

12 July 2018

**ASX Code:**  
SFX

**Directors:**

Mr Will Burbury  
Non-Executive Chairman

Mr Bruce McFadzean  
Managing Director

Mr Bruce McQuitty  
Non-Executive Director

Mr David Archer  
Technical Director

**Registered Office:**

Level 2, 41-47 Colin Street  
West Perth WA 6005

**Share Registry:**

Link Market Services  
Level 12, QV1 Building  
250 St Georges Terrace  
Perth WA 6000

**Capital Structure:**

Ordinary Shares: 229.0M  
Unlisted Options: 13.4M  
Unlisted Rights: 2.0M

**Market Capitalisation:**

A\$168 million

**Cash Reserves:**

A\$23.1 million  
(as at 30 June 2018)

**Investor Relations:**

Bruce McFadzean  
T: +61 8 6555 8777  
E: info@sheffieldresources.com.au

Yvonne Ball  
Citadel-MAGNUS  
T: +61 448 232 398  
E: yball@citadelmagnus.com

## QUARTERLY ACTIVITIES REPORT FOR THE PERIOD ENDED 30 JUNE 2018

### HIGHLIGHTS

#### *Thunderbird Mineral Sands Project*

- Maiden binding low temperature roast ilmenite offtake agreement secured into the Chloride slag sector
- 50% of Stage 1 forecast ilmenite revenue and 100% of Stage 1 forecast zircon revenue now under binding offtake agreement to secure more than 75% of Stage 1 project revenue
- State Minister for Environment provides favourable project determination
- Miscellaneous Licence agreement secures road access to Thunderbird
- National Native Title Tribunal determination scheduled for Q3 2018, following May 2018 hearing.
- 20-year Derby Port Lease agreement executed with State authorities
- Detailed engineering and design works continue to advance with GR Engineering Services
- Debt facility due diligence progressing well with Taurus Mining Finance
- WA Premier Mark McGowan, MLA, officially opened Sheffield office in Derby

#### *Exploration*

- Planning and permitting for regional exploration drilling at the Dampier project complete.
- Thunderbird regional drilling program due to commence Q3 2018

#### *Corporate Activities*

- Cash position of A\$23.1 million as at 30 June 2018
- Research & Development tax rebate of \$2.7m received

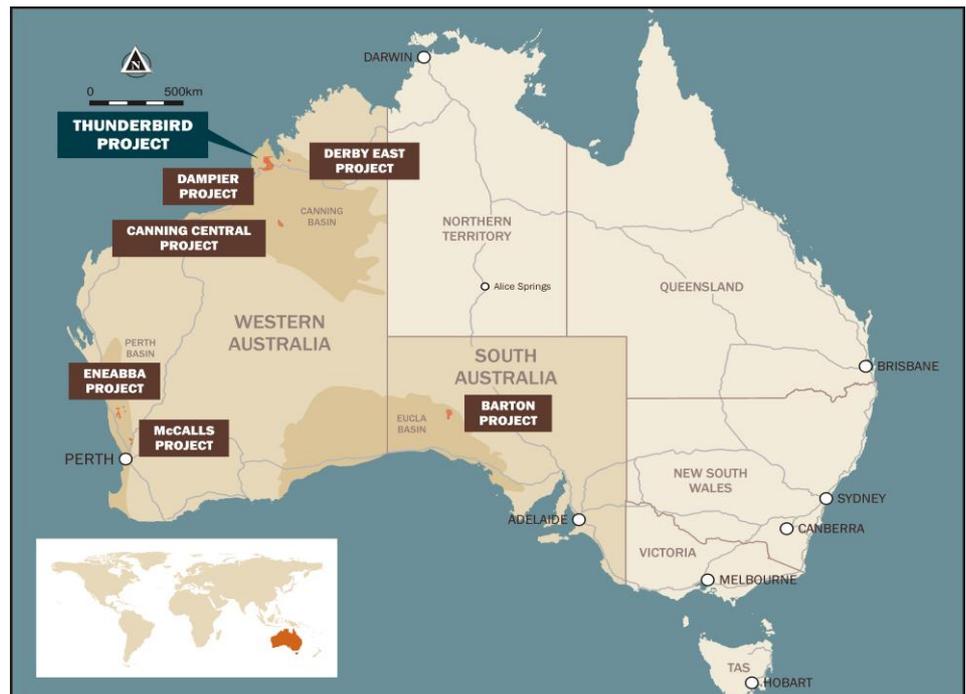


Figure 1: Location of Sheffield Mineral Sands Projects

## OPERATIONAL AND EXPLORATION SUMMARY

During the quarter, Sheffield Resources Limited (“Sheffield” or “the Company”) continued progress toward development of its world class Thunderbird Mineral Sands Project (Thunderbird), located in the Canning Basin in northern Western Australia (Figures 1 and 2).

With the completion of zircon offtake agreements to secure 100% of Stage 1 forecast zircon revenue, the Company concluded a maiden binding low temperature roast (LTR) ilmenite offtake agreement with Bengbu Zhongheng New Materials S&T Co., Ltd (Bengbu), for the minimum annual supply of 150,000 tonnes of LTR ilmenite, representing 50% of the estimated total volume of LTR ilmenite to be produced from Stage 1 of Thunderbird. With over 75% of forecast Stage 1 revenue now under binding agreement, demand for Thunderbird product remains strong. Sheffield targets conclusion of offtake agreements for its remaining LTR ilmenite and Hi-Ti88 (leucosene) products during 2018.

GR Engineering Services Limited (GRES), as preferred engineering, procurement and construction (EPC) contractor for Thunderbird, advanced front-end engineering deliverables as set out under an Early Works Agreement (EWA). The EWA has been carried out in two phases, with Phase 1 focussed on the engineering design requirements relating to nameplate plant throughput and plant operability, whilst Phase 2 considered several optimisation considerations initiated by the Company. Engineering is approximately 30% complete with no material changes to the Bankable Feasibility Study (BFS) flow sheet.

Following Environmental Protection Agency (EPA) recommendation for approval of Thunderbird Project during the December 2017 quarter, the environmental approvals process continued to advance well with the Western Australia Minister for the Environment providing a favourable determination for Thunderbird. The State consultation and approvals process is expected to conclude shortly, ahead of final Federal environmental approval expected in Q3 2018. The approval process and conditions supports the low environmental impact of the Thunderbird project.

In May 2018, a National Native Title Tribunal (NNTT) hearing reconsidered the previous good faith finding and a determination is expected in early Q3 2018. Independent of the NNTT process, Sheffield has remained focused on seeking a mutually acceptable Native Title Agreement with Traditional Owners. During the quarter, the Company also advised that it had successfully negotiated a co-existence agreement with Walalakoo Aboriginal Corporation (WAC), the prescribed body corporate for the Nyikina Mangala native title holders, over miscellaneous licences that secure road access to the Thunderbird Mineral Sands Project.

Furthermore, during the quarter, the Company announced the execution of a minimum 20-year lease agreement with the Shire of Derby-West Kimberley encompassing the Derby port and bulk handling facility, securing port access to enable export of the Company’s bulk products. Ship loading facilities currently in place at the Derby port have previously been used for the export of base metal concentrates from Western Metal’s Lennard Shelf operations and is well suited to the export of bulk mineral sands products.

Sheffield has previously announced the execution of a US\$200M debt financing mandate with Taurus Mining Finance Fund. Due diligence processes continue to progress well, with the parties vigorously aiming to finalise a debt facility agreement and related financing documentation in the near future.

Site access and infrastructure arrangements for Thunderbird continued to advance during the quarter, in accordance with the State Government approved Minor or Preliminary Works (MoPW) and enabling Sheffield to further progress Aboriginal training in readiness for construction activities at Thunderbird.

The Company continued to grow its mineral sands land position and advance its exploration program in the June 2018 quarter. During the quarter the Company secured a highly prospective additional exploration licence application E04/2540, located 60km south of Thunderbird containing approximately

twelve strike kilometres of the target shoreline horizon. In addition, the Company has received exploration approvals and completed heritage surveys for the regional drilling program scheduled to commence during Q3 2018 at Dampier and East Derby projects (Figure 2). Regional exploration drilling will target mineralisation along strike and proximal to the Thunderbird deposit, the Night Train prospect and regional greenfield targets.

Following the demerger of Carawine Resources, Sheffield is now structured as a pure mineral sands company holding significant ground positions in highly prospective mineral sands provinces in both Western Australia and South Australia.

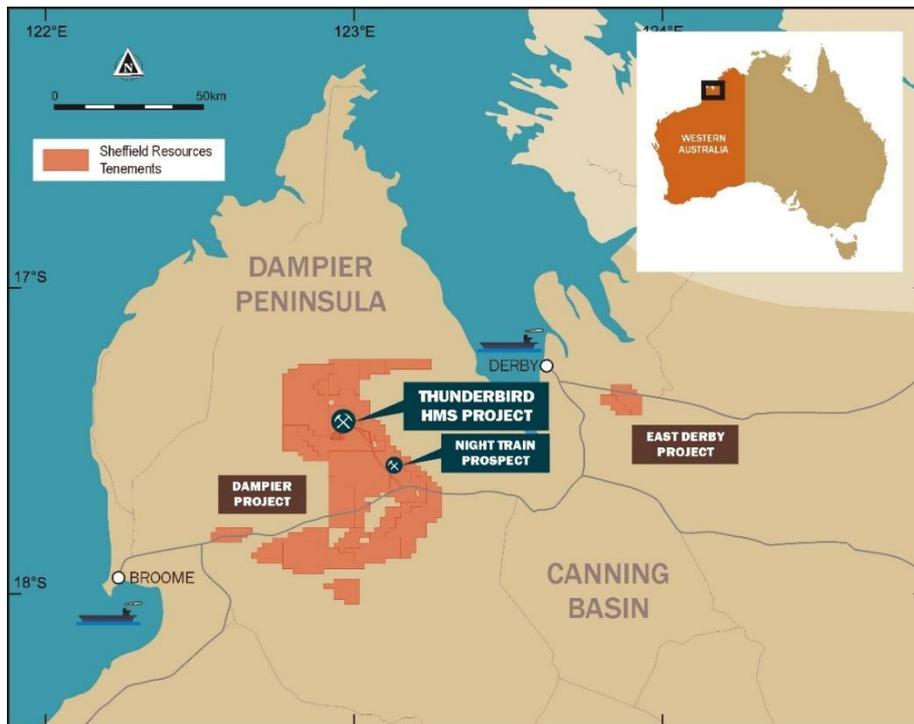


Figure 2: Location of Thunderbird Mineral Sands Project

## THUNDERBIRD MINERAL SANDS PROJECT

### Front End Engineering and Design

GR Engineering Services Limited (GRES), as preferred EPC tenderer for Thunderbird, entered into an Early Works Agreement in October 2017 to advance Front End Engineering and Design (FEED) activities in preparation for construction of Stage 1 of Thunderbird.

GRES completed the following arrangements during the quarter:

- Detailed process design and plant building layouts;
- Definitive mechanical list of process plant items;
- Project scheduling and long lead item procurement planning;
- Development of equipment specifications, earthworks and civils contract packages;

Supplementary to the above activities performed by GRES, Roundhill Engineering has continued with engineering design work to support the LTR process in collaboration with GRES and the Company.

In addition to the EPC contract, other material contracts are well advanced, including the Thunderbird electricity and gas supply arrangements, mining services arrangements, village installation and catering arrangements with shortlisted counterparties.

Energy supply and generation, together with mining services, represent more than 50% of Thunderbird's annual operating costs and pricing discussions indicate costs to be in line with the Bankable Feasibility Study (BFS) released in March 2017. During the quarter, Sheffield selected preferred tenderers for its energy supply, power generation and mining services contracts with the Company targeting conclusion of commercial negotiations in the September quarter.

### Early Works Program

Earthworks and site access to support Thunderbird continued during the quarter, in accordance with the State Government approved Minor and Preliminary Works (MoPW). The work program continues to focus upon upgrading site access roads and preparatory works ahead of accommodation village and ancillary building installation. The Company is installing approximately 90 rooms and associated facilities, enabling project construction to commence. Works are underway via several Kimberley based contractors and businesses, and further supported by Aboriginal trainees from Sheffield's Group Training Program.

### Sustainability

Following Environmental Protection Agency (EPA) recommendation for approval of Thunderbird Project during 2017, the Western Australia Minister for the Environment provided a favourable determination for Thunderbird during the quarter. The State consultation and approvals process is expected to conclude shortly, ahead of final Federal environmental approval expected in mid Q3 2018.

During May 2018, a National Native Title Tribunal (NNTT) hearing reconsidered the previous good faith finding and a determination is expected in early Q3 2018. Independent of the NNTT process, Sheffield has remained focused on seeking a mutually acceptable Native Title Agreement with Traditional Owners. During the quarter, the Company also advised that it had successfully negotiated a co-existence agreement with Walalakoo Aboriginal Corporation (WAC), the prescribed body corporate for the Nyikina Mangala native title holders, over miscellaneous licences that secure road access to the Thunderbird Mineral Sands Project.

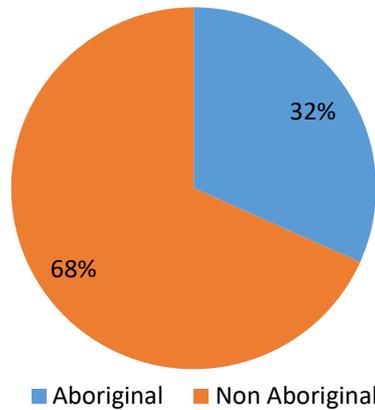
Sheffield continued its stakeholder engagement process throughout the Kimberley community during the quarter, with widespread local community support for the Thunderbird Project. This has been supported by the opening of Sheffield's Derby office by the Premier of Western Australia, the Honourable Mark McGowan MLA and Mrs Josie Farrer MLA for the Kimberley. Sheffield's Derby office will support the Thunderbird project and provide an important link to the local community, suppliers and the Port of Derby.



**Figure 3: (left) Mr Bruce McFadzean with Mrs Josie Farrer MLA; (right): WA Premier Mark McGowan MLA and Mrs Josie Farrer MLA with members of the local Derby community**

### Aboriginal Engagement

Sheffield Resources is committed to local jobs, training and businesses. Sheffield currently employs 41 people. Sheffield’s employment practices are focussed upon creating jobs in the Kimberley region with a specific focus on Aboriginal employment. Current workforce ethnicity statistics are shown below demonstrating that 32% of the current workforce is Aboriginal.



**Figure 4: Workforce - Ethnicity**

### Group Training Program

Sheffield continues its commitment to Aboriginal employment and training, following the establishment of a Group Training Program earlier in 2018. At present, the Group Training Program consists of eight trainees with Broome-based Nirrumbuk Group Training. The trainees have been rotated through a variety of activities both at Thunderbird and with other Kimberley based construction businesses. At the completion of the program, trainees will gain a Certificate 3 in Civil Construction and the opportunity to secure construction roles on the Thunderbird Project.



**Figure 5: Seminar based training (left) and certificate-based training for Aboriginal employees (right)**

### Local Content

Sheffield’s pledge to support the Kimberley region has seen a spend of more than \$700,000 with local suppliers during 2018 as it moves forward with Government-approved site works.

### Derby Port Facility Agreement

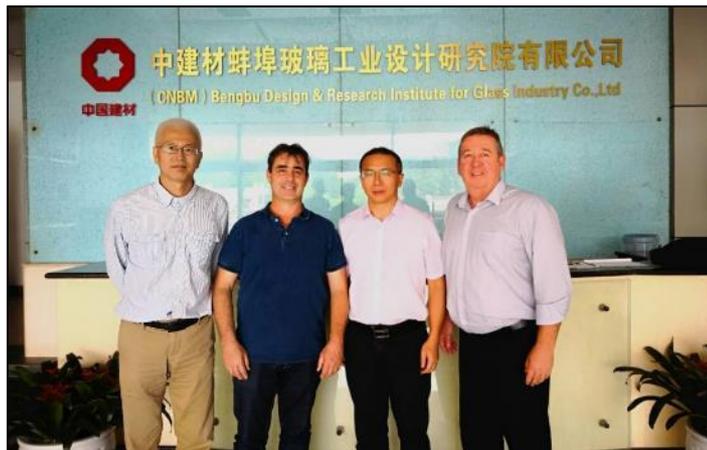
The Derby Port Facility Agreement spans a minimum of 20 years of planned production and provides the Company with long term access to a bulk handling facility and associated infrastructure located at the Port of Derby in Western Australia. Sheffield plans to export its mineral sands bulk products including LTR ilmenite, zircon concentrate and titano-magnetite from its Thunderbird Mineral Sands Project through the Port of Derby to markets around the world. Infrastructure at the Port of Derby was previously used for the export of base metal concentrates and is very well suited to the export of mineral sands products.



**Figure 6: Conveyor and Ship Loader at the Derby Port**

### Marketing and Offtake

During the quarter, Sheffield secured a maiden binding ilmenite offtake agreement with Bengbu Zhongheng New Materials S&T Co., Ltd (Bengbu), for the minimum annual supply quantity of 150,000 metric tonnes of low temperature roast (LTR) ilmenite. This represents 50% of the estimated total volume of LTR ilmenite to be produced from Stage 1 of the Thunderbird operation. Bengbu has secured the offtake of LTR ilmenite as feedstock for future chloride slag production which is a feedstock for production of chloride pigment. China has been developing chloride pigment technology over the past decade, with the market predicted to be the major growth area in China for production of pigment related products.



**Figure 7: Mr Wang Yonghe (left) from Bengbu signing maiden binding ilmenite offtake agreement.**

With over 75% of forecast Stage 1 revenue now under binding agreement, demand for Thunderbird product remains strong. Sheffield shall conclude offtake agreements for its LTR ilmenite and Hi-Ti88 (leucoxene) products over the coming months. Sheffield continues to receive strong interest for its premium LTR ilmenite as feedstock for direct sulphate pigment production and for its LTR slag ilmenite blend for chloride slag manufacture.

Supply shortages continued during the quarter, further impacting zircon pricing as producers increased prices further. Upward price pressure on zircon material is expected to continue in the near term however there has been signs of the market steadying recently.

Market conditions for TiO<sub>2</sub> products have remained steady during the quarter with this steady growth expected to continue throughout 2018. The market is anticipating strong future growth in the chloride pigment industry which bodes well for the Company's high-grade ilmenite products which are suited to both direct sulphate pigment production and importantly chloride slag manufacture.

### Project Financing

In late 2017, Sheffield announced the execution of a US\$200M debt financing mandate with Taurus Mining Finance Fund as mandated lead arranger and underwriter. Due diligence processes continue to advance, with negotiation of a full form debt facility agreement and ancillary financing documentation scheduled for completion during the September quarter. With the support of Metifex Pty Ltd as independent technical expert, review of material commercial contracts, plant design and related matters demonstrates consistency with the primary BFS cost and process design assumptions.

In conjunction with mandated debt facility arrangements, Sheffield continues to advance discussions with a number of strategic partners with a view to participation in the development of the Thunderbird project. Furthermore, the Company is consulting with the Northern Australia Infrastructure Fund (NAIF) to assess options and availability for debt finance arrangements to support Thunderbird and adjacent local communities. NAIF is a federally funded program supporting infrastructure development projects for northern Australia. NAIF provides the Company with a cost-effective opportunity to in-source Thunderbird energy supply infrastructure, in addition to providing improved public transportation and logistics infrastructure.

### **EXPLORATION ACTIVITIES**

During the Quarter, Sheffield's exploration team focused on permitting and field preparation for the Dampier regional drilling programme which is due to commence in Q3 2018. In addition, Sheffield continued database compilation and reviews of historic exploration data for its two new zircon rich projects located in the Canning Basin of Western Australia and the Eucla Basin of South Australia. Sheffield's current portfolio of heavy mineral sands exploration projects comprise the Dampier and Central Canning projects located in the Canning Basin of Western Australia, the Eneabba and McCalls projects located in the North Perth Basin of Western Australia and the Barton project located in the Eucla Basin of South Australia (Figure 1). Sheffield's exploration strategy is to target additional large, high value, zircon rich deposits suitable for downstream processing at the Thunderbird Dry Mineral Separation Plant (MSP). Sheffield will continue to actively pursue and evaluate new mineral sands opportunities in Australia and overseas, with a focus on zircon rich deposits.

### Dampier Project

Planning and permitting for regional exploration on the Dampier project was completed during the quarter, with drilling programs expected to commence during Q3 2018. The regional drilling program has been designed to evaluate known mineralisation along a 160km long target horizon. Thunderbird is the first significant heavy mineral sand deposit to be discovered in the Canning Basin, and limited exploration drilling to date by Sheffield has resulted in the discovery of four new mineral sands prospects named Night Train, Nomad, Argo and Seagull (Figure 8). The discovery rate highlights the potential for the Canning Basin to become a significant new mineral sands province. Night Train is located 20km southeast of Thunderbird and is within 2km of the proposed Thunderbird Access Road and considered the most significant of these additional prospects discovered to date.

Significant results from Night Train include:

- 9m @ 6.33% HM from 22.5m (DAAC052), including 7.5m @ 7.23% HM from 24m.
- 13.5m @ 5.25% HM from 46.5m (DAAC094), including 7.5m @ 8.23% HM from 48m.
- 24m @ 3.33% HM from 37.5m (DAAC093), including 12m @ 5.48% HM from 37.5m.
- Mineral assemblage: 15% zircon, 16% ilmenite, 53% leucoxene and 8% Hi-Ti leucoxene.

(refer to ASX announcements of 22 September 2015 and 25 February 2015 for further details)

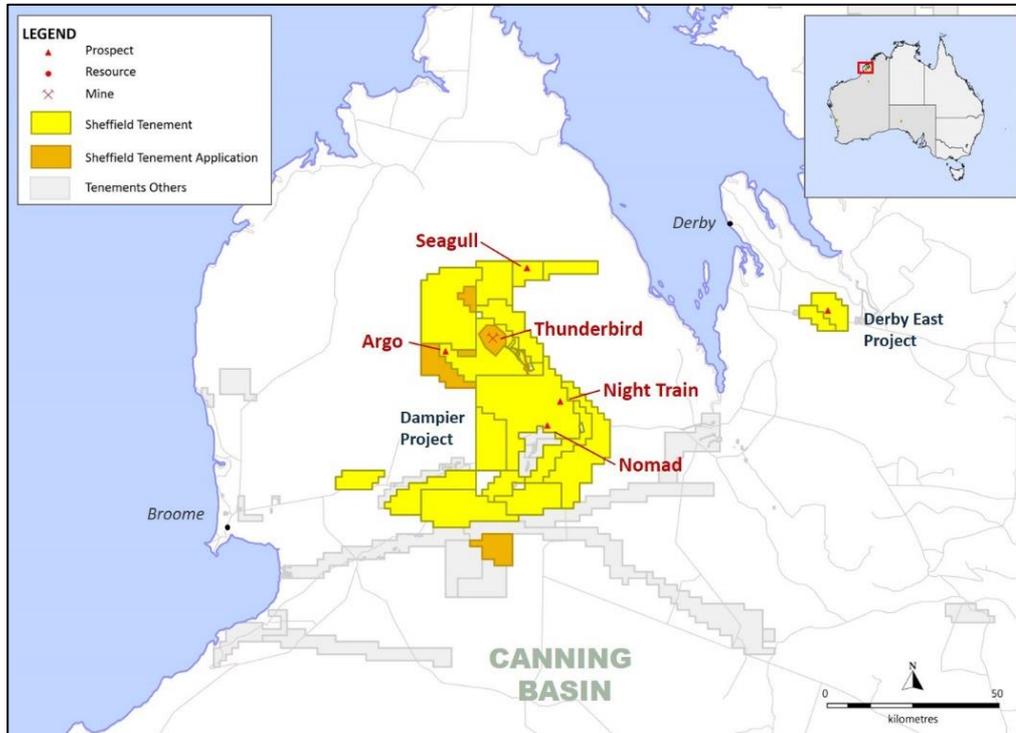


Figure 8: Dampier and Derby East Projects, Western Australia



Figure 9: Panned HM from Night Train Drill Hole DAAC093, Dampier Projects.

Initial scoping metallurgical test work completed on a drill sample composite from the mineralised zone at Night Train showed that high quality zircon which meets ceramic grade specifications can be produced (Table 1 and refer to ASX announcement of 14 April 2016 for further details).

**Table 1: Zircon Products – Summary Assay Results**

Product	ZrO <sub>2</sub> +HfO <sub>2</sub>	SiO <sub>2</sub>	TiO <sub>2</sub>	Fe <sub>2</sub> O <sub>3</sub>	Al <sub>2</sub> O <sub>3</sub>	U+Th
Primary Zircon	65.9%	32.9%	0.15%	0.05%	0.37%	481ppm
Secondary Zircon	65.5%	33.3%	0.36%	0.05%	0.20%	542ppm

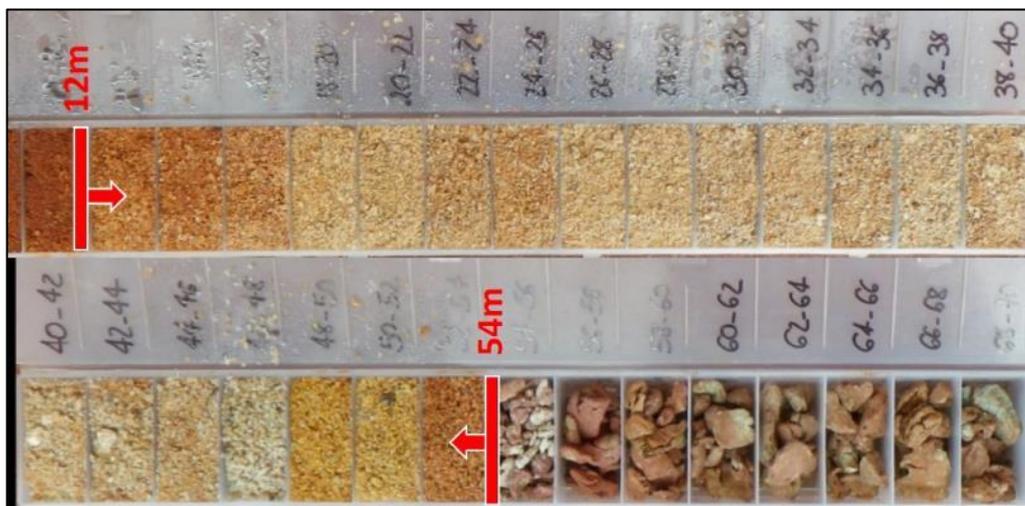
Sheffield has received exploration approvals and completed heritage surveys for the regional drilling program scheduled to commence during Q3 2018 at Dampier and East Derby projects. Regional exploration drilling will target mineralisation along strike from and proximal to the Thunderbird deposit, along strike from the Night Train and Nomad prospects and regional greenfield targets. Clearing of drill access tracks and drill pads has commenced (Figure 10) in preparation for drilling.



**Figure 10: Access track at Night Train (left), Heritage survey in Roebuck region (right).**

Derby East Project

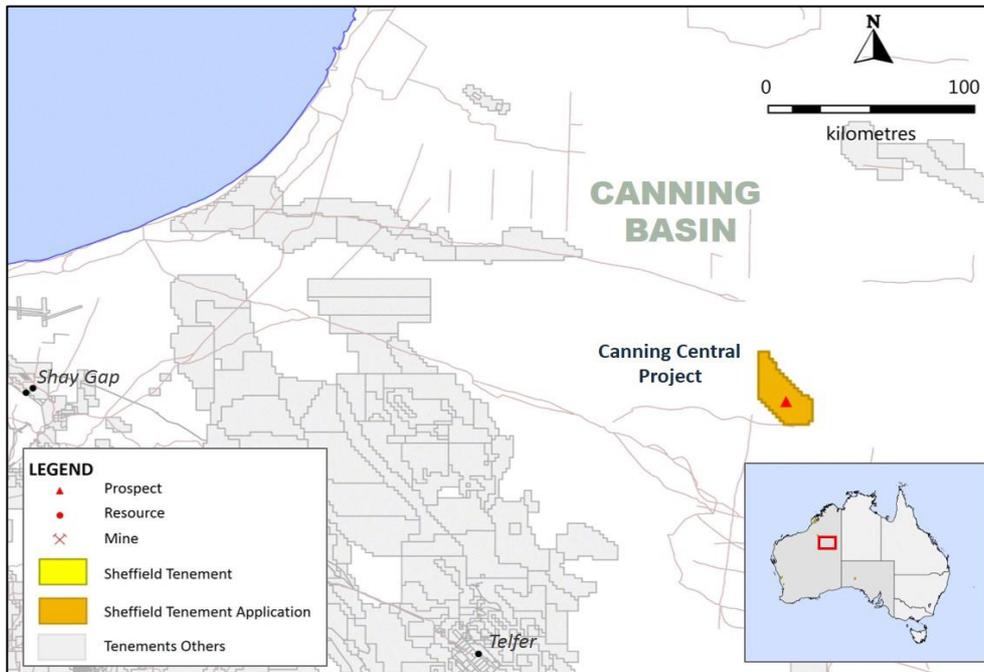
Sheffield is investigating the potential of the Derby East Project tenements, located 25km east of Derby (Figure 11), to yield commercial quantities of sand for construction purposes. Work to date has been encouraging (see Sheffield’s September 2017 Quarterly Report for details), with further drilling required to better define the potential quantities of these sands, along with additional test work designed to assess suitability for specific end-use requirements. Permitting and Heritage surveys were completed during the quarter, with drilling programs expected to commence during Q3 2018.



**Figure 11: Construction sand intersected (12-54m) by aircore drilling at the East Derby project.**

## Canning Central Project

The Canning Central Project comprises one Exploration Licence Application E45/5214 located central to the Canning Basin, 350km south of Thunderbird in the Kidson Sub-basin (Figure 12). Sheffield is targeting shallow zircon rich, Thunderbird style mineralisation in a shallow marine geological setting. A review of historic exploration and regional geology was completed during the June quarter.



**Figure 12: Canning Central Project, Western Australia**

## Barton Project

Exploration Licence Application (ELA) 2018/00046 was applied for on 8 March 2018 covering an area of 983.8 km<sup>2</sup> in the north-eastern Eucla Basin of central South Australia (Figure 13). The tenement application covers parts of the Eocene to Miocene sequence in the north-eastern Eucla Basin. Within this sequence the sand units of the Ooldea and Hampton Formations have the potential to host significant concentrations of heavy minerals within shallow marine or shore face sand units. The Exploration Licence Application is located just 130 kilometres north of Iluka Resources Limited's (ASX:ILU) Jacinth-Ambrosia deposit.

Rio Tinto Exploration Pty Ltd (RTX) explored the area between 2004 and 2009, and a preliminary review of open file reports has shown the identification by RTX of heavy mineral sand mineralisation below the Paling and Barton Ranges, including the identification a significant zone of heavy mineral concentration (Sherrin prospect) from drill holes in the Paling Range. The mineralisation is described as approximately 8km long north-south, 6km wide east-west, and 4.5m to 12m metres thick<sup>1</sup>. Compilation of historic exploration drill hole data was completed during the June quarter. A review of regional historic company reports will be completed in Q3 2018. The Company will continue to review zircon rich exploration opportunities located within the Eucla Basin.

<sup>1</sup> Muggerridge, G. D., 2009, Fourth Annual Report for the Period Ending 14 March 2009, EL 3319 Barton Range Central EL 3320 Barton Range North and EL 3321 Paling Range North-Eastern Eucla Basin South Australia, Rio Tinto Exploration Pty Limited.

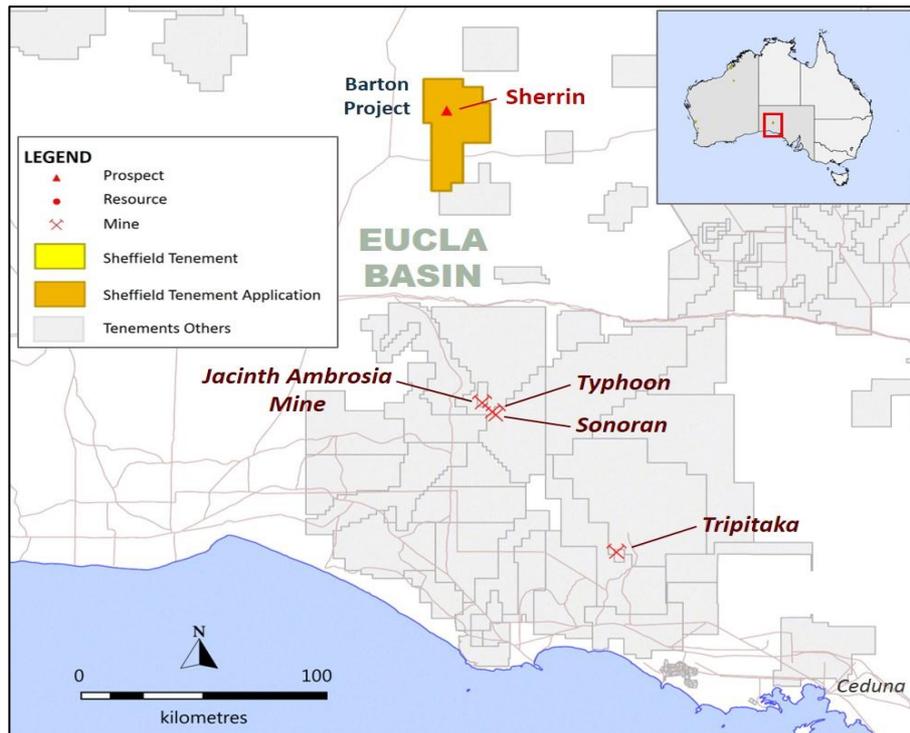


Figure 13: Barton Project, South Australia

### Eneabba Project

Significant progress was made during the quarter updating Mineral Resource estimates to enable reporting under the JORC Code (2012) for Sheffield’s 100% owned Eneabba Project, located about 110km north of Perth in Western Australia’s Midwest region (Figure 14). Mineral Resource estimates for the Yandanooka, Durack, Ellengail, West Mine North and Drummond Crossing deposits were advanced significantly during the quarter. This follows the completion of maiden Mineral Resource estimates for both the Robbs Cross and Thomsons heavy mineral sand deposits during the December quarter 2017. It is anticipated that the updated Mineral Resources will be completed during Q3 2018.

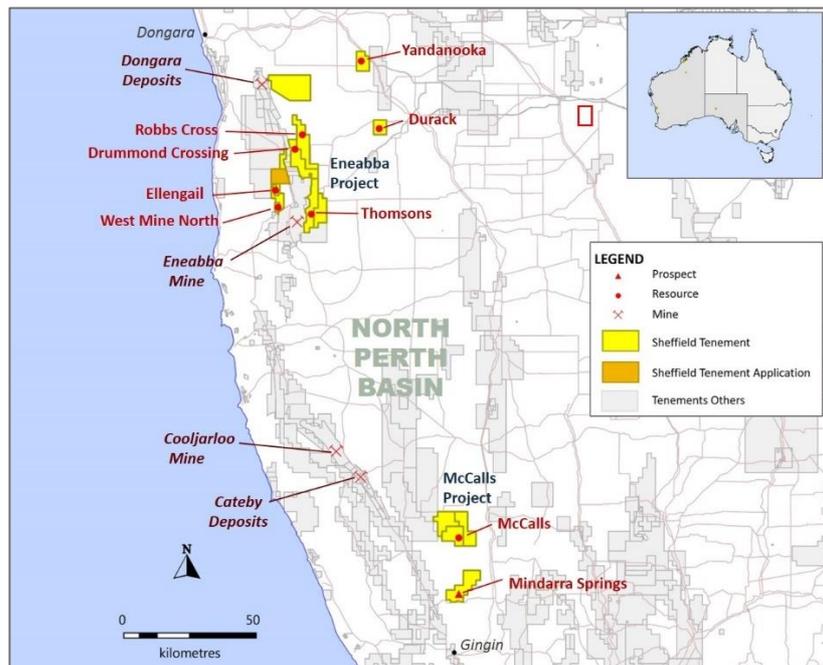


Figure 14: Eneabba and McCallis Projects, Western Australia

### McCalls Project

During the quarter work commenced on an update of the McCalls Mineral Resource to include additional historic drilling data from the recently granted Exploration Licence E70/4922, which adjoins the current Mineral Resource area. Completion of this work is expected during Q3 2018.

### **CORPORATE ACTIVITIES**

As at 30 June 2018, Sheffield held cash reserves of approximately \$23.1 million (unaudited). This follows the receipt of the Research & Development tax rebate of \$2.7m during quarter.

A handwritten signature in black ink, appearing to read 'Bruce McFadzean', written over a circular scribble.

**Mr Bruce McFadzean**  
Managing Director  
12 July 2018

**Schedule 1: Interests in Mining Tenements at the end of the quarter as required under ASX Listing Rule 5.3.3**

Project	Tenement	Holder	Interest	Location <sup>3</sup>	Status
Mineral Sands	E04/2455	Sheffield Resources Ltd	100%	Canning Basin	Granted
Mineral Sands	E04/2456	Sheffield Resources Ltd	100%	Canning Basin	Granted
Mineral Sands	E04/2081 <sup>2</sup>	Thunderbird Operations Pty Ltd	100%	Canning Basin	Granted
Mineral Sands	E04/2083 <sup>2</sup>	Thunderbird Operations Pty Ltd	100%	Canning Basin	Granted
Mineral Sands	E04/2084 <sup>2</sup>	Thunderbird Operations Pty Ltd	100%	Canning Basin	Granted
Mineral Sands	E04/2159 <sup>2</sup>	Thunderbird Operations Pty Ltd	100%	Canning Basin	Granted
Mineral Sands	E04/2171 <sup>2</sup>	Thunderbird Operations Pty Ltd	100%	Canning Basin	Granted
Mineral Sands	E04/2192 <sup>2</sup>	Thunderbird Operations Pty Ltd	100%	Canning Basin	Granted
Mineral Sands	E04/2193 <sup>2</sup>	Thunderbird Operations Pty Ltd	100%	Canning Basin	Granted
Mineral Sands	E04/2194 <sup>2</sup>	Thunderbird Operations Pty Ltd	100%	Canning Basin	Granted
Mineral Sands	E04/2348 <sup>2</sup>	Thunderbird Operations Pty Ltd	100%	Canning Basin	Granted
Mineral Sands	E04/2349 <sup>2</sup>	Thunderbird Operations Pty Ltd	100%	Canning Basin	Granted
Mineral Sands	E04/2350 <sup>2</sup>	Thunderbird Operations Pty Ltd	100%	Canning Basin	Granted
Mineral Sands	E04/2390 <sup>2</sup>	Thunderbird Operations Pty Ltd	100%	Canning Basin	Granted
Mineral Sands	E04/2399 <sup>2</sup>	Thunderbird Operations Pty Ltd	100%	Canning Basin	Granted
Mineral Sands	E04/2400 <sup>2</sup>	Thunderbird Operations Pty Ltd	100%	Canning Basin	Granted
Mineral Sands	L04/84 <sup>2</sup>	Thunderbird Operations Pty Ltd	100%	Canning Basin	Granted
Mineral Sands	L04/85 <sup>2</sup>	Thunderbird Operations Pty Ltd	100%	Canning Basin	Granted
Mineral Sands	L04/86 <sup>2</sup>	Thunderbird Operations Pty Ltd	100%	Canning Basin	Granted
Mineral Sands	L04/92 <sup>2</sup>	Thunderbird Operations Pty Ltd	100%	Canning Basin	Granted
Mineral Sands	L04/93 <sup>2</sup>	Thunderbird Operations Pty Ltd	100%	Canning Basin	Granted
Mineral Sands	E04/2478	Sheffield Resources Ltd	100%	Canning Basin	Granted
Mineral Sands	L04/82	Sheffield Resources Ltd	100%	Canning Basin	Granted
Mineral Sands	L04/83	Sheffield Resources Ltd	100%	Canning Basin	Granted
Mineral Sands	E04/2494 <sup>2</sup>	Thunderbird Operations Pty Ltd	100%	Canning Basin	Granted
Mineral Sands	M04/459 <sup>2</sup>	Thunderbird Operations Pty Ltd	100%	Canning Basin	Pending
Mineral Sands	E70/3762	Sheffield Resources Ltd	100%	Perth Basin	Granted
Mineral Sands	E70/3813	Sheffield Resources Ltd	100%	Perth Basin	Granted
Mineral Sands	E70/3814	Sheffield Resources Ltd	100%	Perth Basin	Granted
Mineral Sands	E70/3929	Sheffield Resources Ltd	100%	Perth Basin	Granted
Mineral Sands	E70/3967	Sheffield Resources Ltd	100%	Perth Basin	Granted
Mineral Sands	E70/4190	Sheffield Resources Ltd	100%	Perth Basin	Granted
Mineral Sands	E70/4584	Sheffield Resources Ltd	100%	Perth Basin	Granted
Mineral Sands	E70/4292	Sheffield Resources Ltd	100%	Perth Basin	Granted
Mineral Sands	E70/4719	Sheffield Resources Ltd	100%	Perth Basin	Granted
Mineral Sands	E70/4747	Sheffield Resources Ltd	100%	Perth Basin	Granted
Mineral Sands	L70/150	Sheffield Resources Ltd	100%	Perth Basin	Granted
Mineral Sands	M70/872 <sup>1</sup>	Sheffield Resources Ltd	100%	Perth Basin	Granted
Mineral Sands	M70/965 <sup>1</sup>	Sheffield Resources Ltd	100%	Perth Basin	Granted
Mineral Sands	M70/1153 <sup>1</sup>	Sheffield Resources Ltd	100%	Perth Basin	Granted
Mineral Sands	R70/35 <sup>1</sup>	Sheffield Resources Ltd	100%	Perth Basin	Granted
Mineral Sands	E70/4922	Sheffield Resources Ltd	100%	Perth Basin	Granted
Mineral Sands	E70/3859	Sheffield Resources Ltd	100%	Perth Basin	Pending
Mineral Sands	E04/2509	Thunderbird Operations Pty Ltd	100%	Canning Basin	Pending
Mineral Sands	E04/2510	Thunderbird Operations Pty Ltd	100%	Canning Basin	Pending
Mineral Sands	ELA 2018-00046	Moora Talc Pty Ltd	100%	Eucla Basin (SA)	Pending
Mineral Sands	E45/5214	Thunderbird Operations Pty Ltd	100%	Canning Basin	Pending
Mineral Sands	E04/2540	Thunderbird Operations Pty Ltd	100%	Canning Basin	Pending

**Notes:**

<sup>1</sup>Iluka Resources Ltd (ASX: ILU) retains a gross sales royalty of 1.5% in respect to tenements R70/35, M70/872, M70/965 & M70/1153.

<sup>2</sup>Thunderbird Operations Pty Ltd is a 100% owned subsidiary of Sheffield Resources Ltd.

Details of tenements and/or beneficial interests acquired/disposed of during the quarter are provided in Section 10 of the Company's accompanying Appendix 5B notice.

## COMPLIANCE STATEMENTS

### PREVIOUSLY REPORTED INFORMATION

This report includes information that relates to Exploration Results, Mineral Resources and Ore Reserves prepared and first disclosed under the JORC Code (2012) and a Bankable Feasibility Study. The information was extracted from the Company's previous ASX announcements as follows:

- Ilmenite offtake: "SHEFFIELD SIGNS MAIDEN BINDING ILMENITE OFFTAKE AGREEMENT" 21 June, 2018
- Port Agreement: "SHEFFIELD SECURES DERBY PORT ACCESS AGREEMENT" 16 May, 2018
- December 2017 Quarterly Report (Robbs Cross and Thomsons Mineral Resources): "QUARTERLY ACTIVITIES REPORT FOR THE PERIOD ENDED 31 DECEMBER 2017" 30 January, 2018
- September 2017 Quarterly Report: "QUARTERLY ACTIVITIES REPORT FOR THE PERIOD ENDED 30 SEPTEMBER 2017" 31 October, 2017
- Thunderbird Ore Reserve: "THUNDERBIRD ORE RESERVE UPDATE" 16 March, 2017
- Thunderbird Bankable Feasibility Study: "THUNDERBIRD BFS DELIVERS OUTSTANDING RESULTS" 24 March, 2017
- McCalls Mineral Resource: "QUARTERLY ACTIVITIES REPORT FOR THE PERIOD ENDED 30 JUNE 2016" 25 July 2016.
- Thunderbird Mineral Resource: "SHEFFIELD DOUBLES MEASURED MINERAL RESOURCE AT THUNDERBIRD" 5 July, 2016
- Night Train metallurgical scoping results: "PREMIUM ZIRCON AT NIGHT TRAIN", 14 April, 2016
- Night Train Discovery: "NEW MINERAL SANDS DISCOVERY AT NIGHT TRAIN" 22 September, 2015
- Robbs Cross and Thomsons Discovery: "NEXT GENERATION OF MINERAL SANDS DISCOVERIES AT ENEABBA" 23 July, 2015
- Night Train Drilling: "THREE NEW MINERAL SANDS DISCOVERIES IN CANNING BASIN" 25 February, 2015

This report also includes information that relates to Exploration Results and Mineral Resources which were prepared and first disclosed under the JORC Code 2004. The information has not been updated since to comply with the JORC Code 2012 on the basis that the information has not materially changed since it was last reported. The information was extracted from the Company's previous ASX announcements as follows:

- Drummond Crossing Mineral Resource: "1Mt HEAVY MINERAL RESOURCE ADDED TO ENEABBA PROJECT", 30 October 2013.
- Yandanooka Mineral Resource: "YANDANOOKA RESOURCE UPGRADE AND METALLURGICAL RESULTS", 30 January 2013.
- Durack Mineral Resource: "ENEABBA PROJECT RESOURCE INVENTORY EXCEEDS 5MT HEAVY MINERAL", 28 August 2012.
- West Mine North Mineral Resource: "WEST MINE NORTH MINERAL RESOURCE ESTIMATE EXCEEDS EXPECTATIONS", 7 November 2011.
- Ellengail Mineral Resource: "1MT CONTAINED HM INFERRED RESOURCE AT ELLENGAIL", 25 October 2011.

These announcements are available to view on Sheffield's website [www.sheffieldresources.com.au](http://www.sheffieldresources.com.au)

The Company confirms that it is not aware of any new information or data that materially affects the information included in the relevant market announcements and, in the case of estimates of Mineral Resources, Ore Reserves and the Bankable Feasibility Study, that all material assumptions and technical parameters underpinning the estimates in the relevant market announcement continue to apply and have not materially changed. The Company confirms that the form and context in which the Competent Person's findings are presented have not been materially modified from the relevant original market announcements.

### CAUTIONARY STATEMENTS AND RISK FACTORS

The contents of this report reflect various technical and economic conditions at the time of writing. Given the nature of the resources industry, these conditions can change significantly over relatively short periods of time. Consequently, actual results may vary from those contained in this report.

Some statements in this report regarding estimates or future events are forward-looking statements. They include indications of, and guidance on, future earnings, cash flow, costs and financial performance. Forward-looking statements include, but are not limited to, statements preceded by words such as "planned", "expected", "projected", "estimated", "may", "scheduled", "intends", "anticipates", "believes", "potential", "predict", "foresee", "proposed", "aim", "target", "opportunity", "could", "nominal", "conceptual" and similar expressions. Forward-looking statements, opinions and estimates included in this report are based on assumptions and contingencies which are subject to change without notice, as are statements about market and industry trends, which are based on interpretations of current market conditions. Forward-looking statements are provided as a general guide only and should not be relied on as a guarantee of future performance. Forward-looking statements may be affected by a range of variables that could cause actual results to differ from estimated results, and may cause the Company's actual performance and financial results in future periods to materially differ from any projections of future performance or results expressed or implied by such forward-looking statements. So there can be no assurance that actual outcomes will not materially differ from these forward-looking statements.