performance rights expiring 1 July 2018. |

| | | |
|---|---|---|
| 10 | Dividend policy (in the case of a trust, distribution policy) on the increased capital (interests) | The Company does not have a dividend policy. |

# Part 2 - Bonus issue or pro rata issue

| | | |
|---|---|---|
| 11 | Is security holder approval required? | |
| 12 | Is the issue renounceable or non-renounceable? | |
| 13 | Ratio in which the +securities will be offered | |
| 14 | +Class of +securities to which the offer relates | |
| 15 | +Record date to determine entitlements | |
| 16 | Will holdings on different registers (or subregisters) be aggregated for calculating entitlements? | |
| 17 | Policy for deciding entitlements in relation to fractions | |

+ See chapter 19 for defined terms.

| | | |
|---|---|---|
| 18 | Names of countries in which the entity has security holders who will not be sent new offer documents<br>Note: Security holders must be told how their entitlements are to be dealt with.<br>Cross reference: rule 7.7. | |
| 19 | Closing date for receipt of acceptances or renunciations | |
| 20 | Names of any underwriters | |
| 21 | Amount of any underwriting fee or commission | |
| 22 | Names of any brokers to the issue | |
| 23 | Fee or commission payable to the broker to the issue | |
| 24 | Amount of any handling fee payable to brokers who lodge acceptances or renunciations on behalf of security holders | |
| 25 | If the issue is contingent on security holders' approval, the date of the meeting | |
| 26 | Date entitlement and acceptance form and prospectus or Product Disclosure Statement will be sent to persons entitled | |
| 27 | If the entity has issued options, and the terms entitle option holders to participate on exercise, the date on which notices will be sent to option holders | |
| 28 | Date rights trading will begin (if applicable) | |
| 29 | Date rights trading will end (if applicable) | |
| 30 | How do security holders sell their entitlements *in full* through a broker? | |
| 31 | How do security holders sell *part* of their entitlements through a broker and accept for the balance? | |
| 32 | How do security holders dispose of their entitlements (except by sale through a broker)? | |

+ See chapter 19 for defined terms.

33 +Issue date

# Part 3 - Quotation of securities

*You need only complete this section if you are applying for quotation of securities*

34 Type of +securities
(*tick one*)

(a) ☑ +Securities described in Part 1

(b) ☐ All other +securities
Example: restricted securities at the end of the escrowed period, partly paid securities that become fully paid, employee incentive share securities when restriction ends, securities issued on expiry or conversion of convertible securities

## Entities that have ticked box 34(a)

### Additional securities forming a new class of securities

*Tick to indicate you are providing the information or documents*

35 ☐ If the +securities are +equity securities, the names of the 20 largest holders of the additional +securities, and the number and percentage of additional +securities held by those holders

36 ☐ If the +securities are +equity securities, a distribution schedule of the additional +securities setting out the number of holders in the categories
1 - 1,000
1,001 - 5,000
5,001 - 10,000
10,001 - 100,000
100,001 and over

37 ☐ A copy of any trust deed for the additional +securities

## Entities that have ticked box 34(b)

38 Number of +securities for which +quotation is sought

39 +Class of +securities for which quotation is sought

40 Do the +securities rank equally in all respects from the date of allotment with an existing +class of quoted +securities?
If the additional +securities do not rank equally, please state:
- the date from which they do
- the extent to which they participate for the next dividend, (in the case of a trust, distribution) or interest payment
- the extent to which they do not rank equally, other than in relation to the next dividend, distribution or interest payment

+ See chapter 19 for defined terms.

| | |
|---|---|
| 41 Reason for request for quotation now<br>Example: In the case of restricted securities, end of restriction period<br>(if issued upon conversion of another +security, clearly identify that other +security) | |

| | Number | +Class |
|---|---|---|
| 42 Number and +class of all +securities quoted on ASX (*including* the +securities in clause 38) | | |

**Quotation agreement**

1 +Quotation of our additional +securities is in ASX's absolute discretion. ASX may quote the +securities on any conditions it decides.

2 We warrant the following to ASX.

- The issue of the +securities to be quoted complies with the law and is not for an illegal purpose.
- There is no reason why those +securities should not be granted +quotation.
- An offer of the +securities for sale within 12 months after their issue will not require disclosure under section 707(3) or section 1012C(6) of the Corporations Act.

  Note: An entity may need to obtain appropriate warranties from subscribers for the securities in order to be able to give this warranty

- Section 724 or section 1016E of the Corporations Act does not apply to any applications received by us in relation to any +securities to be quoted and that no-one has any right to return any +securities to be quoted under sections 737, 738 or 1016F of the Corporations Act at the time that we request that the +securities be quoted.
- If we are a trust, we warrant that no person has the right to return the +securities to be quoted under section 1019B of the Corporations Act at the time that we request that the +securities be quoted.

3 We will indemnify ASX to the fullest extent permitted by law in respect of any claim, action or expense arising from or connected with any breach of the warranties in this agreement.

4 We give ASX the information and documents required by this form. If any information or document not available now, will give it to ASX before +quotation of the +securities begins. We acknowledge that ASX is relying on the information and documents. We warrant that they are (will be) true and complete.

Sign here: Matthew Fitzgerald Date: 5 January 2016

Joint Company Secretary

+ See chapter 19 for defined terms.