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RESOURCES NL

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DeGrussa and Monty Mineral Resource

The information in this presentation that relates to the DeGrussa and Monty Mineral Resource is based on information compiled by Mr Callum Browne who is a Member of The Australasian Institute of Mining and Metallurgy. Mr Browne is a permanent employee of Sandfire Resources NL (Sandfire) and has sufficient experience that is relevant to the style of mineralisation 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 Resource and Ore Reserve. Mr Browne consents to the inclusion in the presentation of the matters based on his information in the form and context in which it appears.

DeGrussa and Monty Ore Reserve

The information in this presentation that relates to the DeGrussa and Monty Ore Reserve is based on information compiled by Mr Neil Hastings who is a Member of The Australasian Institute of Mining and Metallurgy. Mr Hastings is a permanent employee of Sandfire and has sufficient experience that is relevant to the style of mineralisation 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 Hastings consents to the inclusion in the presentation of the matters based on his information in the form and context in which it appears.

Black Butte Mineral Resource

The information in this presentation that relates to Black Butte Mineral Resource is based on information compiled by Mr Michael J. Lechner who is a Registered Member of SME, a CPG with AIPG, a RPG in Arizona, and a P. Geo. In British Columbia. Mr Lechner is an independent consultant and has sufficient experience that is relevant to the style of mineralisation 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 Lechner consents to the inclusion in the presentation of the matters based on his information in the form and context in which it appears.

Competent Person's Statements



Exploration Results Doolgunna

The information in this presentation 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 and has sufficient experience that is relevant to the style of mineralisation 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 presentation of the matters based on his information in the form and context in which it appears.

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 continuing exploration programs aimed at reporting additional JORC compliant resources for the Greater Doolgunna 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.



Agenda



Highlights

Safety

Operations

Guidance & Costs

Development

Exploration

Summary





Production and Operations

- ▶ March 2019 Quarter: 16,062t of contained copper and 10,921oz of contained gold produced; C1 US\$0.92/lb
- ▶ FY2019 guidance strengthened: 66-68kt of contained copper and 40-42koz of contained gold; C1 costs ~US\$0.90/lb
- ▶ First Monty Copper-Gold Mine stoping ore mined and delivered to DeGrussa Concentrator for processing

Development

- ▶ Black Butte permitting final stage continues, with draft EIS released for 60-day public comment period

Exploration

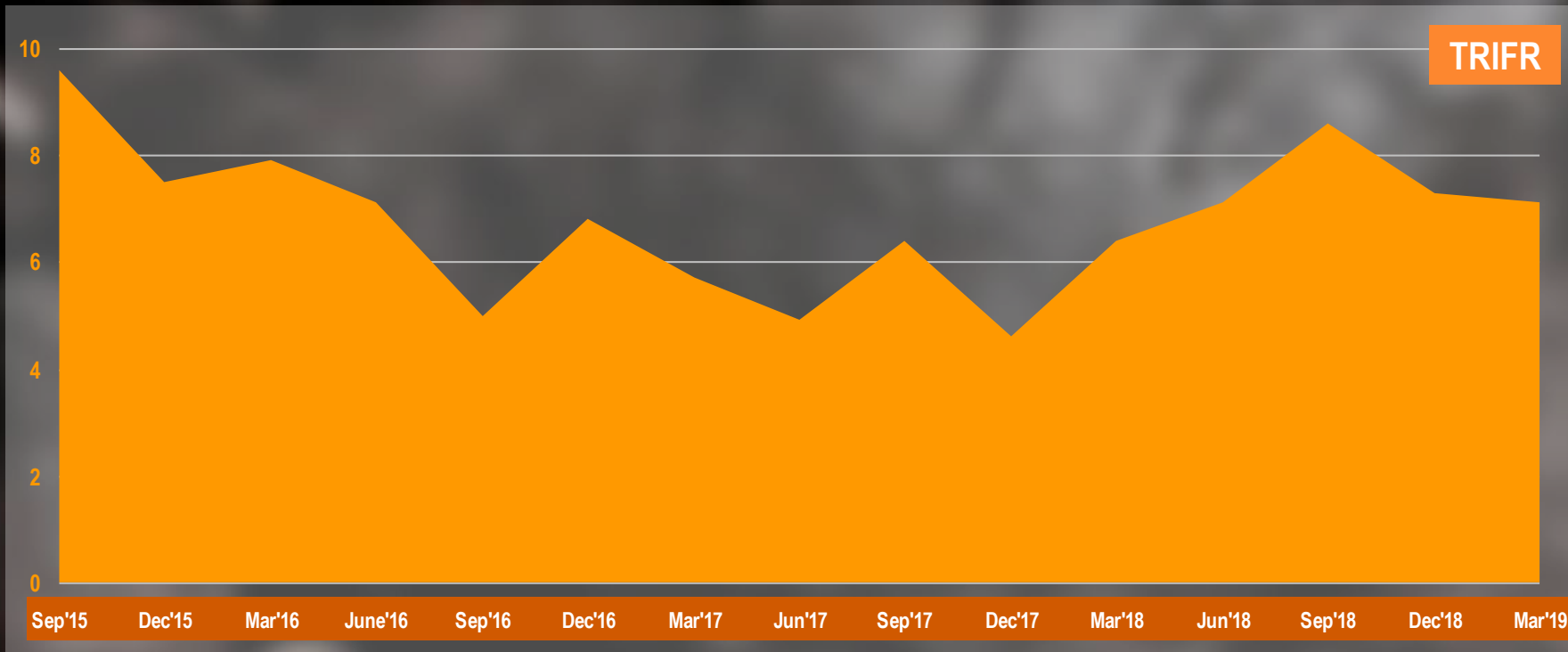
- ▶ Multi-pronged exploration programs continuing across Sandfire's Greater Doolgunna Project (Sandfire's exploration tenure, including Joint Venture and Farm-in arrangements, 6,674km²)

Corporate and Financial

- ▶ Cash and deposits \$183.5M (Sandfire); \$194.2M (Group)



- ▶ Total Recordable Injury Frequency Rate (TRIFR) of 7.1 at Quarter-end (vs. 7.3 at December 2018 Quarter-end)
- ▶ Principal hazard management – key theme to improve safety culture
- ▶ Focus continues to be applied to improving safety leadership, culture and assurance of critical controls





Underground production

- ▶ DeGrussa ore production for the Quarter of 395,999t grading 4.26% Cu
- ▶ Monty ore production for the Quarter of 38,519t grading 3.74% Cu
- ▶ First Monty stoping ore mined as planned at lower grade as guided, scheduled to rise into June Quarter with higher grade stopes
- ▶ Monty grade control drilling further defining ore body geometry and informing stope design





Mill throughput

- ▶ Quarter: 413,688 tonnes milled at average feed grade of 4.21% Cu

Recovery

- ▶ Copper recovery of 92.2%; Gold recovery 47.4%

Concentrate & metal production

- ▶ 65,977 tonnes of concentrate produced
- ▶ 16,062 tonnes of contained copper produced
- ▶ 10,921 ounces of contained gold produced





- ▶ March 2019 Quarter: Sales of 72,762 tonnes of concentrate (dry) containing 17,521 tonnes of copper (16,766 tonnes payable) and 10,106 ounces of gold (9,368 ounces payable)
- ▶ 7 shipments completed for the Quarter



Operations – Unit Operating Costs

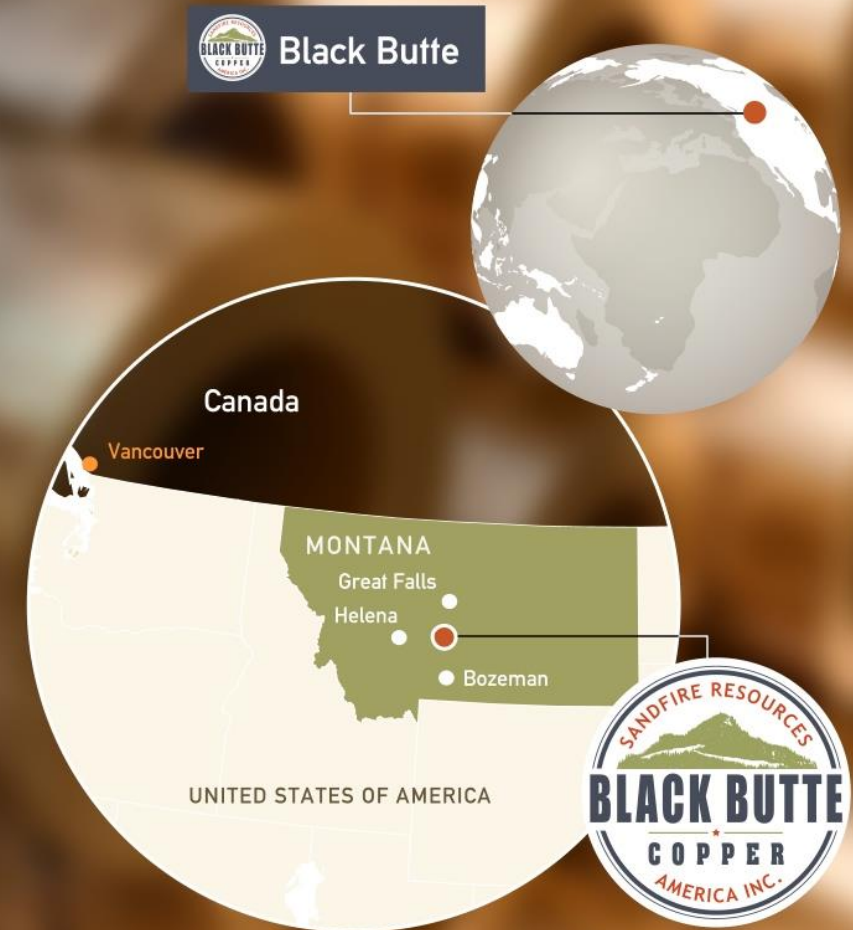


Unit costs – DeGrussa Operations	Q3 - FY2019 (US\$/lb)	Commentary
Mining (net of development)	0.45	C1 costs have risen in line with guidance, impacted by: - Monty mining costs commencing with below LOM head grade in initial stopes - Reducing DeGrussa mining scale for total 1.6Mtpa target plant throughput inclusive of Monty - Offset somewhat by continued strong gold production and price, impacting by-product credits
Processing	0.29	
Business services	0.11	
Transport, treatment and refining	0.45	
C1 cost (pre by-product credit)	1.29	
By-product credit (gold and silver)	(0.37)	DeGrussa Mine development \$7M for the Quarter Monty Mine development \$8M for the Quarter Sustaining and strategic capital expenditure \$7M
C1 cost	0.92	
Royalties	0.16	
Production cost	1.08	
Depreciation and amortisation	0.66	
Total production cost	1.74	

Development and Growth – Black Butte Copper Project, USA



- ▶ 86% stake in Black Butte Copper Project, central Montana (via stake in Sandfire Resources America Inc.)
- ▶ Advanced, high quality copper project in stable jurisdiction:
 - Mineral Resource: 18Mt at 3.3% Cu, 14g/t Ag, 0.10% Co for 597,000t of copper, 7,980,000oz of silver and 18,000t of cobalt (JORC)*
- ▶ Draft Environmental Impact Statement (EIS) completed and issued for public comment period
- ▶ Final stage of state permitting process nearing completion
- ▶ Feasibility Study progressing well across key areas
 - Resource Modelling
 - Geotech and metallurgical drilling and testwork
 - Mine planning
 - Processing plant and paste plant design
 - Site facilities and infrastructure



* Refer release "Sandfire Group JORC Mineral Resource and Ore Reserve Statement" (dated 19 October 2017) and associated disclosures.

Doolgunna Exploration Overview



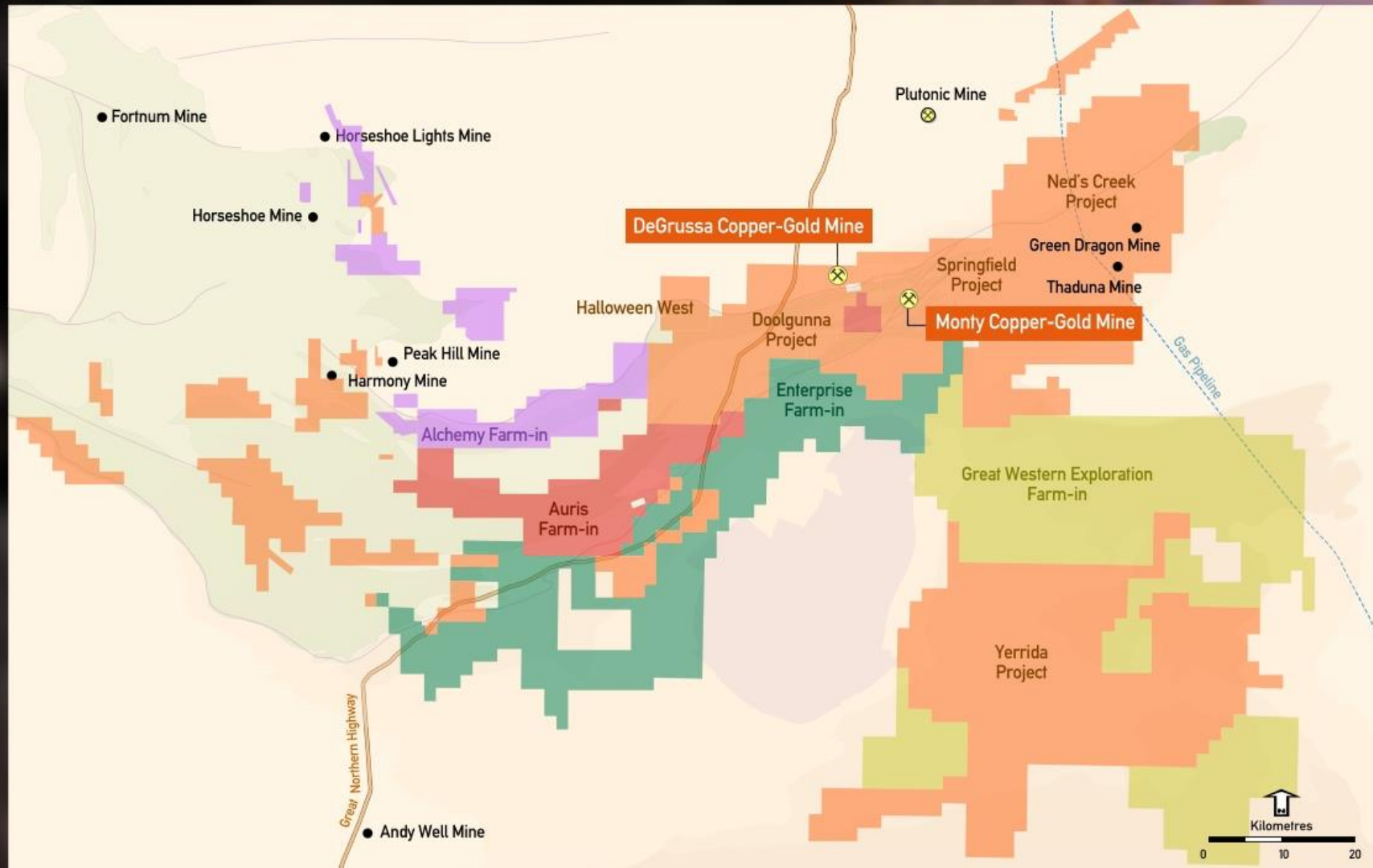
- ▶ Exploration continuing as a priority along highly prospective VMS corridor that hosts the DeGrussa and Monty deposits.
 - Continuation of major AC drilling programs to aid geological interpretation and provide quality geochemical coverage.
 - RC drilling at Morck Well, Ruby Well, Mt Leake and White Well Projects to investigate anomalous geochemical results from AC drilling.
 - AC drilling within the Ned's Creek Project targeting structurally-hosted copper mineralisation.
 - AC drilling completed on prospective stratigraphy in the Cuba Project area (Auris Minerals Ltd JV).
 - Continuation of Moving Loop Ground EM and Ground Gravity Surveys across the district.
 - Completing significant preparatory work to facilitate the commencement of a major AC program on the Peak Hill Project (Alchemy Resources Ltd Earn in JV).



Doolgunna Exploration Overview



- Exploration advancing at multiple prospects within Greater Doolgunna area



- 57,090m AC/RAB drilling
- 8,452m RC drilling
- 598m surface DD drilling
- Total Tenure – 6,674km²



Summary & Outlook



► Production and cost performance

- Q3 FY2019: 16,062t of contained copper and 10,921oz of contained gold produced; C1 US\$0.92/lb
- FY2019 guidance strengthened: 66-68kt of contained copper and 40-42koz of contained gold; C1 costs ~US\$0.90
- Monty first stoping ore mined

► Draft EIS finalised for 86%-owned Black Butte Copper Project, USA and released for public comment; Feasibility Study progressing well

► Active exploration underway targeting the next VMS discovery across the emerging Bryah Basin VMS district – aggregate contiguous exploration area of 6,674km²





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