



Sheffield Resources Limited ACN 125 811 083

Share Purchase Plan Offer Booklet

You Should Read This Booklet In Full

This Booklet contains important information. You should read this Booklet in full and seek advice from your stockbroker, accountant or other professional adviser if you have any questions about your investment in Sheffield or about the impact of the transactions described in this Booklet. This Booklet does not provide financial advice and has been prepared without taking into account your particular objectives, financial situation or needs.

You are encouraged to carefully read the Terms and Conditions as set out in this Booklet, because if you apply for New Shares under the SPP you will be agreeing to be bound by the Terms and Conditions. By applying for New Shares under the SPP, you will confirm that you have read, understood and agreed to the Terms and Conditions.

If you apply for New Shares under the SPP, there is a risk that the market price of Sheffield Shares may change between the date you apply for New Shares and the date that the New Shares are issued to you under the SPP. This means there is a risk that Sheffield's market price at the time the New Shares are issued will be less than the Issue Price under the SPP. By applying for New Shares under the SPP, you will be acknowledging and accepting this risk.

If you have any questions in relation to how to participate in the SPP after reading this Booklet, please contact the Sheffield Company Secretary +61 8 6555 8777 at any time between 9:00 am and 5:00pm (Perth time) on Monday to Friday.

Participation in the SPP is only open to holders of fully paid ordinary shares in Sheffield at 7:00pm (Sydney time) on Friday, 7 December 2018 and whose address on the share register is in Australia or New Zealand. The SPP is also being extended to eligible shareholders of Sheffield who are custodians to participate in the SPP on behalf of Participating Beneficiaries on the Terms and Conditions set out in this Booklet.

Capitalised terms in this section have the meaning given to them in this Booklet. All references to A\$ or dollars in this Booklet are references to Australian dollars unless otherwise indicated.

This Booklet is not for release to US wire services or distribution in the United States

Chairman's Letter

14 December 2018

Dear Shareholder

Sheffield Resources Limited - Share Purchase Plan

On behalf of the directors of Sheffield Resources Limited (**Sheffield**), I am pleased to offer eligible shareholders (as defined in the **enclosed** Terms and Conditions) (**Eligible Shareholders**) the opportunity to participate in the Sheffield Share Purchase Plan (**SPP**).

The SPP provides each Eligible Shareholder with the opportunity to apply for up to A\$15,000 worth of new fully paid ordinary shares in Sheffield (**New Shares**) (subject to discretionary scale back) without paying any brokerage or other transaction costs. The SPP aims to raise at least approximately A\$3 million and is not underwritten. If Sheffield receives valid applications in excess of this amount, the Sheffield Board may, in its absolute discretion, decide to scale back the number of New Shares that will be issued to Eligible Shareholders under the SPP. Sheffield may also decide to accept applications (in whole or in part) that result in the SPP raising more or less than this amount in its absolute discretion.

Purposes of the SPP and use of funds

As announced on 10 December 2018, Sheffield recently undertook an underwritten placement of fully paid, ordinary shares to professional, sophisticated and certain other institutional investors (**Placement Shares**) to raise approximately A\$16 million (**Placement**).

Assuming at least A\$3 million is raised from the SPP, approximately A\$19 million will be raised in total. The funds from the Placement and SPP will be used for the following purposes:

- formally evaluate and progress potential strategic partner interest, received from a range of credible parties, to develop the Thunderbird Project ("**Thunderbird**", "**Project**"), including funding alternatives;
- advance the detailed engineering and design for Thunderbird that has been well progressed by GR Engineering Services Limited during 2018;
- continue key early works including design and scheduling activities in advance of the construction of the accommodation village, Project access roads and other Project infrastructure; and
- fund the Company's corporate administration costs (including transaction costs).

For further details as to the proposed use of funds from the Placement and SPP, refer to the announcement released by Sheffield on 10 December 2018 in connection with the Placement.

Summary of key details

The SPP gives you the opportunity to increase your holding of fully paid ordinary shares in Sheffield (**Shares**) at an issue price of A\$0.65 per share, which is the price at which Placement Shares were issued to institutional investors under the Placement (**Issue Price**).

The Issue Price represents a discount of:

- 13.3% to the closing price of Shares on Wednesday, 5 December 2018, being the closing price of Shares prior to Sheffield going into halt for the purposes of the Placement; and
- 16.7% to Sheffield's 10-day volume weighted average price (VWAP) of \$0.78 on ASX up to and including 5 December 2018.

If you are an Eligible Shareholder, you may apply to purchase a parcel of New Shares in certain parcel amounts specified in section 1 of the Terms and Conditions, up to a maximum of \$A15,000, without incurring brokerage.

Sheffield's directors have each committed to apply for their full entitlement of A\$15,000 worth of New Shares under the SPP.

Participation in the SPP is optional and open to Eligible Shareholders, being holders of Shares at 7:00pm (Sydney time) on Friday, 7 December 2018 (the **Record Date**) and whose address on the share register is in Australia or New Zealand (excluding shareholders who are in the United States, or acting for the account or benefit of a person in the United States). The SPP is also being extended to eligible shareholders who are custodians to participate in the SPP on behalf of certain eligible beneficiaries on the terms and conditions set out in this Booklet.

Your right to participate in the SPP is not transferable. All New Shares will rank equally with existing fully paid ordinary shares in Sheffield (**Shares**).

The Terms and Conditions of the SPP and your personalised Application Form are provided in this booklet (**Booklet**). I urge you to read these materials in their entirety and seek your own financial and taxation advice in relation to the SPP, before you decide whether to participate.

The SPP opens on Friday, 14 December 2018 and is expected to close at 5:00pm (Sydney time) on Friday, 25 January 2019. New Shares are expected to commence trading on ASX on Friday, 1 February 2019.

To apply for New Shares under the SPP, Eligible Shareholders must either:

- complete and return the enclosed personalised Application Form, together with a cheque, bank draft or money order drawn on an Australian bank in Australian dollars; or
- make a payment directly via BPAY®¹ (in which case, you do not need to return an Application Form).

Application Forms must be received by Sheffield's share registry, or a BPAY® payment must be received, by no later than 5:00pm (Sydney time) on Friday, 25 January 2019.

If you have any questions in relation to how to participate in the SPP after reading this Booklet, please contact the Sheffield Company Secretary +61 8 6555 8777 at any time between 9:00 am and 5:00pm (Perth time) on Monday to Friday.

On behalf of the board of Sheffield, I thank you for your continued support.

Yours sincerely



Will Burbury
Non-Executive Chairman

¹ ® Registered to BPAY Pty Ltd ABN 69 079 137 518.

Important Information

This Booklet does not provide financial advice and has been prepared without taking account of any person's investment objectives, financial situation or particular needs. You should consider the appropriateness of participating in the SPP having regard to your investment objectives, financial situation or particular needs. Shareholders should seek independent financial and taxation advice before making any investment decision in relation to these matters.

The offer of New Shares under the SPP is made in accordance with ASIC Class Order [CO 09/425] which grants relief from the requirement for Sheffield to provide a prospectus or other disclosure document in relation to the SPP. This Booklet is not a prospectus under Chapter 6D of the Corporations Act, has not been registered with ASIC and does not, and is not required to, contain all the information that a prospectus under Australian law is required to contain.

Sheffield has, prior to the release of this Booklet, given a notice to ASX that complies with the requirements of ASIC Class Order [CO 09/425].

The laws of some countries prohibit or make impracticable participation in the SPP by certain overseas Shareholders. Shareholders who do not have a registered address in Australia or New Zealand, as noted on Sheffield's share register, will not be able to participate in the SPP. The SPP does not constitute an offer or invitation in any place in which, or to any person to whom, it would not be lawful to make such an offer or invitation of shares for sale in any other jurisdiction.

INTERNATIONAL OFFER RESTRICTIONS

New Zealand

The New Shares are not being offered or sold to the public within New Zealand other than to existing shareholders of Sheffield with registered addresses in New Zealand to whom the offer of New Shares is being made in reliance on the Financial Markets Conduct Act 2013 and the Financial Markets Conduct (Incidental Offers) Exemption Notice 2016.

This document has not been registered, filed with or approved by any New Zealand regulatory authority. This document is not a product disclosure statement under New Zealand law and is not required to, and may not, contain all the information that a product disclosure statement under New Zealand law is required to contain.

United States

This document may not be released or distributed in the United States. Persons in the United States may not participate in the SPP.

This document does not constitute an offer to sell, or a solicitation of an offer to buy, any securities in the United States or any other jurisdiction in which such an offer would be illegal. The New Shares have not been, and will not be, registered under the US Securities Act or the securities laws of any state or other jurisdiction of the United States. Accordingly, the New Shares may not be offered or sold, directly or indirectly, to persons in the United States except in a transaction exempt from, or not subject to, the registration requirements of the US Securities Act and the applicable securities laws of any state or other jurisdiction of the United States.

Offer Details and Timetable

1. OFFER DETAILS

Issue Price	A\$0.65 per share, which is the price at which Placement Shares were issued to institutional investors under the Placement.
Minimum Application Amount	A\$2,000
Maximum Application Amount	A\$15,000
Permitted Application Amounts	Parcel A - \$2,000 Parcel B - \$5,000 Parcel C - \$10,000 Parcel D - \$15,000

Sheffield reserves the right, in its absolute discretion, to scale back applications or accept applications (in whole or in part) that result in the SPP raising more or less than A\$3 million.

2. INDICATIVE TIMETABLE

Record Date (the date that eligibility to participate in the SPP is determined)	7:00pm (Sydney time) Friday, 7 December 2018
Opening Date	Friday, 14 December 2018
Closing Date	5:00pm (Sydney time) Friday, 25 January 2019
Issue of New Shares under the SPP	Friday, 1 February 2019
New Shares commence trading on ASX	Friday, 1 February 2019

Dates and times shown above are indicative only and Sheffield reserves the right to amend any or all of these dates in its absolute discretion, subject to the Corporations Act, the ASX Listing Rules and any other applicable laws. The quotation of New Shares is subject to confirmation from the ASX.

Terms and Conditions

1. WHAT IS THE SHARE PURCHASE PLAN OR SPP?

Eligible Shareholders have the opportunity to participate in the SPP by subscribing for up to A\$15,000 of New Shares without incurring brokerage or transaction costs.

Under the SPP, Eligible Shareholders may each apply for New Shares in parcels valued at a minimum of A\$2,000 up to a maximum of A\$15,000, in the following parcels:

Parcel	Subscription amount
Parcel A	A\$2,000 (minimum)
Parcel B	A\$5,000
Parcel C	A\$10,000
Parcel D	A\$15,000 (maximum)

Applications may be scaled back at the absolute discretion of Sheffield. Sheffield also reserves the right, in its absolute discretion, to accept applications (in whole or in part) that result in the SPP raising more or less than A\$3 million.

2. DO I HAVE TO PARTICIPATE?

No. Participation in the SPP is entirely voluntary.

The offer to acquire New Shares is not a recommendation. Before you decide whether to participate in the SPP, Sheffield recommends you seek independent financial and taxation advice from your stockbroker, accountant or other professional adviser.

If you do not wish to participate in the SPP, you do not need to take any action, in which case your right to participate will lapse at the Closing Date, being 5:00pm (Sydney time) on Friday, 25 January 2019 (or such other date as Sheffield determines, in its absolute discretion).

If you do not participate in the SPP, you will receive no value or other benefit in respect of any New Shares to which you may have been entitled under the SPP.

3. WHAT IS THE ISSUE PRICE OF THE NEW SHARES?

The Issue Price for each New Shares issued under the SPP will be A\$0.65 per share, which is the price at which Placement Shares were issued to institutional investors under the Placement.

If you apply for New Shares under the SPP, there is a risk that the market price of Sheffield Shares may change between the date you apply for New Shares and the date that the New Shares are issued to you under the SPP. This means there is a risk that Sheffield's market price at the time the New Shares are issued will be less than the Issue Price. By applying for New Shares under the SPP, you will be acknowledging and accepting this risk.

Your application is unconditional and may not be withdrawn even if the market price of Shares is less than the Issue Price.

4. HOW WILL THE FUNDS RAISED FROM THE SPP BE UTILISED BY SHEFFIELD?

The proceeds from the SPP and Placement will be used for the following purposes:

- formally evaluate and progress potential strategic partner interest, received from a range of credible parties, to develop the Thunderbird Project (“**Thunderbird**”, “**Project**”), including funding alternatives;
- advance the detailed engineering and design for Thunderbird that has been well progressed by GR Engineering Services Limited during 2018;
- continue key early works including design and scheduling activities in advance of the construction of the accommodation village, Project access roads and other Project infrastructure; and
- fund the Company’s corporate administration costs (including transaction costs).

Further information regarding the Placement can be found in Sheffield's ASX announcement dated 10 December 2018.

5. WHO IS ELIGIBLE TO PARTICIPATE IN THE SPP?

Participation in the SPP is open to all Eligible Shareholders, being persons:

- (a) registered as a holder of Shares as at the Record Date (being 7:00pm (Sydney time) on Friday, 7 December 2018); and
- (b) whose registered address in Sheffield's share register at the Record Date is in Australia or New Zealand,

provided that such Shareholder:

- (c) does not hold shares on behalf of persons who reside outside Australia or New Zealand, is not located in the United States and is not acting for the account or benefit of a person located in the United States; and
- (d) is eligible under all applicable securities laws to receive an offer under the SPP.

The Directors who are Eligible Shareholders may participate in the SPP.

The SPP is also being extended to Eligible Shareholders who are Custodians to participate in the SPP on behalf of Participating Beneficiaries on the Terms and Conditions provided in this Booklet.

The Board of Sheffield has determined that it is either not lawful or practical for Shareholders with registered addresses in other jurisdictions to participate in the SPP.

6. PARTICIPATION BY ELIGIBLE SHAREHOLDERS

Each Eligible Shareholder may only participate in the SPP up to the maximum limit of A\$15,000, even if the Shareholder has more than one registered holding:

Holdings receiving more than one offer	If you are an Eligible Shareholder but you receive more than one offer under the SPP (for example, due to multiple registered holdings), you may only apply for a maximum of A\$15,000 worth of New Shares.
Joint Holders	If you are recorded with one or more other persons as the joint holder of a holding of Shares on the Record Date, that joint holding is considered to be a single registered holding for the purpose of the SPP, and the joint holders are entitled to participate in respect of that single

Custodians, trustees and nominees	<p>holding only and a certification given by any of them is taken to be a certification given by all of them.</p> <p>If the same joint holders receive more than one offer under the SPP due to multiple identical holdings, the joint holders may apply on different Application Forms for New Shares but may not apply for New Shares with an aggregate value of more than A\$15,000.</p>
	<p>If you are a Custodian and hold Shares on behalf of one or more persons (each a Participating Beneficiary), or on behalf of a "downstream custodian" (within the definition in ASIC Class Order [CO 09/425]) who holds the beneficial interest in Shares on behalf of a Participating Beneficiary, you may subscribe for a maximum of A\$15,000 in applying for New Shares for each Participating Beneficiary, subject to providing Sheffield (via its Registry) with a Custodian Certificate, in which you will be required to certify certain matters and provide details (required under the terms of ASIC Class Order [CO 09/425]) before your application will be accepted. Applications by Custodians that are not accompanied by a duly completed Custodian Certificate will be rejected.</p> <p>Please contact the Registry at capitalmarkets@linkmarketservices.com.au for a copy of the Custodian Certificate which is required to be attached to the Application Form and lodged with the Registry.</p> <p>If you hold shares as a trustee or nominee for another person, but are not a Custodian, you cannot participate for beneficiaries in the manner described above. In this case, the rules for multiple single holdings apply and you may only contribute a maximum of A\$15,000 in applying for New Shares, assuming you are an Eligible Shareholder.</p> <p>Sheffield reserves the right to reject any application at its discretion, including but not limited to where the maximum application limit or any other term of the SPP has not been complied with.</p> <p>Any Shareholder who is in the United States or holds shares on behalf of persons who are in the United States (to the extent of such holding) is not entitled to participate in the SPP.</p>

7. CAN MY OFFER UNDER THE SPP BE TRANSFERRED TO A THIRD PARTY?

No. Offers made under the SPP are non-renounceable. This means that you cannot transfer your right to subscribe for New Shares under the offer to anyone else.

8. HOW MUCH CAN I INVEST?

Subject to the Terms and Conditions of the SPP as set out in this Booklet, Eligible Shareholders may apply for a parcel of New Shares in parcels from a minimum of A\$2,000 up to a maximum of A\$15,000 (see section 1 above for available parcels that you can apply for). The A\$15,000 limit applies irrespective of the number of Sheffield Shares you hold on the Record Date.

The number of New Shares issued to an applicant will be rounded down to the nearest whole number after dividing the application monies by the Issue Price. Applications may be scaled back at the absolute discretion of Sheffield. Sheffield also reserves the right, in its absolute discretion, to accept applications (in whole or in part) that result in the SPP raising more or less than A\$3 million.

9. HOW WILL THE NUMBER OF NEW SHARES TO BE ISSUED TO ME BE CALCULATED?

If you apply for New Shares, you will apply for a certain value, rather than a certain number, of New Shares. In the absence of a scale back, and subject to these Terms and Conditions, the number of New Shares to be issued to you will be calculated by dividing the aggregate application money that you pay in applying for New Shares by the Issue Price, then rounding down to the nearest whole number of New Shares which, subject to scale back, will be issued to you. For example, in the absence of a scale back, if you subscribe for A\$15,000 for New Shares at the Issue Price of A\$0.65 per New Share, you will be allotted 23,076 New Shares.

Sheffield will not issue New Shares to an applicant if the issue of those New Shares, either alone or in conjunction with the issue of Shares under any other applications, would contravene any law, the Corporations Act, the ASX Listing Rules, or ASIC Class Order [CO 09/425].

10. HOW DO I APPLY FOR NEW SHARES?

If you are an Eligible Shareholder and wish to participate in the SPP, you need to do one of the following:

(a) **Option 1: Pay by BPAY®**

To pay by BPAY® you will need to:

- (i) be an account holder with an Australian financial institution;
- (ii) use the personalised reference number shown on your Application Form which is required to identify your shareholding; and
- (iii) ensure that your payment is received by the Registry before the Closing Date of 5:00pm (Sydney time) on Friday, 25 January 2019. Your personalised Application Form sets out the Biller Code and your unique BPAY® customer reference number, which you must use to take up the offer.

You must take into account the cut off times your financial institution has to ensure that your payment submitted via BPAY® is received in advance of the Closing Date. You can only make payment via BPAY® if you are the holder of an account with an Australian financial institution that supports BPAY® transactions.

Important note

If you use BPAY® to pay for New Shares, you do not need to return your Application Form but you will be taken to have made the acknowledgements, representations, statements and certifications that are set out in the Application Form as well as in this Booklet.

By submitting your payment for New Shares via BPAY® you certify and represent to Sheffield that the aggregate application money paid by you in any capacity (except as a Custodian on behalf of a Participating Beneficiary, in which you will be required to make certain other representations) for the New Shares under your application and any other New Shares issued to you, or to a Custodian on your behalf and at your instruction, under the SPP or any similar arrangement operated by Sheffield in the 12 months before the date your application is received by Sheffield, is not more than \$15,000.

(b) **Option 2: Pay by cheque, bank draft or money order**

Please complete the enclosed Application Form and return it together with your cheque[, bank draft or money order] made payable to "**Sheffield Resources Limited**" drawn on an Australian bank and in Australian dollars for the correct amount and crossed "Not Negotiable", in the enclosed reply-paid envelope (New Zealand shareholders will need to affix the appropriate postage stamp) so that it is received before the Closing Date of 5:00pm (Sydney time) on Friday, 25 January 2019.

Your Application Form together with your cheque, bank draft or money order can be mailed or delivered to the Registry in person to:

By mail:

Sheffield Resources Limited
c/o Link Market Services Limited
GPO Box 3560
SYDNEY NSW 2001
Australia

By hand:

Sheffield Resources Limited
c/o Link Market Services Limited
1A Homebush Bay Drive
Rhodes NSW 2138
Australia

Please refer to the attached Application Form for further instructions on how to apply.

11. WHAT ARE THE KEY DATES FOR THE SPP?

EVENT	DATE*
Record Date	7:00pm (Sydney time) Friday, 7 December 2018
Opening Date	Friday, 14 December 2018
Closing Date	5:00pm (Sydney time) Friday, 25 January 2019
Issue of New Shares under the SPP	Friday, 1 February 2019
New Shares commence trading	Friday, 1 February 2019

* Sheffield reserves its right to vary the dates (even if the offer has been opened or BPAY® payments or Application Forms have been received) without prior notice by making an announcement to the ASX, subject to the ASX Listing Rules and the Corporations Act, including extending the closing date or accepting late applications, either generally or in particular cases, or to withdraw the SPP without prior notice. No cooling off rights apply to applications submitted under the SPP. The commencement of quotation of the New Shares issued under the SPP is subject to confirmation from ASX.

12. WHAT ARE THE RIGHTS ATTACHED TO NEW SHARES ISSUED UNDER THE SPP

All New Shares issued under the SPP will rank equally with existing Sheffield ordinary shares from the date of issue, and therefore will carry the same voting rights, dividend rights and other entitlements as existing Sheffield ordinary shares.

13. WILL I RECEIVE NOTIFICATION OF MY ISSUE?

Yes. Sheffield currently intends to issue the New Shares under the SPP on Friday, 25 January 2019.

The Registry will dispatch a holding statement in respect of the New Shares issued to you under the SPP on or around Friday, 25 January 2019 which will include details of the number of New Shares issued to you, your total holding of Shares and the Issue Price of the New Shares. However, these dates are indicative only and may be varied by Sheffield in its absolute discretion.

You should confirm your holding before trading in any New Shares you believe have been allotted to you under the SPP. You can confirm your total holding of Shares by contacting the Registry on 1300 666 437 or +61 1300 666 437 at any time between 8.30am and 5pm (Sydney time) on Monday to Friday

Sheffield will make an application for the New Shares to be quoted on ASX. The New Shares are expected to commence quotation on ASX on or around Friday, 1 February 2019.

14. WHEN CAN I TRADE MY NEW SHARES?

You can trade your New Shares after the Issue Date. However, given that applications may be scaled back, you should confirm your holding on or after the Issue Date before trading any New Shares you believe you have acquired under the SPP. You can confirm your total holding of Shares by contacting the Registry on 1300 666 437 or +61 1300 666 437 at any time between 8.30am and 5pm (Sydney time) on Monday to Friday.

15. WHAT WILL HAPPEN IF SHEFFIELD RECEIVES EXCESS VALID ACCEPTANCES?

The amount that each Eligible Shareholder can apply for under the SPP is capped at A\$15,000. The SPP aims to raise at least approximately A\$3 million. Sheffield may decide to accept applications (in whole or in part) that result in the SPP raising more or less than this amount in its absolute discretion.

Sheffield may, at its absolute discretion, scale back the number of New Shares that will be allotted to individual Shareholders under this SPP. See section 23 below for more information in relation to a scale back.

16. HOW WILL AMOUNTS BE REFUNDED TO ME?

If you are entitled to a refund of all or any of your application monies, the refund will be paid to you, without interest, as soon as is practicable:

- (a) by direct credit to your nominated account (as recorded on the Register) or cheque; or
- (b) by returning your Application Form and cheque, bank draft or money order, if not processed, to your registered address (as recorded on the Register).

17. WHAT ARE THE RISKS ASSOCIATED WITH PARTICIPATING IN THE SPP?

- (a) You should note that Sheffield's share price may rise or fall between the Record Date, the date of this offer, the date on which you make a BPAY® payment or send in an Application Form and the date when New Shares are issued to you under the SPP. This means that the Issue Price of A\$0.65 per New Share pursuant to this offer may be either higher or lower than the Share price, up to or after the date the New Shares are issued to you under the SPP and you therefore may be able to buy shares at a lower price on market than the Issue Price.
- (b) Sheffield recommends that you monitor the Share price and any Sheffield announcements, which can be found on Sheffield website at <http://www.sheffieldresources.com.au/IRM/content/default.aspx> or on the ASX website at www.asx.com.au (ASX code: SFX). The Share price can also be found in the financial pages of major Australian metropolitan newspapers.
- (c) Sheffield encourages you to contact your stockbroker, accountant or other professional adviser regarding whether or not to participate in the SPP and, if so, how much to invest.

18. NO BROKERAGE

No brokerage, commissions or other transaction costs will be payable by you to Sheffield in respect of the acquisition of New Shares under the SPP.

19. HOW WILL THE PERSONAL INFORMATION I PROVIDE BE HANDLED?

Chapter 2C of the Corporations Act requires further information about you as a Shareholder (including your name, address and details of the securities you hold) to be included in the public register of the entity in which you hold securities. This information must continue to be included in the public register if you cease to be a Shareholder.

Sheffield and the Registry may collect personal information to process your application, implement the SPP and administer your shareholding. The personal information contained in the register is also used to facilitate payments and corporate communications (including financial results, annual reports and other information to be communicated to Shareholders) and to ensure compliance with legal and regulatory requirements, including Australian taxation laws and the Corporations Act.

Your personal information may be disclosed to joint investors, the Registry, to securities brokers, to third party service providers, including print and mail service providers, technology providers and professional advisers, to related entities of Sheffield and its agents and contractors, and to ASX and other regulatory authorities, and in any case, where disclosure is required or allowed by law (which may include disclosures to the Australian Taxation Office and other government or regulatory bodies or where you have consented to the disclosure). In some cases, the types of organisations referred to above to whom your personal information may be disclosed may be located overseas.

The Registry's privacy policy is available on their website: www.linkmarketservices.com.au

20. WHERE CAN I GET MORE INFORMATION ON THE SPP?

If you have any questions in relation to how to participate in the SPP, please contact the Sheffield Company Secretary +61 8 6555 8777 at any time between 9:00am and 5:00pm (Perth time) on Monday to Friday or consult your financial or other professional adviser.

If you have any questions in relation to whether an investment in Sheffield through the SPP is appropriate for you, please contact your stockbroker, accountant or other professional adviser.

21. SHEFFIELD'S DISCRETION TO ACCEPT OR REJECT APPLICATIONS FOR NEW SHARES

Sheffield and its officers and agents, may accept or reject your application for New Shares in whole or in part at their discretion including, without limitation, if:

- (a) your application does not comply with these Terms and Conditions;
- (b) it appears you are not an Eligible Shareholder;
- (c) your Application Form and cheque or BPAY® payment is not received by the Registry by the Closing Date;
- (d) if paying by cheque, your Application Form is incomplete or incorrectly completed or is otherwise determined by Sheffield to be invalid;
- (e) your cheque is dishonoured or has been incorrectly completed;
- (f) it appears that you are applying to purchase more than A\$15,000 worth of New Shares in aggregate (including as a result of Shares you hold directly, jointly or

through a custodian or nominee arrangement) or your application is not in an amount of a parcel set out in section 1 above;

- (g) payment of the application monies is not submitted in Australian currency or, if payment is made by cheque, the cheque is not drawn on an Australian financial institution; or
- (h) the amount of your BPAY® payment or cheque is not equal to the amount of your application. If this occurs, Sheffield will:
 - (i) refund in full your application monies and not allot any New Shares to you (see section 16 above for more information regarding how application monies will be refunded); or
 - (ii) allot to you the number of New Shares that would have been allotted had you applied for the highest designated amount that is less than the amount of your payment and refund to you the excess of your application monies.

22. YOUR REPRESENTATIONS

By completing and submitting the Application Form (together with a cheque, bank draft or money order) **or making a payment via BPAY® payment**, you:

- (a) warrant that all details and statements in your application are true and complete and not misleading;
- (b) acknowledge your application is irrevocable and unconditional (that is, it cannot be withdrawn);
- (c) agree that your application is only effective when received by Sheffield and not when it is posted;
- (d) warrant that you are an Eligible Shareholder and eligible to lawfully participate in the SPP and apply for New Shares, in each case in accordance with these Terms and Conditions as well as any applicable laws;
- (e) acknowledge that no interest will be paid on any application monies held pending the issue of New Shares or subsequently refunded to you for any reason;
- (f) acknowledge that Sheffield and its officers and agents are not liable for any consequences of the exercise or non-exercise of its discretions referred to in these Terms and Conditions;
- (g) agree to pay the Issue Price per New Share up to the maximum of:
 - (i) the value you have selected on the Application Form; or
 - (ii) the maximum value of your BPAY® payment or cheque, bank draft or money order;
- (h) acknowledge and agree that:
 - (i) you are not in the United States and are not acting for the account or benefit of a person in the United States;
 - (ii) the New Shares have not, and will not be, registered under the US Securities Act or the securities laws of any state or other jurisdictions in the United States, or in any other jurisdiction outside Australia or New Zealand and accordingly, New Shares may not be offered, sold or otherwise

transferred except in accordance with an available exemption from, or a transaction not subject to, the registration requirements of the US Securities Act and any other applicable securities laws;

- (iii) you have not, and will not, send this Booklet or any materials relating to the SPP to any person in the United States, or that is acting for the account or benefit of any person in the United States, or to any person in any country outside Australia and New Zealand, and agree to provide (and direct your nominee or custodian to provide) any requested substantiation of your eligibility to participate in the SPP and of your holding of Sheffield Shares at the Record Date; and
- (iv) if in the future you decide to sell or otherwise transfer the New Shares, you will only do so in the regular way for transactions on the ASX where neither you nor any person acting on your behalf know, or have reason to know, that the sale has been pre-arranged with, or that the purchaser is, or is acting or the benefit or account of, a person in the United States;
- (i) if you are applying on your own behalf (and not as a Custodian on behalf of a Participating Beneficiary), acknowledge and agree that:
 - (i) you are not applying for New Shares with an application price of more than A\$15,000 under the SPP (including by instructing a Custodian to acquire New Shares on your behalf under the SPP);
 - (ii) the total of the application price paid for the following does not exceed A\$15,000:
 - (A) the New Shares the subject of your application;
 - (B) any other New Shares applied for by you under the SPP or issued to you under any similar arrangement operated by Sheffield in the 12 months before the application;
 - (C) any other New Shares which you have instructed a Custodian to acquire on your behalf under the SPP; and
 - (D) any other Shares issued to a Custodian in the 12 months before the application as a result of an instruction given by you to the Custodian or another custodian to apply for shares on your behalf under an arrangement similar to the SPP;
- (j) if you are a Custodian and are applying for New Shares on behalf of a Participating Beneficiary on whose behalf you hold Shares, acknowledge and agree that:
 - (i) you are a Custodian (as that term is defined in ASIC Class Order [CO 09/425]);
 - (ii) you held Shares on behalf of the Participating Beneficiary as at the Record Date who has instructed you to apply for New Shares on their behalf under the SPP and that that Participating Beneficiary has been given a copy of this Booklet;
 - (iii) you are not applying for New Shares on behalf of any Participating Beneficiary with an application price of more than A\$15,000 under the SPP;
 - (iv) your application will not be accepted unless you duly complete and submit a Custodian Certificate; and

- (v) the information in the Custodian Certificate submitted with your Application Form is true, correct and not misleading;
- (k) accept the risk associated with any refund that may be sent to you by direct credit to your nominated account or cheque to your address shown on Sheffield's register;
- (l) are responsible for any dishonour fees or other costs Sheffield may incur in presenting a cheque for payment which is dishonoured;
- (m) agree to be bound by the constitution of Sheffield (as amended and as it may be amended from time to time in the future);
- (n) acknowledge that you have not been provided with investment advice or financial product advice or taxation advice by Sheffield in relation to the SPP and that Sheffield has no obligation to provide this advice in relation to your consideration as to whether or not to purchase Shares;
- (o) acknowledge that Sheffield may at any time determine that your Application Form is valid, in accordance with the Terms and Conditions, even if the Application Form is incomplete, contains errors or is otherwise defective;
- (p) authorise Sheffield (and its officers or agents) to correct any minor or easily rectified errors in, or omissions from, your Application Form and to complete the Application Form by the insertion of any missing minor detail;
- (q) acknowledge that the market price of Sheffield shares may rise or fall between the date of this offer and the Issue Date and that the Issue Price you pay for the New Shares may exceed the market price of the Sheffield shares on the Issue Date;
- (r) declare that you are at least 18 years of age and have full legal capacity and power to perform all your rights and obligations under the Application Form;
- (s) authorise Sheffield to register you as the holder(s) of Shares issued to you; and
- (t) are deemed to have accepted the SPP offer and you irrevocably and unconditionally agree to these Terms and Conditions and the terms of the Application Form and agree not to do any act or thing which would be contrary to the spirit, intention or purpose of the SPP.

23. APPLICATIONS MAY BE SCALED BACK

- (a) Sheffield reserves the right to undertake a scale back of applications for New Shares to the extent and in the manner it sees fit in its absolute and sole discretion.
- (b) If there is a scale back you may be allocated New Shares to a value which is less than the parcel for which you applied for.
- (c) If a scale back produces a fractional number of New Shares when applied to the parcel of New Shares you applied for, the number of New Shares you will be allotted will be rounded down to the nearest whole number.
- (d) If there is a scale back, any difference between the application monies received from you, and the number of New Shares allotted to you multiplied by the Issue Price, will be refunded to you without interest.

- (e) Any application monies refunded by Sheffield under a scale back will be paid by cheque or direct credit (the payment method will be determined by Sheffield in its absolute discretion) in Australian currency, on or around Friday, 1 February 2019.
- (f) By applying for New Shares, each shareholder authorises Sheffield to pay any monies to be refunded by using the payment instructions of the shareholder recorded in Sheffield share registry's records, if Sheffield should elect to pay in this manner.

24. COMPLIANCE

The "Important Information" section of this Booklet, including the "International Offer Restrictions", form part of these Terms and Conditions.

25. DISPUTE RESOLUTION

- (a) Sheffield may make determinations in any manner it thinks fit, including in relation to any difficulties, anomalies or disputes which may arise in connection with or by reason of the operation of the SPP, whether generally or in relation to any participant or application.
- (b) Any determination by Sheffield will be conclusive and binding on all Eligible Shareholders and other persons to whom the determination relates.
- (c) Sheffield rights and powers under these Terms and Conditions may be exercised by the Board or any delegate or representative of the Board.

26. VARIATION AND TERMINATION

- (a) Sheffield reserves the right at any time to:
 - (i) waive strict compliance with any provision of these Terms and Conditions;
 - (ii) amend or vary these Terms and Conditions; and
 - (iii) withdraw the SPP or suspend or terminate the SPP;
 - (iv) vary the timetable for the SPP, including the Closing Date; and
 - (v) not accept an application, not issue New Shares or issue New Shares to a value less than that applied for under the SPP by an Eligible Shareholder (including a Custodian applying on behalf of one of its Participating Beneficiaries).
- (b) In the event that the SPP is withdrawn or terminated all application monies will be refunded. No interest will be paid on any money returned to you.
- (c) Any amendment, variation, suspension or termination of the SPP will be binding on all Eligible Shareholders even where Sheffield does not notify you of that event.

27. GOVERNING LAW

- (a) These Terms and Conditions are governed by the law in force in Western Australia.
- (b) Any dispute arising out of, or in connection with, these Terms and Conditions, or the SPP, will be determined by the courts of Western Australia.
- (c) By accepting this offer, you agree to submit to the non-exclusive jurisdiction of the courts of Western Australia.

- (d) Other terms and conditions, rights and obligations of New Shares are contained in the constitution of Sheffield.
- (e) The Terms and Conditions of the SPP prevail to the extent of any inconsistency with the Application Form.

Glossary

Applicant means an Eligible Retail Shareholder who has submitted a valid Application.

Application Form means the personalised form accompanying this Booklet to be used to make an application under the SPP in accordance with the instructions set out on that form.

ASIC means the Australian Securities & Investments Commission.

ASX means ASX Limited ACN 008 624 691 or the financial market operated by it on which Shares are quoted, as the context requires.

Booklet means this booklet in relation to the SPP, including the personalised Application Form accompanying this booklet.

Closing Date means 5:00pm (Sydney time) on Friday, 25 January 2019 (unless varied by Sheffield).

Corporations Act means the *Corporations Act 2001* (Cth).

Custodian has the meaning given in paragraph 14 of ASIC Class Order [CO 09/425].

Custodian Certificate means a certificate complying with paragraph 9 of ASIC Class Order [CO 09/425].

Eligible Shareholder means a person eligible to participate in the SPP under section 5 of the Terms and Conditions.

Issue Date means Friday, 1 February 2019 (or such other date as Sheffield determines, in its absolute discretion).

Issue Price means A\$0.65 being the price payable per New Share under the SPP.

New Shares means the fully paid ordinary shares in Sheffield offered under the SPP.

Participating Beneficiary means a person on whose behalf a Custodian (whether or not through one or more interposed "downstream custodians" within the definition in ASIC Class Order [CO 09/425]) is holding Shares as at the Record Date with a registered address in either Australia or New Zealand, and provided that such a beneficiary is not in the United States and is eligible under all applicable securities laws to receive an offer under the SPP.

Placement means the underwritten placement of Placement Shares to institutional, professional and sophisticated investors to raise approximately A\$16 million as announced on 10 December 2018.

Placement Shares means new fully paid, ordinary shares issued under the Placement.

Record Date means 7:00pm (Sydney time) on 7 December 2018.

Registry means Link Market Services Limited.

Share means a fully paid ordinary share in Sheffield.

Shareholder means a holder of a Share.

Sheffield or the **Company** means Sheffield Resources Limited ACN 125 811 083.

SPP means the share purchase plan offer made to Eligible Shareholders under this Booklet, as described in section 1 of the Terms and Conditions.

Terms and Conditions means the terms and conditions to the SPP set out in this Booklet.

US Securities Act means the United States Securities Act of 1933 (as amended).

Corporate Directory

SHEFFIELD RESOURCES LIMITED
ACN 125 811 083

REGISTERED OFFICE
Level 2, 41 – 47 Colin Street
West Perth WA 6005
Australia

REGISTRY
Link Market Services Limited
1A Homebush Bay Drive
Rhodes NSW 2138
Australia

WEBSITE
<http://www.sheffieldresources.com.au/>



SheffieldResources
LIMITED
ACN 125 811 083

All Registry communications to:
Link Market Services Limited
Locked Bag A14
Sydney South NSW 1235 Australia
Telephone: 1300 666 437
From outside Australia: +1300 666 437
ASX Code: SFX
Website: www.linkmarketservices.com.au

SRN/HIN:
Entitlement Number:
Record Date: Friday, 7 December 2018
Offer Opens: Friday, 14 December 2018

Offer Closes
5:00pm (Sydney time): Friday, 25 January 2019

SHARE PURCHASE PLAN ("SPP") APPLICATION FORM

How do I apply for Shares under this offer?

- Carefully read the SPP Terms and Conditions accompanying this form.
- Decide on the amount you wish to apply for.
- Pay for the Shares in accordance with the instructions outlined in the Terms and Conditions Booklet and further important instructions on the reverse of this form.
 - Option 1: Paying by BPAY®.
 - Option 2: Paying by Cheque, Bank Draft or Money Order.
- Payments must be in Australian dollars.

PAYMENT OPTIONS

Option 1: Paying by BPAY®

If paying by BPAY®, you do **NOT** need to complete or return an Acceptance Slip attached to this Application Form below. Payment must be received by the Registry by BPAY® by 5:00pm (Sydney time) on Friday, 25 January 2019. By paying by BPAY®, you will be deemed to have completed an Application Form for the number of Shares the subject of your Application Payment.

If you make a payment by BPAY® and Sheffield Resources Limited receives an amount which is not equal to either \$2,000, \$5,000, \$10,000 or \$15,000, Sheffield Resources Limited may round down the dollar amount of Shares that you are applying for to the next lowest parcel at their discretion. Your payment must be for a minimum of A\$2,000.

	Biller Code: 43448
	Ref:

Telephone & Internet Banking – BPAY®

Contact your bank or financial institution to make this payment from your cheque, savings, debit or transaction account. More info: www.bpay.com.au
® Registered to BPAY Pty Ltd ABN 69 079 137 518

Option 2: Paying by Cheque, Bank Draft or Money Order

If paying by cheque, bank draft or money order, complete and return the Acceptance Slip attached to this Application Form with your Application Payment.

A. Tick one box beside the amount you wish to apply for, either \$2,000, \$5,000, \$10,000 or \$15,000.

B. Enter your cheque, bank draft or money order details. The amount of your Application Payment should be equal to the amount applied for in section A of the Acceptance Slip. Cheques, bank drafts or money orders must be drawn on an Australian branch of a financial institution in Australian currency, made payable to "Sheffield Resources Limited" and crossed "Not Negotiable". Please ensure sufficient cleared funds are held in your account, as your cheque will be banked as soon as it is received. If you provide a cheque, bank draft or money order for an amount that is not equal to either \$2,000, \$5,000, \$10,000 or \$15,000, Sheffield Resources Limited may round down the dollar amount of Shares that you are applying for to the next lowest parcel at their discretion. Your payment must be for a minimum of A\$2,000.

C. Enter your contact telephone numbers at which we may contact you regarding your application for Shares, if necessary.

THIS IS A PERSONALISED FORM FOR THE SOLE USE OF THE SHAREHOLDER AND HOLDINGS RECORDED ABOVE.

Please detach and enclose with payment



ACN 125 811 083

A I/we wish to purchase a parcel of Shares to the dollar amount of (tick one box only):

<input type="checkbox"/> A\$2,000.00	<input type="checkbox"/> OR	<input type="checkbox"/> A\$5,000.00	<input type="checkbox"/> OR	<input type="checkbox"/> A\$10,000.00	<input type="checkbox"/> OR	<input type="checkbox"/> A\$15,000.00
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B Make your cheque, bank draft or money order payable to "Sheffield Resources Limited" and crossed "Not Negotiable"

Drawer	Cheque Number	BSB Number	Account Number	Amount of Cheque
<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	A\$ <input type="text"/> .00

C Telephone Number – Business Hours Telephone Number – After Hours Contact Name

<input type="text"/>	<input type="text"/>	<input type="text"/>
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SRN/HIN:
Entitlement Number:

IMPORTANT INFORMATION

1. This is an important document which requires your immediate attention. If you are in any doubt as to how to deal with this Application Form, please consult a professional adviser.
2. If you do not wish to purchase additional Shares under this SPP, there is no need to take action.
3. Please ensure you have read and understood the SPP Terms and Conditions and this Important Information, before you make the Application Payment by BPAY® or you submit your Acceptance Slip with your Application Payment.
4. This SPP is non-renounceable. Applications can only be accepted in the name printed on the Application Form.
5. If you are a custodian, trustee or nominee within the definition of "custodian" in ASIC Class Order [CO 09/425] you must complete and submit an additional Schedule that contains additional certifications and details that must be provided ("the Schedule") before your Application will be received. The Schedule can be obtained by contacting the Sheffield Resources Limited SPP Offer Information Line. Applications received by custodians that are not accompanied by the Schedule will be rejected.
6. For applicants that are not required to complete the Schedule, by submitting the Acceptance Slip (with a cheque, bank draft or money order) or making payment by BPAY®, you certify that the aggregate of the Application Payment paid by you for:
 - the parcel of New Shares indicated on this Application Form or BPAY® payment; and
 - any other Shares applied for by you, to which you have instructed a Custodian to acquire on your behalf under the SPP or any other similar arrangement in the 12 months prior to the date of submission of the Acceptance Slip or payment by BPAY® does not exceed A\$15,000.
7. Sheffield Resources Limited reserves the right to make amendments to this Application Form where appropriate.
8. Applicants are not assured of receiving the Shares for which they have applied as Sheffield Resources Limited may scaleback applications in its discretion.

SAMPLE

How to Lodge your Acceptance Slip and Application Payment

A reply paid envelope is enclosed for you to return your Acceptance Slip and Application Payment. No postage stamp is required if it is posted in Australia.

Acceptance Slip and the payment for New Shares must be received by the Registry no later than the closing date shown overleaf. If paying by BPAY® you do not need to complete or return the Application Form. You should check the processing cut off-time for BPAY® transactions with your bank, credit union or building society to ensure your payment will be received by the Registry by the close of the offer.

Mailing Address

Sheffield Resources Limited
C/- Link Market Services Limited
GPO Box 3560
Sydney NSW 2001

or

Hand Delivery

Sheffield Resources Limited
C/- Link Market Services Limited
1A Homebush Bay Drive
Rhodes NSW 2138 **(Please do not use this address for mailing purposes)**

Make sure you send your Acceptance Slip and Application Payment allowing enough time for mail delivery, so Link Market Services Limited receives them no later than 5:00pm (Sydney time) on Friday, 25 January 2019. Please ensure sufficient cleared funds are held in your account, as your cheque will be banked as soon as it is received. Sheffield Resources Limited reserves the right not to process any Acceptance Slips and Application Payments received after the Closing Date.

If you require information on how to complete this Acceptance Slip please contact the Sheffield Resources Limited SPP Offer Information Line on 1300 666 437 if calling within Australia or +61 1300 666 437 if calling from outside of Australia.