

SHEFFIELD TO RAISE UP TO \$7M TO UNDERTAKE THUNDERBIRD BANKABLE FEASIBILITY STUDY

Mineral Sands developer Sheffield Resources Limited (“Sheffield” “the Company”) (ASX:SFX) is pleased to advise that it has resolved to raise up to \$5.0 million through a placement of up to 11.4 million shares at an issue price of 44 cents per share to domestic and international institutional, sophisticated and professional investors (“the Placement”).

In addition to the Placement, the Board of Sheffield Resources has also resolved to offer eligible shareholders the opportunity to participate in a Share Purchase Plan (“SPP”) to raise up to \$2 million, however the Company reserves the right to raise over subscriptions (see **Share Purchase Plan Details** below).

The Placement follows the Thunderbird Pre-feasibility Study results, released on 14 October 2015, which confirms Thunderbird as the world’s best undeveloped minerals sands project.

Hartleys Limited, Sheffield’s corporate advisor, is Broker to the Offer.

The funds raised pursuant to Placement will be used to undertake a high quality Bankable Feasibility Study at Thunderbird, to accelerate offtake and financing negotiations, to undertake regional exploration at the Dampier Mineral Sands project and the Red Bull Nickel project (Fraser Range) and for general working capital purposes.

Sheffield’s Managing Director Bruce McFadzean commented, “This successful capital raising ensures Sheffield will have a strong balance sheet to deliver on very significant upcoming milestones on the way to finalising the Bankable Feasibility Study in late 2016.”

“This exciting phase has commenced and will include a number of catalysts including permitting, grant of the mining lease, a maiden reserve for the Thunderbird deposit and key offtake and financing negotiations.

“Thunderbird is a long life, high margin, zircon-rich asset of strategic importance in the global mineral sands industry and of State significance in Western Australia”.

Subject to shareholder approval, Sheffield’s directors collectively have committed to contribute \$167,640 in the Placement. Resolutions to approve directors participating in the Placement will be put to shareholders at an upcoming general meeting.

The Placement (except for director’s participation) is not subject to shareholder approval and will be completed pursuant to the Company’s 15% capacity under ASX Listing Rule 7.1.

Share Purchase Plan Details

In order to provide all eligible Shareholders of the Company with the ability to participate in this capital raising, the Company is undertaking a Share Purchase Plan (“SPP”). Under the SPP, the Company is giving Eligible Shareholders the opportunity to purchase up to \$15,000 worth of fully paid ordinary shares in the Company at an issue price of \$0.44 per share. Eligible Shareholders will receive further information in relation to the Share Purchase Plan shortly.

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ABOUT SHEFFIELD RESOURCES

Sheffield Resources Limited (Sheffield) is focused on developing its 100% owned, world class Thunderbird Mineral Sands Project, located near Derby in Western Australia.

Post Placement:

ASX Code:	SFX	Market Cap @ 46cps:	\$69.1m*
Issued shares:	150.3m*	Cash:	\$10.2m*

*Assumes settlement of \$5m placement (including director participation which is subject to shareholder approval) and \$2m SPP as announced 26 Nov 2015

THUNDERBIRD MINERAL SANDS

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

The deposit is rich in zircon, which sets it apart from many of the world's operating and undeveloped mineral sands projects which are dominated by lower value ilmenite.

Sheffield's Pre-feasibility study shows Thunderbird is a modest capex project that generates strong cash margins from globally significant levels of production over a 40 year mine life.

The Company is targeting project construction commencing 2017 and initial production in 2019. The initial planned production profile is aligned with expected emerging supply gaps in global mineral sands markets.

NICKEL-COPPER

Sheffield has over 1,900km² of 100% owned tenure in the Fraser Range region of Western Australia, including the Red Bull project which is within 20km of the Nova Ni-Cu deposit. The Company is exploring the region for magmatic nickel deposits similar to Nova.