



## THUNDERBIRD PROJECT UPDATE

Sheffield Resources Limited (“Sheffield”, “the Company”) (ASX: SFX) is pleased to advise that it continues to make strong progress in a number of key areas at its Thunderbird Mineral Sands Project (Thunderbird) near Derby in Western Australia:

- Government-approved site works are well underway, laying the foundation for commencement of construction in Q3 2018;
- Growing global demand for mineral sands products have resulted in a series of binding offtake agreements for Stage 1 premium zircon and zircon concentrate;
- Due diligence for Sheffield’s US\$200M debt financing mandate with Taurus Mining Finance Fund, announced on 18 October 2017, is nearing completion and continues to support Thunderbird’s robust economics.

### Development and Finance

Earthworks associated with State Government-approved Minor or Preliminary Works kicked off in late 2017 and continue to progress ahead of the planned installation of accommodation units in March 2018.

The installation of an initial 60 rooms and ancillary buildings, and associated infrastructure including waste water treatment plants, water supply and fencing, will be supported by Aboriginal trainees from Sheffield’s Group Training Program.

Legal and technical due diligence for the US\$200M debt financing mandate with Taurus Mining Finance Fund continues to support Thunderbird’s robust economics, outlined in the Bankable Feasibility Study.

Due diligence activities are expected to be substantially complete during the March quarter, in conjunction with final engineering and design works undertaken by GR Engineering Services, Sheffield’s nominated EPC contractor.

### Approvals

Thunderbird’s “Lead Agency” status continues to drive permitting activities, with State Environmental Ministerial approval and Federal Environmental Ministerial approval expected early in Q2 2018. The approval process and outcomes have underscored the low environmental impact of the Thunderbird project.

A National Native Title Tribunal (NNTT) Directions Hearing has been scheduled for 20 February 2018. In parallel with the NNTT process, Sheffield continues to actively engage with representatives of Traditional Owners in seeking a mutually acceptable Native Title Agreement.

### Binding offtake agreements

Growing global demand for mineral sands products continues to drive interest in Thunderbird.

Following the recent signing of a binding offtake agreement with Qingyuan Jinsheng ZR & TI Resources Co. Ltd (refer ASX announcement 1 February 2018), more than 60% of Sheffield’s total forecast revenue from Stage 1 is now secured under binding agreements.

Sheffield is also pursuing offtake agreements for its high quality LTR ilmenite products and is focused on securing binding agreements in the March and June quarter.

## ASX AND MEDIA RELEASE

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Sheffield's Managing Director, Bruce McFadzean, said:

*"We're making solid progress on a number of fronts. Our early works program is on track, we're focused on closing out our environmental and native title permitting early this year and our engineering design, offtake and financing arrangements are in great shape.*

*Furthermore, our progress is underpinned by consensus views on world economic growth expanding in relative unison after more than a decade of sluggish growth based on subdued business confidence. Synchronised global growth will underpin significant support for zircon and titanium product demand and pricing for many years to come.*

*"Thunderbird is a world-class project that will provide jobs, business opportunities and economic benefits to local Kimberley communities for more than 40 years. We look forward to providing the community and our shareholders with further updates as we close out a long process of permitting and funding and move into construction at Thunderbird."*

**ENDS**

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### ABOUT SHEFFIELD RESOURCES

Sheffield Resources Limited is focused on developing its 100% owned, world class Thunderbird Mineral Sands Project, located in north-west Western Australia. Sheffield continues to also assess other regional exploration opportunities.

### THUNDERBIRD MINERAL SANDS

Thunderbird is one of the largest and highest grade mineral sands discoveries in the last 30 years.

Sheffield's Bankable Feasibility Study shows Thunderbird is a technically low risk, modest capex project that generates strong cash margins from globally significant levels of production over an exceptionally long mine life of 42 years.

Thunderbird will generate a high-quality suite of mineral sands products with specifications suited to market requirements. These products include Premium Zircon suitable for the ceramic sector and LTR Ilmenite which will be one of the highest-grade sulfate feedstocks available globally.

Thunderbird is located in one of the world's most attractive mining investment jurisdictions and is well placed to deliver long term, secure supply of high quality products to a range of potential customers.

Subject to permitting activities, the Company is targeting initial production in 2020. The initial planned production profile is aligned with expected emerging supply gaps in global mineral sands markets.

ASX Code:	SFX	Market Capitalisation:	A\$153m
Issued shares:	228.3m	Cash (unaudited, 31 December 2017):	A\$31.6m