
THUNDERBIRD CONSTRUCTION 85% COMPLETE

HIGHLIGHTS

- Construction activities 85% complete, with completion expected within \$484m budget
- Waste mining equipment mobilized to site in readiness for pre-stripping activities
- Plant spiral, WHIMS and pipework installation progressing well
- Installation of electrical and instrumentation components underway
- Successful recruitment and mobilisation of senior operational personnel
- First delivery of mineral sands products to customers remains on target for Q1 2024

Sheffield Resources Limited (“Sheffield” or “the Company”) (ASX: SFX) is pleased to announce that construction of its 50% owned Thunderbird Mineral Sands Project (**Thunderbird**) in northern Western Australia is now 85% complete.

Construction progress of the Wet Concentrate Plant and Concentrate Upgrade Plant is advancing according to schedule, with spiral, wet high intensity magnet separators (WHIMS), and pipework installation, in conjunction with electrical and mechanical components well advanced. The tailing storage facility and adjacent stormwater storage pond is scheduled for completed during this quarter.

In preparation for the commencement of waste mining activities, the excavator and truck fleet has been mobilised to site by waste mining contractor, Carey Mining. Manufacture of the Dry Mining Unit (DMU) is well underway via mining contractor Piacentini & Son, ahead of scheduled assembly and transport to site.

The Company hosted a group of investors, brokers and mining analysts to site during May 2023, providing those in attendance with an opportunity to view construction activities currently in progress.

Sheffield Resources Executive Chair, Mr Bruce Griffin said, *“We are very pleased by the continued progress at Thunderbird, with construction now 85% complete, and KMS remains well positioned to complete the project within the current available funding of \$484m. Our operational readiness team has successfully recruited key personnel ahead of our scheduled commissioning later this year with forecast first shipment of product in Q1 2024.”*

This ASX announcement has been authorised for release by the Company’s Board of Directors.

ENDS

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Image 1: Thunderbird Wet Concentrate Plant & Concentrate Upgrade Plant overview

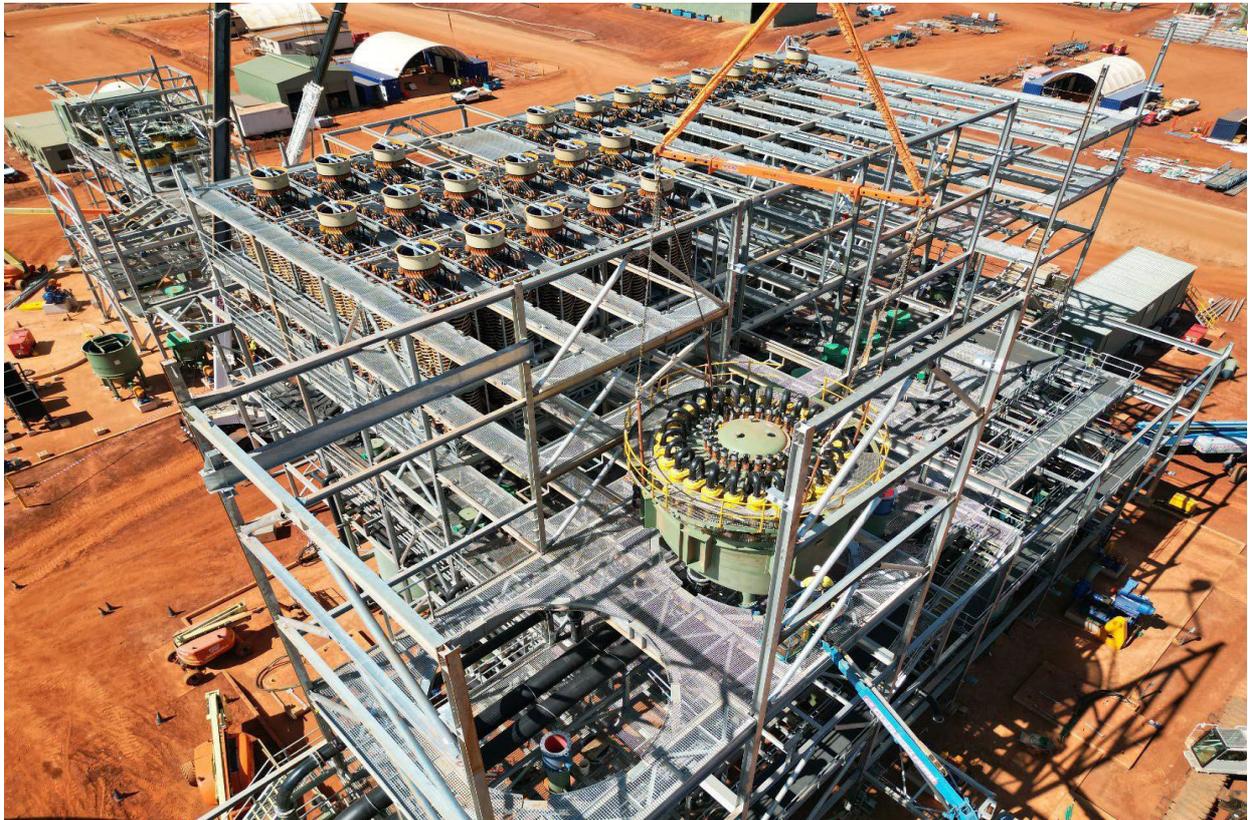


Image 2: Wet Concentrate Plant – construction progress



Image 3: Spiral installation underway



Image 4 & 5: Waste mining excavator (above) and trucks (below) mobilised to site





Image 6 & 7: Progressive installation of energy systems underway





Image 8: Power station switchboard installation underway

ABOUT SHEFFIELD RESOURCES

Sheffield Resources Limited is focused on assembling a portfolio of global mineral sands development and production assets to generate cash returns and growth.

Our core asset is our 50% investment in Kimberley Mineral Sands Pty Ltd (KMS), the owner of the world class Thunderbird Mineral Sands Project under development in north-west Western Australia.

Additionally, Sheffield executed a binding agreement in February 2023, providing the Company with an option to acquire up to an initial 20% interest in the South Atlantic Mineral Sands Project in Brazil.

KIMBERLEY MINERAL SANDS

Kimberley Mineral Sands Pty Ltd, (KMS) is a 50:50 Joint Venture between Sheffield and Yansteel. The joint venture owns and is developing the Thunderbird Mineral Sands Project and adjacent tenements on the Dampier Peninsula.

KMS is governed by a four person Board of Directors with Sheffield and Yansteel each nominating two directors. Key Joint Venture decisions require unanimous approval of both shareholders. KMS operates as a standalone entity with its own management and employees.

THUNDERBIRD MINERAL SANDS

The Thunderbird Mineral Sands Project ("Thunderbird") is one of the largest and highest grade mineral sands discoveries in the last 30 years. The 2022 KMS Bankable Feasibility Study shows Thunderbird is a technically low risk Project, that generates strong cash margins from globally significant levels of production over a decades long mine-life.

With operations forecast to commence in late 2023, Thunderbird is expected to generate a high-quality suite of mineral sands concentrate products suited to market requirements. These products include a zircon concentrate and a magnetic concentrate that contains a high quality ilmenite suitable smelting into chloride slag or for manufacturing titanium dioxide pigment.

Thunderbird is located in one of the world's most attractive mining investment jurisdictions and is well placed to deliver long term, secure supply of high quality products to a range of potential customers.

ABOUT YANSTEEL

Yansteel is a wholly-owned subsidiary of Tangshan Yanshan Iron & Steel Co., Ltd, a privately owned steel manufacturer headquartered in Hebei, China producing approximately 10mt per annum of steel products and has annual revenues of ~A\$6bn.

Construction of a 500ktpa integrated titanium dioxide processing facility including a titanium slag smelter has commenced by the company. This complex will consume the magnetic concentrate from Stage 1 of the Thunderbird Mineral Sands Project under a take or pay offtake agreement.

SOUTH ATLANTIC PROJECT

The South Atlantic Project is located in south east Brazil. Four main deposits have been identified within the project area: Retiro, Estreito, Capao do Meio and Bujuru with Exploration Targets developed for the Retiro and Bujuru deposits. The combined Exploration Target for Retiro and Bojuru is estimated between 500 and 720 Mt of material at an average grade of 4.0% to 3.2% HM.

The tenements are held by RGM. Sheffield entered into an option agreement with RGM in February 2023 with Sheffield to provide US\$2.5m to fund project related activities over an 18 month period and earn an option to acquire up to 20% of RGM with the payment of a further US\$12.5m (US\$15.0m in total) to acquire a 20% interest. Should Sheffield elect to exercise the option, subject to various conditions being satisfied, including project financing being obtained and all funds required for project construction being secured, Sheffield may exercise a further options to increase its interest in RGM up to 80%.