
SHEFFIELD RESOURCES LIMITED
ACN 125 811 083
NOTICE OF ANNUAL GENERAL MEETING

TIME: 2.30pm (WST)
DATE: Thursday, 29 November 2018
PLACE: The Celtic Club
48 Ord Street
West Perth WA 6005

This Notice of Meeting should be read in its entirety. If Shareholders are in doubt as to how they should vote, they should seek advice from their accountant, solicitor or other professional adviser prior to voting.

Should you wish to discuss the matters in this Notice of Meeting please do not hesitate to contact the Company Secretary on +61 8 6555 8777.

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IMPORTANT INFORMATION

Time and place of Meeting

Notice is given that a meeting of the Shareholders will be held at 2.30pm (WST) on Thursday, 29 November 2018 at The Celtic Club, 48 Ord Street, West Perth WA 6005.

Your vote is important

The business of the Meeting affects your shareholding and your vote is important.

Voting eligibility

The Directors have determined that pursuant to Regulation 7.11.37 of the *Corporations Regulations 2001* (Cth) that the persons eligible to vote at the Meeting are those persons who are registered Shareholders at 7.00 pm (Sydney time) on 27 November 2018.

Voting in person

To vote in person, attend the Meeting at the time, date and place set out above.

Voting by proxy

To vote by proxy, please complete and sign the enclosed Proxy Form and return the Proxy Form by the time and in accordance with the instructions set out on that form.

In accordance with section 249L of the Corporations Act, Shareholders are advised that:

- each Shareholder that is entitled to vote at the Meeting has a right to appoint a proxy to attend and vote at the Meeting;
- the proxy need not be a Shareholder of the Company and can be an individual or a body corporate; and
- a Shareholder who is entitled to cast two or more votes may appoint two proxies and may specify the proportion or number of votes each proxy is appointed to exercise. If the member appoints two proxies and the appointment does not specify the proportion or number of the member's votes, then in accordance with section 249X of the Corporations Act, each proxy may exercise one-half of the votes.

Sections 250BB and 250BC of the Corporations Act also apply to voting by proxy. Members and their proxies should be aware of these provisions of the Corporations Act. Generally, these sections provide that:

- if proxy holders vote, they must cast all directed proxies as directed; and

- any directed proxies which are not voted will automatically default to the Chairman, who must vote the proxies as directed.

Further details on sections 250BB and 250BC of the Corporations Act are set out below.

Proxy vote if appointment specifies way to vote

Section 250BB(1) of the Corporations Act provides that an appointment of a proxy may specify the way the proxy is to vote on a particular resolution and, if it does:

- the proxy need not vote on a show of hands, but if the proxy does so, the proxy must vote that way (i.e. as directed); and
- if the proxy has 2 or more appointments that specify different ways to vote on the resolution, the proxy must not vote on a show of hands; and
- if the proxy is the chair of the meeting at which the resolution is voted on, the proxy must vote on a poll, and must vote that way (ie as directed); and
- if the proxy is not the chair, the proxy need not vote on the poll, but if the proxy does so, the proxy must vote that way (ie as directed).

Transfer of non-chair proxy to chair in certain circumstances

Section 250BC of the Corporations Act provides that, if:

- an appointment of a proxy specifies the way the proxy is to vote on a particular resolution at a meeting of the Company's members; and
- the appointed proxy is not the chair of the meeting; and
- at the meeting, a poll is duly demanded on the resolution; and
- either of the following applies:
 - the proxy is not recorded as attending the meeting; or
 - the proxy does not vote on the resolution,

the chair of the meeting is taken, before voting on the resolution closes, to have been appointed as the proxy for the purposes of voting on the resolution at the meeting.

Proxies on Resolutions 1, 3, 4 and 5

If you appoint the Chairman as your proxy (or the Chairman is appointed by default) and you do not complete any of the boxes "For", "Against" or "Abstain" opposite Resolutions 1, 3, 4 and 5 on the Proxy Form, you will be expressly authorising the Chairman to vote on the relevant Resolution in accordance with the Chairman's stated voting intention, even though the Resolution is connected directly or indirectly with remuneration of a member of KMP. The Chairman intends to vote (where appropriately authorised) all available undirected proxies in favour of all Resolutions.

If you appoint the Chairman as your proxy and wish to direct him how to vote, you can do so by marking the boxes for the relevant Resolution (ie by directing him to vote "For", "Against" or "Abstain").

If you appoint a member of KMP (other than the Chairman), any closely related party of a member of KMP as your proxy or, in the case of Resolution 5 only, any Relevant Executive, you must direct that person how to vote on Resolutions 1, 3, 4 and 5 if you want your Shares to be voted on those Resolutions. If you appoint a member of KMP, any closely related party of a member of KMP or, in the case of Resolution 5 only, any Relevant Executive, and you do not direct them how to vote on Resolutions 1, 3, 4 and 5, such a person will not cast your votes on the relevant Resolution and your votes will not be counted in calculating the required majority if a poll is called on that Resolution.

Lodgement of proxy documents

For an appointment of a proxy for the Meeting to be effective:

- the proxy's appointment; and
- if the appointment is signed by the appointor's attorney – the authority under which the appointment was signed (eg a power of attorney) or a certified copy of it,

must be received by the Company at least 48 hours before the start of the Meeting (ie by 2.30 pm on 27 November 2018). Proxy appointments received after this time will be invalid for the Meeting.

The following methods are specified for the purposes of receipt of proxies:

By Post

Sheffield Resources Limited
C/- Link Market Services Limited
Locked Bag A14
Sydney South NSW 1235
Australia

Online

www.linkmarketservices.com.au.

Select 'Investor Login' and enter Sheffield Resources Limited or the ASX code (SFX) in the Issuer name field, your Security Reference Number (SRN) or Holder Identification Number (HIN) (which is shown on the front of your proxy form), postcode and security code which is shown on the screen and click 'Login'. Select the 'Voting' tab and then follow the prompts. You will be taken to have signed your Proxy Form if you lodge it in accordance with the instructions given on the website.

In Person

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

By Facsimile

(within Australia) (02) 9287 0309
(outside Australia) (+612) 9287 0309

Bodies corporate

A body corporate, which is a Shareholder, may appoint an individual as its representative to exercise any of the powers the body may exercise at meetings of a company's members. The appointment must comply with section 250D of the Corporations Act. The appointment may be a standing one. Unless the appointment states otherwise, the representative may exercise all of the powers that the appointing body could exercise at a meeting or in voting on a resolution. The representative should bring to the Meeting evidence of his or her appointment, including any authority under which the appointment is signed, unless it has previously been given to the Company.

Shareholders can download and fill out the 'Appointment of Corporate Representation' form from Link Market Services Limited's website – www.linkmarketservices.com.au. Hover over 'Resources' Select the Investor Services tab and click on 'Forms' and then select 'Holding Management'.

DEFINED TERMS

Capitalised terms in this Notice of Meeting and Explanatory Statement are defined either in the "Glossary" Section.

BUSINESS OF THE MEETING

AGENDA

1. FINANCIAL STATEMENTS AND REPORTS

To receive and consider the annual financial report of the Company for the financial year ended 30 June 2018 together with the declaration of the directors, the director's report, the remuneration report and the auditor's report.

Note: There is no requirement for Shareholders to approve these reports.

2. RESOLUTION 1 – ADOPTION OF REMUNERATION REPORT

To consider and, if thought fit, to pass, with or without amendment, the following resolution as a **non-binding resolution**:

"That, for the purposes of section 250R(2) of the Corporations Act and for all other purposes, the Remuneration Report as contained in the Company's annual financial report for the financial year ended 30 June 2018 be adopted."

Note: The vote on this Resolution is advisory only and does not bind the Directors or the Company.

Voting prohibition statement

The Company will disregard any votes cast on Resolution 1 in any capacity by or on behalf of either:

- (a) a member of KMP of the Company, details of whose remuneration are included in the Remuneration Report; or
- (b) a closely related party of such a member,

unless it is cast by:

- (c) a person as a proxy for a person entitled to vote on Resolution 1 appointed by writing that specifies the way the proxy is to vote on Resolution 1; or
- (d) the Chairman of the Meeting as proxy for a person entitled to vote of Resolution 1 and the proxy appointment:
 - (i) does not specify the way the proxy is to vote on Resolution 1; and
 - (ii) expressly authorises the Chairman to exercise the proxy even though Resolution 1 is connected directly or indirectly with the remuneration of a member of the KMP.

3. RESOLUTION 2 – RE-ELECTION OF DIRECTOR – WILLIAM BURBURY

To consider and, if thought fit, to pass, with or without amendment, the following resolution as an **ordinary resolution**:

"That William Burbury, who retires as a Director in accordance with clause 13.2 of the Constitution and ASX Listing Rule 14.4, and being eligible for re-election, be re-elected as a Director."

4. RESOLUTION 3 – GRANT OF PERFORMANCE RIGHTS TO BRUCE MCFADZEAN

To consider and, if thought fit, to pass, with or without amendment, the following resolution as an **ordinary resolution**:

“That, for the purposes of sections 200B and 200E of the Corporations Act, ASX Listing Rule 10.14 and for all other purposes, Shareholders approve the grant of 2,060,701 Performance Rights to Bruce McFadzean (or his nominee) and the acquisition of Shares by Mr McFadzean upon the vesting and exercise of any such Performance Rights, in accordance with the Sheffield Resources Limited Incentive Performance Rights Plan and otherwise in accordance with the terms and conditions summarised in the Explanatory Statement.”

Voting prohibition and exclusion statement

The Company will disregard any votes cast:

- (a) on Resolution 3, in any capacity, by or on behalf of Mr McFadzean and his associates;
- (b) in favour of Resolution 3, in any capacity, by or on behalf of:
 - (i) Mr Archer and any other Director who is eligible to participate in the Sheffield Resources Limited Incentive Performance Rights Plan; or
 - (ii) their respective associates; or
- (c) on Resolution 3, as a proxy, by:
 - (i) a member of KMP; or
 - (ii) closely related parties of those persons,

unless it is cast by:

- (d) a person as proxy for a person entitled to vote on Resolution 3 appointed by writing that specifies the way the proxy is to vote on Resolution 3; or
- (e) by the Chairman of the Meeting as proxy for a person who is entitled to Resolution 3 and the proxy appointment:
 - (i) does not specify the way the proxy is to vote on Resolution 3; and
 - (ii) expressly authorises the Chairman to exercise the proxy even though Resolution 3 is connected directly or indirectly with the remuneration of a member of KMP.

5. RESOLUTION 4 – GRANT OF PERFORMANCE RIGHTS TO DAVID ARCHER

To consider and, if thought fit, to pass, with or without amendment, the following resolution as an **ordinary resolution**:

“That, for the purposes of sections 200B and 200E of the Corporations Act, ASX Listing Rule 10.14 and for all other purposes, Shareholders approve the grant of 1,066,189 Performance Rights to David Archer (or his nominee) and the acquisition of Shares by Mr Archer upon the vesting and exercise of any such Performance Rights, in accordance with the Sheffield Resources Limited Incentive Performance Rights Plan and otherwise in accordance with the terms and conditions summarised in the Explanatory Statement.”

Voting prohibition and exclusion statement

The Company will disregard any votes cast:

- (a) on Resolution 4, in any capacity, by or on behalf of Mr Archer and his associates;
- (b) in favour of Resolution 4, in any capacity, by or on behalf of:
 - (i) Mr McFadzean and any other Director who is eligible to participate in the Sheffield Resources Limited Incentive Performance Rights Plan; or

- (c)
 - (ii) their respective associates; oron Resolution 4, as a proxy, by:
 - (i) a member of KMP; or
 - (ii) closely related parties of those persons,

unless it is cast by:

- (d) a person as proxy for a person entitled to vote on Resolution 4 appointed by writing that specifies the way the proxy is to vote on Resolution 4; or
- (e) by the Chairman of the Meeting as proxy for a person who is entitled to Resolution 4 and the proxy appointment:
 - (i) does not specify the way the proxy is to vote on Resolution 4; and
 - (ii) expressly authorises the Chairman to exercise the proxy even though Resolution 4 is connected directly or indirectly with the remuneration of a member of KMP.

6. RESOLUTION 5 – APPROVAL FOR THE PURPOSES OF SECTIONS 200B AND 200E OF THE CORPORATIONS ACT FOR THE GIVING OF CERTAIN BENEFITS TO RELEVANT EXECUTIVES

To consider and, if thought fit, to pass, with or without amendments, the following resolution as an **ordinary resolution**:

“That, for the purposes of sections 200B and 200E of the Corporations Act, and for all other purposes, approval is given for the Company to give any of the termination benefits described in the Explanatory Statement to each Relevant Executive under the Sheffield Resources Limited Incentive Performance Rights Plan and otherwise in accordance with the terms and conditions set out in the Explanatory Statement.”

Voting prohibition statement

The Company will disregard any votes cast on Resolution 5:

- (a) in any capacity, by or on behalf of:
 - (i) the Relevant Executives; or
 - (ii) their respective associates; or
- (b) as a proxy, by:
 - (i) a member of KMP; or
 - (ii) closely related parties of those persons,

unless it is cast by:

- (c) a person as proxy for a person entitled to vote on Resolution 5 appointed by writing that specifies the way the proxy is to vote on Resolution 5; or
- (d) by the Chairman of the Meeting as proxy for a person who is entitled to vote on Resolution 5 and the proxy appointment:
 - (i) does not specify the way the proxy is to vote on Resolution 5; and
 - (ii) expressly authorises the Chairman to exercise the proxy even though Resolution 5 is connected directly or indirectly with the remuneration of a member of KMP.

7. RESOLUTION 6 – APPROVAL OF 10% PLACEMENT CAPACITY

Subject to the Company being an Eligible Entity as at the date of the Meeting, to consider and, if thought fit, to pass, with or without amendment, the following resolution as a **special resolution**:

“That, for the purposes of ASX Listing Rule 7.1A and for all other purposes, approval is given for the issue of equity securities totalling up to 10% of the

issued capital of the Company at the time of issue, calculated in accordance with the formula prescribed in ASX Listing Rule 7.1A.2 and otherwise on the terms and conditions set out in the Explanatory Statement."

Voting prohibition statement

The Company will disregard any votes cast in favour of Resolution 6 by or on behalf of:

- (a) any person who is expected to participate in the issue of equity securities under this Resolution, or who will obtain a material benefit as a result if the Resolution is passed (except a benefit solely by reason of being a holder of ordinary securities in the Company); and
 - (b) their respective associates,
- unless it is cast by:
- (c) a person as proxy for a person entitled to vote on Resolution 6 in accordance with the directions on the proxy form; or
 - (d) the Chairman of the Meeting as proxy for a person who is entitled to vote on Resolution 6, in accordance with a direction on the proxy form to vote as the proxy decides.]

8. RESOLUTION 7 – RENEWAL OF PROPORTIONAL TAKEOVER PROVISIONS IN THE CONSTITUTION

To consider and, if thought fit, to pass, with or without amendment, the following resolution as a **special resolution**:

"That, for the purpose of section 648G of the Corporations Act, clause 36 of the Constitution and for all other purposes, approval is given for the Company to modify its existing Constitution by renewing clause 36 for a period of 3 years from the date of the Meeting."

Dated: 26 October 2018

By order of the Board



**BRUCE MCFADZEAN
MANAGING DIRECTOR**

EXPLANATORY STATEMENT

This Explanatory Statement provides information about the items of business to be considered at the Meeting.

This Explanatory Statement should be read in conjunction with the Notice of Meeting and Proxy Form.

9. FINANCIAL STATEMENTS AND REPORTS

In accordance with the Constitution, the business of the Meeting will include receipt and consideration of the annual financial report of the Company for the financial year ended 30 June 2018 together with the declaration of the directors, the directors' report (which includes the remuneration report) and the auditor's report.

There is no requirement for members to approve these reports. However, the Chairman will allow a reasonable opportunity for members to ask questions or make comments about those reports and the management of the Company. Members will also be given a reasonable opportunity to ask the Company's auditor questions about the conduct of the audit and the preparation and content of the auditor's report.

In addition to taking questions at the Annual General Meeting, written questions to the Chairman about the management of the Company, or to the Company's auditor about the:

- (a) preparation and content of the auditor's report;
 - (b) conduct of the audit;
 - (c) accounting policies adopted by the Company in relation to the preparation of the financial statements; and
 - (d) independence of the auditor in relation to the conduct of the audit,
- may be submitted no later than five business days before the date of the Annual General Meeting to the Company Secretary (that is, by 5.00pm (Perth time) on 22 November 2018).

The Company will not provide a hard copy of the Company's 2018 Annual Report to Shareholders unless specifically requested to do so. The Company's 2018 Annual Report is available on its website at <http://www.sheffieldresources.com.au/>.

10. RESOLUTION 1 – ADOPTION OF REMUNERATION REPORT

10.1 General

Pursuant to the Corporations Act, the Directors have included a remuneration report in their Directors' report for the year ended 30 June 2018 (**Remuneration Report**). The Remuneration Report that forms part of the Directors' report for the year ended 30 June 2018 is set out in the Company's 2018 Annual Report. Shareholders can view the annual financial report on the Company's website at <http://www.sheffieldresources.com.au/>.

The Corporations Act requires that at a listed company's annual general meeting, a resolution that the remuneration report be adopted must be put to shareholders at that meeting. However, such a resolution is advisory only and does not bind

the relevant company or its directors. The Company has put Resolution 1 to a vote to satisfy such requirements.

Of itself, a failure of members to vote in favour of Resolution 1 will not require the Directors to alter any of the arrangements contemplated by the Remuneration Report, but the Board will take the outcome of the vote very seriously when considering the Company's future remuneration policy. However, the Corporations Act requires that, if a company's remuneration report receives an "against" vote of 25% or more at two consecutive annual general meetings, a resolution must be put at the later of the two annual general meetings that another meeting be held (within 90 days) at which all Directors (other than the Managing Director) who were in office at the date of that resolution must stand for re-election. In summary, members will be entitled to vote on whether a general meeting to re-elect the Board should be held if the Remuneration Report receives "two strikes".

By way of summary, the Remuneration Report:

- explains the Company's remuneration policy and the process for determining the remuneration of the Directors and executive officers;
- addresses the relationship between the Company's remuneration policy and the Company's performance; and
- sets out remuneration details for each Director and each of the Company's executives and group executives named in the Remuneration Report for the financial year ended 30 June 2018.

The Company's Remuneration Report did not receive an "against" vote of 25% or more at the Company's previous annual general meeting held on 22 November 2017.

There will be a reasonable opportunity for members to comment on and ask questions about the Remuneration Report at the Meeting.

If you choose to appoint a proxy for the Meeting, you are encouraged to direct your proxy how to vote on Resolution 1 by marking either "For", "Against" or "Abstain" on the Proxy Form.

11. RESOLUTION 2 – RE-ELECTION OF DIRECTOR – WILLIAM BURBURY

11.1 General

ASX Listing Rule 14.4 provides that, other than a managing director, a director of an entity must not hold office (without re-election) past the third AGM following the director's appointment or 3 years, whichever is the longer. However, where there is more than one managing director, only one is entitled not to be subject to re-election.

Clause 13.2 Constitution sets out the requirements for determining which Directors are to retire by rotation at an annual general meeting.

In accordance with clause 13.2 of the Constitution, Mr William Burbury, who has served as a Director since 6 June 2007 and was last-re-elected on 27 November 2015, retires by rotation at the Meeting and, being eligible, seeks re-election.

Qualifications and material directorships

Mr Burbury practised as a corporate lawyer with a leading Australian law firm prior to entering the mining and exploration industry in 2003. During his career, he has been actively involved in the identification and financing of many Australian and African resources projects. He has held senior management positions and served on the boards of several private and listed public companies. Mr Burbury is currently Non-Executive Chairman of Carawine Resources Limited (ASX: CWX) and was Chairman of Warwick Resources Limited prior to its merger with Atlas Iron Limited in 2009. He was also a director of Lonrho Mining Limited (ASX: LOM) and an executive of Nkwe Platinum Ltd (ASX: NKP). He is a founding Director of the Company and has served as Executive Chairman from 2010 to November 2015 and Non-Executive Chairman since November 2015.

Independence

The Board does not consider that Mr Burbury is an independent director, due to Mr Burbury holding an Executive position with the Company in the last three years.

11.2 Board recommendation on Resolution 2

The Directors (other than Mr Burbury, whose re-election is the subject of Resolution 2) are of the view that the Board has greatly benefited and will continue to benefit from the skills, knowledge, experience and stewardship that Mr Burbury brings to the Company and recommends that Shareholders vote in favour of Resolution 2.

12. RESOLUTIONS 3 AND 4 – APPROVAL OF GRANT OF PERFORMANCE RIGHTS TO BRUCE MCFADZEAN AND DAVID ARCHER

Shareholder approval is sought for the grant of:

- (a) 2,060,701 Performance Rights to Mr McFadzean (and the acquisition of Shares by Mr McFadzean upon the vesting and exercise of any such Performance Rights) (the subject of Resolution 3); and
- (b) 1,066,189 Performance Rights to Mr Archer (and the acquisition of Shares by Mr Archer upon the vesting and exercise of any such Performance Rights) (the subject of Resolution 4),

under the Sheffield Resources Limited Incentive Performance Rights Plan (the **Plan**) which was approved by shareholders at the Company's 2017 annual general meeting.

12.1 Purpose of the Plan and aim of the grant of Performance Rights

The purpose of the Plan is to:

- (a) assist in the reward, retention and motivation of those persons who are eligible to be granted Performance Rights under the Plan (each such person being an **Eligible Participant**);
- (b) link the reward of Eligible Participants to performance and the creation of Shareholder value;
- (c) align the interests of Eligible Participants more closely with the interests of Shareholders by providing an opportunity for Eligible Participants to receive Shares;

- (d) provide Eligible Participants with the opportunity to share in any future growth in value of the Company; and
- (e) provide greater incentive for Eligible Participants to focus on the Company's longer term goals.

The primary aim of the proposed grant of Performance Rights to the relevant Eligible Participants (including Mr McFadzean and Mr Archer) for the 2019 financial year is to incentivise and retain those Eligible Participants for a minimum of a 4-year period so that they can lead the Thunderbird project from permitting, funding, through construction, commissioning and into production.

A summary of the terms and conditions of the Plan was set out in Schedule 1 of the Company's 2017 notice of annual general meeting. The specific Performance Hurdles (as defined below) that will apply to the Performance Rights to be granted to Mr Archer and Mr McFadzean are described below.

12.2 Performance Rights and applicable Performance Hurdles

A Performance Right as provided for by the Plan, is a right to be issued or transferred a Share upon and subject to the terms of the Plan and the terms of any applicable offer to an Eligible Participant, which may be subject to Vesting Conditions that include meeting any specified performance hurdles (**Performance Hurdles**).

The Performance Rights that are proposed to be granted to Mr McFadzean and Mr Archer and which are the subject of Resolutions 3 and 4 will have a nil exercise price and an expiry date of 1 December 2025 (unless they lapse earlier). The Board has further determined that the Performance Hurdles described below will apply to the grants of Performance Rights to Mr McFadzean and Mr Archer:

- (a) 80% of the Performance Rights will be subject to an absolute total shareholder return hurdle, which ranks the total shareholder return (**TSR**) against certain TSR targets¹ as at 30 November 2020 or 30 November 2022 (as applicable) (**ATSR Performance Hurdle**).

The performance period for half of the Performance Rights subject to the ATSR Performance hurdle will be 31 August 2018 to 30 November 2020 (**Tranche 1 ATSR Performance Rights**). The performance period for the other half will be 30 November 2020 to 30 November 2022 (**Tranche 2 ATSR Performance Rights**).

- (b) 20% of the Performance Rights will be subject to achievement of the Company's specific sustainability performance targets as at 30 November 2022 (**Sustainability Performance Hurdle**).

ATSR Performance Hurdle

Broadly, TSR measures the return received by shareholders from holding shares in a company over a particular period. TSR is calculated by taking into account the growth in a company's share price over the period as well as the capital returns and dividends received during that period.

¹ As set out in the Absolute Total Shareholder Return table below.

Absolute Total Shareholder Return (**ATSR**) refers to the setting of threshold, target and stretch levels of TSR for the Company at the beginning of the performance period. Thus they are determined in advance having regard to expectations of the Company's performance.

The Tranche 1 ATSR Performance Rights will be calculated by reference to the 30-day VWAP for the period ended 31 August 2018. The Tranche 2 ATSR Performance Rights will be calculated by reference to the 30-day VWAP for the period ending 30 November 2020. The Board may, in its absolute discretion, set a different reference price for the Tranche 2 ATSR Performance Rights where it could potentially be unfair or unjust to the relevant Eligible Participant or Sheffield (having regard to, among other things, the objectives of the Plan and the performance of the relevant Eligible Participant and Sheffield) or where it would otherwise be inconsistent with the objectives of the Plan or the best interests of Sheffield. In both cases, adjustments will be made for any capital returns and dividends during the applicable performance period.

To the extent that the Performance Hurdles are not satisfied by the applicable testing dates, the Performance Rights will automatically lapse.

The proportion of the Tranche 1 ATSR Performance Rights and Tranche 2 ATSR Performance Rights that will vest will be determined on the basis of the following scale.

Absolute Total Shareholder Return – TRANCHE 1 and TRANCHE 2				
Weighting	Measure*	ATSR (%)	Performance Rights vested (%)	Performance Period
Tranche 1: 50%	Tranche 1: Increase in Sheffield share price between 31.08.2018 and 30.11.2020	Less than 16%	0%	Tranche 1: 31.08.2018 to 30.11.2020
		16% (Lower Threshold)	25%	
Tranche 2: 50%	Tranche 2: Increase in Sheffield share price between 30.11.2020 ² and 30.11.2022	Between 16% to 26% (being the Upper Threshold)	Pro rata between 25% and 50%	Tranche 2: 30.11.2020 to 30.11.2022
		Between 26% to 40% (being the Target)	Pro rata between 50% and 75%	
		Between 40% to 50% (being the Stretch)	Pro rata between 75% and 100%	
		50% or above	100%	

*Adjustments will be made for any capital returns and dividends during the applicable performance period. The percentage increase will be determined by reference to the 30-day VWAP up to the applicable start date for the performance period (unless, in the case of the Tranche 2 ATSR Performance Rights, the Board determines otherwise in the circumstances set out in paragraph 12.2 above).

² Unless the starting price for the ATSR Performance Hurdle for Tranche 2 is amended by exercise of Board discretion as set out in paragraph 12.2.

Sustainability Performance Hurdle

The Sustainability Performance Hurdle will comprise three separate hurdles. The weighting as between each of these hurdles will be as determined by the Board.

For two of the hurdles, the specific Thresholds and Targets against which those hurdles will be measured will relate to the make-up of the Company's employee base for the Thunderbird Project (the **Employment Hurdles**). The Thresholds and Targets will be measured as at the end of calendar Years 1 and 2 after the Thunderbird Project is in operation.

The other hurdle will be the development of an executive succession plan for key management personnel by 1 March 2019 and the implementation of such plan until 30 November 2022 (the **Succession Plan Hurdle**).

For the Performance Rights subject to the Employment Hurdles:

- (a) 50% of those Performance Rights will vest if relevant Threshold is achieved;
- (b) 100% of those Performance Rights will vest if relevant Target is achieved;
- (c) pro rata vesting of those Performance Rights will occur for achievements between the relevant Threshold and Target; and
- (d) none of those Performance Rights will vest if the relevant Threshold is not achieved;

For the Performance Rights subject to the Succession Plan Hurdle:

- (e) 100% of those Performance Rights will vest if the Succession Plan Hurdle is achieved; and
- (f) None of those Performance Rights will vest if the Succession Plan Hurdle is not achieved.

the Performance Period for both the Employment Hurdles and the Succession Plan Hurdle is until 30 November 2022, but it being noted that the Thresholds and Targets for the Employment Hurdles will be measured as at the end of calendar Years 1 and 2 after the Thunderbird Project is in operation.

12.3 Exercise of Performance Rights

For the purposes of clause 7.3 of the Plan, the Board has determined that any Performance Rights proposed to be granted to Mr McFadzean and Mr Archer (and which are the subject of Resolutions 3 and 4) that vest will not become capable of exercise by Mr McFadzean or Mr Archer (as the case may be) before 1 January 2023, unless:

- (a) the Performance Rights automatically vest due to a Change of Control occurring;
- (b) the Board has, in accordance with the terms of the Plan, waived the Vesting Conditions attached to the relevant Performance Rights and determined that those Performance Rights are exercisable before 1 January 2023;

- (c) in the case of Mr McFadzean or Mr Archer (as the case may be) ceasing to hold a position of employment with the Company after 30 November 2020 but before 30 November 2022, the Board has not determined that Mr McFadzean's or Mr Archer's (as the case may be) employment, office or engagement was terminated for cause;
- (d) otherwise provided in the terms of the offer; or
- (e) determined at the absolute discretion of the Board,

in which case, in the case of paragraphs (a), (b) and (c) above, the vested Performance Rights will be exercisable within 12 months of the relevant event occurring and, in the case of paragraph (e), the vested Performance Rights will be exercisable within 12 months of the exercise of such discretion.

12.4 Reasons member approval is being sought

ASX Listing Rules

Specific approvals for Mr McFadzean's and Mr Archer's respective grants under the Plan are required in accordance with the ASX Listing Rules, which provide that the Company must not, without member approval, issue securities under an employee incentive scheme to a director or an associate of a director.

For the purposes of ASX Listing Rule 10.14 and for all other purposes, member approval is being sought so that Mr McFadzean and Mr Archer can be granted Performance Rights under the Plan and that Shares can be allocated (by way of newly issued Shares or the transfer of existing Shares) upon vesting of those Performance Rights, and subsequent exercise, in accordance with the Plan.

Approval under ASX Listing Rule 10.14 is an exception to the prohibition on a Company issuing shares to related parties without member approval under ASX Listing Rule 10.11, and is an exception to the Company's 15% placement capacity in ASX Listing Rule 7.1. If approval is given under ASX Listing Rule 10.14, further approval under ASX Listing Rule 7.1 is not required.

Chapter 2E of the Corporations Act

Chapter 2E of the Corporations Act also regulates the provision of "financial benefits" to "related parties" by a public company. For the purposes of Chapter 2E, Mr McFadzean and Mr Archer, being Directors, are "related parties" of the Company and the grant of Performance Rights pursuant to the Plan will constitute the giving of "financial benefits".

The Board (other than Mr McFadzean and Mr Archer, because of their interest in Resolutions 3 and 4, respectively) considers that the grant of Performance Rights to Mr Archer and Mr McFadzean is an appropriate and reasonable component of their respective remuneration, and that the financial benefit represented by the grant of the Performance Rights falls within the "reasonable remuneration" exception in section 211 of the Corporations Act. For this reason, it is not necessary to seek specific member approval of Resolutions 3 and 4 for the purposes of Chapter 2E of the Corporations Act.

Sections 200B and 200E of the Corporations Act

The Corporations Act broadly provides that the Company may only give a person a benefit in connection with their ceasing to hold a "managerial or executive

office" in the Company or its related bodies corporate if such benefit is approved by Shareholders or an exemption applies (for example, where the benefit together with other benefits does not exceed the payment limits set out in the Corporations Act).³

The term "benefit" in this context is broad, and may include the accelerated vesting and exercise of Performance Rights. The Plan provides that the Board has the discretion to determine that the Vesting Conditions attached to some or all of the Performance Rights are waived and such Performance Rights vest and become capable of exercise early in certain specified "Special Circumstances", which include (among other things) upon the retirement, redundancy, death or total or permanent disability of Mr McFadzean and Mr Archer.

In addition, the Plan provides that the Vesting Conditions attached to Performance Rights will be deemed to be automatically waived in the circumstances where a Change of Control occurs, such that all Performance Rights will vest and become capable of exercise.

If the Board were to exercise its discretion to waive the Vesting Conditions applying to some or all of the Performance Rights and make such Performance Rights vest and become capable of exercise early in the circumstances where a participant that holds a managerial or executive office (or did hold such an office in the previous three years) ceases employment (by retirement redundancy, death or total or permanent disability), this may amount to the giving of a termination benefit requiring Shareholder approval in accordance with the Corporations Act. Accordingly, Shareholder approval is also being sought for any such benefit which Mr McFadzean or Mr Archer may receive if Board exercises such discretion and the vesting and exercise of their Performance Rights is accelerated.

If Shareholders approve:

- (a) Resolution 3, the maximum number of Performance Rights that may vest and be exercised on the cessation of Mr McFadzean's employment will be 2,060,701.
- (b) Resolution 4, the maximum number of Performance Rights that may vest and be exercised on the cessation of Mr Archer's employment will be 1,066,189.

Details of Mr McFadzean's and Mr Archer's remuneration, including other termination benefits, are set out in the Company's Remuneration Report.

For Performance Rights, the value of the benefit given upon accelerated vesting and exercise will depend on the price of the Company's shares at the time of vesting and exercise, and the number of Performance Rights that vest and are exercised. Apart from the future price of Shares being unknown, a number of factors could impact the number of Performance Rights which vest and become capable of exercise on cessation of employment. Accordingly, the value of the benefit given upon accelerated vesting and exercise cannot be calculated at the present time. The following matters will or may affect (as the case may be) the value of the benefit, as they will or may affect (as the case may be) the

³ It should be noted that the limits on the giving of termination benefits by a company under the Corporations Act also extend to persons who held a managerial or executive office in the last three years before their retirement.

number of Performance Rights which vest and become capable of exercise on cessation of employment:

- (c) the number of unvested Performance Rights held by Mr McFadzean or Mr Archer (or their respective nominees) prior to the cessation of employment;
- (d) the timing and reasons for cessation of employment; and
- (e) the exercise of the Board's discretion at the relevant time.

12.5 Specific information required by ASX Listing Rule 10.15

In accordance with ASX Listing Rule 10.15, the following information is provided in relation to Resolutions 3 and 4:

- (a) Mr McFadzean and Mr Archer are both Directors;
- (b) the maximum number of securities to be issued by the Company is:
 - (i) **(Resolution 3)** 2,060,701 Performance Rights which, subject to vesting and subsequent exercise, will result in the allocation to Mr McFadzean of 2,060,701 Shares; and
 - (ii) **(Resolution 4)** 1,066,189 Performance Rights which, subject to vesting and subsequent exercise, will result in the allocation to Mr Archer of 1,066,189 Shares;
- (c) no cash consideration will be payable for the Performance Rights to be granted to Mr McFadzean and Mr Archer, and Mr McFadzean and Mr Archer will not be required to pay any amount on the vesting of, or to exercise, the Performance Rights;
- (d) the Performance Rights will be granted in accordance with the terms of the Plan (a summary of which was set out in Schedule 1 of Sheffield's 2017 notice of annual general meeting) and will be subject to the Performance Hurdles and other terms summarised above;
- (e) no person of the kind referred to in ASX Listing Rule 10.14 has been issued securities under the Plan since it was last approved by members at the Company's 2017 annual general meeting;
- (f) As at the date of this Notice, the Directors (including Mr McFadzean and Mr Archer) are the only persons of the kind referred to in ASX Listing Rule 10.14 who are entitled to participate in the Plan;
- (g) any future grants to Directors under the Plan will remain subject to member approval under ASX Listing Rule 10.14;
- (h) no loans will be advanced to Mr McFadzean or Mr Archer in respect of the acquisition of the Performance Rights;
- (i) should Resolutions 3 and/or 4 be approved by members, the relevant Performance Rights will be granted to Mr McFadzean and/or Mr Archer, respectively, as soon as reasonably practicable after Shareholder approval is received and in any event no later than 12 months after the date of the Meeting.

12.6 Board recommendation on Resolutions 3 and 4

The Board (other than Mr McFadzean and Mr Archer given their respective interests in the outcome of Resolutions 3 and 4) has considered the corporate governance issues relevant to executive compensation arrangements, including the ASX Corporate Governance Council's "Principles of Good Corporate Governance and Best Practice Recommendations" and has formed the view that the grant of the Performance Rights to Mr McFadzean and Mr Archer on the terms and conditions set out in this Explanatory Statement is reasonable, that the value and quantum of the Performance Rights are not excessive nor unusual for a company of the Company's size in light of recent market practice of remuneration for officers in similar positions and Mr McFadzean's and Mr Archer's importance (both now and in the future) to the ongoing business operations of the Company, particularly the development of the Company's Thunderbird project.

Resolution 5 – Approval for the purposes of sections 200b and 200E of the Corporations Act for the giving of certain benefits to relevant executives

12.7 Reasons member approval is being sought

Sections 200B and 200E of the Corporations Act

As noted above in in paragraph 12.4 in relation to Resolution 4, the Corporations Act provides that the Company may only give a person a benefit in connection with their ceasing to hold a "managerial or executive office" in the Company or its related bodies corporate if such benefit is approved by Shareholders or an exemption applies (for example, where the benefit together with other benefits does not exceed the payment limits set out in the Corporations Act).⁴

Under Resolution 5, the Company seeks approval of the termination benefits that may arise in connection with the FY2019 Performance Rights proposed to be granted to certain executives of the Company as soon as reasonably practicable after the Meeting, being Mr Mark Di Silvio, Mr Jim Netterfield and Mr Neil Patten-Williams, and the FY2018 Performance Rights already held by Mr Stuart Pether (each a **Relevant Executive** and together, the **Relevant Executives**), as set out in the table below. Each Relevant Executive currently holds a "managerial or executive office".

As noted above in paragraph 12.4 in relation to Resolution 4, the term "benefit" may include the Board exercising its discretion to waive the Vesting Conditions applying to the Performance Rights held by a Relevant Executive and allow such Performance Rights to become capable of exercise, as permitted by the Plan, upon the retirement, redundancy or total or permanent disability of the applicable Relevant Executive .

The Performance Rights in respect of which approval is sought are set out in the table below. The Performance Hurdles applicable to the Performance Rights proposed to be granted during FY2019 are the same as the Performance Hurdles that will apply to the Performance Rights proposed to be granted Mr McFadzean and Mr Archer (and which are summarised in paragraph 12.2). The weighting as between those Performance Hurdles is also the same. The Performance Hurdles applicable to FY2018 Performance Rights are summarised in Schedule 1.

⁴ It should be noted that the limits on the giving of termination benefits by a company under the Corporations Act also extend to persons who held a managerial or executive office in the last three years before their retirement.

Name	FY2018 Performance Rights	FY2019 Performance Rights	Total
Mr Mark Di Silvio	-	1,097,547	1,097,547
Mr Stuart Pether	1,700,000	-	1,700,000
Mr Jim Netterfield	-	779,953	779,953
Mr Neil Patten-Williams	-	779,953	779,953

If Shareholders approve Resolution 5, the maximum number of Performance Rights that may vest and be exercisable on the cessation the employment of each of the Relevant Executives is the number set out in the "Total" column against their name.

Details of remuneration, including other termination benefits, for the Relevant Executives is set out in the Company's Remuneration Report.

For Performance Rights, the value of the benefit given upon accelerated vesting and exercise will depend on the price of the Company's shares at the time of vesting and exercise, and the number of Performance Rights that vest and are exercised. The matters that will or may affect (as the case may be) the value of the benefit, as they will or may affect (as the case may be) the number of Performance Rights which are exercised on cessation of employment are the same as those mentioned in relation to the Performance Rights proposed to be granted Mr McFadzean and Mr Archer summarised in paragraph 12.4.

12.8 Exercise of Performance Rights

For the Performance Rights granted during FY2018, any vested Performance Rights will become capable of exercise at any time within 12 months of the Board notifying the Relevant Executive that the Performance Right has vested.

For the purposes of clause 7.3 of the Plan, the Board has determined that any Performance Rights proposed granted during FY2019 to the Relevant Executives will be subject to the same restrictions on exercise that will apply to the Performance Rights proposed to be granted Mr McFadzean and Mr Archer (and which are summarised in paragraph 12.3).

12.9 Board recommendation on Resolution 5

The Directors recommend that Shareholders vote in favour of Resolution 5.

13. RESOLUTION 6 – APPROVAL OF 10% PLACEMENT CAPACITY

13.1 General

ASX Listing Rule 7.1A provides that an Eligible Entity (as defined below) may seek shareholder approval by special resolution passed at an annual general meeting to have the capacity to issue up to that number of Equity Securities (as defined below) equal to 10% of its issued capital as calculated in accordance with the

formula in ASX Listing Rule 7.1A.2 (**10% Placement Capacity**) without using that entity's existing 15% annual placement capacity under ASX Listing Rule 7.1.

An **Eligible Entity** is one that, as at the date of the relevant annual general meeting:

- (a) is not included in the S&P/ASX 300 Index; and
- (b) has a maximum market capitalisation (excluding restricted securities and securities quoted on a deferred settlement basis) of \$300,000,000.

As at the date of this Notice, the Company is an Eligible Entity as it is not included in the S&P/ASX 300 Index and has a current market capitalisation of \$218,593,534 (based on the number of Shares on issue and the closing price of Shares on ASX on 22 October 2018). However, the Company will only be permitted to seek approval for the 10% Placement Capacity if it remains an Eligible Entity at the date of the Meeting. Accordingly, if the Company is not an Eligible Entity at the date of the Meeting, Resolution 6 will not be put to, and voted on at, the Meeting.

An **Equity Security** is a share, a unit in a trust, a right to a share or unit in a trust or option, an option over an issued or unissued security, a convertible security, or, any security that ASX decides to classify as an equity security.

Any Equity Securities issued under the 10% Placement Capacity must be in the same class as an existing class of quoted Equity Securities.

As at the date of this Notice, the Company currently has one class of quoted Equity Securities on issue, being the Shares (ASX Code: SFX).

Subject to the Company being an Eligible Entity and Resolution 6 being put to the Meeting, if Shareholders approve Resolution 6, the number of Equity Securities the Company may issue under the 10% Placement Capacity will be determined in accordance with the formula prescribed in ASX Listing Rule 7.1A.2.

Resolution 6 is a special resolution. Accordingly, at least 75% of votes cast by Shareholders present (in person, or by proxy or representative) and eligible to vote at the Meeting must be in favour of Resolution 6 for it to be passed.

13.2 **Technical information required by ASX Listing Rule 7.3A**

Pursuant to and in accordance with ASX Listing Rule 7.3A, the information below is provided in relation to this Resolution 6:

(a) **Minimum Price**

The minimum price at which the Equity Securities may be issued is 75% of the volume weighted average price of Equity Securities in that class, calculated over the 15 ASX trading days on which trades in that class were recorded immediately before:

- (i) the date on which the price at which the Equity Securities are to be issued is agreed; or
- (ii) if the Equity Securities are not issued within 5 ASX trading days of the date in paragraph (i), the date on which the Equity Securities are issued.

(b) **Date of Issue**

Equity Securities may be issued under the 10% Placement Capacity from the period commencing on the date of the Meeting and expiring on the first to occur of the following:

- (i) 12 months after the date of this Meeting; and
- (ii) the date of approval by Shareholders of any transaction under ASX Listing Rules 11.1.2 (a significant change to the nature or scale of the Company's activities) or 11.2 (disposal of the Company's main undertaking) (after which date, an approval under Listing Rule 7.1A ceases to be valid).

(c) **Risk of voting dilution**

Any issue of Equity Securities under the 10% Placement Capacity will dilute the interests of Shareholders who do not receive any Shares under the issue.

The table below shows the potential dilution of Shareholders calculated in accordance with the formula in ASX Listing Rule 7.1A.2 (assuming Resolution 6 is passed by Shareholders), on the basis of the market price of Shares and the number of Shares on issue as at 22 October 2018.

The table assumes differing numbers of Shares on issue (ie variable "A" in the above formula) and issue prices for Shares over three scenarios, but in each scenario it is assumed that the Company issues the maximum number of Shares available under the 10% Placement Capacity. For example:

- Variable A differs across each scenario. Scenario 1 assumes there is no change to the number of Shares on issue. Scenarios 2 and 3 then assume an increase of 50% and 100% (respectively) to the number of Shares on issue.
- Within each scenario, three different issue prices for the Shares are assumed. One of the issue prices is the closing price on 22 October 2018 (being the last practicable trading day prior to the date of this Notice). The other two issue prices then assume a 50% decrease to that closing Share price and a 100% increase to that price.

Number of Shares on Issue (Variable 'A' in ASX Listing Rule 7.1A2)	Dilution			
	Issue Price (per Share)	0.4750 50% decrease in Issue Price	0.9500 Issue Price	1.4250 50% increase in Issue Price
230,098,457 (Current Variable A)	Shares issued - 10% voting dilution	23,009,846 Shares	23,009,846 Shares	23,009,846 Shares

Number of Shares on Issue (Variable 'A' in ASX Listing Rule 7.1A2)	Dilution			
	Issue Price (per Share)	0.4750 50% decrease in Issue Price	0.9500 Issue Price	1.4250 50% increase in Issue Price
	Funds raised	\$10,929,677	\$21,859,353	\$32,789,030
345,147,686 (50% increase in Variable A)	Shares issued - 10% voting dilution	34,514,769 Shares	34,514,769 Shares	34,514,769 Shares
	Funds raised	\$16,394,515	\$32,789,030	\$49,183,545
460,196,914 (100% increase in Variable A)	Shares issued - 10% voting dilution	46,019,691 Shares	46,019,691 Shares	46,019,691 Shares
	Funds raised	\$21,859,353	\$43,718,707	\$65,578,060

*The number of Shares on issue (variable A in the formula) could increase as a result of the issue of Shares that do not require Shareholder approval (such as under a pro-rata rights issue or scrip issued under a takeover offer) or that are issued with Shareholder approval under Listing Rule 7.1.

The table above uses the following assumptions:

1. The number of Shares on issue is 230,098,457, which was the number of Shares the Company had on issue as at 22 October 2018.
2. The issue price set out above is the closing price of the Shares on the ASX on 22 October 2018.
3. The Company issues the maximum possible number of Equity Securities under the 10% Placement Capacity.
4. The Company has not issued any Equity Securities in the 12 months prior to the Meeting that were not issued under an exception in ASX Listing Rule 7.2 or with approval under ASX Listing Rule 7.1.
5. The issue of Equity Securities under the 10% Placement Capacity consists only of Shares. It is assumed that no Options are exercised into Shares before the date of issue of the Equity Securities.
6. The calculations above do not show the dilution that any one particular Shareholder will be subject to. All Shareholders should consider the dilution caused to their own shareholding depending on their specific circumstances.
7. This table does not set out any dilution pursuant to approvals under ASX Listing Rule 7.1.
8. The 10% voting dilution reflects the aggregate percentage dilution against the issued share capital at the time of issue. This is why the voting dilution is shown in each example as 10%.
9. The table does not show an example of dilution that may be caused to a particular Shareholder by reason of placements under the 10% Placement Capacity, based on that Shareholder's holding at the date of the Meeting.

Shareholders should note that there is a risk that:

- (i) the market price for the Company's Shares may be significantly lower on the issue date than on the date of the Meeting; and
- (ii) the Shares may be issued at a price that is at a discount to the market price for those Shares on the date of issue,

which may have an effect on the amount of funds raised by the issue of the Shares.

(d) **Purpose of Issue under 10% Placement Capacity**

The Company may issue Equity Securities under the 10% Placement Capacity for the following purposes:

- (i) for cash consideration in which case the Company intends to use funds raised for continued exploration and development of the Company's Thunderbird Mineral Sands Project and/or general working capital; or
- (ii) for non-cash consideration for the acquisition of new resources assets or investments in such circumstances the Company will provide a valuation of the non-cash consideration as required by ASX Listing Rule 7.1A.3.

The Company will comply with the disclosure obligations under Listing Rules 7.1A.4) and 3.10.5A upon issue of any Equity Securities.

(e) **Allocation policy under the 10% Placement Capacity**

The identity of the recipients of the Equity Securities to be issued under the 10% Placement Capacity will be determined on a case-by-case basis at the time of issue and in the Company's discretion. However, the recipients of Equity Securities could consist of current Shareholders or new investors (or both), none of whom will be related parties of the Company.

The Company will determine the recipients at the time of the issue under the 10% Placement Capacity, having regard to the following factors:

- (i) the purpose of the issue;
- (ii) alternative methods for raising funds available to the Company at that time, including, but not limited to, an entitlement issue or other offer where existing Shareholders may participate;
- (iii) the effect of the issue of the Equity Securities on the control of the Company;
- (iv) the circumstances of the Company, including, but not limited to, the financial position and solvency of the Company;
- (v) prevailing market conditions; and
- (vi) advice from corporate, financial and broking advisers (if applicable).

Further, if the Company is successful in acquiring new resources, assets or investments, it is likely that the recipients under the 10% Placement Capacity will be vendors of the new resources, assets or investments.

(f) **Previous approval under ASX Listing Rule 7.1A**

The Company previously obtained approval from its Shareholders pursuant to ASX Listing Rule 7.1A at its annual general meeting held on 22 November 2017 (**Previous Approval**).

As at the date of this Notice, the Company has not issued any Equity Securities pursuant to the Previous Approval.

For the purposes of ASX Listing Rule 7.3A.6(a), the Company notes that, as at the date of this Notice, the Company has issued Shares, Options and Performance Rights during the 12 month period preceding the date of the Meeting, being on and from 29 November 2017 to 29 November 2018.

As at the date of this Notice, the total number of Equity Securities issued in the 12 months preceding the Meeting and the percentage they represent of the total number of Equity Securities on issue at the commencement of that 12 month period are as follows:

	Equity securities
Number of securities on issue at commencement of 12 month period	228,277,301 Shares 13,285,000 Options Nil Performance Rights Total = 241,562,301
Securities issued during 12 month period (as at the date of this Notice)	1,821,156 Shares 810,422 Options 2,012,500 Performance Rights Total = 4,644,078
Percentage that Equity Securities issued represent of total number of Equity Securities on issue at commencement of 12 month period	Shares = 0.75% Options = 0.34% Performance Rights = 0.83% Total = 1.92%

Further details of the issues of Equity Securities by the Company during the 12 month period preceding the date of the Meeting are set out in Schedule 2 as at the date of this Notice.

(g) **Compliance with ASX Listing Rules 7.1A.4 and 3.10.5A**

When the Company issues Equity Securities pursuant to the 10% Placement Capacity, it must give to ASX:

- (i) a list of the recipients of the Equity Securities and the number of Equity Securities issued to each (not for release to the market), in accordance with Listing Rule 7.1A.4; and
- (ii) the information required by Listing Rule 3.10.5A for release to the market.

13.3 Board recommendation on Resolution 6

The Directors recommend that members vote in favour of Resolution 6.]

14. RESOLUTION 7 – RENEWAL OF PROPORTIONAL TAKEOVER PROVISIONS IN THE CONSTITUTION

14.1 General

In accordance with section 648G of the Corporations Act, a company's proportional takeover approval provisions, unless sooner omitted from its constitution, cease to apply on the third anniversary after adoption or renewal as appropriate unless otherwise specified.

When the provisions cease to apply the company's constitution is modified by omitting the provisions.

A company may renew its proportional takeover approval provisions in the same manner in which a company can modify its constitution (i.e. by special resolution of shareholders)

The proportional takeover provisions set out in clause 36 of the Company's constitution was most recently renewed on 27 November 2015. Accordingly, the proportional takeover provisions included in the Constitution will cease to have effect on the third anniversary of that date, being 27 November 2018, unless renewed by members.

Resolution 7, is a special resolution which will enable the Company to modify its Constitution by renewing clause 36 for a period of 3 years from the date of Shareholder approval. It is noted that Shareholder approval will not result in a change to the wording of clause 36.

The Company is permitted to seek further Shareholder approval to renew this clause for further periods of up to 3 years on each occasion.

A copy of the Constitution was released to ASX on 13 December 2010 and is available for download from the Company's ASX announcements platform.

14.2 Proportional takeover provisions (clause 36 of Constitution)

A proportional takeover bid is an off-market takeover bid where the offer made to each shareholder is only for a specified proportion of that shareholder's shares. If a shareholder accepts a proportional takeover bid, the shareholder will dispose of that specified proportion and retain the balance.

The proportional takeover provisions set out in clause 36 of the Constitution provides that the Company is prohibited from registering a transfer of shares resulting from a proportional takeover bid unless a resolution to approve the bid is passed (or deemed to have been passed) by holders of shares in the relevant bid class, in accordance with the terms set out in the Corporations Act.

This clause will cease to have effect on the third anniversary of the date of the adoption of the last renewal of the clause.

If Resolution 7 is passed, then for a period of 21 days after the Meeting, holders of 10% or more of the Company's Shares will have the right to apply to the Court to

have the Resolution set aside. The Court may set aside the Resolution if the Court is satisfied in all the circumstances that it is appropriate to do so.

14.3 Information required by section 648G of the Corporations Act

Pursuant to and in accordance with section 648G of the Corporations Act, the information below is provided in relation to this Resolution 7:

- (a) Effect of proportional takeover provisions
 - (i) If a bidder makes a proportional off-market takeover bid in respect of a class of securities in the Company (**Proportional Bid**), the Company will be prohibited from registering the transfer giving effect to a contract resulting from the acceptance of the Proportional Bid unless and until a resolution to approve the Proportional Bid is passed by a simple majority or the deadline for obtaining such approval has passed.
 - (ii) If Resolution 7 is approved and a proportional takeover bid is made for a class of securities in the Company, the Directors will call a meeting of holders of bid class securities to vote on a resolution to approve that bid. The bidder and its associates would be excluded from voting on the approving resolution.
 - (iii) The vote on the approving resolution must take place more than 14 days before the last day of the bid period.
 - (iv) If the approving resolution is rejected before the deadline, the bid cannot proceed and any transfers giving effect to takeover contracts for the bid will not be registered.
 - (v) If the approving resolution is not voted on, the bid will be deemed to have been approved.
 - (vi) If the approving resolution is passed (or deemed to have been passed), the transfers must be registered (subject to other provisions of the Corporations Act and the Constitution).

The proportional takeover provisions do not apply to full takeover bids.

- (b) Reasons for proportional takeover provisions

A proportional takeover bid may result in control of the Company changing without Shareholders having the opportunity to dispose of all their Shares. By making a partial bid, a bidder can obtain practical control of the Company by acquiring less than a majority interest. Shareholders are exposed to the risk of being left as a minority in the Company and the risk of the bidder being able to acquire control of the Company without payment of an adequate control premium. These proportional takeover provisions allow Shareholders to decide whether a proportional takeover bid is acceptable in principle, and may assist in ensuring that any partial bid is appropriately priced.

The Board believes that the proportional takeover provisions are desirable to give shareholders protection from these risks. They give effect to a protection that the Corporations Act provisions are intended to provide.

To assess the merits of the proportional takeover provisions, shareholders should make a judgement as to what events are likely to occur in relation to the Company during the three year life of those provisions.

(c) Knowledge of any acquisition proposals

As at the date of this Notice, no Director is aware of any proposal by any person to acquire, or to increase the extent of, a substantial interest in the Company.

(d) Advantages and disadvantages of proportional takeover provisions during the period in which they have been in effect

The Corporations Act requires this Explanatory Statement to discuss retrospectively the advantages and disadvantages for Directors and shareholders of the proportional takeover provisions which are proposed to be renewed.

While the proportional takeover provisions have been in effect, there have been no takeover bids for the Company, either proportional or otherwise. Consequently there are no actual examples against which to review the advantages or disadvantages of the proportional takeover provisions for the Directors and shareholders of the Company

(e) Potential advantages and disadvantages of proportional takeover provisions

The Corporations Act also requires this Explanatory Statement to discuss the potential future advantages and disadvantages of the proportional takeover provisions for both Directors and shareholders of the Company.

The Directors consider that the proportional takeover provisions have no potential advantages or disadvantages for them and that they remain free to make a recommendation on whether an offer under a proportional takeover bid should be accepted.

The Board notes that it could be argued that the proportional takeover provisions are an advantage to the Directors as a takeover defence mechanism that could be exploited to entrench the incumbent Board. However, the Board believes that argument ignores the basic object of the proportional takeover provisions which are to empower shareholders, not the Directors.

The potential advantages of the proportional takeover provisions for Shareholders include:

- (i) the right to decide by majority vote whether an offer under a proportional takeover bid should proceed;
- (ii) assisting in preventing Shareholders from being locked in as a minority;
- (iii) increasing the bargaining power of Shareholders which may assist in ensuring that any proportional takeover bid is adequately priced; and

- (iv) each individual Shareholder may better assess the likely outcome of the proportional takeover bid by knowing the view of the majority of Shareholders which may assist in deciding whether to accept or reject an offer under the takeover bid.

The potential disadvantages of the proportional takeover provisions for Shareholders include:

- (i) proportional takeover bids may be discouraged;
- (ii) lost opportunity to sell a portion of their Shares at a premium;
- (iii) individual Shareholders may consider that the proportional takeover provisions would restrict their ability to deal with their Shares as they see fit; and
- (iv) the likelihood of a proportional takeover bid succeeding may be reduced.

14.4 Recommendation of the Board

The Directors do not believe the potential disadvantages outweigh the potential advantages of renewing the proportional takeover provisions and as a result consider that renewal of the proportional takeover provision set out in clause 36 of the Constitution is in the interest of Shareholders and unanimously recommend that Shareholders vote in favour of Resolution 7.

15. ENQUIRIES

Shareholders are requested to contact Sheffield's company secretary, Mr Mark Di Silvio on (+ 61 8) 6555 8777 if they have any queries in respect of the matters set out in this Notice.

GLOSSARY

\$ means Australian dollars.

Annual General Meeting or **Meeting** means the meeting convened by the Notice.

ASIC means the Australian Securities & Investments Commission.

ASX means ASX Limited (ACN 008 624 691) or the financial market operated by ASX Limited, as the context requires.

ASX Listing Rules means the Listing Rules of ASX.

Board means the current board of directors of the Company.

Business Day means Monday to Friday inclusive, except New Year's Day, Good Friday, Easter Monday, Christmas Day, Boxing Day, and any other day that ASX declares is not a business day.

Chairman means the chairman of the Meeting.

Change of Control means:

- (a) a bona fide takeover bid is declared unconditional and the bidder has acquired a relevant interest in at least 50.1% of the Company's issued Shares;
- (b) a Court approves, under section 411(4)(b) of the Corporations Act, a proposed compromise or arrangement for the purposes of, or in connection with, a scheme for the reconstruction of the Company or its amalgamation with any other company or companies; or
- (c) in any other case, a person obtains voting power in the Company which the Board (which for the avoidance of doubt will comprise those Directors immediately prior to the person acquiring that voting power) determines, acting in good faith and in accordance with their fiduciary duties, is sufficient to control the composition of the Board.

Closely Related Party of a member of the KMP means:

- (d) a spouse or child of the member;
- (e) a child of the member's spouse;
- (f) a dependent of the member or the member's spouse;
- (g) anyone else who is one of the member's family and may be expected to influence the member, or be influenced by the member, in the member's dealing with the entity;
- (h) a company the member controls; or
- (i) a person prescribed by the Corporations Regulations 2001 (Cth) for the purposes of the definition of 'closely related party' in the Corporations Act.

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

Constitution means the Company's constitution.

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

Directors means the current directors of the Company.

Eligible Entity has the meaning given in paragraph 14.1.

Eligible Participant has the meaning given in paragraph 12.1(a).

Explanatory Statement means the explanatory statement accompanying the Notice.

FY2018 means the financial year ended 30 June 2018.

FY2019 means the financial year ending 30 June 2019.

KMP has the meaning as given to the term "key management personnel" in the Corporations Act, which includes those persons having authority and responsibility for planning, directing and controlling the activities of the Company, or if the Company is part of a consolidated entity, of the consolidated entity, either directly or indirectly, including any director (whether executive or otherwise) of the Company, or if the Company is part of a consolidated entity, of an entity within the consolidated group.

Notice or **Notice of Meeting** means this notice of meeting including the Explanatory Statement and the Proxy Form.

Performance Hurdle has the meaning given in paragraph 12.2.

Performance Right means a performance right issued under the Plan.

Plan means the Sheffield Resources Limited Incentive Performance Rights Plan as approved by Shareholders at the Sheffield 2017 annual general meeting.

Proxy Form means the proxy form accompanying the Notice.

Resolutions means the resolutions set out in the Notice.

S&P/ASX 300 Index means the S&P/ASX 300 Index as published by Standard & Poors from time to time.

Section means a section of the Explanatory Statement.

Share means a fully paid ordinary share in the capital of the Company.

Shareholder means a registered holder of a Share.

Vesting Conditions any Performance Hurdles and other conditions to the vesting of a Performance Right.

WST means Western Standard Time as observed in Perth, Western Australia.

**SCHEDULE 1 – SUMMARY OF PERFORMANCE HURDLES APPLICABLE TO
FY2018 PERFORMANCE RIGHTS**

Thunderbird Construction and operations		
Target	Performance Rights vested (%)	Performance Period Expiry Date
Thunderbird Project construction completed on time and on budget.	50% (850,000 Performance Rights)	30.11.2021
Transition of the Thunderbird Project from construction to operations phase, represented by the achievement of commercial production on time and within budget.	50% (850,000 Performance Rights)	30.11.2021

SCHEDULE 2 - ISSUES OF EQUITY SECURITIES SINCE 29 NOVEMBER 2017

Date of issue	Quantity	Class	Name of Recipients / Basis on which Recipient were determined	Issue price and discount to closing market price on issue date (if applicable) ¹	Form of consideration
Issue - 3 October 2018 Appendix 3B – 3 October 2018	333,333	Shares ²	Holders of unquoted broker options ³	\$0.676 per share on exercise of unquoted broker options ³ (representing a 41% discount to market price)	Cash Amount raised = \$225,333 Amount spent = \$225,333 Use of funds = working capital Proposed use of remaining funds: N/A
Issue – 25 September 2018 Appendix 3B – 25 September 2018	50,000	Shares ²	Holders of unquoted employee options ⁴	\$0.66 per share on exercise of unquoted employee options ⁴ (representing a 41% discount to market price)	Cash Amount raised = \$33,000 Amount spent = \$33,000 Use of funds = working capital Proposed use of remaining funds: N/A
Issue – 25 September 2018 Appendix 3B – 25 September 2018	275,000	Shares ²	Holders of unquoted performance options ⁵	\$0.001 per share on the exercise of unquoted performance options ⁵ (representing a 99% discount to market price)	Cash Amount raised = \$275.00 Amount spent = \$275.00 Use of funds = working capital Proposed use of remaining funds: N/A
Issue – 21 September 2018 Appendix 3B – 21 September 2018	80,000	Shares ²	Holders of unquoted employee options ⁴	\$0.66 per share on exercise of unquoted employee options ⁴ (representing a 41% discount to market price)	Cash Amount raised = \$52,800 Amount spent = \$52,800 Use of funds = working capital Proposed use of remaining funds: N/A
Issue – 19 September 2018 Appendix 3B – 19 September 2018	370,000	Shares ²	Holders of unquoted employee options ⁴	\$0.66 per share on exercise of unquoted employee options ⁴ (representing a 41% discount to market price)	Cash Amount raised = \$370.00 Amount spent = \$370.00 Use of funds = working capital Proposed use of remaining funds: N/A
Issue – 10 May 2018	437,823	Shares ²	Holders of unquoted	\$0.001 per share on exercise of unquoted	Cash Amount raised = \$437.82

Date of issue	Quantity	Class	Name of Recipients / Basis on which Recipient were determined	Issue price and discount to closing market price on issue date (if applicable) ¹	Form of consideration
Appendix 3B – 10 May 2018			remuneration options ⁶	remuneration options ⁶ (representing a 99% discount to market price)	Amount spent = \$437.82 Use of funds = working capital Proposed use of remaining funds: N/A
Issue – 1 March 2018 Appendix 3B – 1 March 2018	275,000	Shares ²	Holders of unquoted performance options ⁵	\$0.001 per share on exercise of unquoted performance options ⁵ (representing a 99% discount to market price)	Cash Amount raised = \$275.00 Amount spent = \$275.00 Use of funds = working capital Proposed use of remaining funds: N/A
Issue – 30 November 2017 Appendix 3B – 30 November 2017	312,500	Unquoted Performance Rights ⁷	Employees	No issue price (non-cash consideration)	Non-cash Consideration: Performance based remunerations for services provided to the company Current value: \$221,875 ⁹
Issue – 30 November 2017 Appendix 3B – 30 November 2017	1,700,000	Unquoted Performance Rights ⁸	Stuart Pether	No issue price (non-cash consideration)	Non-cash Consideration: Performance based remuneration for services provided to the company Current value: \$1,256,300 ⁹
Issue – 1 March 2018 Appendix 3B – 1 March 2018	810,422	Unquoted Remuneration Options ⁶	Bruce McFadzean David Archer Mark Di Silvio Neil Patten-Williams Jim Netterfield Stuart Pether	No issue price (non-cash consideration)	Non-cash Consideration: Performance based remuneration for services provided to the company Current value: \$598,901.86 ¹⁰

The total number of equity securities issued since 29 November 2017 totals 1,821,156. This represents 0.798% of the total number of equity securities on issue as at 29 November 2017.

1. Market Price means the closing price on ASX (excluding special crossings, overnight sales and exchanged traded option exercises). For the purposes of this table the discount is calculated on the Market Price on the last day on which a sale was recorded prior to the date of issue of the relevant Equity securities.

2. Fully paid ordinary shares in the capital of the Company, ASX Code: SFX (terms are set out in the Constitution).
3. Unquoted Broker Options, exercisable at \$0.676 each, on or before 31 August 2019. The full terms and conditions were disclosed in the notice of meeting for the shareholder meeting held on 17 November 2016.
4. Unquoted Employee Options, exercisable at \$0.66 each, on or before 26 September 2018. The full terms and conditions were disclosed in the notice of meeting for the shareholder meeting held on 28 November 2011.
5. Unquoted Performance Options, exercisable at \$0.001 each, on or before 24 November 2020. The full terms and conditions were disclosed in the notice of meeting for the shareholder meeting held on 17 November 2016.
6. Unquoted Remuneration Options, exercisable at \$0.001 each, on or before 30 November 2021. A summary of the terms and conditions of the issue of the Unquoted Remuneration Options were disclosed in the notice of meeting for the shareholder meeting held on 22 November 2017.
7. Unquoted Performance Rights, exercisable at \$0.001 each, on or before 28 February 2022. A summary of the terms and conditions of the Performance Rights Plan applying to the Unquoted Performance Rights were disclosed in the notice of meeting for the shareholder meeting held on 22 November 2017.
8. Unquoted Performance Rights, exercisable at \$0.001 each, on or before 30 November 2021. A summary of the terms and conditions of the Performance Rights Plan applying to the Unquoted Performance Rights were disclosed in the notice of meeting for the shareholder meeting held on 22 November 2017.
9. In respect of unquoted Equity Securities, the value of Rights is measured using the price at Grant date.
10. In respect of unquoted Equity Securities, the value of Options is measured using the Black and Scholes option pricing model. Measurement inputs include the Share price on measurement date, the exercise price, the term of the Option, the expected volatility of the underlying Share (based on weighted average historic volatility adjusted for changes expected due to publicly available information), the expected dividend yield and the risk free interest rate for the term of the Option. No account is taken of any performance conditions including in the terms of the Option other than market based performance conditions (i.e. conditions linked to the price of Shares).



SheffieldResources
LIMITED
ACN 125 811 083

LODGE YOUR PROXY FORM

ONLINE
www.linkmarketservices.com.au

BY MAIL
Sheffield Resources Limited
C/- Link Market Services Limited
Locked Bag A14
Sydney South NSW 1235 Australia

BY FAX
+61 2 9287 0309

BY HAND
Link Market Services Limited
1A Homebush Bay Drive, Rhodes NSW 2138

ALL ENQUIRIES TO
Telephone: 1300 554 474 Overseas: +61 1300 554 474



X999999999999

PROXY FORM

I/We being a member(s) of Sheffield Resources Limited and entitled to attend and vote hereby appoint:

APPOINT A PROXY

the Chairman of the Meeting (mark box) **OR** if you are **NOT** appointing the Chairman of the Meeting as your proxy, please write the name of the person or body corporate you are appointing as your proxy

or failing the person or body corporate named, or if no person or body corporate is named, the Chairman of the Meeting, as my/our proxy to act on my/our behalf (including to vote in accordance with the following directions or, if no directions have been given and to the extent permitted by the law, as the proxy sees fit) at the Annual General Meeting of the Company to be held at **2:30pm (WST) on Thursday, 29 November 2018 at The Celtic Club, 48 Ord Street, West Perth WA 6005 (the Meeting)** and at any postponement or adjournment of the Meeting.

Important for Resolutions 1, 3, 4 & 5: If the Chairman of the Meeting is your proxy, either by appointment or by default, and you have not set out your voting direction below, you expressly authorise the Chairman of the Meeting to exercise the proxy in respect of Resolutions 1, 3, 4 & 5 in accordance with the Chairman of the Meeting's stated voting intention, even though those Resolutions are connected directly or indirectly with the remuneration of a member of the Company's Key Management Personnel (KMP), which includes the Chairman of the Meeting.

The Chairman of the Meeting intends to vote undirected proxies in favour of each item of business.

If the Chairman of the Meeting is (or becomes) your proxy, you can direct the Chairman of the Meeting to vote for or against or abstain from voting on Resolutions 1, 3, 4 and 5 by marking the appropriate box in Step 2 below.

VOTING DIRECTIONS

Proxies will only be valid and accepted by the Company if they are signed and received no later than 2:30pm (WST) on Tuesday, 27 November 2018

Please read the voting instructions overleaf before marking any boxes with an

Resolutions

	For	Against	Abstain ¹		For	Against	Abstain ¹
1 Adoption of Remuneration Report	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	5 Approval for the purposes of sections 200B and 200E of the Corporations Act for the giving of certain benefits to Relevant Executives	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
2 Re-election of Director – William Burbury	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	6 Approval of 10% Placement Capacity ²	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
3 Grant of Performance Rights to Bruce McFadzean	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	7 Renewal of Proportional Takeover Provisions in the Constitution	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
4 Grant of Performance Rights to David Archer	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>				

i 1 If you mark the Abstain box for a particular Item, you are directing your proxy not to vote on your behalf on a show of hands or on a poll and your votes will not be counted in computing the required majority on a poll.

2 Resolution 6 will only be put to, and voted on, at the Meeting, if, at the time of the Meeting, the Company is an 'eligible entity' (as that term is defined in the ASX Listing Rules).

SIGNATURE OF SECURITYHOLDERS – THIS MUST BE COMPLETED

Securityholder 1 (Individual) Joint Securityholder 2 (Individual) Joint Securityholder 3 (Individual)
Sole Director and Sole Company Secretary Director/Company Secretary (Delete one) Director

This form should be signed by the securityholder. If a joint holding, either securityholder may sign. If signed by the securityholder's attorney, the power of attorney must have been previously noted by the registry or a certified copy attached to this form. If executed by a company, the form must be executed in accordance with the company's constitution and the *Corporations Act 2001* (Cth).



HOW TO COMPLETE THIS SECURITYHOLDER PROXY FORM

YOUR NAME AND ADDRESS

This is your name and address as it appears on the Company's security register. If this information is incorrect, please make the correction on the form. Securityholders sponsored by a broker should advise their broker of any changes. **Please note: you cannot change ownership of your securities using this form.**

APPOINTMENT OF PROXY

If you wish to appoint the Chairman of the Meeting as your proxy, mark the box in Step 1. If you wish to appoint someone other than the Chairman of the Meeting as your proxy, please write the name of that individual or body corporate in Step 1. A proxy need not be a securityholder of the Company.

DEFAULT TO CHAIRMAN OF THE MEETING

Any directed proxies that are not voted on a poll at the Meeting will default to the Chairman of the Meeting, who is required to vote those proxies as directed. Any undirected proxies that default to the Chairman of the Meeting will be voted according to the instructions set out in this Proxy Form, including where the Resolutions are connected directly or indirectly with the remuneration of KMP.

VOTES ON ITEMS OF BUSINESS – PROXY APPOINTMENT

You may direct your proxy how to vote by placing a mark in one of the boxes opposite each item of business. All your securities will be voted in accordance with such a direction unless you indicate only a portion of voting rights are to be voted on any item by inserting the percentage or number of securities you wish to vote in the appropriate box or boxes. If you do not mark any of the boxes on the items of business, your proxy may vote, or abstain from voting, as he or she chooses (to the extent permitted by law). If you mark more than one box on an item your vote on that item will be invalid.

APPOINTMENT OF A SECOND PROXY

You are entitled to appoint up to two persons as proxies to attend the Meeting and vote on a poll. If you wish to appoint a second proxy, an additional Proxy Form may be obtained by telephoning the Company's security registry or you may copy this form and return them both together.

To appoint a second proxy you must:

- on each of the first Proxy Form and the second Proxy Form state the percentage of your voting rights or number of securities applicable to that form. If the appointments do not specify the percentage or number of votes that each proxy may exercise, each proxy may exercise half your votes. Fractions of votes will be disregarded; and
- return both forms together.

SIGNING INSTRUCTIONS

You must sign this form as follows in the spaces provided:

Individual: where the holding is in one name, the holder must sign.

Joint Holding: where the holding is in more than one name, either securityholder may sign.

Power of Attorney: to sign under Power of Attorney, you must lodge the Power of Attorney with the registry. If you have not previously lodged this document for notation, please attach a certified photocopy of the Power of Attorney to this form when you return it.

Companies: where the company has a Sole Director who is also the Sole Company Secretary, this form must be signed by that person. If the company (pursuant to section 204A of the *Corporations Act 2001*) does not have a Company Secretary, a Sole Director can also sign alone. Otherwise this form must be signed by a Director jointly with either another Director or a Company Secretary. Please indicate the office held by signing in the appropriate place.

LODGEMENT OF A PROXY FORM

This Proxy Form (and any Power of Attorney under which it is signed) must be received at an address given below by **2:30pm (WST) on Tuesday, 27 November 2018**, being not later than 48 hours before the commencement of the Meeting. Any Proxy Form received after that time will not be valid for the scheduled Meeting.

Proxy Forms may be lodged by:



ONLINE

www.linkmarketservices.com.au

Login to the Link website using the holding details as shown on the Proxy Form. Select 'Voting' and follow the prompts to lodge your proxy. To use the online lodgement facility, securityholders will need their "Holder Identifier" (Securityholder Reference Number (SRN) or Holder Identification Number (HIN) as shown on the front of the Proxy Form).



BY MOBILE DEVICE

Our website is designed specifically for lodging your proxy online. You can now lodge your proxy by scanning the QR code adjacent or enter the link www.linkmarketservices.com.au into your mobile device. Log in using the Holder Identifier and postcode for your securityholding.

QR Code



To scan the code you will need a QR code reader application which can be downloaded for free on your mobile device.



BY MAIL

Sheffield Resources Limited
C/- Link Market Services Limited
Locked Bag A14
Sydney South NSW 1235
Australia



BY FAX

+61 2 9287 0309



BY HAND

delivering it to Link Market Services Limited*
1A Homebush Bay Drive
Rhodes NSW 2138

* During business hours (Monday to Friday, 9:00am–5:00pm)



COMMUNICATION PREFERENCE

We encourage you to receive all your shareholder communication via email. This communication method allows us to keep you informed without delay, is environmentally friendly and reduces print and mail costs.



ONLINE

www.linkmarketservices.com.au

Login to the Link website using the holding details as shown on the Proxy Form. Select 'Communications' and click the first button to receive all communications electronically and enter your email address. To use the online facility, securityholders will need their "Holder Identifier" (Securityholder Reference Number (SRN) or Holder Identification Number (HIN) as shown on the front of the Proxy Form).

**IF YOU WOULD LIKE TO ATTEND AND VOTE AT THE ANNUAL GENERAL MEETING, PLEASE BRING THIS FORM WITH YOU.
THIS WILL ASSIST IN REGISTERING YOUR ATTENDANCE.**