



SANDFIRE SUPPORTS TINTINA RESOURCES RIGHTS ISSUE TO ADVANCE USA COPPER PROJECT TO NEXT STAGE

Highlights

- **Sandfire subscribes for its full entitlement (C\$4.2M) in a rights issue by Tintina to raise C\$6.1M. Fellow shareholder Electrum Global Holdings L.P. also subscribed for its full entitlement.**
- **Mine Operating Permit (MOP) Application responses submitted for Tintina's Black Butte Copper Project in Montana, USA, marking the start of the next stage in the permitting process for Black Butte.**
- **The MOP incorporates some of the world's best-practice in terms of mine design, operations and environmental management, including the proposed use of paste & back-fill underground and cemented tailings above ground.**
- **Experienced Montana and international mining executive John Shanahan recently appointed as Tintina's President and CEO, replacing Bruce Hooper who has returned to Australia to resume his role as Sandfire's Chief Business Development Officer.**
- **Sandfire's Chief Financial Officer Matthew Fitzgerald has joined the Tintina Board as a non-executive Director.**

Sandfire Resources NL (ASX: SFR; "Sandfire") is pleased to advise that it has increased its stake in North American copper development company Tintina Resources (TSX.V: TAU; "Tintina") from 57% to 61%, by subscribing in full for its entitlement as part of a rights issue. The proceeds will be used to continue to progress permitting and development plans for Tintina's flagship Black Butte Copper Project in Montana, USA.

Tintina's rights offer was undertaken on a 5-for-9 basis to raise up to C\$7.4 million at a subscription price of C\$0.06 per share. Sandfire subscribed for its full entitlement under the rights offer for C\$4.2 million. Electrum Global Holdings L.P., Tintina's second largest shareholder, also subscribed for its full entitlement of C\$1.2 million.

Sandfire's support of the rights issue is consistent with its long-term strategy of supporting Tintina's development strategy for the Black Butte Project, which is one of the world's premier high-grade undeveloped copper deposits.

Sandfire views the Black Butte Project as an excellent and complementary strategic fit with its flagship DeGrussa Copper-Gold Project in Western Australia and a key part of its longer term growth pipeline – and continues to support Tintina by contributing its project development and operational expertise to assist with the permitting, financing and development of the project.

The Black Butte Project

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

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.

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).

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. Further details can be found on the Tintina website, www.tintinaresources.com.

Mine Operating Permit Responses Submitted

The team at Tintina has been continuing to progress the permitting and approvals process for the Black Butte Copper Project in a considered and collaborative manner – working inclusively with all key stakeholders.

Tintina submitted a Mine Operating Permit (MOP) application for the Johnny Lee copper deposit to the Montana Department of Environmental Quality (DEQ) late last year. This application is a comprehensive document detailing the development plan for this high grade project as a state-of-the-art underground mine.

Tintina recently advised that it has now submitted responses to questions from the Montana Department of Environmental Quality (DEQ) in relation to the MOP application.

The MOP includes detailed studies by third-party consultants which have been peer-reviewed to ensure the most robust and complete application possible.

Key aspects of the original MOP remain unchanged and are designed to protect the Smith River Watershed, with key elements including:

- The proposed location of all openings and entry points to the underground mine well above the water table to prevent water from ever leaving the mine;
- The proposed use of a reverse osmosis water treatment plant to treat water on-site from construction through to reclamation to ensure that all water involved in the operation will meet Montana's non-degradation water standards in reclamation and closure;
- The deposition of mill tailings that are not returned underground as cemented tailings into a double-lined surface facility where they will harden. This eliminates the need for tailings ponds, eliminates the potential for windblown dust and prevents any acid run-off. All un-milled rock brought to surface will also be stored in this facility; and
- During reclamation, the cemented tailings facility will be sealed with another liner, covered with several feet of cover including the original top-soil. After reclamation, the entire site will be returned to the traditional use of cattle-grazing.

Once the DEQ has reviewed the responses and declared that the Black Butte Copper Project is "complete and compliant", the permitting process will advance to the next stage – which involves the preparation of an Environmental Impact Statement (EIS) and further engagement with the local community and key stakeholder groups.

Tintina Board and Management Changes

Tintina recently announced the appointment of John Shanahan, an experienced international mining executive with a strong track record working in Montana, as its President and Chief Executive Office. He will oversee all aspects of the completion of permitting and development of the Black Butte Copper Project. Mr Shanahan replaces Mr Bruce Hooper, who has returned to Australia to resume his role as Sandfire's Chief Business Development Officer.

Prior to joining Tintina, Mr Shanahan was the President and CEO of the Revett Mining Company, Inc. (2008 to 2015), which operated the 4,000tpd underground Troy copper and silver mine in Montana. The Troy Mine was the 2014 and 2015 recipient of the National Mining Association *Sentinels of Safety Award* for outstanding safety for small underground mines. Whilst at Revett Mining, he was also instrumental in progressing permitting of the Rock Creek Copper-Silver Project.

Mr Shanahan commenced his professional career in Australia with CRA Limited and its various subsidiaries (now part of the Rio Tinto Group) and spent over ten years in mine finance and commodity trading in New York City with companies such as Rothschild Inc., and Barclays PLC.

Sandfire's Chief Financial Officer, Mr Matthew Fitzgerald, has also joined the Tintina Board as a non-executive Director.

Mr Fitzgerald is a Chartered Accountant with extensive resource industry experience. He commenced his career in the Assurance & Advisory division of KPMG, before joining ASX-listed Kimberley Diamond Company in 2003, where he held the position of Chief Financial Officer and Director until July 2008. He has been Sandfire's Chief Financial Officer and Joint Company Secretary for the past seven years.

Management Comment

Sandfire's Managing Director, Mr Karl Simich, said the Company viewed the Black Butte Copper Project as a high quality growth asset and key part of its international growth pipeline.

"We are very pleased to continue our support of Tintina Resources, both financially and strategically, as they advance the project to the next stage of permitting and evaluation," he said.

"The team at Tintina has prepared and submitted the Mine Operating Permit application, which is an exceptional document that showcases a world-class development plan for the Black Butte copper project," he said.

"Tintina has been working closely with the Montana Department of Environmental Quality in the review stage, and the application is now an extremely impressive document which paves the way for the next phase of permitting, the Completeness and Compliance Phase.

"Tintina's approach to the permitting and development of this project is consistent with our own environmental custodianship credentials at our DeGrussa Copper-Gold Mine in Western Australia and with exploration activities across Australia – and we are pleased to have the opportunity to make a positive contribution to the Tintina development strategy. We will continue to work closely with John and his team to speed up the approvals process as far as possible."

ENDS

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