

Sandfire Resources 2024 AGM Report

ASX code	SFR
Meeting date	Friday, 15 November 2024
Type of meeting	Hybrid
Monitor	Len Roy with support from Ian Berry
Pre AGM-meeting	With independent, non-executive Chair John Richards, CEO/MD Brendan Harris and Company Secretary.

Meeting Statistics

Number of holdings represented by ASA	31 proxies
Number of shares represented by ASA	197,997
Value of shares represented by ASA	\$2,039,369
Total number attending meeting	62 online plus 28 physical including 12 shareholders.
Market capitalisation	\$4.72 billion
ASA open proxies voted	In favour of all the resolutions except the Spill Resolution

The chair spoke of strong operating performance in FY24 with 47% increase in group copper equivalent (CuEq) production and underlying EBITDA of \$362m equating to operating margin of 39%.

Motheo mine is copper focused and achieved commercial production on 1 July 2024. Production was running at the uprated processing rate of 5.2M tpa. The three underground mines at MATSA Southern Spain are focused on copper, zinc & lead. Providing predictable performance including higher rates of ore production.

Exploration results at both Motheo & MATSA are pointing to significant increase in life of mine at both locations.

During FY24 the company achieved its gender diversity target of 40:40:20 being Board: Executive Leadership Team & workforce, expressed in percentage.

Group safety performance of 1.6 in FY24 was exceptional considering the mining sector in which SFR operates.

Group debt facilities were modernized by way of securing credit approval for a \$200m Corporate Revolver Facility which provided financial flexibility & reduced near term repayment profile.

Net debt had been reduced to \$396m at the end of FY24

The chairman also acknowledged a second strike against the Remuneration Report. The largest shareholder had singled out a discretionary payment to a former executive. ASA, at the time, had

considered all the circumstances and considered the remuneration structure together with progressive improvements, justified our support.

MD & CEO Brendan Harris provided a detailed operational update covering Motheo, MATSA & Black Butte, Montana. He included production, adjacent exploration, sustainability, culture plus comparative FY24 goals & outcomes.

To its credit SFR was quick to act & engage with First Nations peoples following a notification of disturbance to artefacts at Mt Monty Mine in September '23. Site visits and engagement quickly resulted in a framework agreement designed to map issues, and progressive steps which would lead to ongoing protection of cultural heritage. The disturbance occurred prior to the current restructured board & leadership team.

Group CuEq throughput for FY24 was 133 m tonnes, suggesting FY25 will show the planned improvement in profitability, cash flow & debt reduction. Should LME copper, lead or zinc pricing improve over the next year or two, that would be a bonus for SFR during the cost & production optimisation strategies now in place at Motheo & MATSA.

ASA queried the significant C1 cost differential between Motheo & MATSA. The CEO explained (1) the differing geological structures, the open cut versus underground methodologies and (3) the lead & zinc byproducts at MATSA were important in achieving good EBITDA results for MATSA.

Given that SFR achieved a return to profitability in the last 6 months of FY24 there are strong expectations of the current board & executive leadership team, for much improved financial results in FY25.

[2024-annual-general-meeting-results](#)

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