



SANDFIRE COMPLETES ACQUISITION OF TALISMAN'S 30% INTEREST IN THE SPRINGFIELD PROJECT

Consolidates 100% ownership of the high-grade Monty Copper-Gold Mine

Sandfire Resources NL (ASX: SFR; **Sandfire**) is pleased to advise that it has today completed the acquisition of the 30% interest in the Springfield Exploration and Mining Joint Ventures (**Springfield Project**) held by Talisman Mining Limited (ASX: TLM; **Talisman**) (**Transaction**), giving it 100% ownership of the Springfield Project including the high-grade Monty Copper-Gold Mine (Figure 1).

Completion of the Transaction follows the satisfaction of the outstanding condition outlined in Sandfire's ASX release of 8 August 2018, namely approval by Talisman's shareholders at an Extraordinary General Meeting held last Thursday (4 October 2018).

Following this approval, Sandfire has completed the acquisition of Talisman's subsidiary, Talisman A Pty Ltd (**TLMA**), for the purchase price of \$72.3 million in cash on a debt-free and cash-free basis. Sandfire will be required to pay stamp duty in relation to the Transaction and has also incurred other transaction costs. Talisman retains an ongoing 1% Net Smelter Return (NSR) royalty payable on any future discoveries at the Springfield Project.

Through its acquisition, Sandfire will assume the existing 2.25% gross revenue royalty held by Taurus Mining Finance Fund payable on 30% of the copper and gold produced from the Monty deposit area, capped at 29,700t of copper and 16,500oz of gold (based on a 30% revenue share).

As previously advised, the acquisition was funded from Sandfire's existing cash reserves.

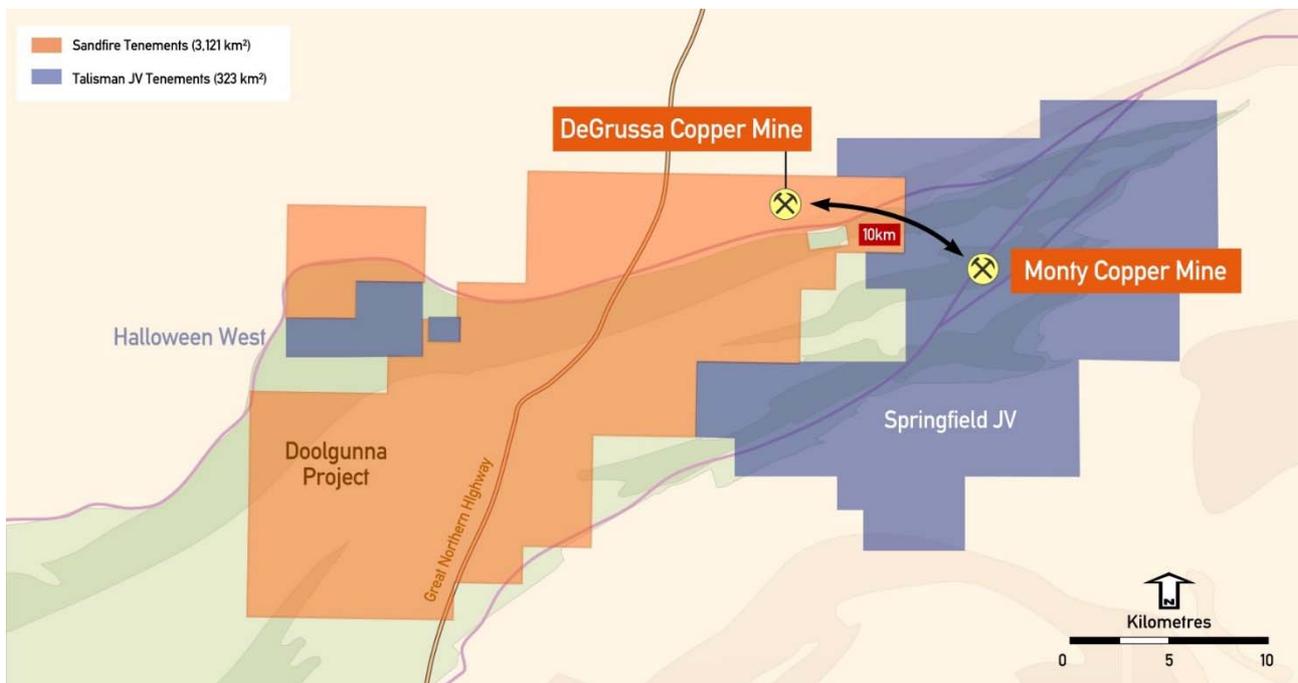


Figure 1: Location Plan showing the Springfield Joint Venture and Halloween West tenements relative to Sandfire's 100%-owned Doolgunna Project.

The Springfield Project includes the Monty Copper-Gold Mine (the Springfield Mining Joint Venture), currently being developed as a new satellite underground mine to feed Sandfire’s nearby DeGrussa Copper-Gold Mine and the surrounding exploration tenements (the Springfield Exploration Joint Venture). The package includes Talisman’s interest in the Halloween West Project (see Figure 1).

Sandfire Managing Director and CEO Karl Simich said, “The consolidation of 100 per cent ownership of the Monty Copper-Gold Mine and surrounding exploration tenure marks another important milestone in the Company’s long-term growth strategy in the Doolgunna-Bryah Basin region. With the new Monty mine due to intersect first ore towards the end of this year, we believe this is a well-timed acquisition, which further strengthens our growth pipeline in this world-class VMS district.

“We are looking forward to bringing the Monty mine into full commercial operation next year, while also continuing to aggressively explore the area for additional VMS discoveries – both in the immediate near-mine environment and further afield across the highly prospective mine corridor and within our extensive 6,588 square kilometre tenement holding across the Bryah Basin.”

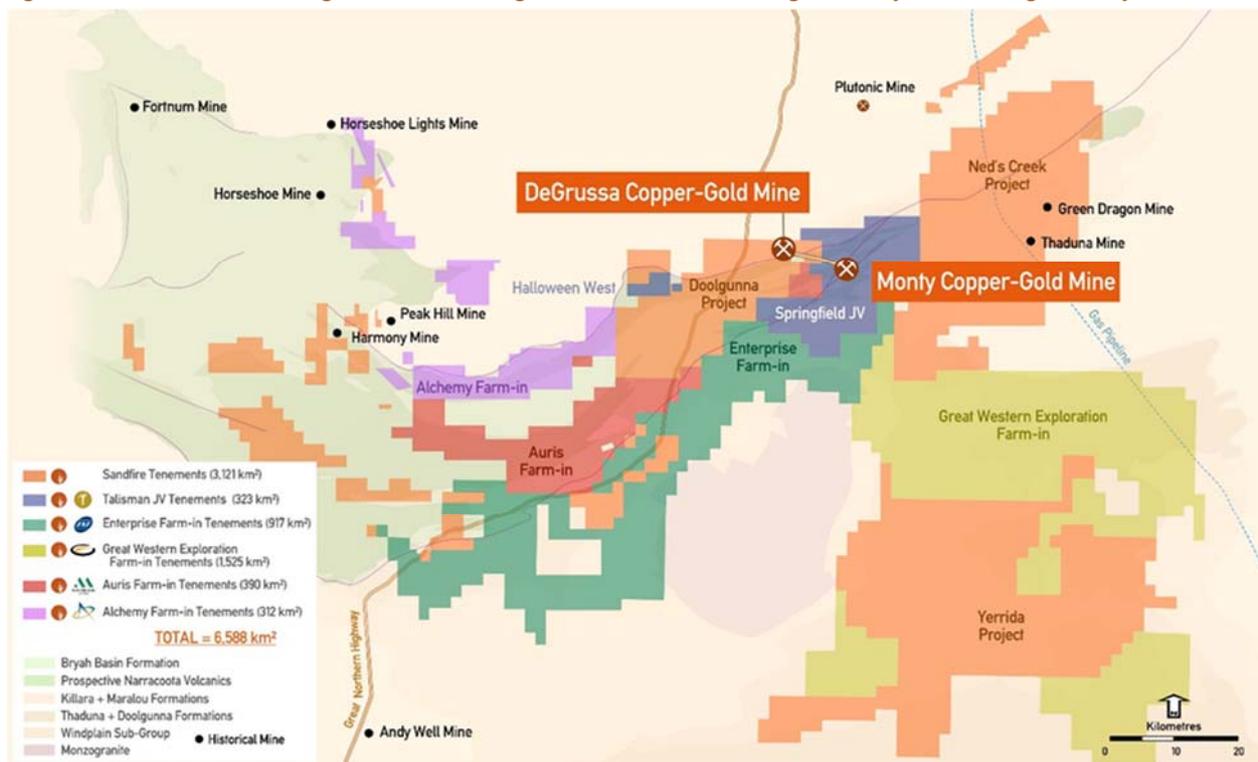
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Figure 2: Location Plan showing Sandfire’s holdings across the Greater Doolgunna Project, including farm-in joint ventures.



Forward-Looking Statements

This ASX release may include forward-looking statements. These forward-looking statements are not historical facts but rather are based on Sandfire’s current expectations, estimates and assumptions about the industry in which Sandfire operates, and beliefs and assumptions regarding Sandfire’s future performance. Words such as “anticipates”, “expects”, “intends”, “plans”, “believes”, “seeks”, “estimates”, “potential” and similar expressions are intended to identify forward-looking statements. Forward-looking statements are only predictions and are not guaranteed, and they are subject to known and unknown risks, uncertainties and assumptions, some of which are outside the control of Sandfire. Past performance is not necessarily a guide to future performance and no representation or warranty is made as to the likelihood of achievement or reasonableness of any forward-looking statements or other forecast. Actual values, results or events may be materially different to those expressed or implied in this presentation. Given these uncertainties, recipients are cautioned not to place reliance on forward looking statements. Any forward looking statements in this announcement speak only at the date of issue of this announcement. Subject to any continuing obligations under applicable law and the ASX Listing Rules, Sandfire does not undertake any obligation to update or revise any information or any of the forward looking statements in this announcement or any changes in events, conditions or circumstances on which any such forward looking statement is based.