

Sandfire Resources - Publishing of Quarterly Report & Presentation

Metal Tiger plc (AIM: MTR, ASX: MTR), the AIM and ASX listed investor in natural resource opportunities, is pleased to announce that Sandfire Resources Limited ("Sandfire") has published a Quarterly Report for the quarter ended 30 September 2021 and an accompanying presentation.

Highlights

- FY 2022 guidance: 64-686kt Cu and 30-34koz Au; C1 costs ~US\$1.00-\$1.10/lb
- Sandfire continues to maintain appropriate protocols to minimise the transmission of COVID-19, with no significant disruption to the Company's operations to date.
- Maiden Mineral Resource estimate pending and Scoping Study in progress for the Old Highway Gold Prospect and expected to be completed in March 2022 Quarter Kalahari
- Construction activities continued to ramp up at the Motheo Copper Mine with the 200-person construction camp operational, construction of the access road continuing and bulk earthworks underway. Detailed process plant engineering design is now completed.
- Maiden Probably Ore Reserve estimation completed for the A4 Deposit, located 8km west of Motheo, confirming A4 as a high-grade source of additional ore feed for Motheo:
 - o 9.7Mt at 1.2% Cu and 18g/t Ag for 114kt of contained copper metal and 5.7Moz of contained silver, representing 85% of the contained copper in the updated A4 Mineral Resource announced last quarter.
- Pre-Feasibility Study (PFS) completed to inform the A4 Ore Reserve indicates outstanding project economics from an expanded 5.2Mtpa Motheo mining operation, compared to the initial 3.2Mtpa base case development scenario:
 - o 116% increase in pre-tax NPV7% to US\$672 million (A\$937 million) and IRR of 36%
 - o Mine life of 10.5 years, peak production of 60ktpa of copper-in-concentrate, strip ratio of 6.5 waste to ore.
 - o 15% decrease in LOM all-in sustaining costs to US\$1.56/lb.
- Opportunities identified to further enhance the outcomes of the A4 PFS through integrated mine scheduling and pit optimisations, with these enhancements to be incorporated in a Definitive Feasibility Study (DFS) for the 5.2Mtpa Motheo Expansion. The DFS is expected to be completed in Q3 of FY2022.
- Total pre-production development capital increased to US\$36655 million (A\$504 million), incorporating development costs for the A4 open pit to first Motheo production plus updated cost forecasts.



- Outstanding potential for further resource growth confirmed, with step-out drilling confirming high-grade mineralisation ~1.2km south-west of the A4 Mineral Resource envelope:
- 45m at 2.2% Cu and 42.6g/t Ag from 439m in MO-A4-207D

Black Butte (USA)

- Sandfire Resources America Inc. took another important step in advancing the fully-permitted Black Butte Copper Project with the acquisition of key property covering the proposed surface infrastructure.
- US\$12 million Bridge Loan Agreement finalised with Sandfire Resources America to completed proposed work programs at Black Butte and provide working capital.

Corporate and Financial

- Sandfire announced the transformational US\$1.865 billion (A\$2.572 billion) acquisition of the MATSA Mining Complex in Spain, delivering a world-class mining complex comprising three underground mines feeding a 4.7Mtpa central processing facility producing 100-120ktpa Cu Eq.
- The transaction immediately transforms Sandfire into one of Australia's largest copper-focused producers, with pro-forma FY2022 production of 170-1940kt Cu Eq at a MATSA C1 cost of US\$0.40-0.50/lb and DeGrussa C1 cost of US\$1.00-1.10/lb
- The transaction is fully-funded following completion of a A\$1.248 billion (US\$905 million) fully underwritten equity raising (institutional entitlement offer and placement completed on 27 September and retail entitlement offer completed on 18 October) and committed debt facilities.
- Record A\$170.1 million net annual profit for FY2021, underpinning a record final dividend of 26cps fully-franked, which was paid on 22 September 2021.
- Group cash on hand at 30 September 2021 of A\$405.5 million (unaudited) following US\$100M initial deposit for the MATSA acquisition.
- Sale of Sandfire's 16% investment in Adriatic Metals Plc (ASX:ADT) subsequent to quarter-end for gross proceeds of A\$97 million.

As previously announced, following completion of the Company's investment as part of the Sandfire MATSA acquisition equity raising, Metal Tiger is interested in 8,462,057 Sandfire Shares, representing approximately 2.1% of Sandfire's issued share capital. Of this holding, 2,842,667 Sandfire Shares are subject to an equity derivative financing arrangement with a global investment bank.

A link to Sandfire's Quarterly Report, is set out below:

https://cdn-api.markitdigital.com/apiman-gateway/ASX/asx-research/1.0/file/2924-02442667-6A1058939?access_token=83ff96335c2d45a094df02a206a39ff4

A link to Sandfire's Quarterly Report presentation, is set out below:



https://cdn-api.markitdigital.com/apiman-gateway/ASX/asx-research/1.0/file/2924-02442668-6A1058940?access_token=83ff96335c2d45a094df02a206a39ff4

This ASX release was authorised on behalf of the Metal Tiger Board by: David Michael McNeilly, Chief Executive Officer.

