



SHEFFIELD SECURES FURTHER ZIRCON OFFTAKE MOUs

Sheffield Resources Limited (“Sheffield”, “the Company”) (ASX: SFX) is pleased to advise that it has reaffirmed a global sales network by securing additional memorandums of understanding (MOUs) with Nanjing Rzisources International Trading Co. Ltd (Nanjing) and Minchem HMP Limited (Minchem), for the future sale of premium zircon and zircon concentrate from its Thunderbird Mineral Sands Project (Thunderbird), in Western Australia.

The non-binding MOUs represent up to 30% of the estimated total volume of premium zircon and approximately 45% of the zircon concentrate to be produced from Stage 1 of the Thunderbird Project. Nanjing, under the stewardship of zircon industry experts Mr Tao Yong and Mr Alex Pellizzoni, is an enterprise focussed on the delivery of zircon into various market segments in China. Minchem, based in the United Kingdom, is a niche manufacturer of zircon related products, supplying a unique brand of zircon opacifiers to a number of markets worldwide.

The signing of these MOUs, including a cornerstone zircon concentrate supply from Thunderbird, follows the precedent MOUs signed earlier this month and provides Sheffield a global sales network for premium zircon and zircon concentrate from Thunderbird. Sheffield has now established key offtake relationships across Europe, India and China, taking total offtake volume of premium zircon and zircon concentrate to approximately 70% and 45% respectively from Stage 1 of the Thunderbird Project.

Sheffield’s Managing Director, Bruce McFadzean, said:

“We are pleased to have secured significant interest in the zircon concentrate to be delivered from Thunderbird in addition to the quality premium zircon product. We look forward to working with Nanjing and Minchem over the coming months to conclude binding agreements.

“The opportunity with Nanjing establishes entry to the Chinese market, an important step in the evolution of this Company and, combined with MOUs already in place, confirms Thunderbird as a world class source of very high quality products across its 42 year mine life. We are also proud to be working alongside Minchem who are a high quality processor of minerals and ceramic raw materials.

“Additionally, negotiations with potential ilmenite consumers are progressing well, following successful test work to optimise the Fe₂O₃ content of LTR Ilmenite product for the Chinese consumer market. We look forward to updating the market on further offtake developments as they occur over the coming weeks.”

ENDS

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ABOUT SHEFFIELD RESOURCES

Sheffield Resources Limited is focused on developing its 100% owned, world class Thunderbird Mineral Sands Project, located in north-west Western Australia. Sheffield continues to also assess other regional exploration opportunities.

THUNDERBIRD MINERAL SANDS

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

Sheffield's Bankable Feasibility Study shows Thunderbird is a technically low risk, modest capex project that generates strong cash margins from globally significant levels of production over an exceptionally long mine life of 42 years.

Thunderbird will generate a high quality suite of mineral sands products with specifications suited to market requirements. These products include Premium Zircon suitable for the ceramic sector and LTR Ilmenite which will be one of the highest grade sulfate feedstocks available globally.

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.

Subject to permitting activities, the Company is targeting project construction commencing in late 2017 with initial production in 2019. The initial planned production profile is aligned with expected emerging supply gaps in global mineral sands markets.

ASX Code:	SFX	Market Capitalisation:	A\$103m
Issued shares:	181.0m	Cash (unaudited, 31 Mar 2017):	A\$11m