

11 May 2023

Sandfire amends and extends MATSA Debt Facility

Highlights

- Sandfire has amended and extended its US\$452M¹ MATSA Syndicated Debt Facility following the release of Sandfire's updated and increased Ore Reserve estimate for MATSA, which was reported to the Australian Securities Exchange (**ASX**) on 28 July 2022².
- The revised amortisation profile extends the loan tenor by two years, to 31 December 2028, and schedules a lower repayment profile to 30 June 2025.

Sandfire Resources Limited (**Sandfire**, or the **Group**) is pleased to provide an update on the MATSA Syndicated Debt Facility (**MATSA Facility**) relating to its 100% owned MATSA Copper Operations (**MATSA**) located in the Huelva Province of south-western Spain.

Following unanimous approval by the international banking syndicate, the loan tenor of the MATSA Facility has been extended by a further two years, to 31 December 2028, with a revised amortisation profile. This follows Sandfire's first update to the Ore Reserve estimate for MATSA released to the ASX on 28 July 2022.

MATSA is a substantial polymetallic mining complex comprising three underground mines and a 4.7Mtpa central processing facility. The operation utilises modern technology and infrastructure within an extensive Mineral Resource and exploration base. MATSA copper equivalent (**CuEq**) production for FY2023 is expected to be approximately 98kt³, including approximately 56kt of copper at a C1 unit cost of around US\$1.84/lb Cu (after by-product credits of zinc, lead and silver)⁴.

The MATSA Facility, initially US\$650M, formed an integral part of Sandfire's funding package for the acquisition of MATSA. Within the first 12 months of Sandfire's ownership, MATSA completed scheduled repayments totalling US\$198M. The revised amortisation profile for the remaining US\$452M facility schedules repayments of US\$20M, US\$46M and US\$73M for the June 2023 Quarter, FY2024 and FY2025 respectively, against what was previously a heavily front-ended repayment profile (refer to Table 1).

The Group intends to extend its copper forward hedging program for MATSA by one year into mid-FY2026, targeting around 30% of scheduled payable production. The MATSA hedge book was originally set with a three-year horizon covering 30-40% of copper and zinc production, and the

¹ Balance as at 31 March 2023.

² Refer to Sandfire's ASX announcement titled, '37Mt Ore Reserve cements foundation for long-term growth at Sandfire's MATSA Copper Operations', released 28 July 2022 for details.

³ **Copper Equivalent (CuEq)**: Unless otherwise stated, CuEq is calculated based on JUN22 average market price in USD. Source: WM/Reuters; Assumptions: Cu US\$8,245/t, Zn US\$3,252/t, Pb US\$1,907/t, Au US\$1,815/oz, Ag US\$20/oz.

⁴ Refer to Sandfire's ASX announcement titled, 'March 2023 Quarterly Report', released 27 April 2023 for details.

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additional forward hedging position will restore that horizon for copper to over 2.5 years⁵. Refer to Sandfire's March 2023 Quarterly Presentation released to the ASX on 27 April 2023 for the status of the Group's hedge book at the end of Q3 FY2023.

Other commercial amendments have been completed in line with usual terms for a facility of this nature. The facility is supported by the cash-flow and security of MATSA with no recourse to Sandfire. Facility documentation to amend and extend the MATSA Facility was endorsed by the Sandfire Board for execution following authorisation by the Group's wholly owned subsidiaries.

Management Comment

Brendan Harris, Sandfire's Managing Director and CEO, said:

'Today's extension of the US\$452M MATSA Finance Facility highlights the confidence that our banking syndicate has in MATSA's three mines and centralised processing facility and marks another important milestone for our business. We greatly appreciate the support of our international banking syndicate and the important role they play as we continue to transform Sandfire into a global copper producer of significance.'

Table 1: MATSA Syndicated Debt Facility repayment profile

Period ending	Revised repayment profile (US\$M)	Previous repayment profile (US\$M)	Amendment (US\$M)
30 June 2023 (Quarter)	20	-	20
30 June 2024	46	170	(124)
30 June 2025	73	119	(46)
30 June 2026	117	96	21
30 June 2027	84	67	17
30 June 2028	90	-	90
31 December 2028	22	-	22
Total	452	452	-

Note: Repayment profile above is shown prior to any excess cash sweep.

- ENDS -

For further information, please contact:

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This announcement is authorised for release by Sandfire's Managing Director and CEO, Brendan Harris.

⁵ Refer to Sandfire's ASX announcement titled, 'Sandfire completes acquisition of MATSA', released 1 February 2022 for details.

Forward-Looking Statements

Certain statements made during or in connection with this release contain or comprise certain forward-looking statements regarding Sandfire's Mineral Resources and Reserves, exploration and project development operations, production rates, life of mine, projected cash flow, capital expenditure, operating costs and other economic performance and financial condition as well as general market outlook. Although Sandfire believes that the expectations reflected in such forward-looking statements are reasonable, such expectations are only predictions and are subject to inherent risks and uncertainties which could cause actual values, results, performance or achievements to differ materially from those expressed, implied or projected in any forward looking statements and no assurance can be given that such expectations will prove to have been correct.

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 these forward-looking statements 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 forward-looking statements 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.

ASX releases referred to in this announcement:

'March 2023 Quarterly Report' released to the ASX on 27 April 2023.

'37Mt Ore Reserve cements foundation for long-term growth at Sandfire's MATSA Copper Operations' released to the ASX on 28 July 2022.

'147Mt Mineral Resource sets strong foundation for optimisation and long-term growth at MATSA', released to the ASX on 30 June 2022.

'Sandfire completes acquisition of MATSA' released to the ASX on 1 February 2022.

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