
COMPLETION OF ENEABBA PROJECT DIVESTMENT

Sheffield Resources Limited (“Sheffield” “the Company”) (ASX: SFX) is pleased to advise that it has received the final \$1m cash consideration from Image Resources NL (Image) (ASX: IMA) following the divestment of mining tenements within the Eneabba Project.

Including the final \$1m instalment, Sheffield has received a total of \$24m (representing net sale proceeds after GST) for the sale of its 100% owned Eneabba Project (refer ASX announcements dated 29 November 2021 and 19 January 2022).

A combined total of \$36m (net sale proceeds after GST) has been received by the Company from the sale of its 100% owned Eneabba and McCalls Projects (refer ASX Announcement 14 March 2022). Cash proceeds from the Eneabba and McCalls transactions are not expected to result in any material tax liability for Sheffield, with proceeds partially offsetting the Group’s carried forward tax loss position.

Proceeds will be applied toward Sheffield’s \$10m obligation to Kimberley Mineral Sands Pty Ltd payable within 60 days following a Final Investment Decision for the Thunderbird Mineral Sands Project, plus any additional shared joint venture equity contribution (current estimated as \$26m), as well as corporate purposes.

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

ENDS

For further information please contact:

Bruce Griffin

Executive Chair

Tel: 08 6555 8777

info@sheffieldresources.com.au

Website:

www.sheffieldresources.com.au

ABOUT SHEFFIELD RESOURCES

Sheffield Resources Limited is focused on developing the world class Thunderbird Mineral Sands Project, located in north-west Western Australia, through its 50% investment in Kimberley Mineral Sands Pty Ltd (KMS).

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.

THUNDERBIRD MINERAL SANDS

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, that generates strong cash margins from globally significant levels of production over a decades long mine-life.

Thunderbird will 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.

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.