

Sandfire Resources 2023 AGM Report

ASX code	SFR
Meeting date	Wednesday, 29 November 2023
Type of meeting	Hybrid (Physical & online)
Monitor	Len Roy with support from Ian Berry
Pre AGM-meeting	With Chairman Ind NED John Richards, CEO/MD Brendan Harris and Company Secretary Sophie Raven

Meeting Statistics

Number of holdings represented by ASA	26 proxies
Number of shares represented by ASA	153,589
Value of shares represented by ASA	\$952,251
Total number attending meeting	41 attendees (28 visitors plus 13 shareholders)
Market capitalisation	\$2.83 billion
ASA open proxies voted	In favour of all the resolutions

Both the chairman & MD referenced SFR's transition journey from single underground copper mine in WA – DeGrussa – to the three mine asset known as MATSA in Southern Spain & the newly commissioned surface mine -Motheo – in Botswana. MATSA has been achieving consistent mining & processing at the 4.5m tpa / 4.6m tpa levels and recently concluded a 100% carbon free power supply agreement which will be an important part of SFR's Carbon Abatement Pathway. The Silver/lead/zinc) Zn, Pb & Ag by products are also helping improve EBITDA earnings. MATSA's indicative mine life may be positively upgraded with promising resources & reserves results from adjacent A1 exploration.

Motheo mining & plant commissioning has gone in accordance with financial budget & project timeline. The 3.2m tpa copper equivalent (CuEq) ore processing has been running marginally above nameplate capacity and SFR is now committed to a through-put upgrade to 5.2m tpa as a result of improved reserves surrounding Motheo's A4 deposits.

Group CuEq throughput for FY24 is 135 m tpa suggesting FY25, will show the planned improvement in profitability & cash flow, for the company & its shareholders. Should LME copper pricing improve over the next year or two, that would be a bonus for SFR during this sensitive transition period.

Given that the two separate copper mining facilities are relatively new to SFR it is noteworthy that the FY23 safety performance was 1.6 lost time injury frequency rate.

A final investment decision relative to the Black Butte underground copper mine project in Montana USA is probably 24 months away.

With the closure of DeGrussa mining & production in WA, the board is considering several wind up options.

The FY23 Remuneration Report 35.46% (first strike) Against vote, reflected the structure put in place prior to the current board & KMP. We understand the vote was influenced by one proxy advisor acting on behalf of institutional & index funds. The structure & reporting has been changed for FY24.

In response to a question from ASA, SFR indicated the increased capacity at Motheo could be commissioned by the end of CY24. The design of plant & equipment is such that the required process shut down will be minimized as crushing & associated equipment can already accommodate the 5.2 m tpa capacity. Mill modifications would largely be carried out in situ.

SFR achieved a debt reduction from \$788m to \$572m during the year and will continue to focus on debt reduction as part of their optimum capital management in FY24.

We also asked if there is a likelihood of a capital raising in the next 6-12 months. The chairman indicated the board was focused on the best capital management on behalf of the company & its shareholders during this transition period. No other questions were raised at the AGM.

Subsequent to the AGM, the media picked up on “unregistered low density artefact scatter” which had been disturbed around 2017-2018 at the DeGrussa / Monty site.

Chairman & CEO’s addresses to the AGM [ASX:SFR \(marketindex.com.au\)](https://www.marketindex.com.au)

Results of Meeting [ASX:SFR \(marketindex.com.au\)](https://www.marketindex.com.au)

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