



SHEFFIELD SECURES THUNDERBIRD LNG SUPPLY AGREEMENT

Sheffield Resources Limited (“Sheffield”, “the Company”) (ASX: SFX) is pleased to announce it has secured a 15-year agreement (Agreement) with Woodside Energy Limited (Woodside) and Energy Developments Pty Ltd (EDL) for the supply and delivery of 1,950 terajoules per annum of liquified natural gas (LNG) to the Thunderbird Mineral Sands Project (Thunderbird) in northern Western Australia.

LNG will be supplied from Woodside’s Pluto LNG Truck Loading Facility near Karratha in Western Australia and transported to Thunderbird’s LNG storage facility by a newly formed joint venture between Woodside and EDL. The joint venture will own and operate a purpose-built road tanker fleet to safely and reliably deliver the LNG to Thunderbird, as is customary with other gas logistic arrangements in place for the towns of Broome, Derby and other communities in the Kimberley. The advantage of using LNG at Thunderbird is three-fold, providing Sheffield with a low cost, low emission fuel source that is ideally suited to the ilmenite low temperature roast (LTR) process proposed for the Thunderbird processing plant.

As previously announced on 19 September 2018, Sheffield has secured infrastructure funding support from the Northern Australia Infrastructure Facility (NAIF). Part of the \$95 million financing package will be allocated to the proposed Thunderbird LNG storage and power station facilities, which will be constructed and operated under separate agreement with third parties. This arrangement will enable Sheffield to capture long-term gas supply cost savings relative to the Bankable Feasibility Study (BFS) published in March 2017. The BFS assumed an outsourced LNG storage and power station facility model on a Build Own and Operate (BOO) basis. The NAIF funding arrangements enable in-sourcing of LNG storage and power station facilities to take place, providing significant reduction in operating costs compared to BFS assumptions.

The Agreement is subject to a number of customary conditions precedent, including the Company making a final investment decision toward the development of Thunderbird.

Sheffield Resources Managing Director, Mr Bruce McFadzean said, “We are extremely pleased with the level of support shown by Woodside and EDL in delivering a low cost, long-term energy solution for Thunderbird. The project is now fully permitted and construction ready, with offtake and financing agreements in place. We look forward to continuing our relationship with Woodside and EDL as we move toward development during 2019.”

ENDS

For further information please contact:

Bruce McFadzean
Managing Director
Tel: 08 6555 8777

info@sheffieldresources.com.au

Website: www.sheffieldresources.com.au

[@Sheffield ASX](https://twitter.com/Sheffield_ASX) [LinkedIn](https://www.linkedin.com/company/sheffieldresources)

Media: John Gardner
Citadel-MAGNUS
Tel: +61 8 6160 4900

jgardner@citadelmagnus.com

PREVIOUSLY REPORTED INFORMATION

The information was extracted from the Company's previous ASX announcements as follows

- "SHEFFIELD OPENS SHARE PURCHASE PLAN" 14 December 2018
- "SHEFFIELD SUCCESSFULLY COMPLETES INSTITUTIONAL PLACEMENT TO PROGRESS THE THUNDERBIRD MINERAL SANDS PROJECT" 10 December 2018
- "EXECUTION OF EPC CONTRACT AND DEBT FACILITY" 12 November 2018
- "FEDERAL ENVIRONMENTAL APPROVAL GRANTED FOR THUNDERBIRD" 28 September 2018
- "MINING LEASE GRANTED OVER THUNDERBIRD MINERAL SANDS PROJECT" 26 September 2018
- "NAIF APPROVES LOAN FACILITIES TOTALLING A\$95M" 19 September 2018
- "STATE MINISTER FOR ENVIRONMENT APPROVES THUNDERBIRD MINERAL SANDS PROJECT" 13 August 2018
- "EPA RECOMMENDS APPROVAL OF THUNDERBIRD" 9 October 2017
- "THUNDERBIRD BFS DELIVERS OUTSTANDING RESULTS" 24 March 2017

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 is positioned to generate 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.

The Company is targeting initial production in Q4 of 2020. The initial planned production profile is aligned with expected emerging supply gaps in global mineral sands markets.

ASX Code:	SFX	Market Capitalisation:	A\$166m
Issued shares:	255.4m	Cash (unaudited, 30 Sep 2018):	A\$13.7m