



Black Butte Copper Progress Update

White Sulphur Springs, Montana– October 25, 2019 –Sandfire Resources America Inc. (“Sandfire America” or the “Company” **TSX.V:SFR** and **OTCQB:SRAFF**) is pleased to provide the following update related to progress at the Black Butte Copper underground project in Montana.

Permitting Progress

The Montana Department of Environmental Quality (MDEQ) and the Department of Natural Resources & Conservation (MDNRC) recently informed the Company of a matter regarding the overlap between their respective areas of oversight. The Company has developed a robust plan to address this matter that is satisfactory and creates a pathway forward which includes further assurances on the water right modification application which has been in progress since early 2019. The Company is confident that it has addressed the agencies’ concerns. In their fall update, the MDEQ stated, “DEQ is in the final stages of its review and, barring unforeseen issues, anticipates publishing the Final EIS in the final quarter of 2019.”

CEO and VP of Project Development Rob Scargill stated, “Whilst this short delay is frustrating to all concerned, we are confident that addressing these matters now will deliver a more robust operating permit and mining operation. The Company and our stakeholders continue to be committed to permitting and building a showcase underground copper mine in Meagher County.”

Bankable Feasibility Study

All the technical studies have now been completed for the Black Butte Project Feasibility Study which commenced in October 2018. An updated Mineral Resource has been published and will be used as the foundation for the Feasibility Study. GR Engineering Services, SRK Consulting and others are completing documentation of the technical sections. The study will be finalized once the Final EIS is released to ensure that the designs and financial modelling are consistent with the permit requirements.

Financing

Following a review of financing options by the Non-Executive Independent Directors, the Company has agreed to an unsecured loan facility with our majority shareholder, Sandfire Resources NL, to provide US\$3 million to cover expenditures between now and the release of the Feasibility Study. The funds will be used for permitting, studies and preparatory work for pre-construction earthworks for the portal pad and environmental protection ponds. On release of the Feasibility Study, the Board will consider their mid-term and long-term financing options.

Board of Directors Update

Jason Grace joined the Company's Board of Directors on September 26, 2019 replacing Bruce Hooper. Mr. Grace is an experienced mining professional with industry spanning Australia to the Asia-Pacific region with experiences ranging across multiple disciplines including general management, operational management, technical leadership, project/studies management, business improvement, mineral resource evaluation, mine planning and mine geology. Most recently, Mr. Grace was Executive General Manager – Iron Ore for the leading diversified mining services group Mineral Resources Limited, where he managed the group's Australian iron ore business.

QUALIFIED PERSON

Jerry Zieg, Vice President of Exploration for the Company, is a Qualified Person for the purposes of NI 43-101 and has reviewed, verified, and approved the data disclosed and information of a scientific or technical nature contained in this news release.

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CAUTIONARY NOTE

Cautionary Note Regarding Forward-Looking Statements: Certain disclosures in this document constitute "forward looking information" within the meaning of Canadian securities legislation, including statements regarding the completion of the BFS, permitting timelines and the Company's plans for advancing the Black Butte Copper Project and expected outcomes. In making these forward-looking statements, the Company has applied certain factors and assumptions that the Company believes are reasonable, including that the Company will receive required regulatory approvals, that the Company will continue to be able to access sufficient funding to execute its plans, and that the results of exploration and development activities are consistent with management's expectations. However, the forward-looking statements in this document are subject to numerous risks, uncertainties and other factors, including factors relating to the Company's operation as a mineral exploration and development company and the Black Butte Copper Project, that may cause future results to differ materially from those expressed or implied in such forward-looking statements, including that results of exploration and development activities will not be consistent with management's expectations, delays in obtaining or inability to obtain required government or other regulatory approvals or financing, failure of plant, equipment or processes to operate as anticipated, the risk of accidents, labor disputes, inclement or hazardous weather conditions, unusual or unexpected geological conditions, ground control problems, earthquakes, flooding and all of the other risks generally associated with the development of mining facilities. There can be no assurance that such statements will prove to be accurate, and actual results and future events could differ materially from those anticipated in such statements. Readers are cautioned not to place undue reliance on forward-looking statements. The Company does not intend, and expressly disclaims any intention or obligation to, update or revise any forward-looking statements whether as a result of new information, future events or otherwise, except as required by law.

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