
Thunderbird moves closer to construction as milestones achieved

Sheffield Resources' Thunderbird Mineral Sands Project has moved a step closer to construction after the company achieved a number of key milestones in the December quarter. <http://www.sheffieldresources.com.au/irm/content/asx-announcements1.aspx?RID=398>

It's been a busy few months for Sheffield as they kicked off their Early Works Program at Thunderbird, located mid-way between Broome and Derby, and signed new sales agreements with customers in China.

Sheffield is working closely with Kimberley-based earth moving contractors and local businesses to undertake preliminary work, including the creation of access roads and readying the site for the installation of an accommodation village.

These activities are being undertaken in accordance with the Government approved Minor or Preliminary Works program and are delivering benefits to the region as Sheffield forges local partnerships and provides employment opportunities.

More opportunities will be created as Sheffield moves closer to finalising mining services arrangements as well as gas and electricity supply contracts. Sheffield is also advancing engineering and design activities ahead of construction start-up.

Thunderbird customers

Sheffield capped off a busy three months with the signing of new sale agreements for zircon products that will be produced at Thunderbird. Zircon is used in everyday items like ceramics and tiles and is sought after by importers and processing companies around the world. The binding agreements for the premium zircon and zircon concentrate represent more than 60% of the total revenue from stage 1 Thunderbird production.

Binding offtake agreements now represent 100% of all zircon concentrate that will be produced during the first stage of Thunderbird and 93% of premium zircon. Sheffield will now focus on binding agreements for ilmenite, which helps create a pigment for use in things like paint and sunscreen, and accounts for almost 30% of Thunderbird stage 1 forecast revenue.

Work Ready Program

The advancement of Thunderbird has enabled Sheffield to evolve its Aboriginal Work Ready Program (WRP). Launched mid-2017 in partnership with local organisations Winun Ngari Aboriginal Corporation in Derby and Nirrumbuk Aboriginal Corporation in Broome, it culminated in the graduation of 14 participants in the December quarter.

The program's success encouraged Sheffield to establish a Group Training Program, funded by an additional \$750,000 commitment.

The program, established with Nirrimbuk, has employed successful WRP graduates who rotate through activities and work places, including preliminary works at Thunderbird, and other Kimberley-based construction businesses.

Trainees are working toward a Certificate 3 in Civil Construction and the opportunity to work on the construction of Thunderbird.

The proposed Thunderbird Mineral Sands Project on the Dampier Peninsula offers local long-term jobs and a much-needed boost to the economy.

Sheffield's 'Pledge to the Kimberley Community' includes:

- 220 Project jobs increasing to 280 by 2024 for the life of the mine
- A locally-based DIDO operational workforce, over 42 years
- Local content, jobs, training and business contracts
- An estimated \$100 million¹ in royalties to Traditional Owners over the life of the mine
- Building to 40 percent Aboriginal employment within the first 8 years of operations

¹Note: For details of estimates relating to mine life and revenues please refer to the Company's website, in particular its ASX announcement entitled "THUNDERBIRD BFS DELIVERS OUTSTANDING RESULTS" of 24 March 2017.



Gordon Lawford Engagement Officer (L), and Damien Lawford Mentor, have commenced with Sheffield to support the Group Training Program being conducted by Nirrimbuk Aboriginal Corporation for the Thunderbird Project. Pictured with Justin King (R), Senior Community Advisor



Pre-clearing inspection: Sheffield has commenced government approved site access arrangements for Thunderbird.

About the Thunderbird Project

Thunderbird is a large-scale, long-life mineral sands mining and processing project located on the Dampier Peninsula, with low environmental impacts and long-term economic and community benefits.

Sheffield Resources is proposing to undertake mineral sands mining from the Thunderbird deposit and to transport product to Derby and Broome for export through their respective ports.

The Company is committed to responsible mining, environmental and cultural practices and building long-term community relationships.

For more information, visit www.sheffieldresources.com.au.

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