



6 March 2013

Mr Wade Baggott  
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Dear Wade

**ASX CORPORATE GOVERNANCE PRINCIPLES AND RECOMMENDATIONS - DIVERSITY**

Sandfire Resources NL (“Sandfire” or “the Company”) provides an update on the Company’s compliance with ASX Corporate Governance Principles and Recommendations - Second Edition. This update relates to Diversity under Recommendations 3.2 to 3.5.

ASX Recommendations 3.2 to 3.5 are detailed overleaf, along with Sandfire’s compliance status.

Sandfire’s complete Diversity Policy is available on the Company’s website.

Yours sincerely

Matthew Fitzgerald  
**Company Secretary**  
**Sandfire Resources NL**



**Recommendation 3.2:** Companies should establish a policy concerning diversity and disclose the policy or a summary of that policy. This policy should include requirements for the Board to establish measurable objectives for achieving gender diversity for the Board to assess annually both the objectives and progress in achieving them.

The Company has a Diversity Policy endorsed by the Board. Sandfire is committed to providing a diverse and inclusive work environment in which everyone is treated fairly and with respect. This applies to directors and all employees of Sandfire.

Measurable objectives have been established for achieving gender diversity, which will be reviewed annually. The Remuneration and Nomination Committee has the responsibility of assessing and reporting to the Board Sandfire's progress towards achieving the measurable objectives on an annual basis. The Remuneration and Nomination Committee also has the responsibility of recommending to the Board the extent to which achievement of measurable diversity objectives may be linked to the key performance indicators for the Board, Chief Executive Officer and senior executives.

**Recommendation 3.3:** Companies should disclose in each Annual Report the measurable objectives for achieving gender diversity set by the Board in accordance with the Diversity Policy and progress towards achieving them.

The measurable objectives relating to gender diversity, set by the Board and achieved for the previous reporting period, were as follows:

- Ensure recruitment policies and procedures reflect Sandfire's policy on diversity;
- Human Resources Manager to provide an initial status report, and then to report on a half yearly basis including recommendations for future workplace participation rates;
- Implement diversity education and training for all employees and contractors, and conduct awareness sessions on issues relating to equal opportunities in the workplace; and
- Issue guidance notes on Sandfire's commitment to diversity to all external agencies engaged to provide recruitment services.

**Recommendation 3.4:** Companies should disclose in each Annual Report the proportion of women employees in the whole organisation, women in senior executive positions and women on the Board.

As at February 2013 the proportion of women:

- All employees - 24%
- In management positions - 29%
- In senior executive positions - nil%
- Board: nil%

**Recommendation 3.5:** Companies should provide the information indicated in the Guide to Reporting on Principle 3.

Refer to Sandfire's complete Diversity Policy on the Company's website and the information contained above.