



SANDFIRE TO BE DEBT-FREE FOLLOWING EARLY REPAYMENT OF REVOLVER FACILITY

Sandfire Resources NL (ASX: SFR; "Sandfire") is pleased to advise that, in light of its strong cash position (Group cash on hand as at 31 December 2016: \$107 million) and the improvement in the Australian Dollar copper price over the past six months, it plans to elect to repay the \$50 million outstanding balance in its Revolver Facility on 31 January 2017, nearly 12 months ahead of the scheduled repayment date.

This marks a significant milestone for the Company, with the original \$380 million DeGrussa Finance Facility which was secured in 2011 to fund the DeGrussa Copper-Gold Project, to be fully repaid.

Sandfire's Managing Director & CEO Karl Simich said the strong cash flow being generated by the DeGrussa mining operation in the current rising copper price environment had enabled the Company to fully repay its debt well ahead of schedule.

"With the DeGrussa operation continuing to deliver consistent, strong production and robust margins, the Company is now ideally placed to take full advantage of stronger copper prices, with the elimination of our remaining debt also freeing up significant cash-flow to pursue new growth initiatives and maximise shareholder returns," he said.

"Sandfire enters the New Year in a great position with a strong balance sheet, a world-class mine which continues to deliver consistently impressive results and a quality growth pipeline both in Australia and North America," Mr Simich said.

"Our focus over the next 12 months is to leverage off these strong foundations by delivering continued growth for our shareholders, both organically through an aggressive ongoing exploration effort at Doolgunna and further afield by advancing some of our quality growth assets, such as the Black Butte copper project in the USA."

"A key focus for the year will also be to bring the ultra-high grade Monty deposit, located 10km east of DeGrussa, into production as quickly and seamlessly as possible," Mr Simich added. "The Monty Feasibility Study is now well advanced and on track for completion this quarter. This will allow us, in conjunction with our joint venture partner Talisman Mining, to assess the optimum pathway to bring this high quality deposit into production."

The Company intends to retain the undrawn \$85 million Revolver and \$25 million working capital facilities with ANZ, to provide additional flexibility to fund future growth initiatives including the proposed development of the Monty deposit.

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Forward-Looking Statements

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