



SANDFIRE RESOURCES NL

A QUALITY COPPER-GOLD COMPANY ASX Code - SFR

28 January 2016

Mr Sebastian Bednarczyk
Adviser, Issuers (Perth)
ASX Limited
Level 8, Exchange Plaza
2 The Esplanade
Perth WA 6000

Dear Sebastian,

**LODGEMENT OF DECEMBER 2015 QUARTERLY REPORT, QUARTERLY UPDATE PRESENTATION
AND INVESTOR CONFERENCE CALL AND WEBCAST**

I am pleased to attach the following items for immediate release to the market:

1. December 2015 Quarterly Activities Report
2. December 2015 Quarterly Update Powerpoint Presentation

In addition, a teleconference and live webcast on the December 2015 Quarterly Report will be held for the investment community at 10.00am (AWST) / 1.00pm (AEST) today.

The webcast and synchronised slide presentation is available through the Company's website or through BRR Media.

Live date: Thursday, 28 January 2016

Access this webcast at: <http://webcasting.brrmedia.com/broadcast/56944abb2ac671c40a8c5881>
<http://www.sandfire.com.au>

Yours sincerely,

Matt Fitzgerald
Chief Financial Officer
and Company Secretary



QUARTERLY REPORT

For the period ended 31 December 2015

Highlights

Production & Operations

| Contained metal production | September 2015 Quarter | December 2015 Quarter | 1HFY2016 | FY2016 Guidance |
|----------------------------|---------------------------|--------------------------|----------|--------------------|
| Copper (t) | 16,638 | 17,642 | 34,280 | 65,000 - 68,000 |
| Gold (oz) | 7,885 | 9,420 | 17,305 | 35,000 - 40,000 |
| C1 cost (US\$/lb) | 0.97 | 1.02 | 0.99 | 0.95 - 1.05 |

- Strong mine production and milling achieved 1.6Mtpa rates for Quarter.
- Process plant enhancements continuing to drive copper recoveries.
- Copper production exceeded H1 guidance reflecting continued strong production performance.

Exploration

- Resource drilling commenced at the Monty VMS copper-gold discovery, part of the farm-in with Talisman Mining, with four DDH rigs and one RC rig – 19,000m of RC and DDH drilling completed during the quarter.
- Significant zone of massive sulphides containing bornite mineralisation intersected in three holes which returned outstanding assay results including (down-hole widths, not true widths):
 - 21.6m @ 34.4% Cu and 0.4g/t Au from 339.4m down-hole (TLDD0026);
 - 25.8m @ 24.1% Cu and 0.5g/t Au from 299.0m down-hole including 14.9m @ 36.7% Cu and 0.4g/t Au from 309m (TLDD0061); and
 - 9.6m @ 14.1% Cu and 1.5g/t Au from 292.3m (TLDD0036)
- Further high-grade assay results received from ongoing drilling of the Lower Zone at Monty. Some of the recent assay results from ongoing drilling include (all intercepts are down-hole widths):
 - 20.8m @ 14.9% Cu and 1.3g/t Au from 372.7m down-hole (TLDD0042)
 - 11.3m @ 6.7% Cu and 2.9g/t Au from 392.2m down-hole (TLDD0043)
 - 8.0m @ 13.3% Cu and 1.8g/t Au from 286.2m down-hole (TLDD0021)
- Joint Venture commenced with Talisman Mining following Sandfire reaching the \$15M farm-in threshold to earn a 70% interest in the Springfield Project
- Drilling of the Homer trend commenced with an initial diamond hole completed; further drilling planned.

Corporate

- Appointment of experienced resource industry executive Maree Arnason as a Non-Executive Director.
- Increased stake in North American copper development company, Tintina Resources, from 36% to 57% by acquiring a 21% interest held by a fellow shareholder. Sandfire now controls Tintina for accounting purposes.

1.0 SAFETY PERFORMANCE

The Total Recordable Injury Frequency Rate (TRIFR) for the Sandfire Group for the December Quarter was 2.7 compared to a TRIFR for the September Quarter of 8.9. Recordable injuries include those that result in any days away from work (Lost Time Injuries) and those where an employee or contractor cannot perform all or any part of their normal shift (Restricted Work Day Injuries), as well as any injury that requires services that only a medical practitioner can provide (Medical Treatment Injuries).

This strong safety performance reflects a continued focus on initiatives to further improve safety performance including the development of safety systems, improved safety leadership, improvement of safety culture and risk and assurance management.



Figure 1: Drilling at Monty (left); and the DeGrussa Concentrator (centre and right)

2.0 OPERATIONS OVERVIEW

Copper production for the December Quarter was ahead of guidance at 17,642 tonnes (September Quarter: 16,638 tonnes) at an average ore grade of 4.8% Cu (September Quarter: 4.7% Cu). C1 cash operating costs for the Quarter were US\$1.02/lb (September Quarter: US\$0.97/lb).

Mill throughput for the December Quarter was above 1.6Mtpa, with a total of 403,806 tonnes of ore milled. Mill throughput operating performance continues to demonstrate that the capacity of the process plant is close to 1.7Mtpa.

Copper recovery averaged 91.2% in the December Quarter, reflecting stable plant operation throughout the Quarter together with the impact of the column cell, which has delivered an improvement in copper recoveries since its installation in February 2015.

Mine production for the Quarter was 399,940 tonnes grading 4.8% Cu. This reflects an annualised production rate from the mine of 1.6Mtpa. During the Quarter, production was completed from the first stope from the C4 lens and ore development within the C5 lens commenced in early January 2016, which will allow C5 stope production to be brought forward to Q4 FY2016.

3.0 MINING & PRODUCTION

3.1 Overview

| December 2015 Quarter – Production Statistics | | Tonnes | Grade (% Cu) | Grade (g/t Au) | Contained Copper (t) | Contained Gold (oz) |
|---|--------|---------------|--------------|----------------|----------------------|---------------------|
| Concentrator | Mined | 399,940 | 4.8 | 1.7 | 19,301 | 22,029 |
| | Milled | 403,806 | 4.8 | 1.7 | 19,343 | 21,759 |
| Production | | 72,039 | 24.5 | 4.1 | 17,642 | 9,420 |

Note: Mining and production statistics are rounded to the nearest 0.1% Cu grade and 0.1 g/t Au grade. Errors may occur due to rounding. Production Statistics are subject to change following reconciliation and finalisation subsequent to the end of the Quarter.

3.2 Underground Mining

A total of 488 metres of ore drive development was completed during the Quarter, resulting in the production of 40,245 tonnes of development ore. In addition, 359,695 tonnes of stope ore was produced, resulting in total ore production for the Quarter of 399,940 tonnes grading 4.8% Cu.

During the Quarter, production was completed from the first stope in the C4 lens, with performance meeting expectations. This strong performance confirms consistent mine production at 1.6Mtpa rates and reflects a continued focus on reliable stope design and excavation, as well as mining fleet productivity. Opportunities to further enhance mine production will continue to be explored.

The mined copper grade was marginally higher than planned as a result of positive reconciliations from a number of stopes mined and minor adjustments to the mine schedule. On a total mine basis, project copper ore reconciliations remain slightly positive against the resource model.

The mine remains in balance between production and back-fill. Given the maturity of production in the C1 and DeGrussa lenses together with C4 now online, opportunities to replace paste back-fill in some stopes with mine waste continue to be identified, thereby reducing overall waste haulage to the surface and allowing a focus on ore haulage.

Total underground development had reached 32.8km at Quarter-end. The Conductor 1 decline was not advanced during the Quarter with the focus on development of the Conductor 4 and 5 declines. The development of the Conductor 1 decline will recommence as required for the extraction of the lower Conductor 1 ore.

During the quarter Conductor 4 decline development advanced 94 metres and Conductor 5 decline development advanced 203 metres, with all development advance occurring in good ground conditions. Ore development within the C5 lens commenced in early January 2016, which will allow C5 stope production to be brought forward to Q4 FY2016.

A Life-of-Mine update is expected to be released in Q4 FY2016 following completion of diamond drilling in C5 and subsequent Mineral Resource and Ore Reserve modelling.



Figure 2: High-grade massive sulphides in the face of a new ore drive in the C5 orebody, January 2016

3.3 Processing

Key processing metrics for the December Quarter included:

- 399,940 tonnes milled at an average head feed grade of 4.8% Cu (September Quarter: 387,864 tonnes at 4.7% Cu);
- Overall copper recovery of 91.2% (September Quarter: 91.2%);
- Concentrate production of 72,039 tonnes (September Quarter: 67,024 tonnes); and
- Metal production of 17,642 tonnes of contained copper and 9,420 ounces of contained gold (September Quarter: 16,638 tonnes of contained copper and 7,885 ounces of contained gold).

Mill throughput was maintained at an annualised rate of more than 1.6Mtpa notwithstanding a planned SAG mill ring 2 reline and discharge grate replacement, but was impacted by the failure of the primary crusher motor and, separately, the clearing of a crusher blockage. Mill throughput operating rates continue to demonstrate that the capacity of the process plant is close to 1.7Mtpa.

Copper recovery for the period averaged 91.2% which is slightly below the global average recovery based on the resource copper grade and Cu:S ratio. Each mining area undergoes geo-metallurgical laboratory testing prior to processing including grinding simulation and copper liberation testing to understand the impact of primary grind and the downstream circuit parameters on copper recovery and copper grade.

This work is used to predict copper recovery performance compared with what would be expected from global macro indicators such as copper grade and Cu:S ratio and is used to optimise ROM blending and processing tactics. Copper recovery performance for the Quarter exceeded geo-metallurgical expectations, which predicted low recoveries driven by a C1 stope that showed reduced copper mineral liberation in laboratory testing.

Following the successful commissioning of the major enhancement projects completed during FY2015, Sandfire is continuing to investigate opportunities for further improvements in copper recovery. These include examining additional flotation capacity, further improvements in grind optimisation and operating tactic optimisation. A decision on the installation of a further column cell will be made prior to mid-year.

3.4 Guidance – FY2016

Targeted copper production for FY2016 is expected to be at the upper end of the range 65,000-68,000 tonnes of contained copper metal and lower end of gold production in the range 35,000-40,000 ounces. Headline C1 cash operating costs are expected to be at the lower end of the range US\$0.95-1.05/lb.

As previously advised, production in the March 2016 Quarter will be impacted by 8-day planned shuts to reline the mill, refurbish the thickener tanks and complete maintenance to the concentrate filter.

4.0 SALES AND MARKETING

4.1 Copper Concentrate Shipments

A total of 63,075 dry metric tonnes of plant concentrate containing 15,143 tonnes of copper and 7,147 ounces of gold was sold for the Quarter. Shipments were completed from Port Hedland and Geraldton.

5.0 INFRASTRUCTURE

5.1 Solar Power Project

During the Quarter, construction of the new 10.6MW solar power station at DeGrussa reached a key milestone with installation of the first solar photovoltaic (PV) panels commencing in December 2015. To date over 15,000 panels have been installed representing around 50 per cent of the total installation.

The innovative \$40 million project – which is the largest integrated off-grid solar and battery storage facility in Australia – will consist of 34,080 solar PV panels covering a total area of over 20 hectares at a site located immediately adjacent to the DeGrussa underground mine and processing plant.

The system has been designed with the diesel-fired power station continuing to provide base-load power to the DeGrussa mine with sufficient minimum load to ensure it can respond quickly to meet the power requirements of the process plant and underground mine.

Construction commenced in mid-July 2015 with clearing and levelling of the site and subsequent installation of 4,700 steel posts to mount the single axis tracking system and solar PV panels. This system allows the panels to track the sun during the day, improving its overall performance.

Site electrical work is also well advanced with the installation of underground electrical infrastructure including conduits ready for low-voltage and communication cabling to allow the interconnection of the panels, and to connect the facility to the 6MW lithium-ion battery storage facility and the existing 19MW diesel-fired power station at DeGrussa.

Construction is on track for delivery of first electricity from the facility in late Q1 of CY 2016.



Figure 3 – Installation of photovoltaic panels at the DeGrussa Solar Power Station

The innovative DeGrussa Solar Power Project is expected to set a new benchmark for the use of renewable energy at remote mine sites in the resource sector, reducing diesel consumption and cutting carbon emissions at DeGrussa by more than 12,000 tonnes of CO₂ annually.

6.0 FEASIBILITY STUDIES & METALLURGY

6.1 Oxide copper

The Sandfire Oxide Copper Project at DeGrussa has been extensively tested and a Scoping Study undertaken on the basis of a traditional sulphuric acid heap leach combined with a solvent extraction circuit with a strong electrolyte fed to an electro-winning circuit to produce 99.99-99.999% copper cathode.

As outlined in the December 2014 Quarterly Report, the preliminary economics from the Scoping Study indicate that the Oxide Project has an Internal Rate of Return (IRR) exceeding 10% and requiring capital expenditure of over \$50 million. The project is sensitive to acid costs, copper recovery and capital costs.

The investigation of Innovat continuous vat leaching technology as an alternative to heap leaching and glycine as a potential alternative to a sulphuric acid environment continued during the Quarter. A second round of benchtop testing, as noted in the June 2015 Quarterly Report, has been completed using new samples collected from site stockpiles to confirm the consistency of the results.

Assay results from this testing have confirmed the potential of this process to provide high recovery of leachable copper. A high level study is underway to understand the economics of this innovative process assuming full commercialisation.

It is expected that the next step in the development of this process flowsheet will be the completion of pilot plant testing to allow confirmation of project economics prior to consideration of a full-scale plant.

7.0 DEGRUSSA EXPLORATION

7.1 Overview

Sandfire continues to progress a tightly focused, multi-disciplinary exploration campaign to test for extensions to the known cluster of VMS deposits at DeGrussa and to unlock the broader potential of the Doolgunna region for additional VMS and structurally-hosted copper deposits. Key components of the Company's exploration activity at DeGrussa during the December Quarter included:

- Additional diamond and RC drilling at the high-grade Monty VMS copper-gold discovery, part of the farm-in with Talisman Mining, which has significantly enhanced the Company's understanding of the nature and controls of the mineralisation;
- Commencement of a resource in-fill drilling program at Monty in November to establish a maiden JORC Mineral Resource estimate;
- Continued underground resource definition drilling of the Conductor 5 deposit to allow conversion of the existing Inferred Resource to Indicated and Measured status; and
- RC and diamond drilling at the Thaduna Copper Project with the aim of targeting gaps in drill coverage over the main orebody between known mineralised intercepts and to test drill methods in order to maintain RC resource definition holes and diamond pre-collars at the proposed trajectory.

The aggregate exploration metres drilled on Sandfire's tenements during the December 2015 Quarter are summarised below:

| Drilling | AC/RAB Drilling (m) | RC Drilling (m) | UG Diamond Drilling (m) | Surface Diamond Drilling (m) | Total Drilling (m) |
|----------|------------------------|--------------------|----------------------------|---------------------------------|-----------------------|
| Q2FY2016 | 30,869 | 7,171 | 810 | 14,641 | 53,491 |

Note:

- 30,869 metres of AC/RAB, 7,171 metres of RC and 12,185 metres of diamond drilling during the quarter related to the Talisman farm-in.
- 2,455 metres of diamond drilling during the Quarter related to the Ventnor Joint Venture.

7.3 DeGrussa Near-Mine Extensional Exploration

During the Quarter, two underground diamond drill holes were completed for a total of 811 metres. The holes were designed to test an area south-east of the C5 orebody where DHEM from historical surface drilling was reviewed and a discrete off-hole DHEM anomaly was modelled. Both holes intersected intervals of clast-replacement chalcopryrite and pyrite associated with chlorite alteration coincident with the position of the modelled DHEM plate.

Underground DHEM surveying was completed on both holes, however, local modelling of this data has been constrained by a local stratigraphic conductor (black shale) and by the proximity to the C5 orebody. Two historical surface diamond drill holes in the vicinity will be DHEM surveyed to assist in modelling this area.

7.4 DeGrussa Regional Exploration

The Greater Doolgunna Project now includes the Talisman Joint Venture and the tenements acquired from Sipa Resources, which have increased the aggregate contiguous exploration area to 1,600km². This includes over 65km of strike extent in VMS lithologies. Much of this stratigraphy is obscured beneath transported alluvium and requires systematic aircore (AC) drilling to test the bedrock geochemistry and identify prospective areas.

7.4.1 VMS Discovery – Talisman Joint Venture

The Talisman Projects comprise the Springfield, Halloween and Halloween West Projects, which abut Sandfire's DeGrussa-Doolgunna tenements and contain extensions of the lithological sequence which hosts the DeGrussa VMS deposits. The projects are being explored under a Farm-In and Joint Venture agreement with Talisman Mining Limited (ASX: TLM) under which Sandfire has now earned a 70% interest by spending \$15 million on exploration. Exploration expenditure at the Talisman Projects will now be jointly funded by Sandfire and Talisman on a 70:30 basis.

Farm-In/Joint Venture Agreement

During the December 2015 Quarter, Sandfire reached the \$15 million expenditure threshold (project to date) which marks the end of its sole-funding stage at Springfield and commencement of the Joint Venture with Talisman. Sandfire now owns 70 per cent of the project (subject to independent audit). The first \$10 million of this expenditure has been confirmed by Talisman, and Talisman has transferred to Sandfire its first 51 per cent interest in the project corresponding to that \$10 million.

With the earn-in conditions now met, Sandfire will fund 70 per cent of all future expenditure at Springfield, with Talisman funding the remaining 30 per cent under the terms of the Joint Venture.

The unincorporated Springfield Joint Venture has been formed with Sandfire being the initial Manager in accordance with the Farm-In and Joint Venture Agreement entered into on 20 December 2013. The Joint Venture has held its first meeting to determine the Springfield exploration program and budget for the next three months and has made its first cash call to the JV partners. An expenditure budget of \$7.5 million has been set for the three month period commencing 1 December 2015.

Sandfire and Talisman are in negotiations to replace the existing Farm-In and Joint Venture Agreement with a more detailed agreement now that the \$15 million has been spent and the Joint Venture formed. The existing agreement is legally binding and governs the relationship between the parties until a more detailed agreement is reached.

Exploration Results

During the Quarter, Sandfire reported further encouraging results from ongoing drilling being undertaken at the Monty copper-gold discovery, located 10km east of DeGrussa on the Springfield Project.

Assay results were received for additional step-out diamond drill-holes targeting the Lower Zone mineralisation including the zone of bornite-bearing massive sulphides intersected in step-out hole TLDD0026.

Assay Results for TLDD0026

Diamond hole TLDD0026, which was drilled approximately 45 metres along strike from recently reported hole TLDD0021 and 46 metres from the halo mineralisation intersected in TLDD0014 (see Figures 4 and 5), returned exceptional assay grades of:

- **7.3 metres grading 6.2% Cu and 2.8g/t Au from 325.6m down-hole**
(down-hole width, top of intercept is 275m vertically below surface); and
- **21.6 metres grading 34.4% Cu and 0.4g/t Au from 339.4m down-hole**
(down-hole width, top of intercept is 286m vertically below surface).

This 21.6 metre intersection of massive sulphides is interpreted to correlate to existing mineralisation in the lower zone previously described in the ASX Announcement of 2 October 2015. Additional drilling is planned in this area.

Additional Lower Zone Results

In addition to the exceptional result from TLDD0026, assays were returned for previously completed holes TLDD0011, TLDD0014, TLDD0016, TLDD0020, TLDD0021 and TLDD0024 (full assays are shown in the Company's ASX Announcement dated 5 November 2015). Better results include:

| Hole ID | Interval | From (m) | To (m) | Downhole Width (m) | Estimated True Width (m) | Intersection | |
|----------|----------|----------|--------|--------------------|--------------------------|--------------|----------|
| | | | | | | Cu (%) | Au (g/t) |
| TLDD0020 | | 272.3 | 273.8 | 1.5 | 0.9 | 13.8 | 1.1 |
| TLDD0021 | 1 | 239.0 | 242.4 | 3.4 | 1.8 | 17.9 | 3.9 |
| | 2 | 286.2 | 294.2 | 8.0 | 4.6 | 13.3 | 1.8 |
| TLDD0024 | | 445.6 | 448.2 | 2.6 | 1.7 | 14.2 | 1.1 |

These latest results assist in confirming the continuity and grade of the mineralisation at Monty.

In line with Sandfire's growing understanding of the variable orientations of the mineralisation at Monty, the Company has included true width estimates for the mineralisation for the first time. As noted in prior releases, the estimated true widths for the Upper Zone mineralisation are significantly thinner than the down-hole widths as detailed in the Company's ASX Announcement dated 5 November 2015.

Diamond drilling is continuing at Monty with drilling increasing to four rigs on double shift during November 2015. Drilling will continue over the coming months on a targeted 40m x 40m pattern with the results to be used to calculate a maiden Mineral Resource estimate for Monty in 2016.

Recent drilling results are substantiating initial interpretations that were based on the wide-spaced initial exploration holes. See Figure 5 for the updated Monty long section. Exploration drilling at Springfield outside of Monty is also continuing, subject to the RC rig being released from drilling pre-collars for the Mineral Resource definition program.

Results subsequent to end of the Quarter

Diamond drilling resumed at Monty in early January 2016 and is continuing with four diamond drill rigs on double shift and one Reverse Circulation drill rig on single shift. Drilling has focused on resource definition within the lower massive sulphide zone to generate sufficient information to support an initial Mineral Resource estimate for Monty, which is planned to be completed during the March 2016 Quarter.

Of particular note are drill holes TLDD0061 and TLDD0036, which have intersected massive sulphides containing bornite mineralisation both up-dip and along strike from the previously reported high-grade bornite-rich intersections in TLDD0026, detailed in the ASX Announcement of 20 November 2015 (7.3m grading 6.2% Cu and 2.8g/t Au from 325.6m down-hole and 21.6m grading 34.4% Cu and 0.4g/t Au from 339.4m down-hole).

TLDD0061, which is located approximately 22 metres up-dip of TLDD0026, reflecting an apparent shallowing of the dip of the mineralisation in this area, has returned the following intersections:

- 1.6 metres grading 7.9% Cu and 2.5g/t Au from 227.0m – 228.6m (down-hole width, top of intercept is 199m vertically below surface);
- 1.5 metres grading 7.2% Cu and 0.2g/t Au from 231.0m – 232.5m (down-hole width, top of intercept is 202m vertically below surface);
- 1.4 metres grading 3.5% Cu and 0.1g/t Au from 273.6m – 275.0m (down-hole width, top of intercept is 241m vertically below surface); and
- 25.8 metres grading 24.1% Cu and 0.5g/t Au from 299.0m – 324.8m (down-hole width, top of intercept is 263m vertically below surface), including:
 - 14.9 metres grading 36.7% Cu and 0.4g/t Au from 309.0m – 323.9m

TLDD0036, which is located approximately 43 metres to the north-east along strike from the TLDD0026, returned the following intersections:

- 1.1 metres grading 3.8% Cu and 0.7g/t Au from 260.3m – 261.4m (down-hole width, top of intercept is 231m vertically below surface);
- 9.6 metres grading 14.1% Cu and 1.5g/t Au from 292.3m – 301.9m (down-hole width, top of intercept is 258m vertically below surface);
- 1.1 metres grading 1.2% Cu and 0.4g/t Au from 305.4m – 306.5m (down-hole width, top of intercept is 269m vertically below surface);
- 3.9 metres grading 5.6% Cu and 1.4g/t Au from 312.2m – 316.1m (down-hole width, top of intercept is 275m vertically below surface); and
- 0.6 metres grading 1.8% Cu and 0.3g/t Au from 320.0m – 320.6m (down-hole width, top of intercept is 282m vertically below surface)

The recent drilling results continue to substantiate initial interpretations of the orientation, grade and extent of the mineralisation at Monty that were based on the initial wide-spaced exploration holes. As can be seen, the morphology of the Monty mineralisation is evolving with the closer spaced drilling (see Figure 5 for the updated Monty long section).

A number of significant intercepts continue to be generated by the resource in-fill drilling program, with some of the more notable recent assays including:

- TLDD0042 – 20.8 metres grading 14.9% Cu and 1.3g/t Au from 372.7m – 393.5m
- TLDD0043 – 11.3 metres grading 6.7% Cu and 2.9g/t Au from 392.2m – 403.5m
- TLDD0040 – 5.0 metres grading 9.8% Cu and 2.9g/t Au from 334.7m – 339.7m
- TLDD0046 – 13.9 metres grading 7.2% Cu and 2.3g/t Au from 332.7m – 346.6m

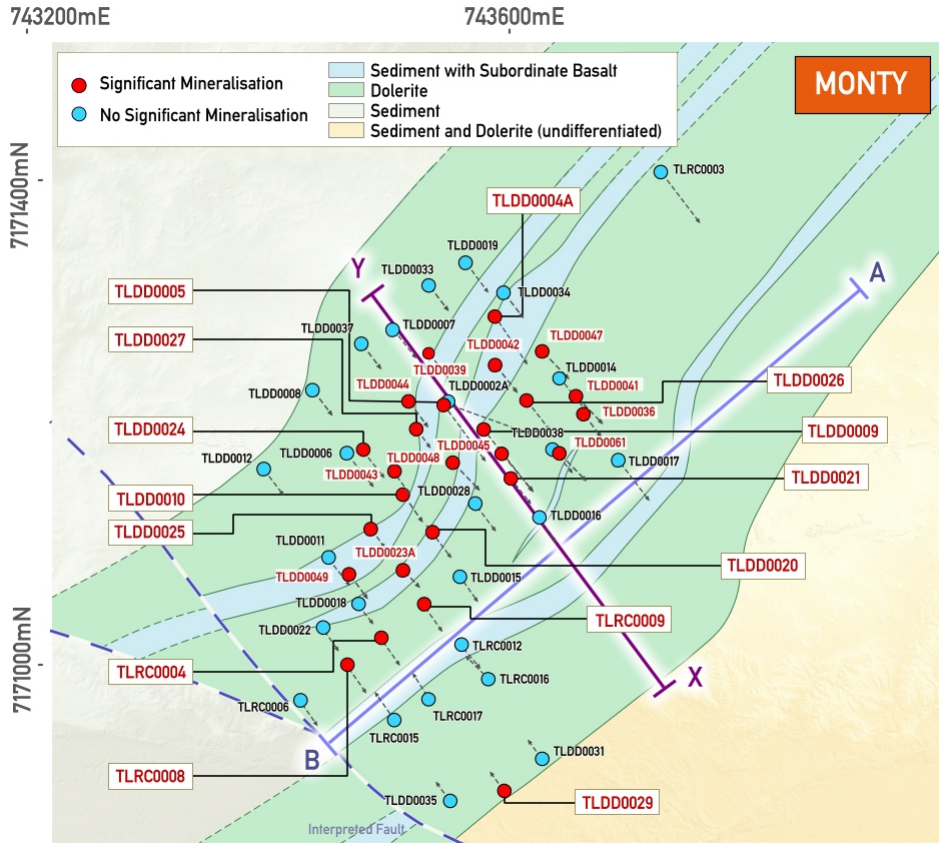


Figure 4: Monty Prospect showing drill-hole collar locations and interpreted schematic geology

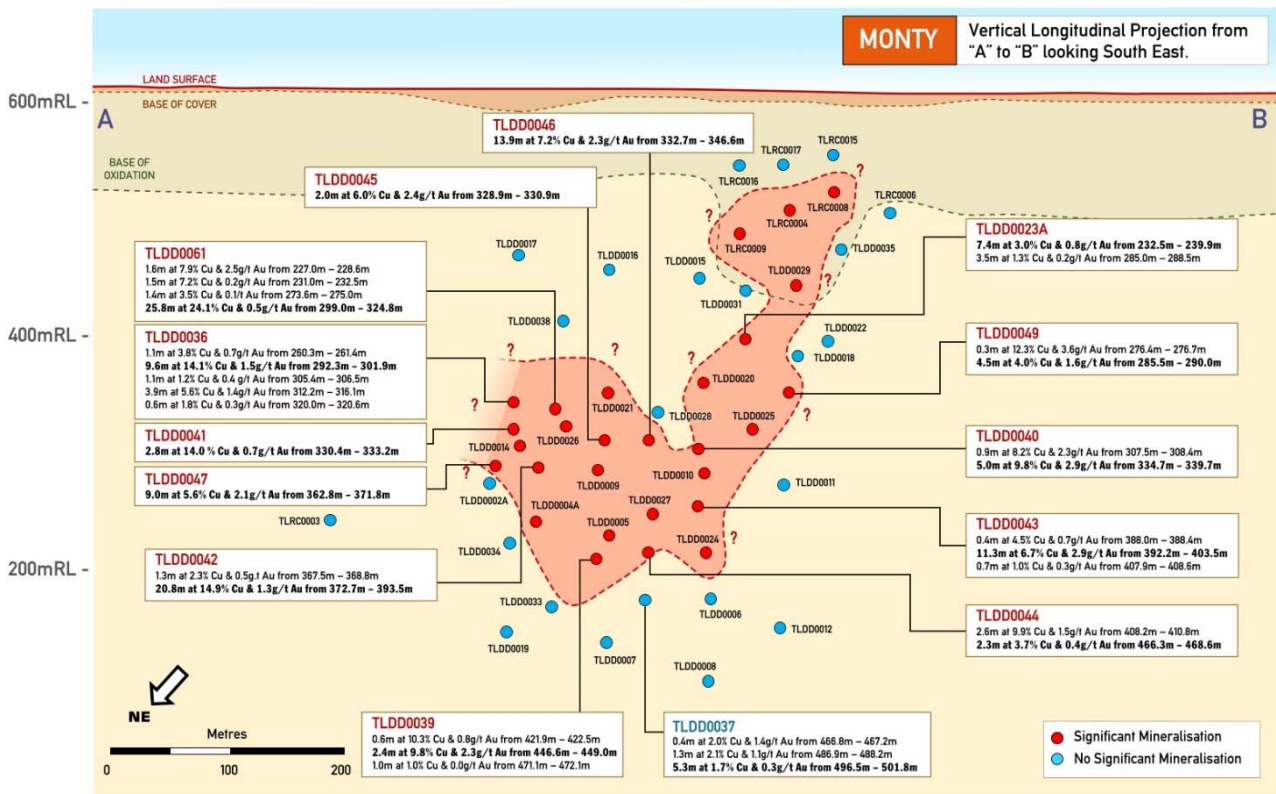


Figure 5: Vertical Longitudinal Projection and initial interpretation of the Monty Prospect showing drill-hole piercepoints at the top of the primary intercept shown in bold. All intercepts are down-hole widths. A significant intersection is defined here as any intersection $\geq 3\text{m}$ estimated true width that has a grade of $\geq 2.0\%$ Cu, inclusive of non-mineralised material. To determine whether intersections that are $< 3\text{m}$ estimated true width are significant in terms of the above definition, non-mineralised material has been included at a grade of 0.0% Cu (weighted by width) until a 3m estimated true width is reached. If the overall grade remained $> 2.0\%$ Cu, with the non-mineralised material included, then the intersection is considered significant. New intersections (not previously reported) are highlighted in yellow.

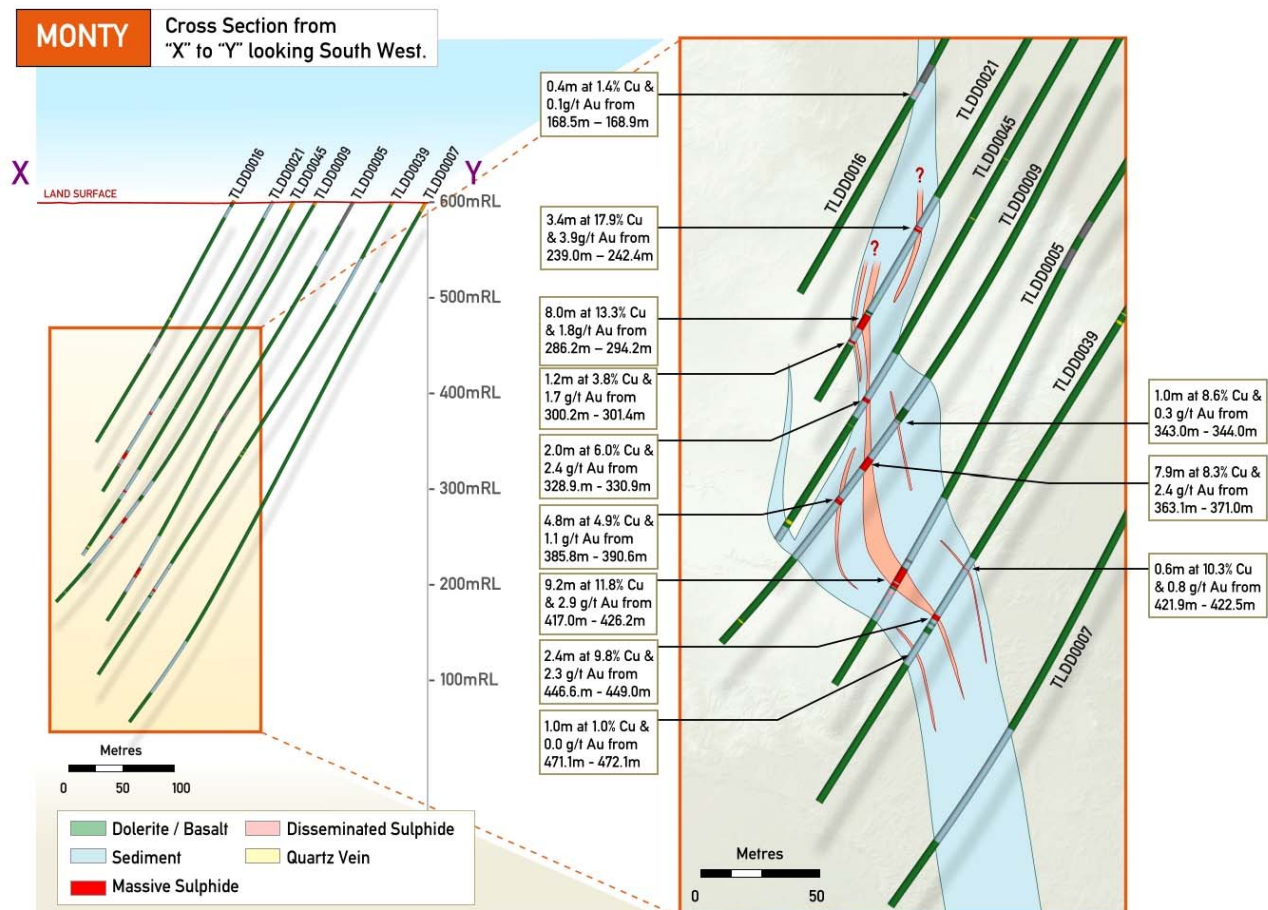


Figure 6: Interpretive cross-section of the Monty mineralisation (Lower Zone)

Homer Prospect

Drilling of the Homer trend at Springfield commenced during the Quarter with an initial RC drill hole to test for the stratigraphic horizon along strike from previous drilling that intersected interpreted exhalite material (TLDD0001 and TLDD0003).

Results subsequent to end of the Quarter

Drilling of the Homer trend at Springfield re-commenced following the Christmas break with a diamond drill hole testing the C5 host stratigraphic horizon along strike from drilling which had previously intersected exhalite sediments. Drill hole TLDD0068 is located 3.4km and 2.8km ENE of drill-holes TLDD0001 and TLDD0003 respectively, and was targeted at a base and trace metal geochemical anomaly identified from earlier drilling by Talisman.

No base metal sulphides were observed and assays are awaited. The drill hole has been PVC cased in preparation for down-hole EM surveying prior to further drilling in this emerging area.

7.4.2 Thaduna Project Joint Venture

The Thaduna Project is located 40km east of DeGrussa and represents the largest copper resource in the Doolgunna-Bryah Basin Region outside of Sandfire's DeGrussa-Doolgunna Project (7.9Mt @ 1.8% Cu for 142,000 tonnes of contained copper). Sandfire currently owns a 35% interest in the project, and has entered into a farm-in agreement to earn up to a further 45% (total of 80%) with Ventnor Resources (ASX: VRX).

During the Quarter, Sandfire completed diamond drilling at Thaduna with results including:

- TDDD010: 11.0m @ 4.7% Cu and 19.3ppm Ag from 272m
- TDDD011: 1.6m @ 7.8% Cu and 38.5ppm Ag from 352.3m
- TDDD013: 6.3m @ 6.0% Cu and 28.2ppm Ag from 355.7m
- TDDD014: 4.0m @ 3.6% Cu and 9.2ppm Ag from 247m
- TDDD015: 0.6m @ 5.8% Cu and 11.7ppm Ag from 322.7m

All eight drill holes intersected Thaduna greywackes and siltstones. Only six drill holes reached target depth and passed through distal chlorite alteration before entering carbon alteration proximal to the Thaduna fault. The mineralisation style was characterised by fracture filling bornite and chalcopyrite within the main Thaduna Fault zone. All drill holes passed through mineralisation and into barren haematitic siltstone and greywackes. (Full details can be seen in the 21st January ASX announcement of Ventnor Resources Ltd).

7.4.3 Ned's Creek Project

The Ned's Creek Project comprises all of the tenements acquired from Sipa Resources. The package totals over 900km² of prospective geology and surrounds the Thaduna Project Joint Venture in totality.

During the Quarter, an airborne magnetic survey at Ned's Creek was completed. Data is due from the contractor in early January and will be merged with the existing high-resolution datasets to form a contiguous grid for processing. Targeting based on this dataset will be completed during the March 2016 Quarter.

8.0 AUSTRALIAN EXPLORATION

Sandfire has a number of exploration joint ventures around Australia. The Company recognises that its activities impact directly and indirectly on the local environments and communities in which we operate. Sandfire is committed to conducting its activities in a sustainable and socially responsible manner to minimise and mitigate these impacts. In order to achieve its sustainability objectives, Sandfire applies the same high standards and commitment to safety in the workplace, environmentally sound practices and transparent social responsibility at its exploration joint ventures as it does at its DeGrussa Copper Mine in Western Australia.

8.1 Borroloola Project

The Borroloola Project is located north of the McArthur River Mine (Xstrata), and is prospective for base metals, sedimentary manganese and iron ore. Sandfire has signed two farm-out agreements to advance the Borroloola Project. The Batten Trough JV covering the eastern portion of the tenements is under an option and joint venture agreement with MMG Exploration Pty Ltd, which can earn up to an 80% interest. The Borroloola West JV covering the western portion is under an agreement with Pacifico Minerals Ltd, which has now earned a 51% interest in the Project, with the right to earn up to an 80% interest.

Pacifico Minerals reported during the Quarter that diamond drilling of drill hole CCD04, positioned to intersect an airborne electromagnetic (“AEM”) conductivity high, had ceased due to mechanical failure of the drill rig at a depth of 464m.

The hole was planned to reach a depth of 600m, to intersect the highest conductivity of the AEM anomaly, which was considered to be possibly caused by a significant body of copper mineralisation. To a depth of 464m the hole intersected some zones of minor copper mineralisation and terminated in silicified Lower Mallapunyah Formation sediments, which contain dolomite and dolomitic siltstone horizons that may be conducive hosts for copper mineralisation. Between 382m and 400m down-hole, a carbonaceous siltstone with disseminated pyrite was intersected which could be the cause of the AEM anomaly.

A down-hole electromagnetic (“DHEM”) survey was undertaken on CCD04 with a 400m surface loop capable of detecting conductive zones surrounding the drill hole. Results from the DHEM survey confirmed the validity of geological interpretation, but indicated the apparent bullseye was likely caused by near surface effects.

MMG Limited completed a further three diamond holes on the Batten Trough JV during the Quarter. Results confirm the presence of prospective stratigraphy and structure at the Rosie Creek prospect with elevated geochemistry indicative of hydrothermal activity. Drilling at Sawtooth is improving the geological understanding of this structurally complex area.

Processing of the NSAMT (Natural Source Audio Magnetic Tellurics) survey indicates that it is highly effective at identifying the prospective stratigraphy.

8.2 Queensland Projects

A number of projects are held in the eastern succession of the Mount Isa region south and east of Cloncurry in northwest Queensland which are prospective for Broken Hill style lead-zinc-silver deposits such as the Cannington deposit (BHP) and the Ernest Henry Iron Oxide copper-gold deposits (Xstrata).

Drilling during the Quarter focused on Sandfire’s 100%-owned Breena Plains Project, with a total of three diamond drill-holes completed for 1,540m.

Drilling at the BRCGO3 IOCG target intersected strong alteration and minor copper mineralisation, which may indicate that the current drilling is located proximal to a mineralised system. Drilling at BRLZ02 returned anomalous zinc assays, suggesting that the host sediment package is mineralised over a strike length of approximately 2km with some related minor copper and lead anomalism. Additional geophysical surveys and drill programs are being planned for the 2016 field season.

Down-hole EM surveys were carried out on all diamond holes completed during the year and selected historical holes. The most significant anomaly from this work was at Sandfire’s 100%-owned Wilgunya tenement. The survey identified a large conductive body with a strike and dip length of greater than 400m, coincident with the massive phyrrotite (with minor chalcopyrite) mineralisation identified in hole 14WGD001. Additional EM is planned for the area for the 2016 field season, with the aim of targeting a mineralised copper system.

Assay results returned for the drill-hole completed by Sandfire at the Altia Project in the September 2015 Quarter showed no significant mineralisation.

8.3 New South Wales Projects

A number of project areas are held in the Lachlan Fold Belt of New South Wales near West Wyalong which are prospective for porphyry copper-gold mineralisation as found at Northparkes (China Moly), Cadia (Newcrest) and Cowal (Barrick). Farm-in agreements to earn up to 80% are held with Straits Resources Ltd (ASX: SRQ) on the Bland Creek Project and with Gold Fields Australasia Pty Ltd on the Marsden South Project.

Sandfire has entered into a binding agreement with Straits Resources Limited (ASX:SRQ) to acquire Straits’ interests in the Temora and Currumburrama exploration projects in New South Wales for A\$2.5 million (payable in Sandfire shares).

The Temora Project, located within the Lachlan Fold Belt, is 100% owned by Straits and comprises the tenements EL6845 and EL5864. The Currumburrama Project, comprising the tenement EL5792, is 100% owned by Straits with Sandfire earning into the tenement through a Joint Venture.

On completion of the acquisition, the Joint Venture agreement will cease with Sandfire owning 100% of the project. The project is prospective for gold-copper porphyry mineralised systems associated with the Currumburrumba intrusive complex.

On completion of the agreement, work at the Temora Project will focus on data mining and developing a coherent mineralisation model to test under-explored targets.

An aircore drilling program has been completed at Sandfire's 100%-owned Wingrunner and Wilga Hill projects. 34 holes were completed for 2,567m. Strong porphyry halo-style alteration was intersected in one hole at the SE Bogan prospect, along with anomalous alteration at the Burrabadine, M10 and Flat prospects. Assay results are awaited and follow-up aircore drilling is being planned.

An Induced Polarisation geophysical survey and follow-up diamond drilling is planned for the project.

8.4 Alford Project

The Alford Project on the Yorke Peninsula lies 20km NE of Wallaroo, South Australia in the southern portion of the Gawler Craton. The tenements are prospective for iron oxide copper-gold mineralisation as found at Prominent Hill (OZ Minerals), Olympic Dam (BHP) and Hillside (Rex Minerals). The Project includes an option to Joint Venture into the Alford Project (EL3969, PM268) with Argonaut Resources (ASX: ARE) to earn up to 75% of the project.

A geological review of the Netherleigh Park drill core was completed by consultant Graham Teale, which indicates that there is potential for small skarn deposits in the Alford area. However, drilling completed to date has not provided evidence to support the direct presence of IOCG mineralisation.

9.0 INTERNATIONAL EXPLORATION

9.1 WCB Resources – Misima Copper Project, PNG

Sandfire holds a 38.38% interest in WCB Resources Ltd (“WCB”; TSX-V: WCB), a Toronto-listed copper-gold explorer, which it acquired by subscribing for shares in a A\$5.9M private share placement. WCB is earning a 70% interest in the Misima Island exploration lease through a joint venture with Pan Pacific Copper (“PPC”), an integrated copper mining and smelting company that is jointly owned by JX Nippon Mining & Metals Corporation and Mitsui Mining & Smelting Company Ltd. The Misima Project is located within a porphyry belt which contains four of the world's richest primary grade copper and gold porphyries including Grasberg (4.9 billion tonnes @ 0.8% Cu and 0.7g/t Au), Ok Tedi (1.7 billion tonnes @ 0.7% Cu and 0.6g/t Au), Golpu (1 billion tonnes @ 0.9% Cu and 0.6g/t Au) and Panguna (1.4 billion tonnes @ 0.5% Cu and 0.6g/t Au)¹.

Further details can be found in WCB's News Releases, which are available at the WCB Resources website, www.wcbresources.com.

9.2 Tintina Resources – Black Butte Project, USA

Sandfire holds a 57% interest in Vancouver-based copper development company, Tintina Resources (TSX-V: TAU). Tintina's key asset is a 100% interest in the premier, high-grade Black Butte Copper Project, located near Helena in the State of Montana in the United States. The project is located close to existing road, power and rail infrastructure, with the ability to access a residential workforce located nearby and competitive sources of materials and power.

Located on private ranch land in central Montana, the Black Butte Project copper resource consists of three flat-lying sedimentary hosted copper deposits which have been extensively drilled by Tintina (over 53,000m of diamond drilling).

An Updated Technical Report and Preliminary Economic Assessment (PEA) completed by Tintina in July 2013 was based on reported NI 43-101 Measured and Indicated Resources totalling 15.7 million tonnes grading 3.4% Cu, 0.1% Co and 14g/t Ag for 533,600 tonnes of contained copper and Inferred Resources totalling 2.3 million tonnes grading 2.8% Cu, 0.09% Co and 14g/t Ag for 63,500 tonnes of contained copper (calculated using a 1.6% copper cut-off grade) for the Johnny Lee Upper Zone and Lowry deposits, and a 1.5% Cu cut-off for the Johnny Lee Lower Zone).

¹ Production + Resources, Intierra 2014

The PEA confirmed that the deposit has the potential to underpin a robust underground mining operation with forecast life-of-mine production of ~30,000tpa of copper-in-concentrate over a mine life of ~11 years, based on total mill throughput of 11.8 million tonnes at an average head grade of 3.1% Cu.

Tintina advised that it submitted a Mine Operating Permit application for the Johnny Lee copper deposit to the Montana Department of Environmental Quality during the Quarter. The application is a comprehensive document detailing the development plan for this high grade project while safeguarding the environment.

The MOP application will be vetted through a process of Completeness and Compliance with the Montana DEQ until the department deems the application complete and ready for an independent third party Environmental Impact Study. Full details can be found in the Tintina announcements, which are available at the Tintina website, www.tintinaresources.com.

10.0 CORPORATE

10.1 Increased stake in Tintina Resources

During the Quarter, Sandfire increased its stake in North American copper development company Tintina Resources (TSX-V: TAU) to 57%, from 36% currently, by acquiring a 21% interest held by a fellow shareholder.

The additional shareholding, comprising 47.2 million shares, was acquired by Sandfire in an off-market transaction at an average price of C\$0.083 per share, for total consideration of C\$3.9 million (A\$3.7 million).

The Company's investment in Tintina is consistent with its corporate strategy of securing and advancing high-quality growth opportunities worldwide which complement its world-class DeGrussa Copper-Gold Mine in Australia. Sandfire now controls Tintina for accounting purposes.

10.2 Appointment of Non-Executive Director

During the Quarter, Sandfire announced the appointment of experienced resource industry executive Maree Arnason as an Independent Non-Executive Director of the Company.

Ms Arnason has held senior executive positions with leading resource companies including BHP Billiton and Wesfarmers Energy and is a past National Director of the Australia China Business Council and a serving member of their WA Executive Committee.

Ms Arnason has held leadership roles undertaking complex commercial transactions and projects with a particular emphasis on risk and reputation. She is a Non-Executive Director of ASX-listed mineral sands company MZI Resources and aged care services organisation Juniper, a member of CEDA's WA State Advisory Council and a Co-Founder/Director of Energy Access Services, which operates a WA-focused independent wholesale gas trading platform.

10.3 Annual General Meeting

A General Meeting of the Company's shareholders was held on 18 November 2015, with all resolutions passed on a show of hands.

10.4 Cash on hand

Cash on hand at 31 December 2015 totalled \$46 million (excluding cash holdings of the Springfield JV and Tintina Resources).

10.5 Investor Call and Webcast

A teleconference on the Quarterly results will be held for the investment community on Thursday 28 January 2016 commencing at 10.00am (AWST) / 1.00pm (AEDT).

Investors, brokers, analysts and media can join the teleconference by dialling the following numbers:



Within Australia (Toll Free): 1 800 558 698
Alternate Australia Toll Free: 1 800 809 971
International: +61-2 9007 3187

Please refer to attached for a full list of international dial-in numbers.

Conference ID: 348601

The Quarterly Report and an accompanying slide presentation will be available via the ASX Company Announcements Platform (Code: SFR) as well as at Sandfire's website at www.sandfire.com.au.

A live webcast of the teleconference and synchronised slide presentation will also be available via the BRR Media service by clicking on the following link:

<http://webcasting.brrmedia.com/broadcast/56944abb2ac671c40a8c5881>

A recording of the webcast will be available at the same link shortly following the conclusion of the conference call.

ENDS

For further information, please contact:

Karl Simich – Managing Director/CEO
Office: +61 8 6430 3800

Media Inquiries:

Nicholas Read – Read Corporate:
Mobile: +61 419 929 046 (Nicholas Read)

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.

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.

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.

JORC Compliance Statement

A summary of the information used in this release is as follows.

The DeGrussa VHMS (volcanic-hosted massive sulphide) copper-gold deposit is located 900 kilometres north of Perth and 150 kilometres north of Meekatharra in the Peak Hill Mineral Field. The system is hosted within a sequence of metasediments and mafic intrusions situated in the Bryah Basin that have been metamorphosed and structurally disrupted.

The sulphide mineralisation consists of massive sulphide and semi-massive sulphide mineralisation. Primary sulphide minerals present are pyrite, chalcopyrite, pyrrhotite and sphalerite, together with magnetite. The sulphide mineralisation is interpreted to be derived from volcanic activity. The deposit shares characteristics with numerous VHMS deposits worldwide.

DeGrussa is located wholly within Mining Lease 52/1046. This tenement is subject to the Yugunga-Nya (WC99/046) and Gingirana Claims (WC06/002). A Land Access Agreement was executed with both claimant groups in November 2010. Sandfire is required to make royalty payments to the State and affected Native Title Claimants on a periodical basis.

Drilling of the DeGrussa massive sulphide lens (of which there are four defined lenses of mineralisation) and surrounding area is by diamond drill holes of NQ2 diameter core and, to a lesser extent, by Reverse Circulation (RC) face sampling hammer drilling. The nominal drill-hole spacing is less than 80m x 40m in the inferred areas of the Mineral Resource and increases in density as the classification increases to Measured where nominal 13m x 20m drill hole spacing is achieved. Drilling has been by conventional diamond drilling with a small number holes aided by the use of navigational drilling tools. RC drilling was completed with a nominal 140mm face sampling hammer and split on a cone or riffle splitter. Drill-hole collar locations were surveyed using RTK GPS, and all holes were down-hole surveyed using high speed gyroscopic survey tools.

Sampling of diamond core was based on geological intervals (standard length 0.5 m to 1.3 m). The core was cut into half or quarter (NQ2) to give sample weights up to 3 kg. RC samples were 1.0m samples down-hole, with sample weights between 3.5kg and 7kg depending on material type. Field quality control procedures involved assay standards, along with blanks and duplicates. These QC samples were inserted at an average rate of 1:15.

The sample preparation of diamond core involved oven drying, coarse crushing of the core sample down to ~10 mm followed by pulverisation of the entire sample to a grind size of 90% passing 75 micron. A pulp sub-sample was collected for analysis by either four acid digest with an ICP/OES, ICP/MS (multi element) finish or formed into fused beads for XRF determination on base metals and a fire assay for Au.

All reported assays have been length weighted. No top-cuts have been applied. A nominal 0.3% Cu lower cut-off is applied. High grade intervals internal to broader zones of sulphide mineralisation are reported as included intervals.

The attitude of the ore bodies at DeGrussa is variable but there is a dominant southerly dip from ~40 to 90 degrees flat-lying and is drilled to grid west with drill holes inclined between -60 and -90 degrees. As such the dominant hole direction is north and with varying intersection angles all results are clearly defined as either down hole or approximate true width.

Density of the massive sulphide orebody ranges from 2.8g/cm³ to 4.9g/cm³, with an average density reading of 3.7g/cm³. Geotechnical and structural readings recorded from diamond drilling include recovery, RQD, structure type, dip, dip direction, alpha and beta angles, and descriptive information. All data is stored in the tables Oriented Structure, Geotechnical RQD, Core Recovery, Interval Structure as appropriate.

A suite of multi-element assays are completed on each mineralised sample and include all economic and typical deleterious elements in copper concentrates. This suite includes Cu, Au, Ag, Zn, Pb, S, Fe, Sb, Bi, Cd and As.

Regional drilling has been completed using a combination of RC and AC drilling. A majority of the drilling is preliminary in nature and starts with 800m x 100m AC drilling where the geology and geochemistry is reevaluated to determine the requirement for follow 400m x

100m drilling. If significant anomalism is identified in the AC drilling then follow up RC drilling will be conducted to determine the opportunity for delineating potentially economic mineralisation. Whilst the main aim of the exploration at Doolgunna is to identify additional VHMS mineralisation in some areas of regional land holding it is currently interpreted that there is shear zones located on the contact between dolerite and sediments hosting auriferous quartz vein stockworks with some coincident copper.

AC and RC regional samples are prepared at Ultra Trace in Perth with the original samples being dried at 80° for up to 24 hours and weighed, and Boyd crushed to -4mm. Samples are then split to less than 2kg through linear splitter and excess retained. Sample splits are weighed at a frequency of 1/20 and entered into the job results file. Pulverising is completed using LM5 mill to 90% passing 75µm. Assaying is completed using a Mixed 4 Acid Digest (MAD) 0.3g charge and MAD Hotbox 0.15g charge methods with ICPOES or ICPMS. The samples are digested and refluxed with a mixture of acids including Hydrofluoric, Nitric, Hydrochloric and Perchloric acids and conducted for multi elements including Cu, Pb, Zn, Ag, As, Fe, S, Sb, Bi, Mo. The MAD Hotbox method is an extended digest method that approaches a total digest for many elements however some refractory minerals are not completely attacked. The elements are then determined by ICPOES or ICPMS finish. Samples are analysed for Au, Pd and Pt by firing a 40g of sample with ICP AES/MS finish.

Figure 6: Sandfire's Greater Doolgunna Project, showing the Springfield Project (farm-in) and location of the Monty and Homer prospects

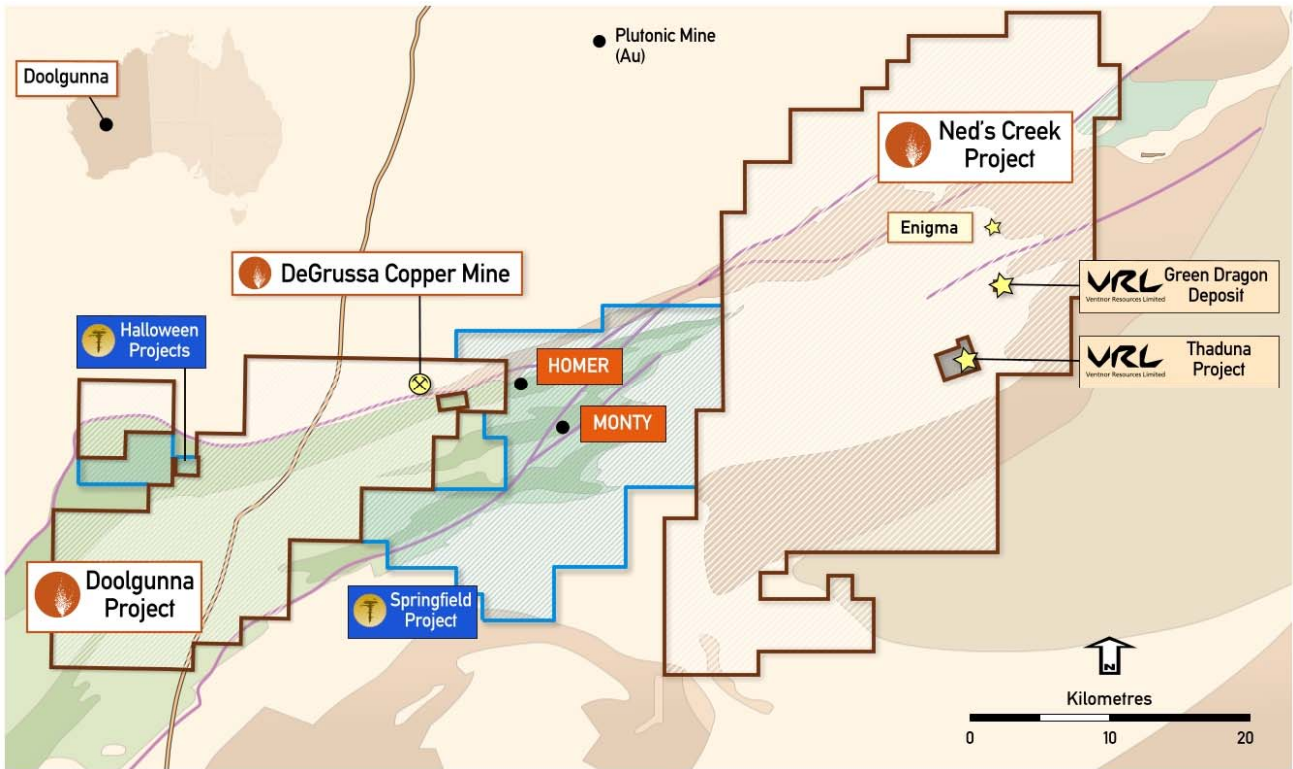


Table 1 – Drill-hole Information Summary, Monty Project

| Hole ID | Depth | Dip | Azimuth | Grid_ID | East | North | RL | Lease ID | Hole Status |
|-----------|-------|------|---------|----------|--------|---------|-----|----------|-------------|
| TLDD0002A | 463 | -61° | 110° | MGA94_50 | 743544 | 7171211 | 602 | E52/2282 | Complete |
| TLDD0004A | 817 | -60° | 148° | MGA94_50 | 743588 | 7171281 | 601 | E52/2282 | Complete |
| TLDD0005 | 478 | -62° | 139° | MGA94_50 | 743544 | 7171210 | 602 | E52/2282 | Complete |
| TLDD0006 | 554 | -62° | 140° | MGA94_50 | 743469 | 7171174 | 601 | E52/2282 | Complete |
| TLDD0007 | 589 | -62° | 138° | MGA94_50 | 743504 | 7171271 | 601 | E52/2282 | Complete |
| TLDD0008 | 688 | -62° | 138° | MGA94_50 | 743441 | 7171223 | 600 | E52/2282 | Complete |
| TLDD0009 | 472 | -61° | 140° | MGA94_50 | 743578 | 7171190 | 602 | E52/2282 | Complete |
| TLDD0010 | 433 | -62° | 142° | MGA94_50 | 743514 | 7171138 | 601 | E52/2282 | Complete |
| TLDD0011 | 472 | -62° | 141° | MGA94_50 | 743451 | 7171092 | 598 | E52/2282 | Complete |
| TLDD0012 | 598 | -62° | 140° | MGA94_50 | 743403 | 7171155 | 599 | E52/2282 | Complete |
| TLDD0014 | 399 | -62° | 143° | MGA94_50 | 743638 | 7171231 | 603 | E52/2282 | Complete |
| TLDD0015 | 376 | -62° | 146° | MGA94_50 | 743561 | 7171073 | 602 | E52/2282 | Complete |
| TLDD0016 | 274 | -61° | 147° | MGA94_50 | 743621 | 7171119 | 604 | E52/2282 | Complete |
| TLDD0017 | 236 | -62° | 146° | MGA94_50 | 743686 | 7171166 | 605 | E52/2282 | Complete |
| TLDD0018 | 340 | -62° | 146° | MGA94_50 | 743471 | 7171054 | 599 | E52/2282 | Complete |
| TLDD0019 | 552 | -62° | 141° | MGA94_50 | 743566 | 7171329 | 600 | E52/2282 | Complete |
| TLDD0020 | 340 | -61° | 141° | MGA94_50 | 743536 | 7171106 | 602 | E52/2282 | Complete |
| TLDD0021 | 331 | -62° | 144° | MGA94_50 | 743599 | 7171152 | 603 | E52/2282 | Complete |
| TLDD0022 | 304 | -62° | 141° | MGA94_50 | 743441 | 7171035 | 599 | E52/2282 | Complete |
| TLDD0023A | 346 | -58° | 145° | MGA94_50 | 743505 | 7171081 | 601 | E52/2282 | Complete |
| TLDD0024 | 571 | -60° | 141° | MGA94_50 | 743470 | 7171172 | 600 | E52/2282 | Complete |
| TLDD0025 | 406 | -60° | 141° | MGA94_50 | 743481 | 7171113 | 600 | E52/2282 | Complete |
| TLDD0026 | 409 | -59° | 141° | MGA94_50 | 743609 | 7171209 | 602 | E52/2282 | Complete |
| TLDD0027 | 511 | -60° | 143° | MGA94_50 | 743521 | 7171193 | 602 | E52/2282 | Complete |
| TLDD0028 | 441 | -62° | 143° | MGA94_50 | 743569 | 7171129 | 602 | E52/2282 | Complete |
| TLDD0029 | 247 | -60° | 319° | MGA94_50 | 743594 | 7170898 | 602 | E52/2282 | Complete |
| TLDD0031 | 237 | -62° | 317° | MGA94_50 | 743626 | 7170922 | 603 | E52/2282 | Complete |
| TLDD0033 | 589 | -62° | 142° | MGA94_50 | 743536 | 7171306 | 600 | E52/2282 | Complete |
| TLDD0034 | 523 | -62° | 138° | MGA94_50 | 743592 | 7171298 | 601 | E52/2282 | Complete |
| TLDD0035 | 244 | -59° | 320° | MGA94_50 | 743549 | 7170891 | 601 | E52/2282 | Complete |
| TLDD0036 | 378 | -63° | 145° | MGA94_50 | 743664 | 7171202 | 604 | E52/2282 | Complete |
| TLDD0037 | 564 | -60° | 140° | MGA94_50 | 743473 | 7171257 | 601 | E52/2282 | Complete |
| TLDD0038 | 313 | -59° | 147° | MGA94_50 | 743633 | 7171178 | 604 | E52/2282 | Complete |
| TLDD0039 | 547 | -62° | 140° | MGA94_50 | 743529 | 7171248 | 602 | E52/2282 | Complete |
| TLDD0040 | 409 | -63° | 143° | MGA94_50 | 743526 | 7171123 | 601 | E52/2282 | Complete |
| TLDD0041 | 382 | -62° | 144° | MGA94_50 | 743653 | 7171218 | 603 | E52/2282 | Complete |
| TLDD0042 | 439 | -59° | 139° | MGA94_50 | 743585 | 7171243 | 602 | E52/2282 | Complete |
| TLDD0043 | 505 | -62° | 141° | MGA94_50 | 743501 | 7171153 | 601 | E52/2282 | Complete |

| Hole ID | Depth | Dip | Azimuth | Grid_ID | East | North | RL | Lease ID | Hole Status |
|----------|-------|------|---------|----------|--------|---------|-----|----------|-------------|
| TLDD0044 | 552 | -61° | 141° | MGA94_50 | 743511 | 7171212 | 602 | E52/2282 | Complete |
| TLDD0045 | 405 | -63° | 142° | MGA94_50 | 743589 | 7171170 | 603 | E52/2282 | Complete |
| TLDD0046 | 409 | -60° | 142° | MGA94_50 | 743546 | 7171164 | 602 | E52/2282 | Complete |
| TLDD0047 | 406 | -63° | 140° | MGA94_50 | 743629 | 7171250 | 602 | E52/2282 | Complete |
| TLDD0049 | 355 | -62° | 140° | MGA94_50 | 743461 | 7171074 | 600 | E52/2282 | Complete |
| TLDD0061 | 391 | -58° | 141° | MGA94_50 | 743635 | 7171176 | 604 | E52/2282 | Complete |
| TLRC0003 | 544 | -61° | 144° | MGA94_50 | 743720 | 7171393 | 599 | E52/2282 | Complete |
| TLRC0004 | 306 | -62° | 142° | MGA94_50 | 743497 | 7171025 | 600 | E52/2282 | Complete |
| TLRC0006 | 318 | -62° | 143° | MGA94_50 | 743430 | 7170973 | 598 | E52/2282 | Complete |
| TLRC0008 | 294 | -62° | 143° | MGA94_50 | 743461 | 7171001 | 599 | E52/2282 | Complete |
| TLRC0009 | 265 | -62° | 141° | MGA94_50 | 743527 | 7171050 | 601 | E52/2282 | Complete |
| TLRC0015 | 138 | -60° | 320° | MGA94_50 | 743503 | 7170953 | 600 | E52/2282 | Complete |
| TLRC0016 | 120 | -58° | 317° | MGA94_50 | 743580 | 7170985 | 602 | E52/2282 | Complete |
| TLRC0017 | 120 | -60° | 318° | MGA94_50 | 743548 | 7170968 | 601 | E52/2282 | Complete |

Table 2 – Drill-hole Assay Intersections >1% for the Monty Prospect

Details of all relevant intersections provided below. Estimated true widths have been calculated using estimated dip and dip-direction of modelled mineralisation surfaces at the drill-hole intersection and azimuth and dip of the drill-hole.

| Hole ID | Interval | From (m) | To (m) | Downhole Width (m) | Estimated True Width (m) | Intersection | | |
|-----------|----------|----------|--------|--------------------|--------------------------|--------------|----------|--------|
| | | | | | | Cu (%) | Au (g/t) | Zn (%) |
| TLDD0004A | | 409.5 | 426.0 | 16.5 | 10.9 | 18.9 | 2.1 | 1.5 |
| TLDD0005 | | 417.0 | 426.2 | 9.2 | 6.1 | 11.8 | 2.9 | 2.3 |
| TLDD0008 | | 574.2 | 579.3 | 5.1 | 3.2 | 1.4 | 0.1 | 0.0 |
| TLDD0009 | 1 | 343.0 | 344.0 | 1.0 | 0.5 | 8.6 | 0.3 | 0.1 |
| | 2 | 363.1 | 371.0 | 7.9 | 5.8 | 8.3 | 2.4 | 2.1 |
| | 3 | 385.8 | 390.6 | 4.8 | 3.0 | 4.9 | 1.1 | 1.4 |
| TLDD0010 | 1 | 355.6 | 356.1 | 0.5 | 0.3 | 1.2 | 1.4 | 0.2 |
| | 2 | 359.7 | 370.2 | 10.5 | 6.3 | 18.9 | 3.1 | 1.1 |
| | 3 | 373.6 | 378.2 | 4.6 | 2.9 | 12.8 | 2.5 | 0.8 |
| TLDD0011 | | 370.9 | 371.3 | 0.4 | 0.2 | 1.2 | 1.3 | 0.9 |
| TLDD0014 | 1 | 334.2 | 334.7 | 0.5 | 0.3 | 3.6 | 0.1 | 0.0 |
| | 2 | 359.4 | 362.8 | 3.4 | 2.0 | 3.5 | 0.8 | 0.6 |
| TLDD0016 | | 168.5 | 168.9 | 0.4 | 0.3 | 1.4 | 0.1 | 0.0 |
| TLDD0020 | | 272.3 | 273.8 | 1.5 | 0.9 | 13.8 | 1.1 | 1.2 |
| TLDD0021 | 1 | 239.0 | 242.4 | 3.4 | 1.8 | 17.9 | 3.9 | 0.3 |
| | 2 | 286.2 | 294.2 | 8.0 | 4.6 | 13.3 | 1.8 | 2.1 |
| | 3 | 300.2 | 301.4 | 1.2 | 0.7 | 3.8 | 1.7 | 1.2 |
| TLDD0024 | | 445.6 | 448.2 | 2.6 | 1.7 | 14.2 | 1.1 | 0.6 |
| TLDD0025 | | 326.0 | 335.4 | 9.4 | 3.6 | 7.2 | 2.2 | 0.4 |
| TLDD0023A | 1 | 232.5 | 239.9 | 7.4 | 2.4 | 3.0 | 0.8 | 0.1 |
| | 2 | 285.0 | 288.5 | 3.5 | 1.1 | 1.3 | 0.2 | 0.1 |

| Hole ID | Interval | From (m) | To (m) | Downhole Width (m) | Estimated True Width (m) | Intersection | | |
|----------|-----------|----------|--------|--------------------|--------------------------|--------------|----------|--------|
| | | | | | | Cu (%) | Au (g/t) | Zn (%) |
| TLDD0026 | 1 | 325.6 | 332.9 | 7.3 | 4.7 | 6.2 | 2.8 | 3.1 |
| | 2 | 339.4 | 361.0 | 21.6 | 15.2 | 34.4 | 0.4 | 0.8 |
| TLDD0027 | 1 | 393.5 | 394.8 | 1.3 | 0.9 | 11.5 | 2.2 | 3.1 |
| | 2 | 411.0 | 421.7 | 10.7 | 7.0 | 6.2 | 2.0 | 1.4 |
| TLDD0029 | | 173.9 | 182.2 | 8.3 | 6.6 | 8.0 | 1.1 | 0.7 |
| TLDD0031 | 1 | 175.7 | 176.0 | 0.3 | 0.2 | 2.9 | 0.2 | 0.0 |
| | 2 | 183.6 | 184.5 | 0.9 | 0.7 | 6.9 | 1.1 | 1.6 |
| TLDD0033 | 1 | 485.1 | 485.4 | 0.3 | 0.2 | 4.1 | 0.9 | 0.1 |
| | 2 | 489.2 | 489.7 | 0.5 | 0.3 | 12.7 | 1.6 | 0.2 |
| | 3 | 496.0 | 498.0 | 2.0 | 1.3 | 4.2 | 1.4 | 1.5 |
| TLDD0036 | 1 | 260.3 | 261.4 | 1.1 | 0.7 | 3.8 | 0.7 | 0.0 |
| | 2 | 292.3 | 301.9 | 9.6 | 6.3 | 14.1 | 1.5 | 1.7 |
| | 3 | 305.4 | 306.5 | 1.1 | 0.8 | 1.2 | 0.4 | 0.6 |
| | 4 | 312.2 | 316.1 | 3.9 | 2.9 | 5.6 | 1.4 | 0.3 |
| | 5 | 320.0 | 320.6 | 0.6 | 0.4 | 1.8 | 0.3 | 0.2 |
| TLDD0037 | 1 | 466.8 | 467.2 | 0.4 | 0.3 | 2.0 | 1.4 | 0.0 |
| | 2 | 486.9 | 488.2 | 1.3 | 1.0 | 2.1 | 1.1 | 1.2 |
| | 3 | 496.5 | 501.8 | 5.3 | 4.3 | 1.7 | 0.3 | 0.0 |
| TLDD0039 | 1 | 421.9 | 422.5 | 0.6 | 0.5 | 10.3 | 0.8 | 0.6 |
| | 2 | 446.6 | 449.0 | 2.4 | 2.0 | 9.8 | 2.3 | 2.4 |
| | 3 | 471.1 | 472.1 | 1.0 | 0.9 | 1.0 | 0.0 | 0.0 |
| TLDD0040 | 1 | 307.5 | 308.4 | 0.9 | 0.3 | 8.2 | 2.3 | 3.2 |
| | 2 | 334.7 | 339.7 | 5.0 | 1.8 | 9.8 | 2.9 | 0.5 |
| TLDD0041 | | 330.4 | 333.2 | 2.8 | 2.6 | 14.0 | 0.7 | 0.2 |
| TLDD0042 | 1 | 367.5 | 368.8 | 1.3 | 1.0 | 2.3 | 0.5 | 0.1 |
| | 2 | 372.7 | 393.5 | 20.8 | 16.9 | 14.9 | 1.3 | 1.6 |
| TLDD0043 | 1 | 388.0 | 388.4 | 0.4 | 0.2 | 4.5 | 0.7 | 0.9 |
| | 2 | 392.2 | 403.5 | 11.3 | 4.9 | 6.7 | 2.9 | 2.3 |
| | 3 | 407.9 | 408.6 | 0.7 | 0.3 | 1.0 | 0.3 | 0.6 |
| TLDD0044 | 1 | 408.2 | 410.8 | 2.6 | 2.2 | 9.9 | 1.5 | 0.1 |
| | 2 | 466.3 | 468.6 | 2.3 | 2.0 | 3.7 | 0.4 | 0.2 |
| TLDD0045 | | 328.9 | 330.9 | 2.0 | 1.0 | 6.0 | 2.4 | 1.7 |
| TLDD0046 | | 332.7 | 346.6 | 13.9 | 6.5 | 7.2 | 2.3 | 2.9 |
| TLDD0047 | | 362.8 | 371.8 | 9.0 | 4.4 | 5.6 | 2.1 | 0.1 |
| TLDD0049 | 1 | 276.4 | 276.7 | 0.3 | 0.1 | 12.3 | 3.6 | 2.4 |
| | 2 | 285.5 | 290.0 | 4.5 | 2.0 | 4.0 | 1.6 | 0.5 |
| TLDD0061 | 1 | 227.0 | 228.6 | 1.6 | 1.0 | 7.9 | 2.5 | 1.3 |
| | 2 | 231.0 | 232.5 | 1.5 | 0.9 | 7.2 | 0.2 | 0.4 |
| | 3 | 273.6 | 275.0 | 1.4 | 0.9 | 3.5 | 0.1 | 0.3 |
| | 4 | 299.0 | 324.8 | 25.8 | 15.9 | 24.1 | 0.5 | 0.5 |
| | Including | 309.0 | 323.9 | 14.9 | 9.2 | 36.7 | 0.4 | 0.3 |
| TLRC0004 | 1 | 107.0 | 125.0 | 18.0 | 5.1 | 5.7 | 2.4 | 3.2 |
| | 2 | 158.0 | 162.0 | 4.0 | 1.2 | 4.2 | 0.7 | 0.1 |
| TLRC0008 | 1 | 89.0 | 95.0 | 6.0 | 1.4 | 7.8 | 0.9 | 0.9 |
| | 2 | 112.0 | 123.0 | 11.0 | 2.5 | 15.0 | 1.9 | 1.0 |
| TLRC0009 | | 133.0 | 145.0 | 12.00 | 2.8 | 5.7 | 1.8 | 2.2 |

JORC 2012 TABLE 1 – EXPLORATION RESULTS

Section 1: Sampling Techniques and Data

| Criteria | JORC Code Explanation | Commentary |
|-----------------------|--|--|
| Sampling techniques | <ul style="list-style-type: none"> Nature and quality of sampling (eg cut channels, random chips, or specific specialised industry standard measurement tools appropriate to the minerals under investigation, such as down hole gamma sondes, or handheld XRF instruments, etc). These examples should not be taken as limiting the broad meaning of sampling. | <ul style="list-style-type: none"> Sampling method include half-core sampling of NQ2 core diamond drilling (DD). RC samples are collected by a cone splitter for single metre samples or a sampling spear for first pass composite samples using a face sampling hammer with a nominal 140mm hole. |
| | <ul style="list-style-type: none"> Include reference to measures taken to ensure sample representivity and the appropriate calibration of any measurement tools or systems used. | <ul style="list-style-type: none"> Sampling is guided by Sandfire protocols as per industry standard. |
| | <ul style="list-style-type: none"> Aspects of the determination of mineralisation that are Material to the Public Report. In cases where 'industry standard' work has been done this would be relatively simple (eg 'reverse circulation drilling was used to obtain 1 m samples from which 3 kg was pulverised to produce a 30 g charge for fire assay'). In other cases more explanation may be required, such as where there is coarse gold that has inherent sampling problems. Unusual commodities or mineralisation types (eg submarine nodules) may warrant disclosure of detailed information. | <ul style="list-style-type: none"> DD Sample size reduction is through a Jaques jaw crusher to -10mm with a second stage reduction via Boyd crusher to -4mm. Representative subsamples are split and pulverised through LM5. RC sample are crushed to -4mm through a Boyd crusher and representative subsamples pulverised via LM5. Pulverising is to nominal 90% passing -75µm and checked using wet sieving technique. Samples are assayed using Mixed 4 Acid Digest (MAD) 0.3g charge and MAD Hotbox 0.15g charge methods with ICPOES or ICPMS. Fire Assay is completed by firing 40g portion of the sample with ICPMS finish. |
| Drilling techniques | <ul style="list-style-type: none"> Drill type (eg core, reverse circulation, open-hole hammer, rotary air blast, auger, Bangka, sonic, etc) and details (eg core diameter, triple or standard tube, depth of diamond tails, face-sampling bit or other type, whether core is oriented and if so, by what method, etc). | <ul style="list-style-type: none"> DD is completed using NQ2 size coring equipment. RC drilling is with sampling hammer of nominal 140mm hole. All drill collars are surveyed using RTK GPS with downhole surveying. All core where possible is oriented using a Reflex ACT II RD orientation tool. Downhole surveying is undertaken using a gyroscopic survey instrument. |
| Drill sample recovery | <ul style="list-style-type: none"> Method of recording and assessing core and chip sample recoveries and results assessed. | <ul style="list-style-type: none"> Diamond core recovery is logged and captured into the database. Core recoveries are measured by drillers for every drill run. The core length recovered is physically measured for each run and recorded and used to calculate the core recovery as a percentage core recovered. |
| | <ul style="list-style-type: none"> Measures taken to maximise sample recovery and ensure representative nature of the samples. | <ul style="list-style-type: none"> Appropriate measures are taken to maximise sample recovery and ensure the representative nature of the samples. This includes diamond core being reconstructed into continuous intervals on angle iron racks for orientation, metre marking and reconciled against core block markers. RC sampling is good with almost no wet sampling in the project area. Samples are routinely weighed and captured into the central secured database. |
| | <ul style="list-style-type: none"> Whether a relationship exists between sample recovery and grade and whether sample bias may have occurred due to preferential loss/gain of fine/coarse material. | <ul style="list-style-type: none"> No sample recovery issues have impacted on potential sample bias. |

| Criteria | JORC Code Explanation | Commentary |
|--|---|---|
| Logging | <ul style="list-style-type: none"> Whether core and chip samples have been geologically and geotechnically logged to a level of detail to support appropriate Mineral Resource estimation, mining studies and metallurgical studies. | <ul style="list-style-type: none"> Geological logging is completed for all holes and representative across the orebody. The lithology, alteration and structural characteristics of core are logged directly to a digital format following procedures and using Sandfire NL geologic codes. Data is imported into Sandfire NL's central database after validation in LogChief™. |
| | <ul style="list-style-type: none"> Whether logging is qualitative or quantitative in nature. Core (or costean, channel, etc) photography. | <ul style="list-style-type: none"> Logging is both qualitative and quantitative depending on field being logged. All cores are photographed. |
| | <ul style="list-style-type: none"> The total length and percentage of the relevant intersections logged. | <ul style="list-style-type: none"> All drillholes are fully logged. |
| Sub-sampling techniques and sample preparation | <ul style="list-style-type: none"> If core, whether cut or sawn and whether quarter, half or all core taken. | <ul style="list-style-type: none"> Core orientation are completed where possible and all are marked prior to sampling. Half core samples are produced using Almonte Core Saw. Samples are weighed and recorded. |
| | <ul style="list-style-type: none"> If non-core, whether riffled, tube sampled, rotary split, etc and whether sampled wet or dry. | <ul style="list-style-type: none"> RC samples are split using a cone or riffle splitter. A majority of RC samples are dry. On occasions that wet samples are encountered they are dried prior to splitting with a riffle splitter. |
| | <ul style="list-style-type: none"> For all sample types, the nature, quality and appropriateness of the sample preparation technique. | <ul style="list-style-type: none"> All samples are sorted, dried at 80° for up to 24 hours and weighed. DD samples are crushed through Jaques crusher to nominal -10mm. A second stage crushing is through Boyd crusher to nominal -4mm. RC samples are only Boyd crushed to -4mm. Sample splits are weighed at a frequency of 1:20 and entered into the job results file. Pulverising is completed using LM5 mill to 90% passing 75µm using wet sieving technique. |
| | <ul style="list-style-type: none"> Quality control procedures adopted for all sub-sampling stages to maximise representivity of samples. | <ul style="list-style-type: none"> 1:20 grind quality checks are completed for 90% passing 75µm criteria to ensure representativeness of sub-samples. |
| | <ul style="list-style-type: none"> Measures taken to ensure that the sampling is representative of the in situ material collected, including for instance results for field duplicate/second-half sampling. | <ul style="list-style-type: none"> Sampling is carried out in accordance with Sandfire protocols as per industry best practice. No field duplicates have been taken. |
| | <ul style="list-style-type: none"> Whether sample sizes are appropriate to the grain size of the material being sampled. | <ul style="list-style-type: none"> The sample sizes are considered appropriate for the VHMS and Gold mineralisation types. |
| Quality of assay data and laboratory tests | <ul style="list-style-type: none"> The nature, quality and appropriateness of the assaying and laboratory procedures used and whether the technique is considered partial or total. | <ul style="list-style-type: none"> Samples are assayed using Mixed 4 Acid Digest (MAD) 0.3g charge and MAD Hotbox 0.15g charge methods with ICPOES or ICPMS. The samples are digested and refluxed with a mixture of acids including Hydrofluoric, Nitric, Hydrochloric and Perchloric acids and conducted for multi elements including Cu, Pb, Zn, Ag, As, Fe, S, Sb, Bi, Mo, Re, Mn, Co, Cd, Cr, Ni, Se, Te, Ti, Zr, V, Sn, W and Ba. The MAD Hotbox method is an extended digest method that approaches a total digest for many elements however some refractory minerals are not completely attacked. The elements S, Cu, Zn, Co, Fe, Ca, Mg, Mn, Ni, Cr, Ti, K, Na, V are determined by ICPOES, and Ag, Pb, As, Sb, Bi, Cd, Se, Te, Mo, Re, Zr, Ba, Sn, W are determined by ICPMS. Samples are analysed for Au, Pd and Pt by firing a 40g of sample with ICP AES/MS finish. Lower sample weights are employed where samples have very high S contents. This is a classical FA process and results in total separation of Au, Pt and Pd in the samples. The analytical methods are considered appropriate for this mineralisation styles. |

| Criteria | JORC Code Explanation | Commentary |
|---|--|--|
| | <ul style="list-style-type: none"> For geophysical tools, spectrometers, handheld XRF instruments, etc, the parameters used in determining the analysis including instrument make and model, reading times, calibrations factors applied and their derivation, etc. | <ul style="list-style-type: none"> No geophysical tools are used in the analysis. |
| | <ul style="list-style-type: none"> Nature of quality control procedures adopted (eg standards, blanks, duplicates, external laboratory checks) and whether acceptable levels of accuracy (i.e. lack of bias) and precision have been established. | <ul style="list-style-type: none"> Sandfire DeGrussa QAQC protocol is considered industry standard with standard reference material (SRM) submitted on regular basis with routine samples. SRMs and blanks are inserted at a minimum of 5% frequency rate. |
| Verification of sampling and assaying | <ul style="list-style-type: none"> The verification of significant intersections by either independent or alternative company personnel. | <ul style="list-style-type: none"> Significant intersections have been verified by alternative company personnel. |
| | <ul style="list-style-type: none"> The use of twinned holes. | <ul style="list-style-type: none"> None of the drillholes in this report is twinned. |
| | <ul style="list-style-type: none"> Documentation of primary data, data entry procedures, data verification, data storage (physical and electronic) protocols. | <ul style="list-style-type: none"> Primary data are captured on field tough book laptops using Logchief™ Software. The software has validation routines and data is then imported into a secure central database. |
| | <ul style="list-style-type: none"> Discuss any adjustment to assay data. | <ul style="list-style-type: none"> The primary data is always kept and is never replaced by adjusted or interpreted data. |
| Location of data points | <ul style="list-style-type: none"> Accuracy and quality of surveys used to locate drill holes (collar and down-hole surveys), trenches, mine workings and other locations used in Mineral Resource estimation. | <ul style="list-style-type: none"> Sandfire Survey team undertakes survey works under the guidelines of best industry practice. All drill collars are accurately surveyed using RTK GPS system within +/-50mm of accuracy (X,Y,Z). Downhole survey completed by gyroscopic downhole methods at regular intervals. |
| | <ul style="list-style-type: none"> Specification of the grid system used. | <ul style="list-style-type: none"> Coordinate and azimuth are reported in MGA 94 Zone 50. |
| | <ul style="list-style-type: none"> Quality and adequacy of topographic control. | <ul style="list-style-type: none"> Topographic control was established LiDar laser imagery technology. |
| Data spacing and distribution | <ul style="list-style-type: none"> Data spacing for reporting of Exploration Results. | <ul style="list-style-type: none"> Drill spacing is currently defined by geological criteria regarded as appropriate to determine the extents of mineralisation. This is nominally an 80m by 80m spacing. Spacing is shown by in the accompanying tables and collar plans. Some holes are drilled at a closer spacing to determine the edges of mineralisation. |
| | <ul style="list-style-type: none"> Whether the data spacing and distribution is sufficient to establish the degree of geological and grade continuity appropriate for the Mineral Resource and Ore Reserve estimation procedure(s) and classifications applied. | <ul style="list-style-type: none"> Drilling is preliminary in its spacing and distribution and is not sufficient to at this stage to support Mineral Resources or Ore Reserves. |
| | <ul style="list-style-type: none"> Whether sample compositing has been applied. | <ul style="list-style-type: none"> No sample compositing have been applied to the Exploration Results. |
| Orientation of data in relation to geological structure | <ul style="list-style-type: none"> Whether the orientation of sampling achieves unbiased sampling of possible structures and the extent to which this is known, considering the deposit type. | <ul style="list-style-type: none"> The drillhole may not necessarily be perpendicular to the orientation on the intersected mineralisation. |
| | <ul style="list-style-type: none"> If the relationship between the drilling orientation and the orientation of key mineralised structures is considered to have introduced a sampling bias, this should be assessed and reported if material. | <ul style="list-style-type: none"> No significant orientation based sampling bias is known at this time. The drillholes may not necessarily be perpendicular to the orientation of the intersected minerlisation. All reported intervals are downhole intervals not true widths. This will be established with additional drilling. |

| Criteria | JORC Code Explanation | Commentary |
|-------------------|--|---|
| Sample security | <ul style="list-style-type: none"> <i>The measures taken to ensure sample security.</i> | <ul style="list-style-type: none"> Appropriate security measures are taken to dispatch samples to the laboratory. Chain of custody of samples is being managed by Sandfire Resources NL. Samples are stored onsite and transported to laboratory by a licence transport company in sealed bulker bags. The laboratory receipts received samples against the sample dispatch documents and issues a reconciliation report for every sample batch. |
| Audits or reviews | <ul style="list-style-type: none"> <i>The results of any audits or reviews of sampling techniques and data.</i> | <ul style="list-style-type: none"> No external audits or reviews of the sampling techniques and data have been completed. |

Section 2: Reporting of Exploration Results

| Criteria | JORC Code Explanation | Commentary |
|---|---|---|
| Mineral tenement and land tenure status | <ul style="list-style-type: none"> <i>Type, reference name/number, location and ownership including agreements or material issues with third parties such as joint ventures, partnerships, overriding royalties, native title interests, historical sites, wilderness or national park and environmental settings.</i> | <ul style="list-style-type: none"> The Talisman project encompasses E52/2282, E52/2313 and E52/2466. Sandfire has farmed into the project to earn a 70% interest in the project area. |
| | <ul style="list-style-type: none"> <i>The security of the tenure held at the time of reporting along with any known impediments to obtaining a licence to operate in the area.</i> | <ul style="list-style-type: none"> All tenements are current and in good standing. The Talisman tenements are currently subject to a Native Title Claim by the Yungunga-Nya People (WAD6132/98). Sandfire currently has a Land Access Agreement in place with the Yungunga-Nya Native Title Claimants and have assumed management of Heritage Agreements which were executed by Talisman. These agreements allow Sandfire to carry out mining and exploration activities on their traditional land. |
| Exploration done by other parties | <ul style="list-style-type: none"> <i>Acknowledgment and appraisal of exploration by other parties.</i> | <ul style="list-style-type: none"> Aside from Sandfire Resources and Talisman Mining Limited there has been no recent exploration undertaken on the Talisman Project. Exploration work completed prior to Talisman's tenure included geochemical soil and rock chip sampling combined with geological mapping. Some targeted RC was completed over gold and diamond targets. |
| Geology | <ul style="list-style-type: none"> <i>Deposit type, geological setting and style of mineralisation.</i> | <ul style="list-style-type: none"> The Doolgunna Talisman's Project lies within the Proterozoic-aged Bryah rift basin enclosed between the Archaean Marymia Inlier to the north and the Proterozoic Yerrida basin to the south. The principal exploration targets at the Doolgunna Projects are the Volcanogenic Massive Sulphide (VMS) deposits located with the Proterozoic Bryah Basin of Western Australia. The discovery of Bornite at Doolgunna is new and its full context and implication is still to be determined. |
| Drill hole information | <p><i>A summary of all information material to the understanding of the exploration results including a tabulation of the following information for all Material drill holes:</i></p> | <ul style="list-style-type: none"> Refer to Appendix 1 of this accompanying document. |

| Criteria | JORC Code Explanation | Commentary |
|--|--|--|
| | <ul style="list-style-type: none"> easting and northing of the drill hole collar; elevation or RL (Reduced Level – elevation above sea level in metres); of the drill hole collar; dip and azimuth of the hole; down hole length and interception depth; and hole length. <p>If the exclusion of this information is justified on the basis that the information is not Material and this exclusion does not detract from the understanding of the report, the Competent Person should clearly explain why this is the case.</p> | |
| Data aggregation methods | <ul style="list-style-type: none"> In reporting Exploration Results, weighting averaging techniques, maximum and/or minimum grade truncations (eg cutting of high grades) and cut-off grades are usually Material and should be stated. | <ul style="list-style-type: none"> Significant intersections are based on greater than 0.5% Cu and may include up to a maximum of 3.0m of internal dilution, with a minimum composite grade of 1.0% Cu. Cu grades used for calculating significant intersections are uncut. |
| | <ul style="list-style-type: none"> Where aggregate intercepts incorporate short lengths of high grade results and longer lengths of low grade results, the procedure used for such aggregation should be stated and some typical examples of such aggregations should be shown in detail. | <ul style="list-style-type: none"> Minimum and maximum DD sample intervals used for intersection calculation are 0.3m and 1.2m respectively subject to location of geological boundaries. RC reported intersections are based on a regular 1m sample intervals. |
| | <ul style="list-style-type: none"> The assumptions used for any reporting of metal equivalent values should be clearly stated. | <ul style="list-style-type: none"> No metal equivalents are used in the intersection calculation. Where core loss occurs; the average length-weighted grade of the two adjacent samples are attributed to the interval for the purpose of calculating the intersection. The maximum interval of missing core which can be incorporated with the reported intersection is 1m. |
| Relationship between mineralisation widths and intercept lengths | <ul style="list-style-type: none"> These relationships are particularly important in the reporting of Exploration Results. | <ul style="list-style-type: none"> Downhole intercepts of mineralisation reported in this release are from a drillhole orientated perpendicular to a modelled EM plate. The drillhole may not necessarily be perpendicular to the mineralised zone. All widths reported are downhole intervals. |
| | <ul style="list-style-type: none"> If the geometry of the mineralisation with respect to the drill-hole angle is known, its nature should be reported. | <ul style="list-style-type: none"> The geometry of the mineralisation, relative to the drillhole, is targeted to be approximately perpendicular. As geological interpretation advances any areas where the drilling is at a low angle to the mineralisation will be tested with holes from a more suitable orientation and reported as such. |
| | <ul style="list-style-type: none"> If it is not known and only the down hole lengths are reported, there should be a clear statement to this effect (eg 'down hole length, true width not known'). | <ul style="list-style-type: none"> All intersections reported in this release are downhole intervals. True widths are not known. |
| Diagrams | <ul style="list-style-type: none"> Appropriate maps and sections (with scales) and tabulations of intercepts should be included for any significant discovery being reported These should include, but not be limited to a plan view of drill hole collar locations and appropriate sectional views. | <ul style="list-style-type: none"> Appropriate maps are included within the body of the accompanying document. |

| Criteria | JORC Code Explanation | Commentary |
|------------------------------------|---|--|
| Balanced reporting | <ul style="list-style-type: none"> Where comprehensive reporting of all Exploration Results is not practicable, representative reporting of both low and high grades and/or widths should be practiced to avoid misleading reporting of Exploration Results. | <ul style="list-style-type: none"> The accompanying document is considered to represent a balanced report. Reporting of grades is done in a consistent manner. |
| Other substantive exploration data | <ul style="list-style-type: none"> Other exploration data, if meaningful and material, should be reported including (but not limited to): geological observations; geophysical survey results; geochemical survey results; bulk samples – size and method of treatment; metallurgical test results; bulk density, groundwater, geotechnical and rock characteristics; potential deleterious or contaminating substances. | <ul style="list-style-type: none"> Other exploration data collected is not considered as material to this document at this stage. Further data collection will be reviewed and reported when considered material. |
| Further work | <ul style="list-style-type: none"> The nature and scale of planned further work (eg tests for lateral extensions or depth extensions or large-scale step-out drilling). Diagrams clearly highlighting the areas of possible extensions, including the main geological interpretations and future drilling areas, provided this information is not commercially sensitive. | <ul style="list-style-type: none"> Step-out drilling for along-strike and down-dip extensions of mineralisation continue on 160m x 80m x 80m grid pattern subject to geological and geophysical interpretation. Additional drilling may include holes targeting the definition of mineralisation extents, this drilling will be on a nominal 40m x 40m grid. |