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Thunderbird - A Globally Dominant Zircon Project

TZMI Congress – Singapore



November 2019

Notice and Disclaimer



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IMPORTANT: You must read the following in conjunction with this Bankable Feasibility Study Update (BFSU).

Summary information in relation to Sheffield

This document contains summary information about Sheffield Resources Limited (ACN 125 811 083) (Company or Sheffield), its subsidiaries and their activities which is current as at the date of this document, unless otherwise indicated. The information in this document remains subject to change without notice, and Sheffield is not responsible for updating, nor does it undertake to update, it. This document should be read in conjunction with Sheffield's periodic and continuous disclosure announcements lodged with the Australian Securities Exchange (ASX), which are available at <http://www.sheffieldresources.com.au/irm/content/asx-announcements1.aspx?RID=398> or www.asx.com.au.

This document should also be read in conjunction with the risks disclosed in Sheffield's ASX announcement released on 10 December 2018.

Industry data

Certain market and industry data used in connection with or referenced in this document, including in relation to other companies in Sheffield's peer group, may have been obtained from public filings, research, surveys or studies made or conducted by third parties, including as published in industry-specific or general publications. Neither Sheffield or their respective representatives have independently verified any such market or industry data.

Compliance Statements

Information and documentation which forms the basis of the Thunderbird BFS and BFSU in relation to Mineral Resources, Ore Reserves and metallurgy and process design has previously been reported as detailed below. The Company confirms that it is not aware of any new information or data that materially affects the information included in the relevant market announcements and, in the case of the July 2016 Thunderbird Mineral Resources and the July 2019 Thunderbird Ore Reserve, that all material assumptions and technical parameters underpinning the estimates in the relevant market announcement continue to apply and have not materially changed. In the case of the announcement entitled "BFS Update Materially Improves Project Economics" dated 31 July 2019, the Company confirms that all material assumptions underpinning any production target and any forecast financial information derived from any production target that is disclosed in this announcement continue to apply and have not materially changed. The Company confirms that the form and context of the Competent Person's findings are presented and have not been materially modified from the original market announcements.

Estimates of Mineral Resources and Ore Reserves and exploration results

This document contains estimates of Sheffield's Ore Reserve and Mineral Resources and information that relates to exploration results.

The Mineral Resources and Ore Reserves of Sheffield have been extracted from Sheffield's ASX releases;

"BFS UPDATE MATERIALLY IMPROVES PROJECT ECONOMICS" 31 July 2019

"THUNDERBIRD ORE RESERVE UPDATE" 31 July 2019

"HIGH GRADE MAIDEN MINERAL RESOURCE AT NIGHT TRAIN" 31 January 2019

"MINERAL RESOURCE AND ORE RESERVE STATEMENT" 3 October 2018

"THUNDERBIRD ORE RESERVE UPDATE" 16 March 2017

"SHEFFIELD DOUBLES MEASURED MINERAL RESOURCE AT THUNDERBIRD" 5 July 2016

The exploration results have been extracted from Sheffield's ASX releases;

"NEW LARGE HIGH GRADE DISCOVERY SOUTH OF THUNDERBIRD" 13 November 2018

"EXCEPTIONAL RESULTS CONFIRM MAJOR DISCOVERY AT NIGHT TRAIN" 9 October 2018

A copy of these announcements is available at <http://www.sheffieldresources.com.au/irm/content/asx-announcements1.aspx?RID=398> or www.asx.com.au.

Bankable Feasibility Study ("BFS")

This document contains information that relates to a Bankable Feasibility Study. This information was extracted from the following ASX releases by Sheffield:

THUNDERBIRD BFS DELIVERS OUTSTANDING RESULTS" 24 March, 2017

Other Extracted Information

In addition to those ASX releases referred to above, this document contains information extracted from the following ASX releases:

"SHEFFIELD SIGNS BINDING PRIMARY ILMENITE OFFTAKE AGREEMENT" 1 July 2019

"ADDITIONAL BINDING ZIRCON CONCENTRATE OFFTAKE AGREEMENT SIGNED" 22 July 2019"

"SHEFFIELD SECURES THUNDERBIRD LNG SUPPLY AGREEMENT" 22 January 2019

"SHEFFIELD SIGNS TAURUS DEBT FACILITY AND EPC CONTRACT" 12 November 2018

"FEDERAL ENVIRONMENTAL APPROVAL GRANTED FOR THUNDERBIRD" 28 September 2018

"NAIF APPROVES LOAN FACILITIES TOTALLING A\$95M" 19 September 2018

"FAVOURABLE NATIONAL NATIVE TITLE TRIBUNAL OUTCOME" 28 August 2018

"GRANT OF MISCELLANEOUS LICENCES" 27 June 2018

"ADDITIONAL BINDING OFFTAKE SIGNED" 1 February 2018

"BINDING ZIRCON CONCENTRATE OFFTAKE AGREEMENT SIGNED" 12 December 2017

"SHEFFIELD ANNOUNCES EPC PREFERRED CONTRACTOR" 19 October 2017

"EPA RECOMMENDS APPROVAL OF THUNDERBIRD" 9 October 2017

"SHEFFIELD SIGNS MAIDEN BINDING OFFTAKE AGREEMENT" 12 September 2017

"SHEFFIELD SIGNS CORNERSTONE ILMENITE MOU" 29 May 2017

"ADDITIONAL ZIRCON OFFTAKE MOU SIGNED" 10 April, 2017

"QUARTERLY ACTIVITIES REPORT" and "QUARTERLY CASHFLOW REPORT" 28 October 2019

"QUARTERLY ACTIVITIES REPORT" and "QUARTERLY CASHFLOW REPORT" 31 July 2019

"NATIVE TITLE AGREEMENT SIGNED BY TRADITIONAL OWNERS" 1 November 2018

"MINING LEASE GRANTED OVER THUNDERBIRD MINERAL SANDS PROJECT" 26 September 2018

"NATIVE TITLE UPDATE: SHEFFIELD SIGNS CO-EXISTENCE AGREEMENT" 10 September 2018

"STATE MINISTER FOR ENVIRONMENT APPROVES THUNDERBIRD MINERAL SANDS PROJECT" 13 August 2018

"MAIDEN BINDING ILMENITE OFFTAKE AGREEMENT" 21 June 2018

"BINDING OFFTAKE AGREEMENTS EXCEED 50% OF STG 1 REVENUE" 22 December 2017

"COMMENCEMENT OF EARLY WORKS AND TRAINING PROGRAM" 4 December 2017

"SHEFFIELD MANDATES TAURUS FOR US\$200M DEBT FACILITY" 18 October 2017

"SHEFFIELD SECURES SECOND BINDING OFFTAKE AGREEMENT" 25 September 2017

"SHEFFIELD LAUNCHES ABORIGINAL EMPLOYMENT PROGRAM" 17 August 2017

"SHEFFIELD SECURES FURTHER ZIRCON OFFTAKE MOUs" 26 April 2017

"THUNDERBIRD ILMENITE EXCEEDS PREMIUM SPECIFICATION" 13 March 2017

The Company confirms that it is not aware of any new information or data that materially affects the information included in the relevant market announcements and, in the case of estimates of Mineral Resources and Ore Reserves, that all material assumptions and technical parameters underpinning the estimates in the relevant market announcement continue to apply and have not materially changed. The Company confirms that the form and context in which the Competent Person's findings are presented have not been materially modified from the original market announcements.

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Not financial product advice

This document does not constitute, and is not intended to constitute, investment or financial product advice (nor tax, accounting or legal advice). This document should not be relied upon as advice to investors or potential investors and has been prepared without taking account of any person's individual investment objectives, financial situation or particular needs. Any investment decision should be made based solely upon appropriate due diligence. Before making an investment decision, prospective investors should consider the appropriateness of the information having regard to their own investment objectives, financial situation and needs and seek legal, accounting and taxation advice appropriate to their jurisdiction. Recipients of this document are advised to consult their own professional advisers. An investment in any listed company, including Sheffield, is subject to significant risks, both known and unknown and including (without limitation) risks of loss of income and capital. A number of risks are beyond the control of Sheffield.

Effect of rounding

A number of figures, amounts, percentages, estimates, calculations of value and fractions in this document are subject to the effect of rounding. Accordingly, the actual calculation of these figures may differ from the figures set out in this document.

Financial data

All currency amounts are in Australian Dollars (\$) or US Dollars (\$) unless otherwise stated.

Future performance, forward-looking statements and key risks

This document is to be read in conjunction with the information contained in Appendices and the ASX:SFX announcements on BFS Update and the Ore Reserve Update of 31 July 2019.

This document contains certain "forward-looking statements". Forward-looking statements can generally be identified by the use of forward looking words such as "forecast", "likely", "believe", "future", "project", "opinion", "guidance", "should", "could", "target", "propose", "to be", "foresee", "aim", "may", "will", "expect", "intend", "plan", "estimate", "anticipate", "continue", "indicative" and "guidance", and other similar words and expressions, which may include, without limitation, statements regarding plans, strategies and objectives of management, anticipated production dates, expected costs or production outputs for the Company, based on (among other things) its estimates of future production of the Thunderbird Project and the future operation of Sheffield and the Thunderbird Project.

To the extent that this document contains forward-looking information (including forward-looking statements, opinions or estimates), the forward-looking information is subject to a number of risk factors, including those generally associated with the mineral sands industry. Any such forward-looking statement also inherently involves known and unknown risks, uncertainties and other factors that may cause actual results, performance and achievements to be materially greater or less than estimated. These factors may include, but are not limited to, changes in commodity prices, foreign exchange fluctuations, general economic and share market conditions, increased costs and demand for production inputs, the speculative nature of exploration and project development (including the risks of obtaining necessary licenses and permits and diminishing quantities or grades of reserves), changes to the regulatory framework within which the Company operates or may in the future operate, environmental conditions including extreme weather conditions, geological and geotechnical events, and environmental issues, and the recruitment and retention of key personnel.

Any forward-looking statements are also based on assumptions and contingencies which are subject to change without notice and which may ultimately prove to be materially incorrect, as are statements about market and industry trends, which are based on interpretations of current market conditions. Investors should consider the forward-looking statements contained in this document in light of those disclosures and not place reliance on such statements. The forward-looking statements in this document are not guarantees or predictions of future performance and may involve significant elements of subjective judgment, assumptions as to future events that may not be correct, known and unknown risks, uncertainties and other factors, many of which are outside the control of Sheffield. As a result, there can be no assurance that actual outcomes will not materially differ from these forward-looking statements. The forward-looking statements are based on information available to Sheffield as at the date of this document. Except as required by law or regulation, Sheffield undertakes no obligation to provide any additional or updated information or update any forward-looking statements, whether as a result of new information, future events or results or otherwise.

Indications of, and guidance on, future performance are also forward-looking statements, and include statements in this document regarding anticipated mine life, expected or indicative costs, indicative revenues, indicative production outputs and anticipated production dates. To the maximum extent permitted by law, Sheffield, and its respective directors, officers, employees, advisers, agents and intermediaries (together, "Relevant Parties") disclaim any obligation or undertaking to release any updates or revisions to the information to reflect any change in expectations or assumptions, or any change in events, conditions or circumstances on which any such information or statement is based. Nothing in this document will, under any circumstances (including by reason of this document remaining available and not being superseded or replaced by any other document or publication with respect to Sheffield or the subject matter of this document), create an implication that there has been no change in the affairs of Sheffield since the date of this document.

To the maximum extent permitted by law, the Relevant Parties make no representation or warranty (express or implied) as to the fairness, accuracy, reliability, currency, reasonableness or completeness of the contents of this document or any other information (whether written or verbal) that the Relevant Parties otherwise provide to the recipient. The recipient may not rely on the contents of the document or any information in it in making any decision to invest or acquire an interest in the Thunderbird Project. To the maximum extent permitted by law, the Relevant Parties are not liable for any direct, indirect or consequential loss or damage suffered (whether foreseeable or not) by any person (whether arising from negligence or otherwise) as a result of relying on this document or the information in it, any errors therein or omissions therefrom, or any other written or oral communications transmitted to the recipient in the course of its evaluation of the Thunderbird Project, or otherwise in connection with this document or the information in it.

Investment risk

As noted above, an investment in Sheffield securities is subject to investment and other known and unknown risks, a number of which are beyond the control of Sheffield. Sheffield (nor its related bodies corporate) does not guarantee any particular rate of return or the performance of the Company or the Thunderbird Project, nor does it guarantee the repayment of capital from Sheffield or any particular tax treatment. Prospective investors should make their own enquiries and investigations regarding all information in this document, including but not limited to the assumptions, uncertainties and contingencies which may affect future operations of Sheffield and the Thunderbird Project and the impact that different future outcomes may have on Sheffield and the Thunderbird Project.

Not an Offer

This document is for information purposes only and does not constitute or form any part of any offer or invitation to sell or issue, or any solicitation of any offer to purchase or subscribe for, any securities in the Company in any jurisdiction. This document and its contents must not be distributed, transmitted or viewed by any person in any jurisdiction where the distribution, transmission or viewing of this document would be unlawful under the securities or other laws of that or any other jurisdiction.

Thunderbird Bankable Feasibility Study Update¹

Metric	2019 BFSU
NPV ₈ post-tax	A\$0.98B
IRR post-tax %	24.0%
NPV ₁₀ pre-tax	A\$1.13B
IRR pre-tax %	30.1%
Total Funding Requirement	A\$478m
Project Debt (Taurus & NAIF)	A\$335m
Equity Requirement	A\$143m
Project Capital	A\$392m
Offtake (Stage 1 binding take or pay)	~100%
Mine Life	37 years
Long Term Average FX Rate (A\$/US\$)	0.75
Revenue to Cost Ratio (yrs 1 – 10)	>2.3
EBITDA Stage 1 & 2 (years 5 – 10)	A\$250m

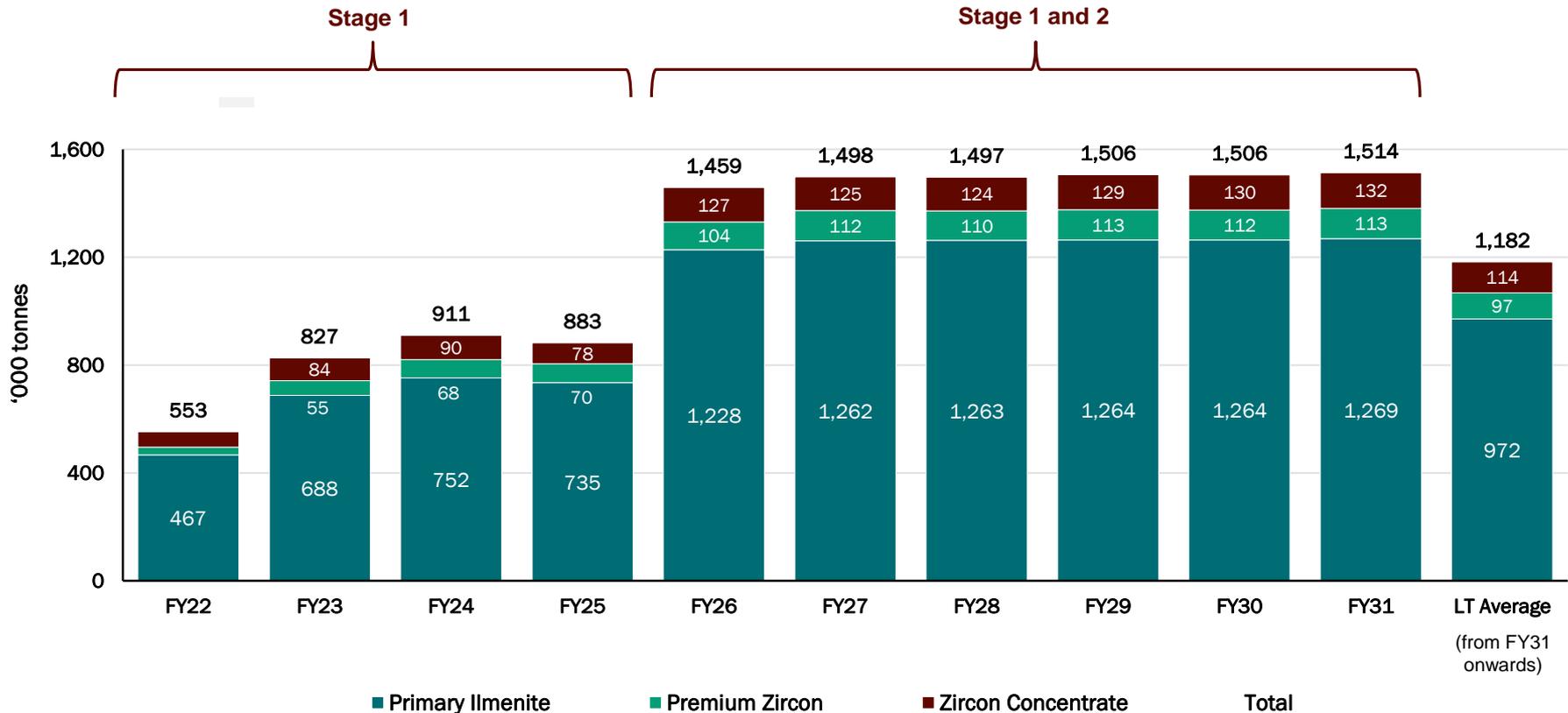
- c. A\$1 billion post tax NPV₈
- 24% post tax IRR
- A\$1.1 billion pre-tax NPV₁₀
- 30% pre-tax IRR
- 2.3 Revenue to cost ratio
- A\$131m annual EBITDA years 1 - 4
- A\$250m annual EBITDA years 5 - 10
- A\$335m long tenor debt
 - Taurus US\$175m (7 year tenor)
 - NAIF A\$95m (15 & 20 year tenor)
- A\$143m equity gap includes all funding costs
- Final funding/partner process well advanced
- 100% stage 1 binding off-take agreements signed
- 37 year mine life
- TZMI long term commodity pricing
- Conservative exchange rate

Indicative Mine Schedule – Zircon Dominant Project



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LOM plan to deliver 202ktpa zircon on average over a 37 year mine life



- Globally dominant zircon project for 37 years
 - Stage 1 (Year 1 - 4): 132kt premium zircon and zircon concentrate per year
 - Stage 2 (Year 5 - 10) 238kt premium zircon and zircon concentrate per year

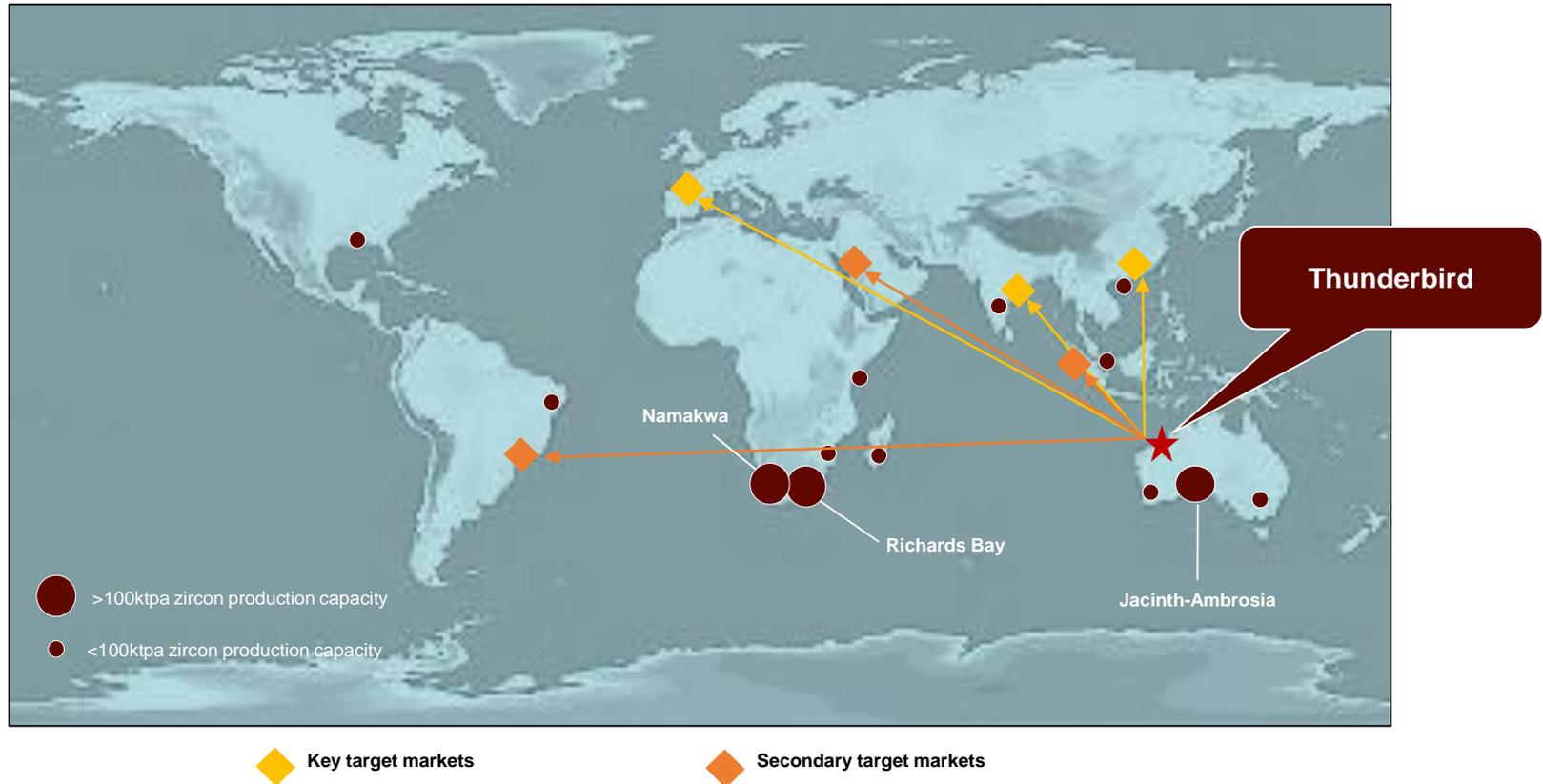
Note:
This page sets out production profile information for Stage 1 and Stage 2 of the Thunderbird Project. Such information is derived from the financial model prepared by Sheffield for Stage 1 and Stage 2 of the Thunderbird Project. The financial model for Stage 2 is based on current Sheffield management estimates, which will be confirmed prior to a Stage 2 investment decision and its implementation. Such estimates are based on, among other things, a detailed mine plan prepared as part of the BFS Update for the life of mine (including Stage 2) and other BFS Update assumptions for Stage 2, which, where relevant, have been adjusted to reflect contractual outcomes and the results of due diligence on Stage 1. Actual volumes produced will be subject to a number of risks and uncertainties and therefore may vary from this current, indicative profile

Optimally Positioned to Supply Key End Markets



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Sheffield has a clear competitive advantage in supplying the Asian markets



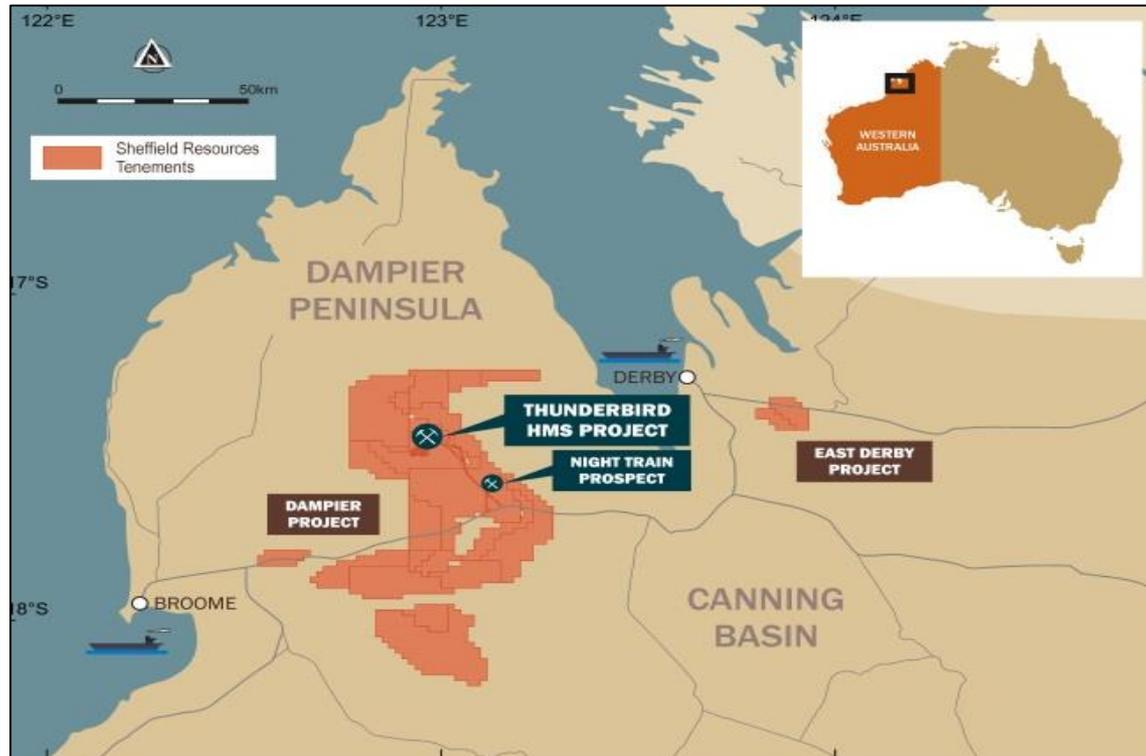
- Close to the key Asian growth markets
- China consumes c. 50% of global zircon and ilmenite feedstocks
- Global logistics supply advantage

Safe and Reliable Mining Jurisdiction



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150 km from Broome and Derby ports

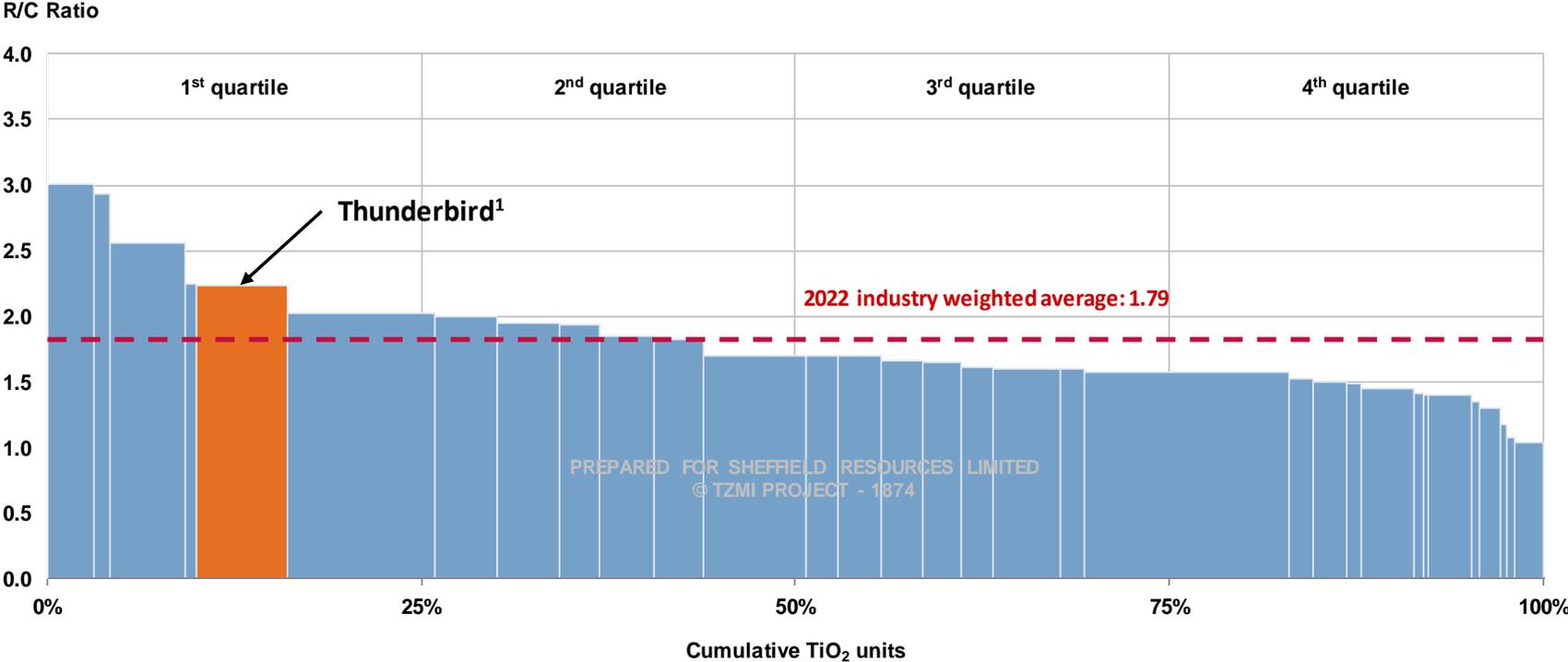


- Low risk jurisdiction
- Fully permitted
- Simple mine to port logistics
- Major highway links to two ports (150km)
- Local access to labour and industrial services
- Drive In Drive Out operations
- Strong Indigenous and local participation
- Overwhelming community support

One of the Highest Margin Projects Globally - TZMI



Thunderbird is in the first quartile - one of the highest margin projects globally
 Independent TZMI Feedstock Cost Study for CY 2022 (Published 2018)



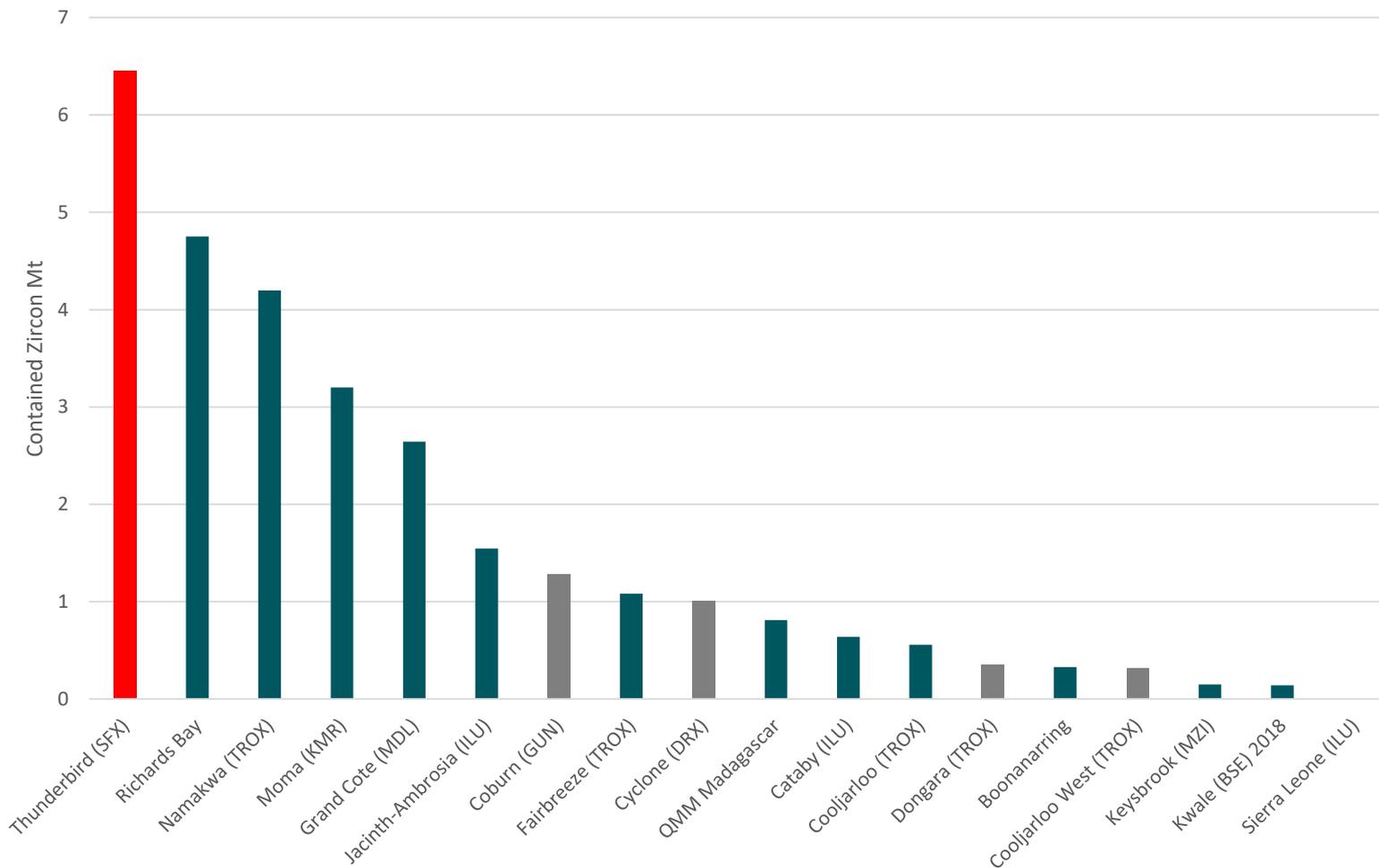
Note:
 1. Period represented for Thunderbird is the 4 year period post ramp up, equalling CY 2024 to 2027 inclusive. RC ratio is based on the TZMI 2018 feedstock cost study using long-term pricing and forecast exchange rate. The R/C ratio for Thunderbird has been determined using standard TZMI methodology with production, cost and product pricing assumptions provided by Sheffield Resources. The industry curve was determined by TZMI using TZMI estimates. Accordingly, the information set out on this page is not and should not be interpreted as a forecast. Sheffield does not have sufficient certainty (and therefore does not yet have a reasonable basis) in order to issue any cost or revenue forecasts.

One of the Largest, Zircon Rich, Mineral Sands Projects Globally



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Comparison of contained zircon within JORC Ore Reserves of key global mineral sands deposits¹



Notes:

1. Thunderbird Ore Reserve (red) as published on the ASX on 31 July 2019. Contained zircon within Thunderbird Ore Reserve ranked against contained zircon within published JORC 2012 compliant Ore Reserves of large current mineral sands operations and projects under investigation globally. Green bars are operating mines, grey bars are Ore Reserves reported but are not operating. Bar size proportional to tonnes of contained zircon. Only Ore Reserves > 1.2Mt contained VHM shown. Wimmera style and hard rock deposits are not included or comparable. Data compiled by Sheffield from public sources.

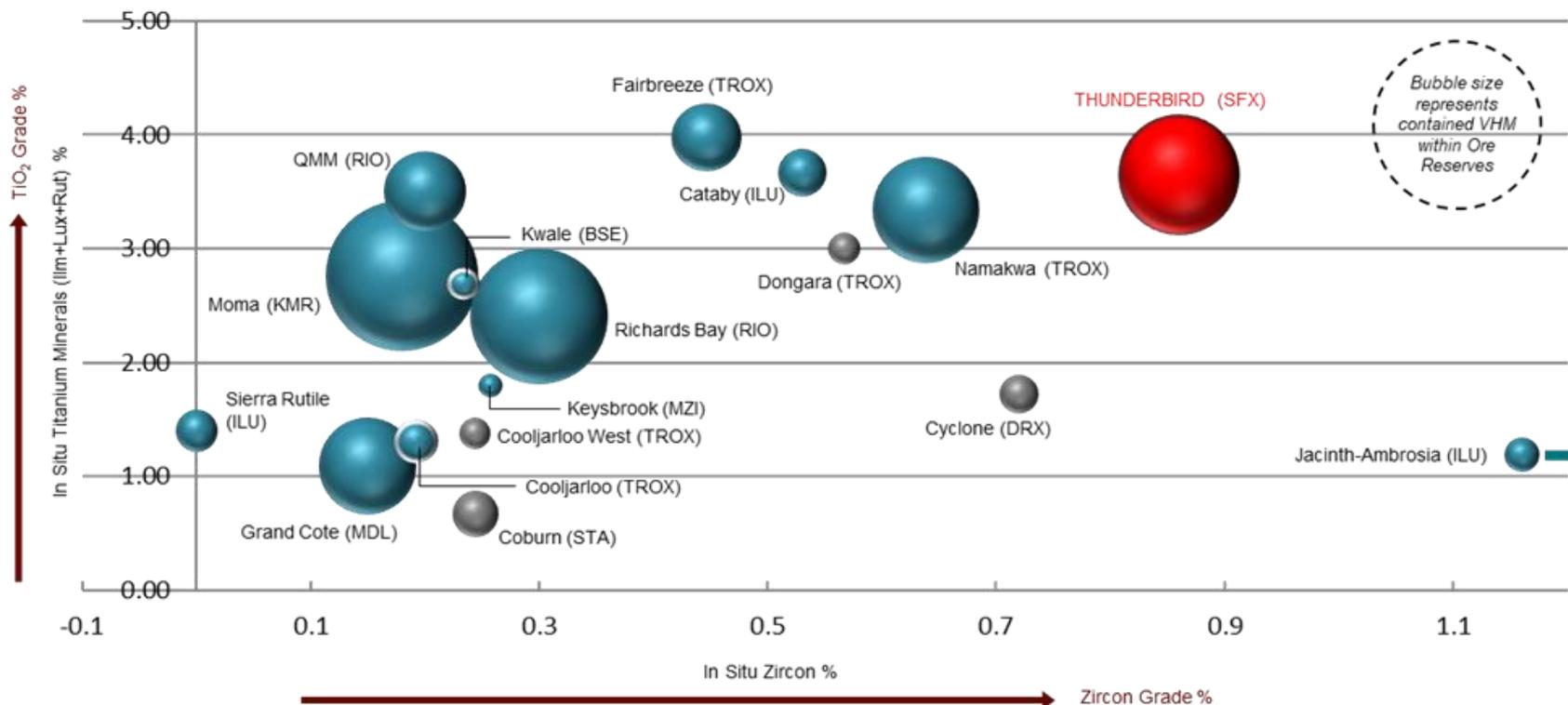
One of the Largest, Highest Grade, Ore Reserves Globally



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Comparison of Ore Reserves and grade between the key large mineral sands deposits globally^{1,2,3}

- Large, mature mineral sands deposits indicate a strong trend of accelerating grade depletion with each new published Ore Reserve update
- The highest grade and most significant zircon producing mine, Jacinth-Ambrosia is now entering the back end of its mine life
- Increasing throughput and production rates at mature operations are accelerating the depletion of Ore Reserves and mine life



Notes:

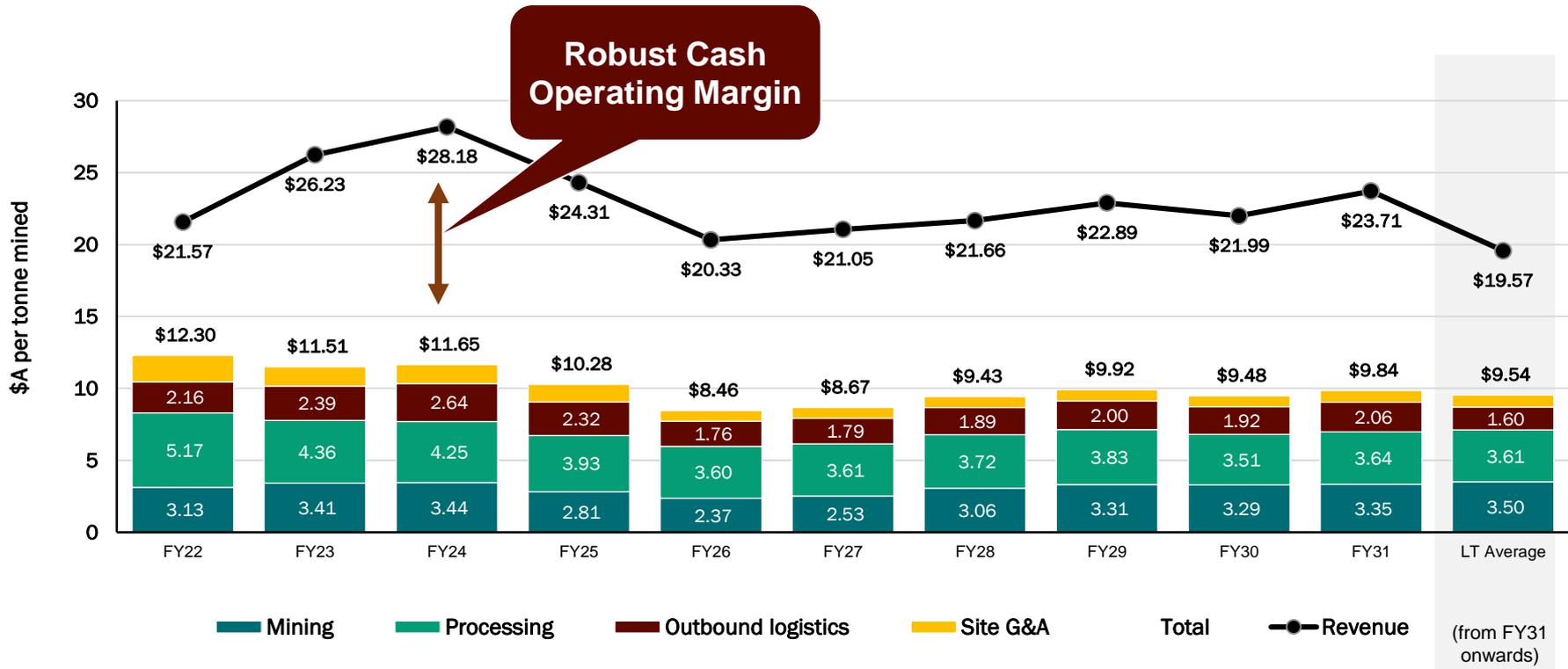
1. Thunderbird Ore Reserve as published on the ASX on 31 July 2019. Thunderbird Ore Reserves ranked against latest published Ore Reserves of current mineral sands operations and projects under investigation globally. Accordingly, for the operating projects, no account is made for any volumes of product already produced
2. Blue bubbles are operating mines, grey bubbles are Ore Reserves reported but the project is not operating. Only Ore Reserves > 1.2Mt contained VHM shown
3. Data compiled by Sheffield from public sources. This analysis does not illustrate the variance in product value between rutile, leucoxene and ilmenite

A Strong Cash Operating Margin



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Revenue and Site Cash Costs A\$ per tonne of Ore Mined (Production Years)



- Very strong cash margin with revenue to cost ratio well above 2:1
- Strongly leveraged to zircon production
- Stage 2 expected to deliver significantly reduced unit costs

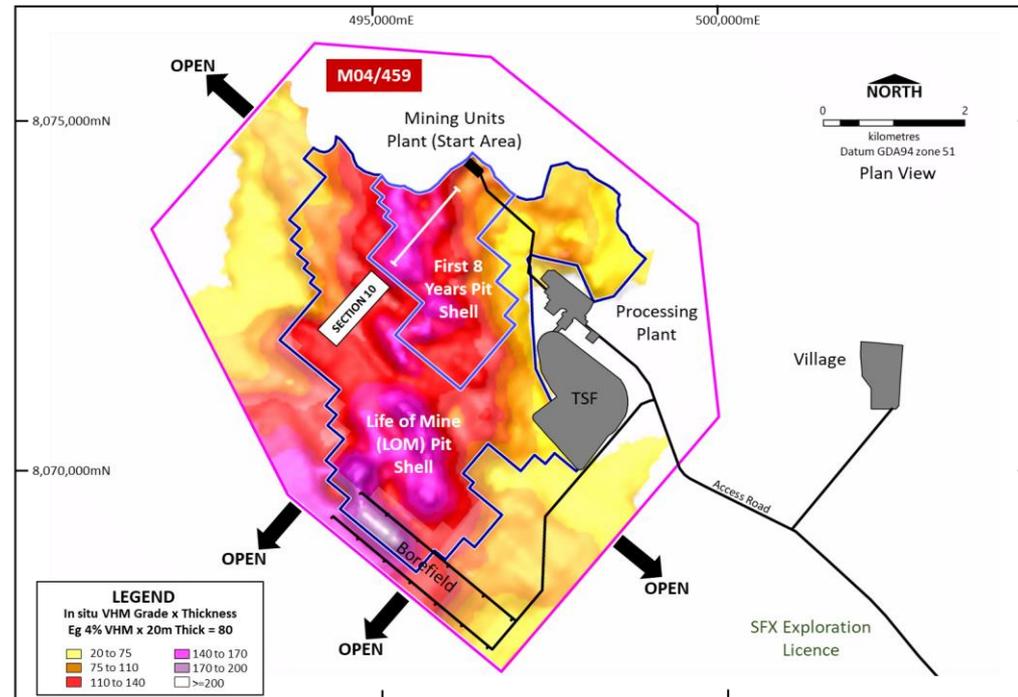
Note:
 This page sets out the unit cash operating costs and revenues for the first 10 years of the Thunderbird Project. Such information is derived from the financial model prepared by Sheffield. Such estimates are based on, among other things, a detailed mine plan, negotiated contracts with key suppliers. Actual outcomes will be subject to a number of risks and uncertainties and therefore may vary from this current, indicative profile

Thunderbird is a High Grade, Thick Deposit

Deposit exhibits strong continuity and high Valuable Heavy Mineral (“VHM”) grades

- Typical of an off-shore, sub-wave base deposit
- Zircon & Ilmenite dominant VHM
- Flat, thick, broad sheet-like ore body
- High grade zone up to 43m in thickness
- Surface outcropping
- Consistent grade across strike, down dip and vertically
 - zircon D50 of 57 microns
 - titanium minerals D50 of 67 microns
- Ore body defined over 6km x 4km
- High grade zone remains open in multiple directions

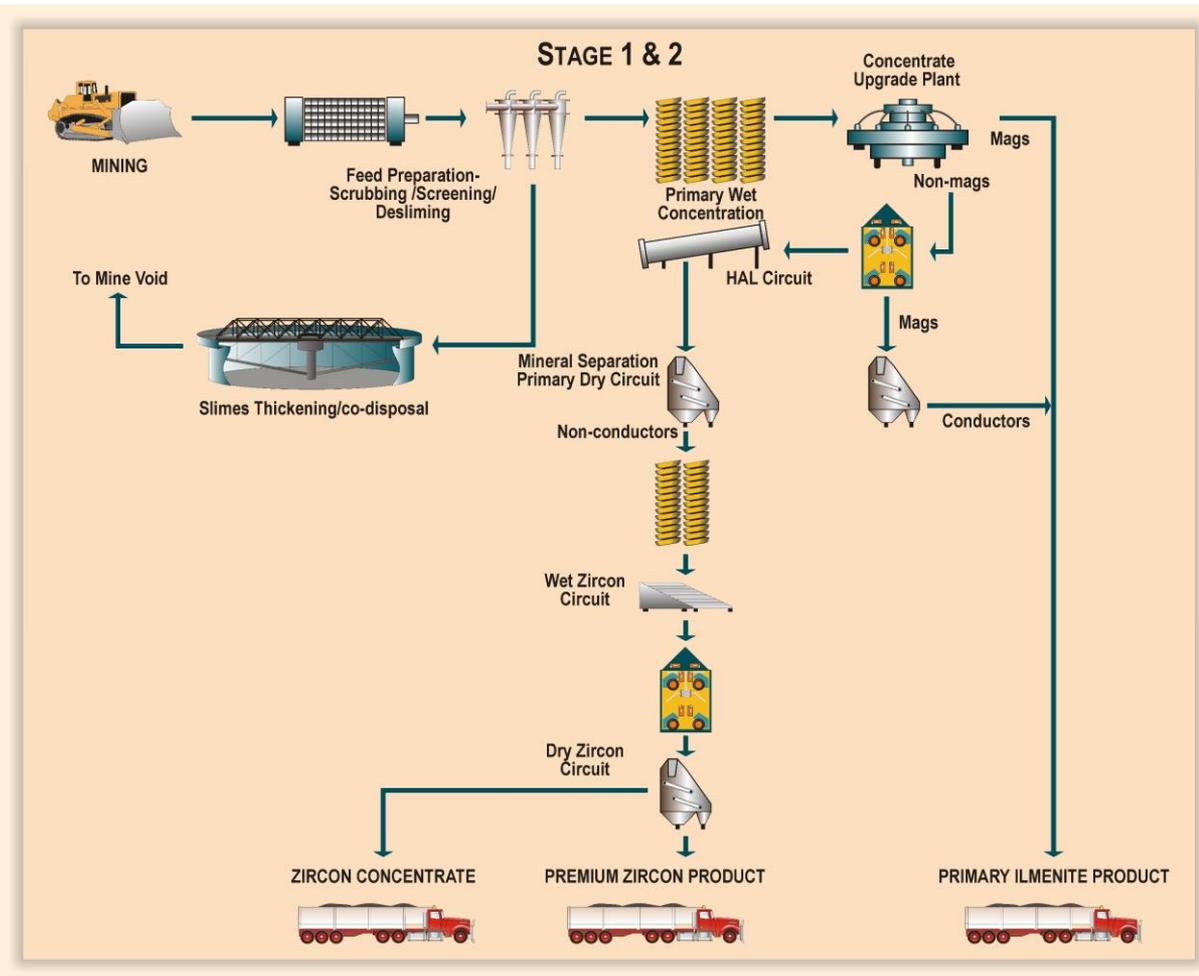
Thunderbird Site Layout of VHM Grade x Thickness (>7.5% HM)



Simple and Conventional Processing Circuit



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Stages 1 & 2

- Simple and typical mineral sands flowsheet
- 3 finished products
 - Premium zircon
 - Zircon concentrate
 - Primary Ilmenite
- Dry mining via conventional dozer trap
- Pits back filled and rehabilitated as mining progresses
- >30% of engineering complete
- EPC contract well advanced
- Power

Recovery (%) ¹	Stage 1	Stage 2	LOM
Zircon to Premium Zircon	43.9	53.0	53.6
Zircon to Zircon Concentrate	36.0	33.3	33.6
Ilmenite to Ilmenite Products	76.7	77.7	78.7

Notes:
1. Based on metallurgical test work carried out on a 40t bulk sample using full scale & scalable equipment and sourced from the BFSU Financial Model

Well Positioned Near Existing Port Infrastructure

Thunderbird is conveniently located between two existing ports

- Close proximity to two existing operating ports
 - Port of Broome container capacity
 - Port of Derby bulk and container capacity
- Products to be trucked from mine to port
- Port of Derby has bulk product capability
 - Existing bulk ship loading facilities
 - Agreement in place for port facilities
 - Transhipped 20-30kms
 - Transshipment successfully operated previously
- Port of Broome is suitable for packaged products

Port of Broome



Port of Derby



Premium Quality Products

Production of high quality zircon products and ilmenite suited to chloride slag production

Thunderbird produces three high quality finished products comprising:

- **Premium Zircon**

- Product has high ZrO_2 (> 66% $ZrO_2 + HfO_2$) and very low contaminant trace elements (low in TiO_2 , Fe_2O_3 , Al_2O_3), making it suitable for all zircon applications
- Suited to ceramics, zirconium chemicals and fused products industry, foundry, investment castings and other specialty markets

- **Zircon Concentrate**

- Zircon concentrate provides value through high levels of contained valuable minerals.
- Material to offer a ZrO_2 rich (c. 35% ZrO_2) and TiO_2 rich (c. 34% TiO_2) concentrate to customers for further process upgrading
- Suited to ceramics (as a blended product), zirconium chemicals industry, foundry and investment castings

- **Primary Ilmenite**

- Material suited for upgrading as feedstock for TiO_2 slag production (both chloride and sulfate slag)
- Low in key contaminants
- Option to produce LTR ilmenite later in the mine life if market dynamics are favourable. The LTR process can produce a premium high-grade product that is capable of feeding both the chloride slag market (53.0% TiO_2) and the sulfate pigment market (57.0% TiO_2)

Stage 1 offtake summary

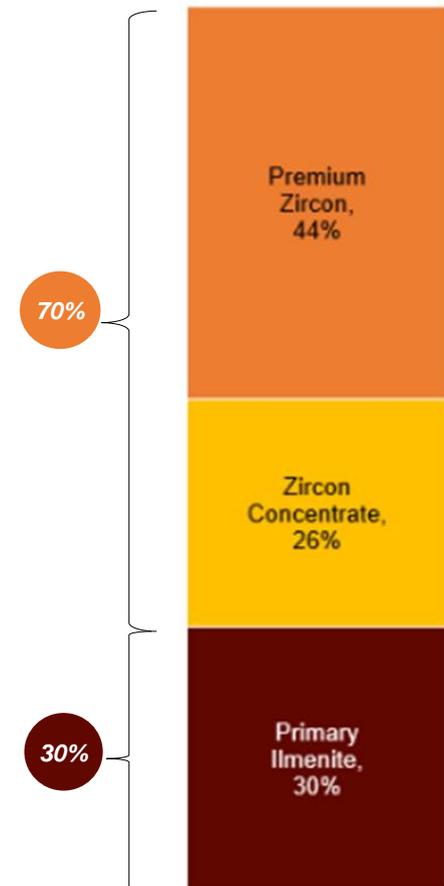
Product	Binding Agreement (% of Stage 1)	Offtake Parties
Premium zircon	100%	Sukaso, Ruby Ceramics, RZI, Qingyuan Jinsheng, Minchem, CFM, Others
Zircon Concentrate	100%	Hainan Wensheng, RZI
Primary Ilmenite ²	~100%	Bengbu

Note:

1. Based on the Thunderbird Financial Model

2. Based on Primary Ilmenite (CUP Mags only) volumes for Stage 1

% Revenue¹ over Stage 1&2



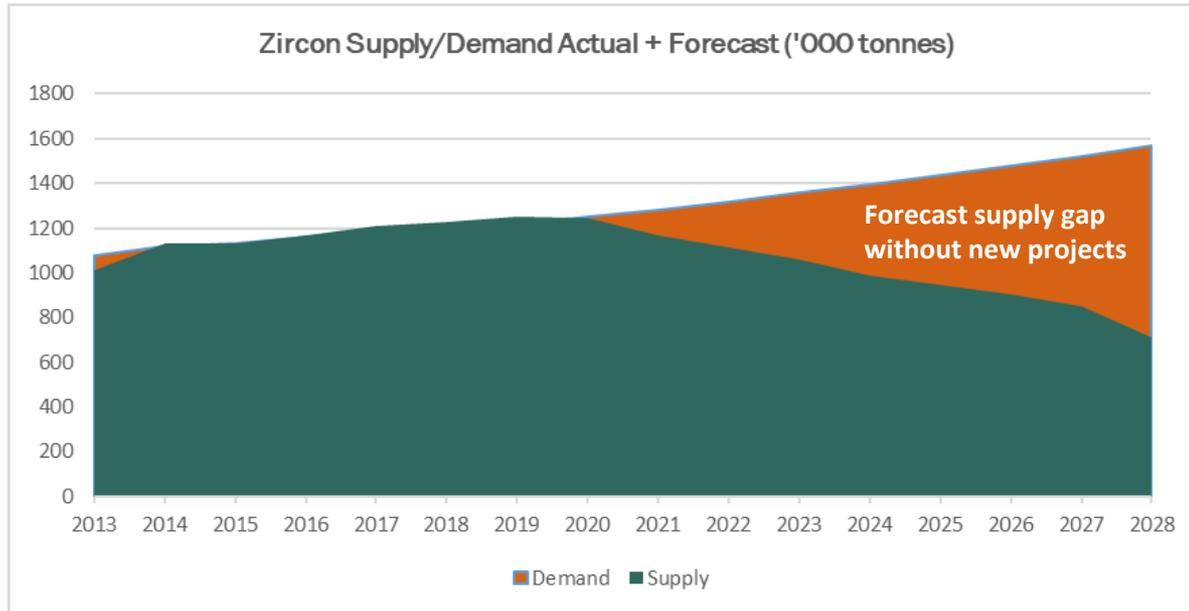
A Substantial Zircon Supply Gap is Emerging



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Thunderbird ideally positioned to help bridge part of the expected supply gap

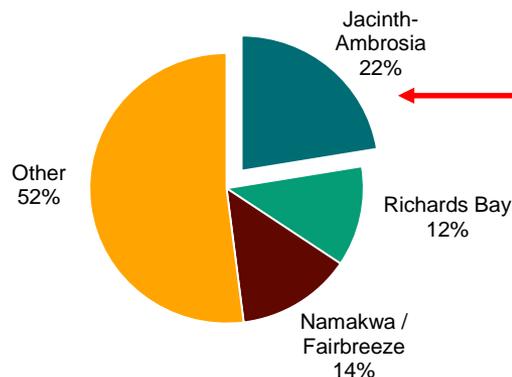
Significant zircon supply gap expected¹



Key observations

- Supply decline of 2.9% p.a. expected up to 2023
- Ore Reserve depletion and jurisdictional risks
- Jacinth Ambrosia estimated to be depleted in mid 2020's
- **Shortfall is supply driven not demand driven**
- Thrifting and substitution have reached logical limits

Split of Global Zircon Production²



Current mining rate indicates mining is completed c. 2027

Note:

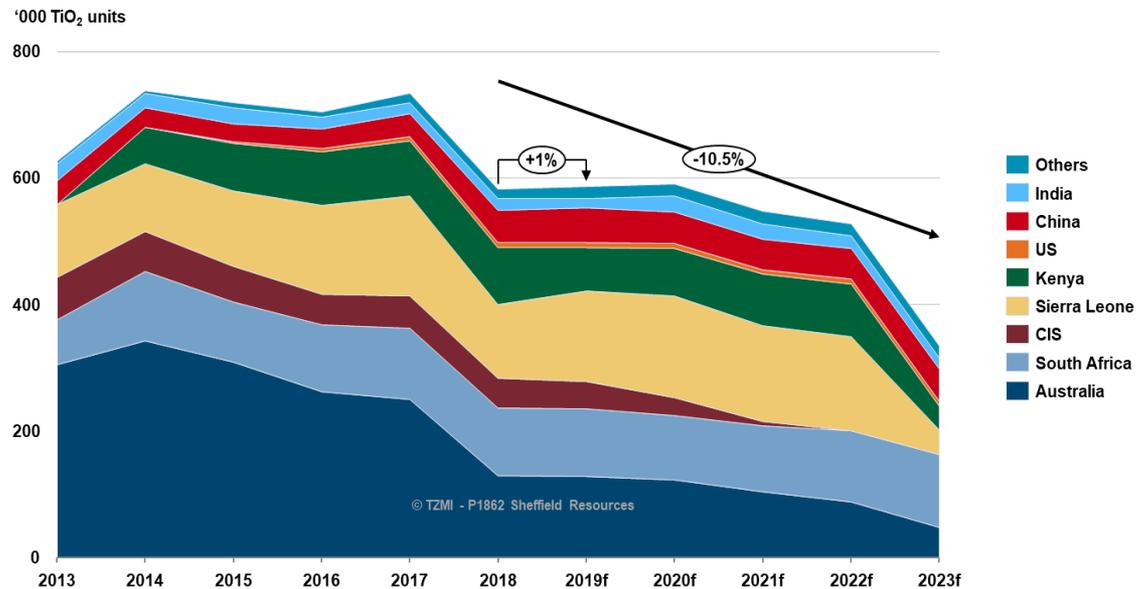
1. Sourced from TZMI May 2019
2. Sourced published Company reports and total from TZMI

Substantial Supply Gap in the Titanium Market is Emerging



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Significant supply gap for high grade TiO₂ feedstocks on the horizon¹



Key observations

Rutile supply declines of **10.5%** p.a. to 2023

- Supply declines by 330,000 TiO₂ units by 2023
- Supply due to depletion of existing resources
- Demand continues to exceed supply
- Alternative feedstocks required to fill demand void

Opportunities

Production of Chloride Slag to fill the void

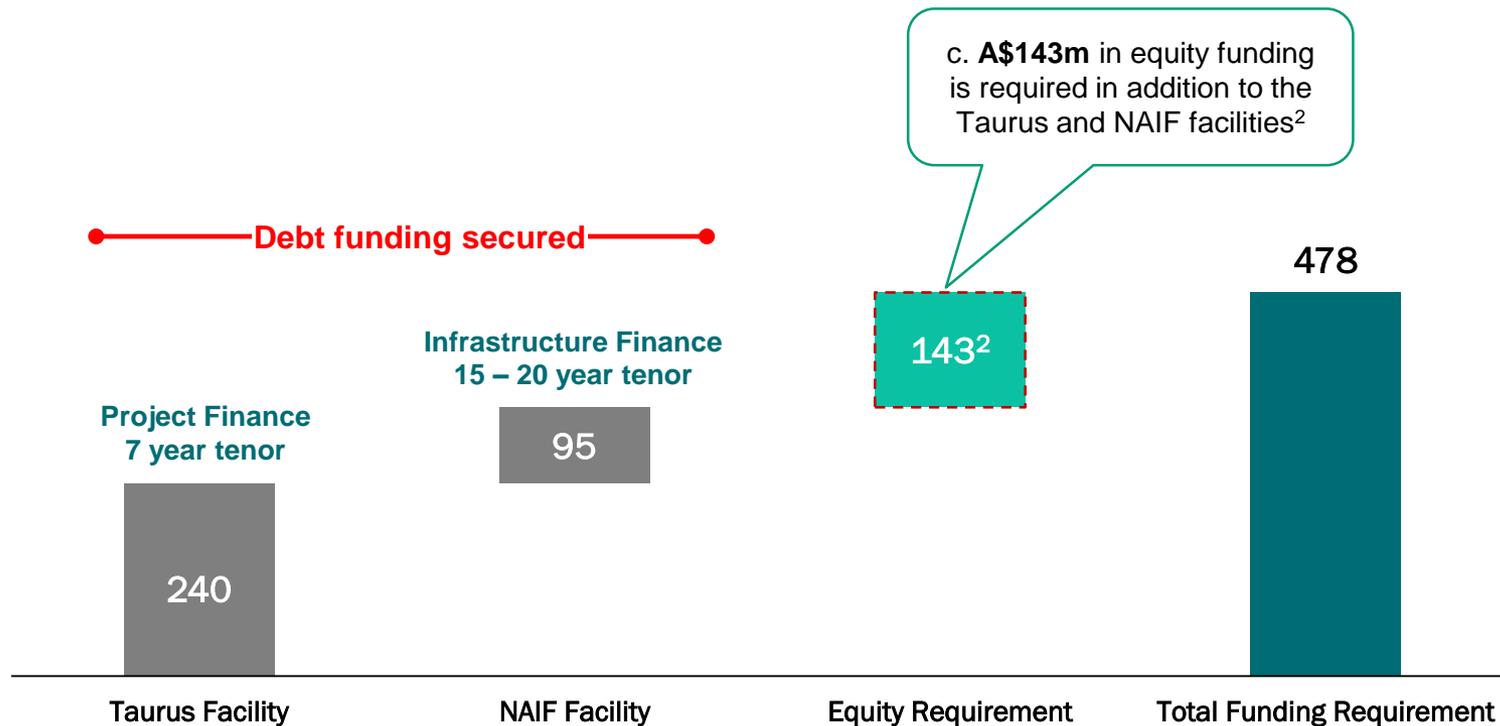
- Global TiO₂ demand predicted to increase to 8.49 million TiO₂ units by 2023 (Currently 7.5 million TiO₂ units)
- Chloride slag is identified as major growth area to meet demand
- Chinese processors developing chloride slag technology to fill supply void
- Sheffield has binding offtake agreement with a future Chinese slag producer

Note:
1. Sourced from TZMI

Stage 1 Funding Sources

With c. A\$335m of debt funding secured through the Taurus and NAIF facilities.
A\$143m of equity funding is required to commence construction of Thunderbird Stage 1

Stage 1 Funding (A\$m)¹



Note:

1. Tenor and other terms for the NAIF facilities are non-binding and subject to definitive documentation. Assumes the US\$175m Taurus debt facility is converted to A\$ using an A\$/US\$ exchange ratio of 0.73 during the expected drawdown period
2. Includes A\$86m of Sheffield's other project finance related funding requirements. Excludes 2 years of Sheffield's corporate overheads estimated to be A\$13m

Primary Approvals, Leases & Agreements in Place

Thunderbird is fully permitted and construction ready

Party	Topic	Scope	Date Complete	In Place
Dept of Environment & Energy (Cwth)	<i>Environmental Approval</i>	Federal Government environmental approval for project	Sep 2018	<input checked="" type="checkbox"/>
Department of Water & Environmental Regulation (WA)	<i>Environmental Approval</i>	State Government environmental approval for project	Aug 2018	<input checked="" type="checkbox"/>
	<i>Works Approvals</i>	Minor or preliminary works (MoPW) – trial mining pits	Sep 2017	<input checked="" type="checkbox"/>
		Approval for mining, processing, sewage facility and waste	Aug 2018	<input checked="" type="checkbox"/>
	<i>Licence to Take Water</i>	Groundwater license for project construction and operations	Oct 2018	<input checked="" type="checkbox"/>
Department of Mines, Industrial Regulation & Safety (WA)	<i>Mining Lease</i>	• Tenure for mining and processing	Sep 2018	<input checked="" type="checkbox"/>
		• Final Stage 1 mining proposal & mine closure plan granted	Sep 2019	<input checked="" type="checkbox"/>
		• Final Stage 1 works approval granted	Oct 2019	<input checked="" type="checkbox"/>
	<i>Miscellaneous Licences</i>	Tenure for infrastructure, roads and accommodation	Jun 2018	<input checked="" type="checkbox"/>
Shire of Derby & West Kimberley	<i>Port of Derby Lease</i>	Tenure for facilities at Port of Derby	May 2018	<input checked="" type="checkbox"/>
Native Title Claimants	<i>Aboriginal Heritage Agreements</i>	Heritage protocols for exploration tenure	Nov 2015	<input checked="" type="checkbox"/>
	<i>Native Title Agreements</i>	Agreed terms and conditions for project operations	Oct 2018	<input checked="" type="checkbox"/>

Stage 1 Development & Commissioning Timeline



SheffieldResources
LIMITED

The proposed timetable takes into account all foreseeable seasonal events, such as the wet season. Early works have already commenced

Month	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	21	22	23	24	
Engineering & Design																									
Drafting																									
Procurement																									
Construction																									
<i>Mobilisation</i>																									
<i>Earthworks & General</i>																									
<i>WCP and Water</i>																									
<i>HAL & Zircon Plants</i>																									
<i>Non Process Infrastructure</i>																									
<i>Borefield</i>																									
<i>Power station, LNG & HV</i>																									
Commisioning																									
First Products																									

Note: This timetable is subject to obtaining FID. Continuing further construction on early works is also subject to FID

- Thunderbird is one of the largest undeveloped zircon rich deposits globally
- Thunderbird will be a globally dominant zircon producing project for 37 years
- Australia is a very stable mining jurisdiction
- Thunderbird is fully permitted
- Global zircon supply issues will emerge from 2020
- Global high grade TiO_2 feedstock supply issues are already emerging
- Final funding process is well advanced

APPENDIX: Sheffield Resources Corporate Overview



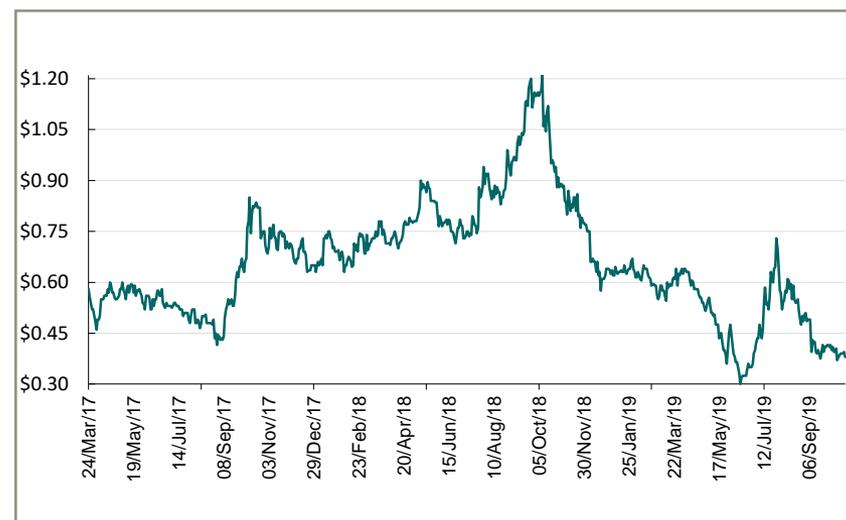
Sheffield Resources is an ASX listed mineral sands developer which owns 100% of the large scale shovel ready Thunderbird Mineral Sands Project

- Sheffield Resources Limited (“Sheffield” or the “Company”) is an ASX listed mineral sands developer and explorer based in Perth, Western Australia (ASX:SFX)
- Sheffield is focused on the development of the 100% owned Thunderbird Mineral Sands Project (“Thunderbird” or the “Project”) located on the Dampier Peninsula in Northern Western Australia.
- Thunderbird has been developed as a greenfield project by Sheffield since discovery in 2012 and is one of the largest and highest grade zircon rich discoveries in the last 30 years and is one of a few greenfield mineral sands deposits globally in a secure jurisdiction
- Experienced and skilled Board and management (>150 years' collective experience) with strong in-house intellectual property and knowledge and capable of developing, delivering and operating Thunderbird
- Sheffield has a portfolio of mineral sands assets in Australia with a focus on zircon rich assemblages which includes:
 - Thunderbird with Ore Reserve of 748Mt @ 11.2%HM²
 - Night Train deposit, 20km to the east of Thunderbird and with an Inferred Mineral Resource³ of 130Mt @ 3.3% HM, containing 3.6Mt of VHM
 - Dampier Project has delineated 14 zones of significant mineralisation along a 160km long highly mineralised trend⁴

Capital structure¹

Item	Unit	Value
Ordinary Shares Outstanding (as at 23 Oct 2019)	#m	309
Share Price (as at 23 Oct 2019) ¹	A\$/sh	0.38
Market Capitalisation	A\$m	115.9
Cash Balance (30 September 2019)	A\$m	10.6
Debt	A\$m	-
Enterprise Value	A\$m	105.3

Share price chart – Since 2017 BFS release¹



1. Market data as at 18 September 2019 and sourced from ASX
2. Refer to ASX announcement 31 July 2019 titled “Thunderbird Ore Reserve Update”
3. Refer to ASX announcement 31 January 2019 titled “High Grade Maiden Mineral Resource at Night Train”
4. Refer to ASX announcement 13 November 2018 titled “New Large High Grade Discovery South of Thunderbird”

APPENDIX: Thunderbird Ore Reserves

Thunderbird Ore Reserves: Valuable Heavy Mineral in-situ grade¹

Ore Reserve Category	Ore Tonnes (Mt)	In-situ HM Tonnes (Mt)	HM Grade (%)	Valuable Heavy Mineral Grade (In-situ) ²					
				Zircon (%)	HiTi Leucoxene (%)	Leucoxene (%)	Ilmenite (%)	Oversize (%)	Slimes (%)
Proved	219	30.0	13.7	1.02	0.30	0.28	3.68	14.0	16.1
Probable	529	53.4	10.1	0.79	0.27	0.27	2.87	10.5	14.5
Total	748	83.8	11.2	0.86	0.27	0.27	3.11	11.6	15.0

Thunderbird Ore Reserves: Mineral assemblage as percentage of HM grade¹

Ore Reserve Category	Ore Tonnes (Mt)	In-situ HM Tonnes (Mt)	HM Grade (%)	Mineral Assemblage ³					
				Zircon (%)	HiTi Leucoxene (%)	Leucoxene (%)	Ilmenite (%)	Oversize (%)	Slimes (%)
Proved	219	30.0	13.7	7.4	2.2	2.0	26.9	14.0	16.1
Probable	529	53.4	10.1	7.8	2.6	2.7	28.4	10.5	14.5
Total	748	838	11.2	7.7	2.4	2.4	27.8	11.6	15.0

Notes:

- Ore Reserves are presented both in terms of in-situ VHM grade, and HM mineral assemblage. Tonnes and grades have been rounded to reflect the relative accuracy and confidence level of the estimate, thus the sum of columns may not equal. Ore Reserves reported for the Dampier Project were prepared and first disclosed under the JORC Code (2012). Refer to Sheffield's ASX Announcement dated 31 July 2019 titled "Thunderbird Ore Reserve Update" for further detail. Ore Reserve is reported to a design overburden surface with appropriate consideration for modifying factors, costs, mineral assemblage, process recoveries and product pricing
- The in-situ grade is determined by multiplying the HM Grade by the percentage of each valuable heavy mineral within the heavy mineral assemblage
- Mineral Assemblage is reported as a percentage of HM Grade. It is derived by dividing the in-situ grade by the HM grade

APPENDIX: Thunderbird Mineral Resources

Thunderbird Mineral Resources: Valuable Heavy Mineral in-situ grade¹

Cut-off (HM%)	Mineral Resource Category	Ore Tonnes (Mt)	In-situ HM Tonnes (Mt)	HM Grade ² (%)	Valuable Heavy Mineral Grade (In-situ) ³					
					Zircon (%)	HiTi Leucoxene (%)	Leucoxene (%)	Ilmenite (%)	Slimes (%)	Oversize (%)
> 3% HM	Measured	510	45	8.9	0.71	0.20	0.19	2.4	18	12
	Indicated	2,120	140	6.6	0.55	0.18	0.20	1.8	16	9
	Inferred	600	38	6.3	0.53	0.17	0.20	1.7	15	8
	Total	3,230	223	6.9	0.57	0.18	0.20	1.9	16	9
>7.5% HM	Measured	220	32	14.5	1.07	0.31	0.27	3.9	16	15
	Indicated	640	76	11.8	0.90	0.28	0.25	3.3	14	11
	Inferred	180	20	10.8	0.87	0.27	0.26	3.0	13	9
	Total	1,050	127	12.2	0.93	0.28	0.26	3.3	15	11

Thunderbird Mineral Resources: Mineral assemblage as percentage of HM grade¹

Cut-off (HM%)	Mineral Resource Category	Ore Tonnes (Mt)	In-situ HM Tonnes (Mt)	HM Grade ² (%)	Mineral Assemblage ⁴					
					Zircon (%)	HiTi Leucoxene (%)	Leucoxene (%)	Ilmenite (%)	Slimes (%)	Oversize (%)
> 3% HM	Measured	510	45	8.9	8.0	2.3	2.2	27	18	12
	Indicated	2,120	140	6.6	8.4	2.7	3.1	28	16	9
	Inferred	600	38	6.3	8.4	2.6	3.2	28	15	8
	Total	3,230	223	6.9	8.3	2.6	2.9	28	16	9
>7.5% HM	Measured	220	32	14.5	7.4	2.1	1.9	27	16	15
	Indicated	640	76	11.8	7.6	2.4	2.1	28	14	11
	Inferred	180	20	10.8	8.0	2.5	2.4	28	13	9
	Total	1,050	127	12.2	7.6	2.3	2.1	27	15	11

Notes:

- The Thunderbird Mineral Resources are reported inclusive of (not additional to) Ore Reserves. The Mineral Resource reported above 3% HM cut-off is inclusive of (not additional to) the Mineral Resource reported above 7.5% HM cut-off. All tonnages and grades have been rounded to reflect the relative accuracy and confidence level of the estimate and to maintain consistency throughout the table, therefore the sum of columns may not equal. The Mineral Resource estimate was prepared and first disclosed under the JORC Code (2012). Refer to Sheffield's ASX announcement dated 5 July 2016 titled "Sheffield Doubles Thunderbird Measured Mineral Resource" for further detail
- Total heavy minerals (HM) is within the 38µm to 1mm size fraction and has been reported as a percentage of the total material quantity
- The Valuable HM in-situ grade is reported as a percentage of the total material quantity and is determined by multiplying the percentage of total HM by the percentage of each valuable heavy mineral within the HM assemblage at the resource block model scale
- The Mineral Assemblage is represented as the percentage of HM grade. Estimates of mineral assemblage are determined by screening and magnetic separation. Magnetic fractions were analysed by QEMSCAN for mineral determination as follows: >90% liberation; ilmenite 40-70% TiO₂; leucoxene 70-94% TiO₂; high titanium leucoxene (HiTi Leucoxene) >94% TiO₂ and zircon 66.7% ZrO₂+HfO₂. The non-magnetic fraction was analysed by XRF and minerals determined as follows: Zircon ZrO₂+HfO₂/0.667 and HiTi Leucoxene TiO₂/0.94

APPENDIX: Operating Assumptions

Key physical and cost assumptions which underpin the BFSU Financial Model

Physical assumptions overview

	Stage 1 ¹	Stage 2 ²	LOM ³
Volume			
Ore Mined (Mt)	42.8	136	748
Strip Ratio (W:O)	0.51	0.78	0.85
Mine life (years)		37	
Grade (% of ore mined)			
HM	15.6	14.5	11.2
Ilmenite	4.4	3.8	3.11
HiTi Leucoxene	0.35	0.30	0.27
Zircon	1.23	1.01	0.86
Leucoxene	0.32	0.27	0.27
Recovery (%)			
Zircon to Premium Zircon	43.9	53.0	53.6
Zircon to Zircon Concentrate	36.0	33.3	33.6
Ilmenite to Ilmenite Products	76.7	77.7	78.7

Source: BFSU Financial Model

Notes:

1. Refers to the financial year from 1 July 2021 to 30 June 2025
2. Refers to the period from 1 July 2025 to 30 June 2031
3. LOM (Life of Mine) refers to the period from year 0 to year 37
4. Excludes Sheffield's other project finance related funding requirements of A\$86m
5. Based on management estimate using BFS Update Stage 2 capex

Operating cost breakdown

A\$/t ore mined	Stage 1 ¹	Stage 2 ²	LOM ³
Mining	3.19	2.98	3.37
Processing	4.36	3.65	3.69
Outbound logistics	2.39	1.90	1.69
Site G&A	1.40	0.76	0.83
Total	11.34	9.28	9.58

Capex breakdown

	A\$m
Stage 1	
Processing	175
Non-Processing & Infrastructure	117
Owner Costs	99
Total Stage 1 development capex	391⁴
Stage 2	
Total Stage 2 development capex	237⁵
Sustaining capex	
Stage 1 (Year 0 - 4)	17
Stage 1 & 2 (Year 5+)	114
Total LOM sustaining capex	131

APPENDIX: US\$175m Taurus facility summary

Sheffield expects to conclude similar debt package with an experienced metals & mining specialist private equity fund

Taurus Overview

- Experienced specialist global investor based in Australia, targeting small to mid-sized metals & mining companies
- Provides bespoke financing across the capital structure including project and acquisition finance debt, equity and convertible notes
- Experienced in providing project finance facilities to fund project developments
- Previous mining investments include:
 - Base Resources, Heemskirk Consolidated (equity and loan)
 - Teranga Gold, Talisman Mining, Toro Gold (project finance facility)
 - Stanmore Coal (acquisition finance and brownfields mine development)
 - Whitehaven Coal, Asanko Gold, Hot Chili, Aquila Resources, AMC (equity)

Debt Facility Overview – Tranches A and B

- Lender: Taurus Mining Finance Fund and Taurus Mining Finance Annex Fund
- Syndicated facility agreement has been executed, with the debt facility to be underwritten by Taurus, and subsequently expected to be syndicated
- Revenue royalty of 0.50% (Years 1 – 4) and 0.75% (Years 5 – 22.5)
- Upfront fee is customary for a facility of this nature (50% due upon signing and the balance due on satisfaction of certain conditions precedent to drawdown of the facility)
- Sheffield will agree a minimum equity requirement with lenders as a conditions precedent to drawdown
- Conditions precedent to drawdown are customary for a facility of this nature including (but not limited to) final due diligence

Tranche A Key Terms

Facility type	Senior secured ¹
Borrower	Thunderbird Operations Pty Ltd (“TOPL”)
Amount	US\$75m
Interest rate	USD LIBOR + 4.5% p.a.
Commitment fees	2.0% p.a. (on undrawn amount)
Tenor	7 years
Repayable	Between Year 3.5 and Year 7

Tranche B Key Terms

Facility type	Senior secured ¹
Borrower	TOPL
Amount	US\$100m
Interest rate	8.5% p.a.
Commitment fees	2.0% p.a. (on undrawn amount)
Tenor	7 years
Repayable	End of Year 7

Note:

1. Tranches A, B and C are senior secured over TOPL assets and rank pari passu between themselves. They have a second ranking security over InfraCo assets. Tranche D is senior secured over InfraCo assets and has second ranking over TOPL assets. See next page for information on Tranches C and D

APPENDIX: A\$95m NAIF Loan Facility Summary



Sheffield expects to conclude debt financing with Government support to provide very long tenor financing demonstrates conviction and support for Thunderbird

NAIF Overview

- Northern Australia Infrastructure Fund ("NAIF") is a corporate Commonwealth entity that was established under the NAIF Act 2016 to provide assistance for the construction of infrastructure to benefit Northern Australia
- NAIF and Sheffield have agreed non-binding term sheets for the NAIF facilities
- Subject to definitive documentation being entered into and customary conditions precedent (including State of WA approval), the NAIF facilities will include:
 - A\$30m Project Development Facility ("Tranche C")
 - A\$65m Infrastructure Development Facility ("Tranche D")
- Commercial terms confidential, but based on customary market rates
- Represents the single largest NAIF investment decision to date
- Federal Minister consent obtained. Sheffield is now working through the State of WA approval process – Sheffield expects to complete definitive documentation in relation to the NAIF facility in H2 2019

Purpose of the NAIF Facilities

- The NAIF facility enables Sheffield to build and own key infrastructure (power generation, gas storage, road, port storage facilities and accommodation), rather than having a third party build, own and operate (BOO) the infrastructure and lease it to Sheffield. This will have the effect of reducing operating costs.

Tranche C Key Terms²

Facility type	Senior secured (project development facility) ²
Borrower	TOPL
Amount	A\$30m
Interest rate	Commences at 3.5% p.a. and increases over time
Tenor	15 years
Amortisation	Straight line between Years 9-15

Tranche D Key Terms²

Facility type	Senior secured (infrastructure development facility) ²
Borrower	Thunderbird InfraCo Pty Ltd
Amount	A\$65m
Interest rate	Commences at 3.5% p.a. and increases over time
Tenor	20 years
Amortisation	Credit foncier repayment profile, payable semi-annually
Purpose	To be used for constructing on-site infrastructure, upgrading mine site roads, etc.

Notes:

- Tenor and other terms for the NAIF facilities are subject to completion of definitive documentation, which Sheffield expects to complete in H2 2019. The key terms summarised above are non-binding. As such, any legally binding terms that may ultimately be agreed between Sheffield and NAIF in respect of the NAIF facilities may be different to the terms summarised above
- Tranches A, B and C are senior secured over TOPL assets and rank pari passu between themselves. They have a second ranking security over InfraCo assets. Tranche D is senior secured over InfraCo assets and has second ranking over TOPL assets. See previous page for information on Tranches A and B

APPENDIX: Stage 1 Total Funding Requirement

The total Stage 1 funding requirement is estimated at approximately A\$478 million

Stage 1 upfront capex¹

Description	Amount (A\$m)
Wet Concentrator Plant	52.9
Concentrate Upgrade Plant	22.0
Hot Acid Leaching Plant	36.3
Zircon Processing Plant	52.3
Process Water Systems	11.4
Processing	174.9
Engineering & Project Management	22.8
Site Construction, Commissioning, Mobilisation	70.2
Power Reticulation & Other Non-Process Infrastructure	24.4
Infrastructure	117.4
Power Station & Storage, Village & Port Facilities	66.5
Ops Readiness, Tailings Dams, Bore Field & Other	32.9
Owners Costs	99.4
Stage 1 Upfront Capex	391.7

Total funding requirement

Description	Amount (A\$m)	Comments
Processing	174.9	
Infrastructure	117.4	
Owners Costs	99.4	<ul style="list-style-type: none"> Power and gas EPC contract (funded by NAIF) Roads, village, port, other
Stage 1 Upfront Capex	391.7	<ul style="list-style-type: none"> Includes contingencies of 7.5%
Pre-operations Net Working Capital	1.5	<ul style="list-style-type: none"> Net operating cash flows during construction period
Financing Costs	17.3	<ul style="list-style-type: none"> Includes debt commitment, upfront fees, debt services reserve accounts, advisory & legal fees, independent technical expert costs
Cost Overrun Facility	40.0	<ul style="list-style-type: none"> c. 10% provision on Stage 1 upfront capex (as required by lenders)
Interest During Construction	26.9	<ul style="list-style-type: none"> LIBOR + facility margin (over construction period)
Total Other Funding Requirements²	85.7	
Total Uses	477.4	

Note:

1. GRES EPC scope encapsulates the A\$174.9m of processing costs and A\$117.4m of infrastructure costs
2. Total uses excludes 2 years of Sheffield's corporate overheads estimated to be \$13m over the pre-production period.
3. Totals may not add to the rows above due to rounding

APPENDIX: Royalty Regime and Fiscal Assumptions

Key royalty and fiscal arrangements are outlined below

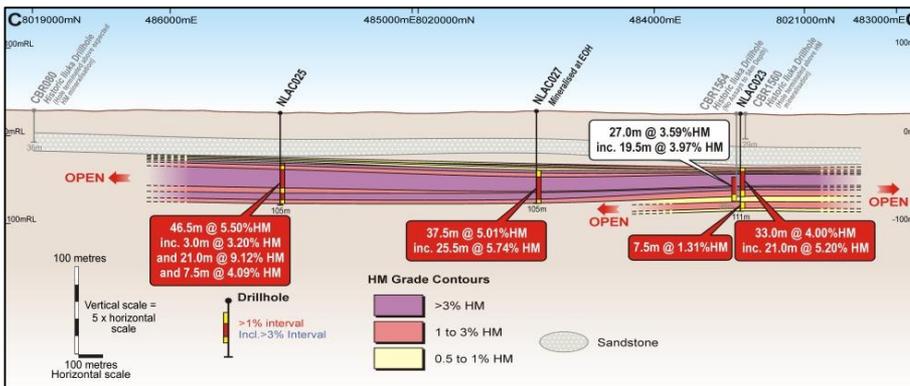
	Arrangement or Calculation
State government royalty	<ul style="list-style-type: none">• WA State government royalty of 5% of Total Sales Revenue
Taurus royalty	<ul style="list-style-type: none">• Royalty for years 1 to 4, starting on first sale, of 0.5% of Total Sales Revenue on FOB basis or equivalent• Royalty for year 5 onwards, for a period of 22.5 years, of 0.75% of Total Sales Revenue on FOB basis or equivalent
Native title royalty & Miscellaneous Licence Access	<ul style="list-style-type: none">• Calculated as a percentage of Total Sales Revenue (confidential terms – in line with market standard range)
Company tax	<ul style="list-style-type: none">• Australian corporate tax rate of 30% applies• Sheffield has a future tax benefit of approximately A\$20m as at 30 June 2019 arising from available tax losses

APPENDIX: Significant Regional Exploration Upside

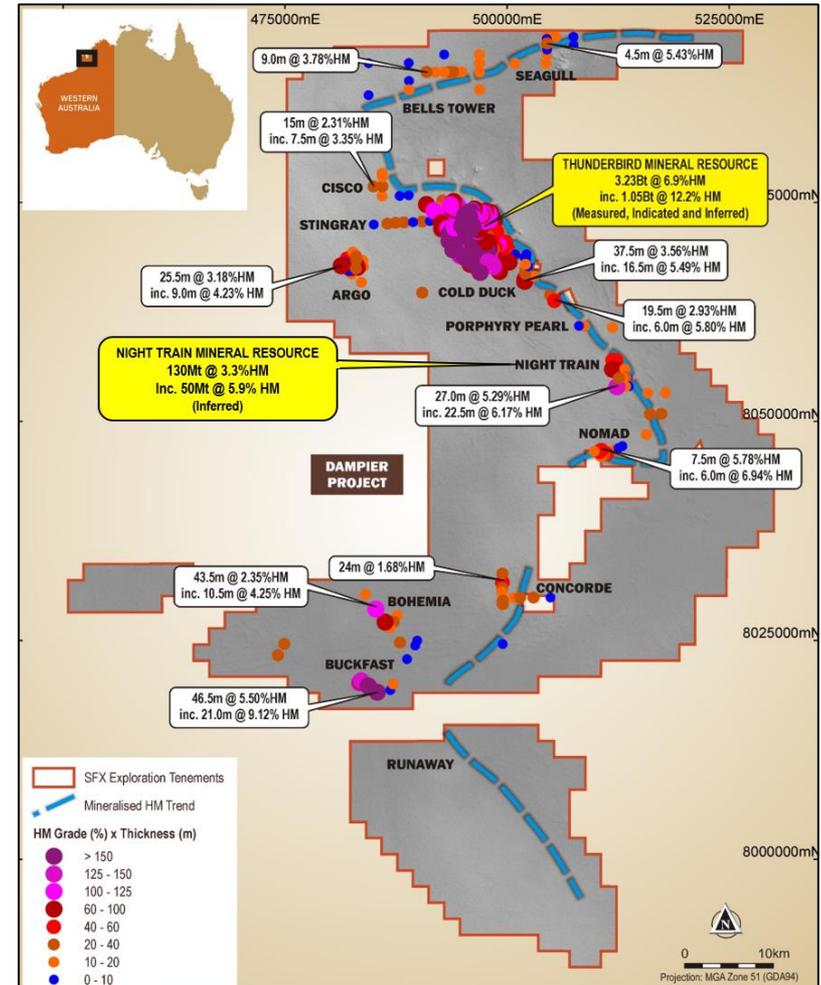
Strategic value demonstrated through multiple discoveries made along a 160km long trend

- Exploration has delineated 14 zones of significant mineralisation along a 160km long highly mineralised trend which extends from Seagull in the north to Runaway in the south¹
- Maiden high grade Mineral Resource¹ outlined at Night Train
- Three substantial new mineral sands discoveries have been outlined at Buckfast, Bohemia and Concorde
 - Characterised by broad sheet-like geometries, thick intersections
 - Mineral assemblages with high proportions of VHM dominated by leucoxene, altered ilmenite and zircon with low to moderate levels of trash
- Opens up a new 60km long highly prospective corridor south of Thunderbird
- Thick high grade intervals² have been intersected, including;
 - 46.5m @ 5.50% HM from 57.0m (NLAC025), including 21.0m @ 9.12% HM from 64.5m (Buckfast)
 - 37.5m @ 5.01% HM from 67.5m (NLAC027), including 25.5m @ 5.74% HM from 75m (Buckfast)
- Numerous zircon-rich targets identified for follow-up drilling

Buckfast – Cross Section²



Dampier Project – Regional Plan¹



Notes:

1. Refer to ASX announcement 31 January 2019 titled "High Grade Maiden Mineral Resource at Night Train"
2. Refer to ASX announcement 13 November 2018 titled "New Large High Grade Discovery South of Thunderbird"