



BLACK BUTTE COPPER PROJECT IN MONTANA, USA ACHIEVES KEY PERMITTING MILESTONE

Highlights

- **Mine Operating Permit (MOP) application for Sandfire's 78%-owned Black Butte Copper Project in central Montana, USA, found to be "Complete and Compliant" in accordance with all State rules and regulations.**
- **Draft Mine Operating Permit (MOP) expected from the Montana Department of Environmental Quality (MT DEQ) within the next 30 days.**
- **The MOP, which has been exhaustively developed over the past 2.5 years, incorporates world best-practice in terms of underground mine design, operations and environmental management.**
- **The next key stage of permitting will now commence with the development of a comprehensive Environmental Impact Study (EIS) for the Black Butte Project.**
- **Selection of a third-party EIS contractor is underway, with the EIS expected to commence this quarter. The EIS is planned to be a 1 year process to complete and, once finalised, will result in a Final Record of Decision – allowing project construction to begin.**

Sandfire Resources NL (ASX: SFR; "Sandfire") is pleased to advise that the Black Butte Copper Project in central Montana, USA (held via its 78.1%-owned North American subsidiary, Tintina Resources, TSX-V: TAU) has taken an important step towards development after achieving a key permitting milestone with the Montana State authorities.

Black Butte, which is one of the world's premier high-grade undeveloped copper projects, is a key part of Sandfire's longer-term strategic growth pipeline.

Tintina Resources has received formal notification from the Montana Department of Environmental Quality (**MT DEQ**) that the Black Butte Project's Mine Operating Permit (**MOP**) is now considered to be "Complete and Compliant" in accordance with all State rules and regulations relating to the operating plan.

A draft Mine Operating Permit (**MOP**) is expected within the next 30 days, marking the culmination of an extensive process undertaken in conjunction with the MT DEQ over the past two-and-a-half years to ensure that the development plan for the Black Butte Copper Project not only complies with but exceeds relevant regulations. The MOP outlines the proposed development of a world-class, state-of-the-art underground mining operation with minimal surface footprint.

The achievement of "Complete and Compliant" status triggers the next key stage of permitting, which involves the development of a comprehensive Environmental Impact Study (EIS). The selection of a third-party EIS contractor is now in the final stages, with the EIS expected to commence within the next thirty days.

The EIS, which is scheduled to take approximately 1 year to complete, will include public input through a public comment process and will include a comprehensive analysis of project alternatives as required under the Montana Environmental Policy Act (**MEPA**).

In addition, Tintina Resources is required to obtain other State operating permits including a Montana Pollutant Discharge Elimination System (**MPDES**) permit, an Air Quality permit, and a Public Water Supply permit. The Company will also complete a Hard Rock Mining Impact Plan as required by Montana statute. A Federal Clean Water Act 404 permit is also currently in process.

Once completed, the EIS will result in a Final Record of Decision (**ROD**), allowing bonding requirements to be set and construction and development of the underground mine to commence.

Sandfire's Managing Director, Mr Karl Simich, said the achievement of "Complete and Compliant" status was a significant milestone for the project which marked the culmination of many months of exhaustive and detailed technical work to refine the development and operating plan for Black Butte.

"I would like to take this opportunity to acknowledge the patience, hard work and efforts of John Shanahan and his team at Tintina in advancing the Mine Operating Permit application to this important juncture.

"I would also like to thank the community of White Sulphur Springs for their patience and unwavering support. The result is a document of which we can all be proud – one that sets out a clear blueprint to create a world-class mining operation that will deliver sustainable benefits with responsible environmental development.

"Sandfire is fully-committed to the responsible development of the Black Butte copper mine for the benefit of Meagher County and the State of Montana.

"We are very much looking forward to the next and final stage of the approval process, the 12-month EIS process which is expected to kick off next month. Following that we will move as quickly as possible into construction and development to unlock the significant economic value of the high-grade copper resources. This in turn will generate many positive benefits in terms of jobs, employment, business opportunities and investment."

About the Black Butte Project

Located on private land near Helena in the State of Montana, the Black Butte Copper Project comprises NI 43-101 Measured and Indicated Resources totalling **15.7Mt grading 3.4% Cu, 0.1% Co and 14g/t Ag** for **533,600t of contained copper** and Inferred Resources totalling 2.3Mt grading 2.8% Cu, 0.09% Co and 14g/t Ag for 63,500t of contained copper.

A Preliminary Economic Assessment (PEA) completed in 2013 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 based on total mill throughput of 11.8 million tonnes at an average head grade of 3.1% Cu. The full version of the PEA is available on Tintina's website at <http://www.tintinaresources.com/home>.

A summary of the Black Butte Mine Operating Permit is available at the Project website www.blackbuttecopper.com, together with a 3D animation of the planned project showing what the site will look like before, during operations and post-reclamation.

The proposed underground mine, located 15 miles north of the community of White Sulphur Springs, is designed to provide economic opportunity to Central Montana while fully protecting the Smith River Watershed by employing the following key innovations:

- All designed openings and entry points to the underground mine are located well above the water table;
- Surface irrigation rights have been leased for in-stream flow to ensure there is no change to the water levels in Sheep Creek;
- A reverse osmosis water treatment plant will treat water on-site from construction through reclamation, and will return clean water back to the same ground water system through a buried infiltration system. The water treatment plant will remain active as long as needed to ensure all water involved in the operation meets Montana's strict non-degradation water standards through reclamation and closure;
- The mining plan involves filling all underground mined areas in the copper deposit with paste back-fill ensuring that only a small percentage of the underground mine is open at any given time and that no large open spaces are left underground;
- Mill tailings that are not returned underground (~55%) have cement added and will be placed into a double-lined facility. This innovative use of existing mine technology eliminates windblown dust and prevents acid runoff. Any un-milled rock brought to surface will also be stored here. During reclamation, the cemented tailings facility will be sealed with another liner, covered with several feet of cover and original top soil and returned to grazing; and
- The reclamation plan returns the entire site to agricultural use with no treatment of water in perpetuity necessary.

ENDS

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