



2020 ANNUAL GENERAL MEETING: CHAIRMAN'S ADDRESS

Against the backdrop of what has been an extraordinary year at a macro level, I am pleased to say that 2020 has been a busy and positive period for Sandfire, marked both by a strong and consistent operational and financial performance and by significant change and renewal right across our business.

This comes as we continue to make the transition from a single-mine company operating in Australia, to becoming a global, diversified and sustainable base and precious metal producer.

The tangible steps we have taken during the year have not just been at the asset level, but also in terms of our people, our culture, our senior leadership structure, our ESG performance and, most fundamentally, building on our purpose as an organisation.

The five strategic imperatives of executing delivery, establishing a sustainable production profile, discovery, empowering our people and capital management are critical to our future success. Our important corporate and strategic changes are delivering a clear roadmap for the future, which is now well understood across all levels of the business.

I elaborated on many of these topics in our first-ever combined Annual and Sustainability Report, including the progress we made towards articulating a new sustainability strategy, creating a structured Board Succession plan, and reinvigorating both our Board Committee structure and Remuneration Framework to reflect how the business will grow and evolve over the next decade.

Notwithstanding the considerable amount of work that has been undertaken at this important strategic level, I am pleased to say that the Company also enjoyed another outstanding year as measured by more conventional operating metrics.

Despite the global COVID-19 pandemic, Sandfire posted a record production and cost performance at the DeGrussa Operations for the 2020 financial year, while maintaining an outstanding safety record. This in turn underpinned an excellent financial result and enabled Sandfire to maintain its record of dividend payments to shareholders.

We also completed the acquisition of MOD Resources Ltd with the MOD team and Tshukudu assets in Botswana now fully integrated within the Sandfire Group. We made substantial progress in advancing the Tshukudu assets towards production and progressed an expansive exploration effort in Western Australia, on the Eastern Seaboard of Australia and in the Kalahari Copper Belt in Botswana.

In the United States, we received a final Record of Decision on permitting of the Black Butte Copper Project in Montana, and recently completed a Feasibility Study for the Johnny Lee deposit. We also delivered an updated Mineral Resource estimate for the nearby Lowry deposit, which offers the potential to further enhance the economics of a future mine development at Black Butte.

Our Managing Director, Karl Simich, will shortly provide further detail on these important milestones and the exciting outlook for the Group over the coming 12 months.

To have achieved these outstanding results in a year that has been largely defined by the unprecedented COVID-19 health crisis is a testament to the quality of our asset base and the hard work and commitment of our leadership team and staff.

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I would like to commend everyone across the Sandfire Group for their proactive response to managing the impact of COVID-19 – which not only involved protecting the health and safety of our employees and contractors in Australia, Botswana and the United States, but also assessing and managing the potential impact on the Company's supply chain and global customer base.

I would also like to sincerely thank Maree Arnason, who retired from the board earlier this year, and Rob Scott, who steps down at the end of this calendar year. They have both made a significant and greatly appreciated contribution to Sandfire's growth and development as an organisation.

We also welcome Sally Langer, who joined the Board recently as part of the first stage of our previously announced Board succession program.

Finally, my thanks also go to you, our shareholders for your continued support. While the significant amount of hard work that has been put in behind the scenes over the past year is likely yet to be reflected in our share price, I am confident that the strategy which Sandfire is executing will bear fruit over the coming months and years as we develop new mines against the backdrop of strong forecast demand for copper over the next decade and beyond.

ENDS

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Authorised for release by Sandfire's Chairman, Derek La Ferla.

Forward-Looking Statements

Certain statements made during or in connection with this address contain or comprise certain forward-looking statements regarding Sandfire's Mineral Resources and Reserves, exploration and 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.

There is continuing uncertainty as to the full impact of COVID-19 on Sandfire's business, the Australian economy, share markets and the economies in which Sandfire conducts business. Given the high degree of uncertainty surrounding the extent and duration of the COVID-19 pandemic, it is not currently possible to assess the full impact of COVID-19 on Sandfire's business or the price of Sandfire securities.

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.

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