ASX Announcement 5 July 2017

SANDFIRE RECEIVES KEY ENVIRONMENTAL APPROVAL FOR MONTY COPPER-GOLD MINE

Approval of Mining Proposal paves way for start of site works at new satellite mine

Sandfire Resources NL (ASX: SFR; "Sandfire") is pleased to announce, on behalf of the Springfield Joint Venture (Sandfire: 70%; Talisman Mining: 30% (ASX: TLM)), that it has secured the key environmental approval required to allow site-based development activities to commence at the new **Monty Copper-Gold Project**, located 10km east of the DeGrussa Copper-Gold Mine in WA.

The approval of the Company's Mining Proposal and Mine Closure Plan for Monty authorises the Joint Venture to commence ground-breaking and mining activities at Monty and follows the recent award of the first major contract for the project's development.

The \$8.2 million contract, for civils and earthmoving works, was awarded last month to the Yagahong Alliance, a joint venture between the Geraldton-based earthmoving and civil contracting company Central Earthmoving and the Yugunga-Nya People, the traditional owners of the project area.

The Yagahong Alliance will now commence construction of the 14km long haul road from Monty to DeGrussa and the box-cut for underground access.

Cutting of the decline portal for the new underground mine is expected to commence in the December quarter of this year and underground development is expected to take approximately one year to access first ore.

Sandfire's Managing Director, Mr Karl Simich, said the approval for the Mining Proposal, which was one of the first new projects in Western Australia to be assessed and approved under the Department's new Mining Proposal Guidelines, was achieved in under three months.

"This is a credit to our Monty development team, the Doolgunna exploration team and our supporting consultants – and continues Sandfire's impressive track record of rapid and efficient permitting and execution of development projects," he said.

Sandfire would like to thank its key contributing consultants to the approvals process – being MBS Environmental, Kewan Bond, RPS Australia, Risk Consult, Mattiske Consulting and Bamford Consulting Ecologists.

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