



ADRIATIC METALS INVESTMENT UPDATE

Sandfire Resources Ltd (ASX:SFR) (**Sandfire** or **the Company**) is pleased to advise that it has entered into a Deed of Settlement and Release (the **Deed**) with Adriatic Metals Plc (**Adriatic**) whereby both parties have agreed to settle the dispute relating to proceeding CIV 1820 of 2020 brought by Sandfire against Adriatic in the Supreme Court of Western Australia (**Proceedings**).

Under the terms for settlement of the Proceedings, Adriatic will issue to Sandfire 4,830,156 Chess Depository Interests (**CDIs**) in Adriatic (**Settlement Placement**) for approximately \$8.65 million (\$1.79 per CDI) to reinstate Sandfire to 16.2% voting power in Adriatic.

The Settlement Placement is subject to:

- (i) confirmation from the Australian Securities Exchange (**ASX**) that neither ASX Listing Rule 10.11.3 nor ASX Listing Rule 10.11.5 applies to the Settlement Placement; or
- (ii) a waiver being granted to Adriatic by ASX to Listing Rule 10.11.3 in respect of the Settlement Placement; or
- (iii) if neither (i) nor (ii) above are achieved, Adriatic seeking shareholder approval, via a General Meeting to be held on or before 31 January 2021, to issue the CDIs pursuant to the Settlement Placement to Sandfire (Adriatic's directors will recommend in favour of the necessary resolutions and will vote any securities they or their associates hold or control in favour of those resolutions); and
- (iv) the passing, at Adriatic's AGM (to be held on 6 November 2020), of the resolutions numbered 11 and 12 as set out in Adriatic's Notice of AGM dated 14 October 2020.

Sandfire and Adriatic have also agreed to having the Proceedings dismissed with no order as to costs.

Sandfire intends to vote in favour of all resolutions at Adriatic's upcoming AGM.

ENDS

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This announcement is authorised for release by Sandfire's Managing Director and CEO.