

SEGURIDAD



December 2022 Half Year Financial Results Presentation

28 February 2023

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at 10.00am (AWST) / 1.00pm (AEDT) at the link below:



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Key assumptions

The following assumptions apply to information in this presentation unless otherwise stated.

Currency: unless otherwise stated, all figures are in USD.

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Our Strategy



**Execute
Delivery**



**Sustain and Grow
Our Production
Pipeline**



**Accelerate
Discovery**



**Align and Empower
Our People**



**Optimise Capital
Strategy and
Engagement**

Our Values



Honesty



Respect



Collaboration



Accountability



Performance

Where we operate

Scale
One of the largest copper-focused miners on the ASX

Future-facing
Producing copper, a critical metal for a low-carbon future

Growth
Pivoting to new long-life mines in Spain, Botswana and USA

Exploration
Four world-class mineral provinces



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📍 Operating Mines 📍 Development Phase 📍 Study Phase 📍 Exploration

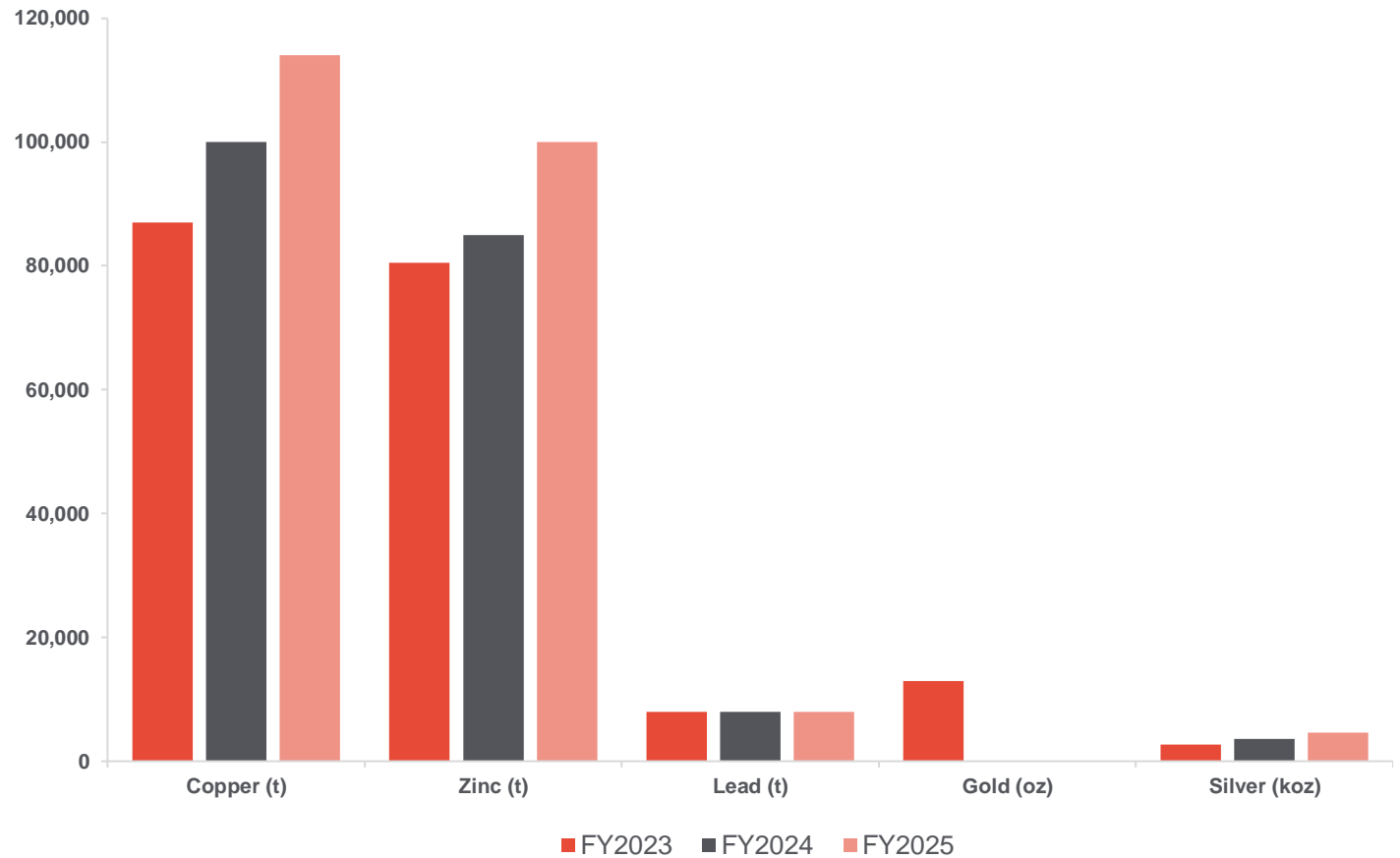
Rising production

Copper and zinc growth

Combined MATSA (4.7Mtpa) and Motheo (5.2Mtpa DFS) operating scale¹ producing:

~110-120ktpa contained copper

~80-100ktpa contained zinc



1 - Combined operating scale based on MATSA FY2023 Copper Guidance 60-65ktpa, MATSA Guidance and indicative 3-year outlook for Zinc mid-point 78-83ktpa moving to ~100ktpa in FY2025 and Motheo DFS indicative production profile based on the outcomes of the 5.2Mtpa Expansion Case DFS in ASX release titled '5.2Mtpa Motheo Copper Project Expansion DFS'.

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Group Production

1H FY2023

Production:

48,088t Copper

39,290t Zinc

4,398t Lead

12,777oz Gold

1.3Moz Silver

Contained metal

FY2023

Guidance:

83-91kt Copper

78-83kt Zinc

6-10kt Lead

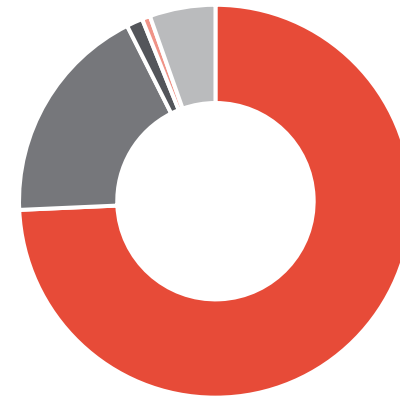
12-14koz Gold

2.2-3.2Moz Silver

Contained metal

Processing of surface stockpiles at DeGrussa from mid-February 2023 is dependent on ongoing assessment of technical risk and economic viability (not included in production guidance above). Refer to Sandfire's December 2022 Quarterly Presentation released on 24 January 2023 for details.

Copper Dominant Revenue Stream



Indicative Value of Payable Metal – FY2023-2025

■ Copper ■ Zinc ■ Lead ■ Silver

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Delivering growth

In US\$

\$431.7M
Sales revenue

\$174.6M
Operations
EBITDA

\$135.9M
Group
EBITDA

\$27.1M Loss
for the period

Attributable to Equity holders of
the parent

**Delivering
growth in
high-margin
production**

Operations
EBITDA
Margin 40%

**\$263.7M cash
holding**

Net debt \$378.3M

Excluding capitalised transaction
costs

**Development of the Motheo Copper
Mine is proceeding on time** with first
production scheduled from early in the
June Quarter of FY2023:

- Construction activities nearing completion
- Commissioning ore on ROM Pad
- Commissioning of the Primary Crusher and Stockpile Feed Conveyor commenced
- First concentrate scheduled for early in the June Quarter of FY2023

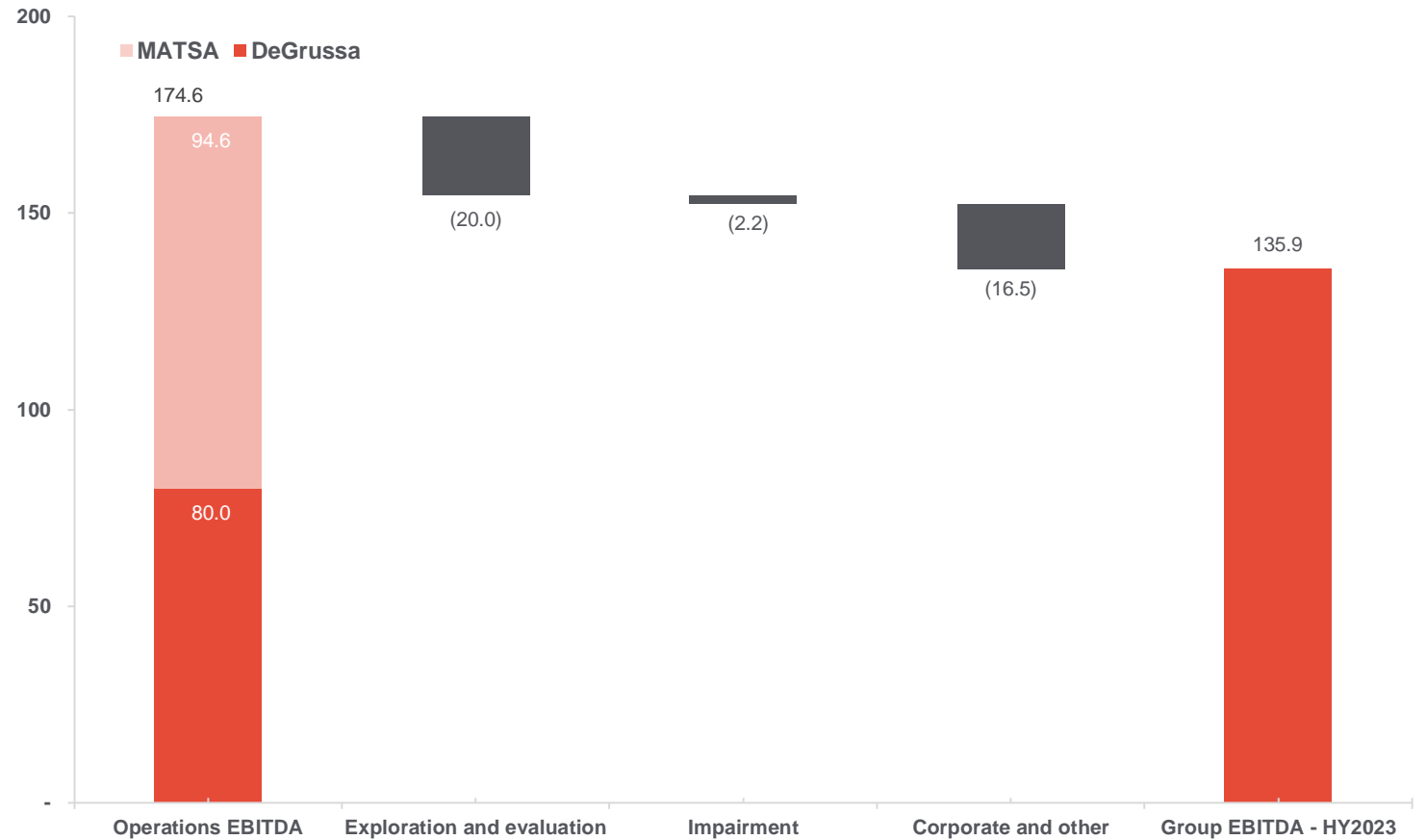
**Global
opportunities
for near-mine
extensions
and new
discoveries**

Across world-
class, under-
explored copper
belts

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EBITDA Contribution

In US\$M

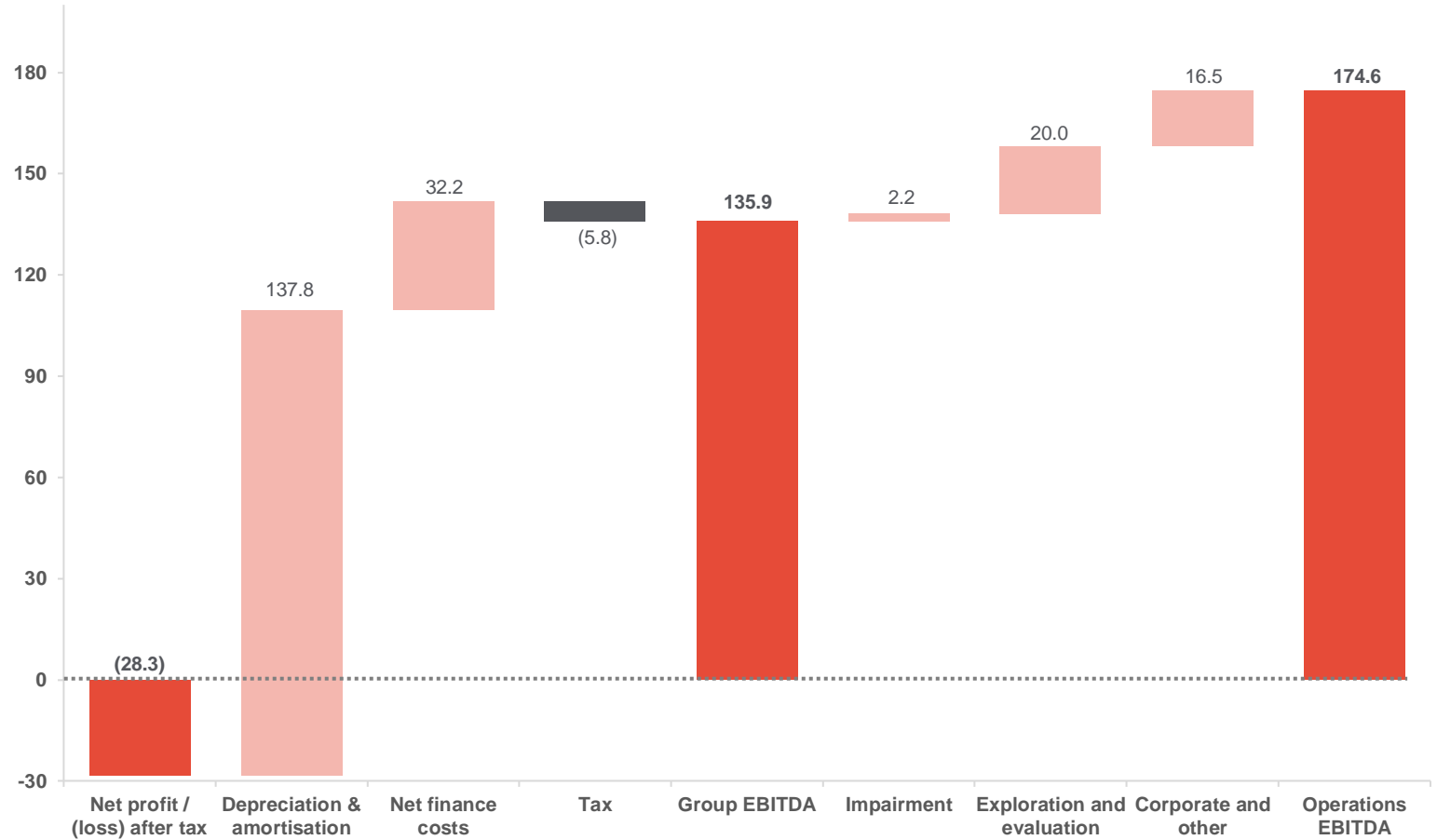


1. MATSA and Degrussa segment EBITDA is presented in the Notes to the Half-Year Financial Report net of Exploration & evaluation expense of \$3.1M and Impairment expense of \$2.2M.
2. Impairment expense relates to exploration and evaluation tenement licences relinquished.

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NPAT to Operations EBITDA

In US\$M

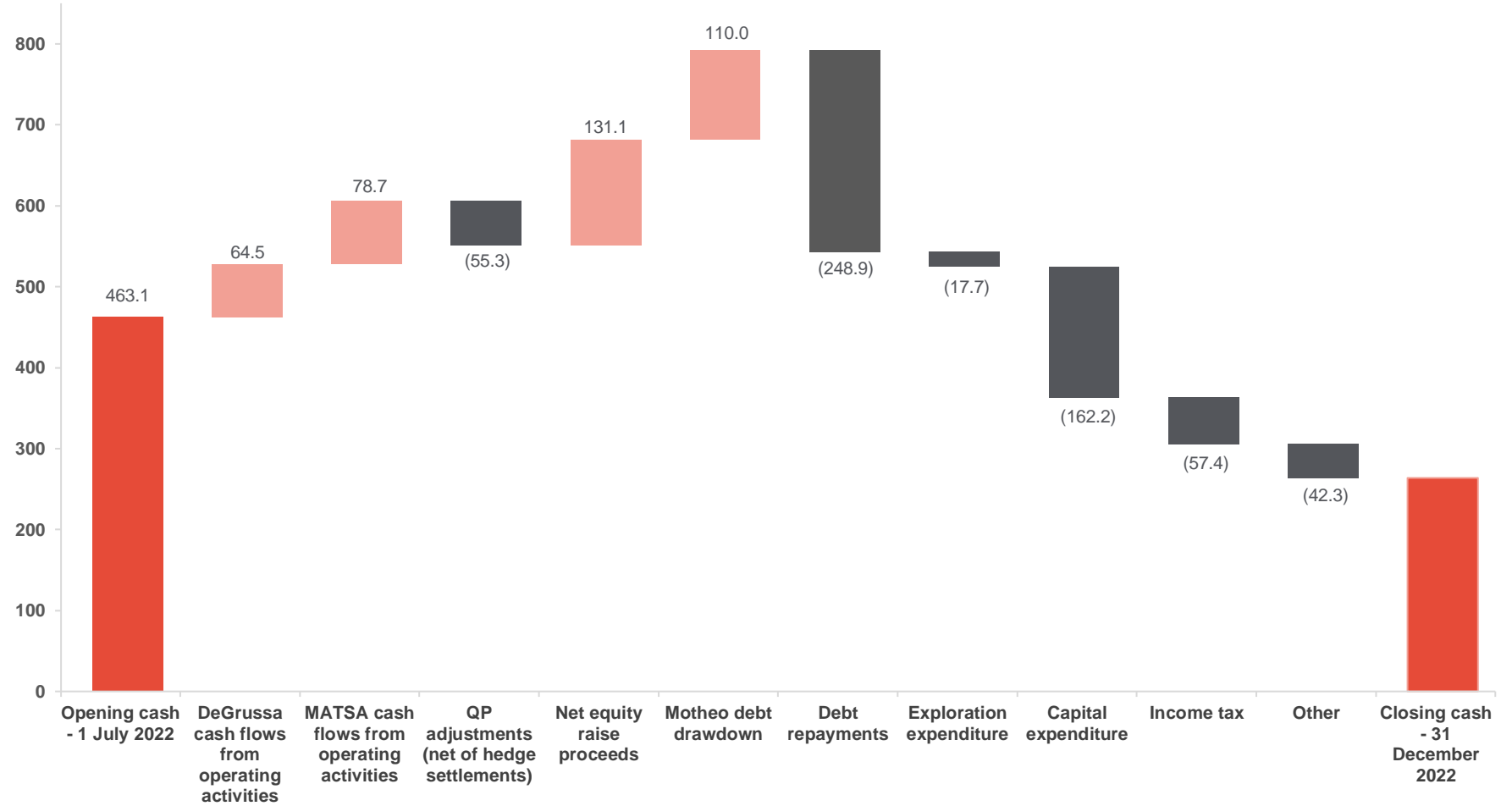


1. Net finance costs include interest charges of \$23.6M and net foreign exchange losses of \$8.7M.

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Group Cash Flow Waterfall

In US\$M



1. DeGrussa and MATSA cash flows from operating activities exclude exploration and income tax.
2. Capital expenditure includes Motheo construction and development of \$114.2M and MATSA capex of \$44.4M.
3. Income tax includes \$30.1M relating to FY22 tax period.
4. Other includes \$16.1M of DeGrussa wind-down expenditure.

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Debt facilities and hedging

MATSA Facility

- \$452M outstanding following \$80M repayment made on 31 January 2023

Corporate Facility

- \$33.4M (A\$50.0M) repaid on 30 December 2022

Motheo Facility

- \$140M T3 Project Finance Facility based on 3.2Mtpa base case development
- First \$55M drawdown completed in October 2022, second \$55M drawdown completed in December 2022
- Progression of the 5.2Mtpa Expansion with mining of the satellite A4 Deposit, including combined target \$180M-\$200M development and working capital facilities

Hedge Book

- Copper – FY2023 remaining: 33,028t at US\$8,715/t
- Zinc – FY2023 remaining: 22,935t at US\$3,008/t

Includes QP hedging relating to December 2022 MATSA sales entered in January 2023.

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Balance sheet transition

Capital management focus

- Focus on period of transformative growth
- No interim dividend declared
- \$140M Motheo Project Financing Facility with Nedbank and Société Générale in place to support the current 3.2Mtpa development.
- First two tranches totalling \$110M have been drawn down with the balance expected to be drawn in the second half of the 2023 financial year
- Additional \$40M - \$60M for the 5.2Mtpa Motheo Expansion Project, including mining of the satellite A4 Deposit, currently being negotiated
- MATSA debt reduced on schedule by \$198M to \$452M as at 31 January 2023 - opportunity to re-sculpt future repayment schedule
- \$16M DeGrussa wind down expenditure and \$30M in income tax payments related to FY2022 paid during the period
- A\$200M Corporate debt facility fully repaid
- Capital position to support Ore Reserve growth, exploration and development programs

Motheo Copper Project



Motheo Copper Mine

- T3 Deposit Development
- A4 Deposit Expansion Project



Exploration

- Motheo Expansion Project
- Kalahari Copper Belt tenure

Motheo Copper Project

Building a world-class copper mine

Development of the Motheo Copper Mine is proceeding on time with first production scheduled from early in the June Quarter of FY2023

- Construction activities nearing completion with over 1,700 personnel currently on site
- Commissioning ore on ROM pad
- Commissioning of the Primary crusher and Stockpile Feed commenced
- First concentrate scheduled for early in the June Quarter of FY2023

Development of the 5.2Mtpa Motheo Expansion underway

- ESIA submitted to the Botswana Department of Environmental Affairs
- Ball Mill delivered to site late in late December 2022
- Engineering Design for the 5.2Mtpa expansion works 90% completed
- Ball Mill Civil Contract awarded, and work commenced in January 2023

Sandfire is funding the development of the Motheo Copper Mine through a combination of cash and project debt

- \$140M Project Finance Facility executed with Société Générale and Nedbank
- Facility based on initial 3.2Mtpa development, with integration of the 5.2Mtpa Motheo Expansion Case DFS scheduled following grant of the A4 Deposit Mining Licence
- First two tranches of \$110M received, balance to be drawn in the March Quarter of FY2023

Primary Crusher and Stockpile Feed Conveyor Commissioning



- View looking along stockpile feed conveyor to stockpile.
- Commissioning commenced late February 2022, with first ore crushed ahead of production ramp-up, scheduled for the June 2023 Quarter



- Initial discharge to stockpile.

Motheo Copper Mine

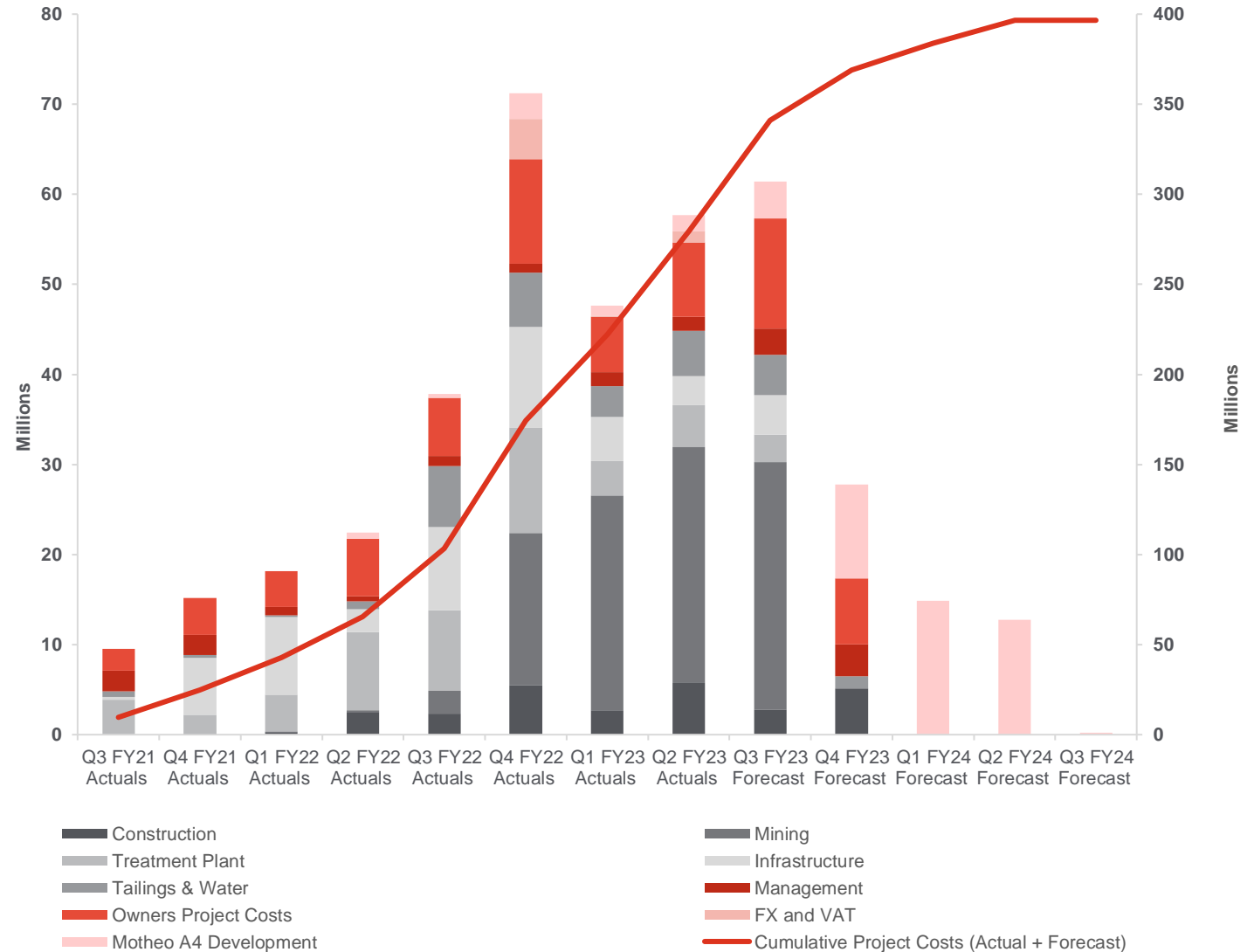
5.2Mtpa Construction & Development Capital

Development capital estimated at **\$397.4M**

- Motheo (3.2Mtpa and T3) \$325.5M
- Motheo (5.2Mtpa expansion and A4) \$71.9M
- \$19M Contingency remains

At 31 Dec 2022, ~\$280M invested

LOM capital estimated at **\$499M**



Summary

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Key Takeaways



Strong growth platform

Copper-dominant mining operations generating operating cash-flows



Global vision

Our transformation into a diversified, international and sustainable copper mining company



New Production Hubs

Group production from the MATSA Copper Operations in Spain

First production from the Motheo Copper Mine in Botswana scheduled from early Q4 FY2023



Strong Pipeline

High quality development opportunities and a global exploration portfolio in Tier-1 jurisdictions

Global exploration push



Refreshed and focused

An international team strongly aligned with our growth objectives

Succession at Board and Executive levels, key operations leadership teams in place

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