
ADDITIONAL BINDING ZIRCON CONCENTRATE OFFTAKE AGREEMENT SIGNED

Sheffield Resources Limited (“Sheffield”, “the Company”) (ASX: SFX) is pleased to advise that it has secured additional binding offtake volume (Agreement) for the future sale of zircon concentrate from its Thunderbird Mineral Sands Project (Thunderbird) in Western Australia.

The Agreement with Hainan Wensheng High-Tech Materials Company Limited (Wensheng), the largest mineral sands processor in China, is for annual supply of 25,000 tonnes of zircon concentrate in addition to the Agreement executed and disclosed on 12 December 2017 which accounted for an annual supply of 27,000 tonnes of zircon concentrate (previous Agreement), for a total contracted volume of 52,000 tonnes. The key terms of the new Agreement remain consistent with the previous Agreement.

Sheffield Resources Managing Director, Bruce McFadzean, said the binding offtake Agreement with Wensheng was a tremendous result and another positive step forward for Thunderbird, and further evidence of the project’s world-class status.

“We are delighted to strengthen our relationship with Wensheng. We’ve spent a lot of time fostering relationships with international offtake partners, so it’s very encouraging to see one of the largest mineral sands processors in the world sign up for additional volume.

“With this agreement finalised, our marketing team has now secured offtake for 100% of all Stage 1 zircon and ilmenite production volumes at Thunderbird, significantly reducing market and revenue risk.

“The BFS update we are seeking to conclude in the coming weeks will target the deferral of our planned LTR ilmenite circuit to focus on increased zircon production – ultimately delivering lower capital and operating costs, lower construction risk and a financially stronger project.

“We look forward to keeping our shareholders and the wider Kimberley community updated as we move through the BFS update and strategic partner process.”

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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, zircon concentrate and TiO₂ feedstocks.

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 customers.

The Company is targeting initial production in 2021. The initial planned production profile is aligned with consensus emerging supply deficit in global zircon markets.

ASX Code:	SFX	Market Capitalisation:	A\$143m
Issued shares:	260.6m	Cash (unaudited, 31 Mar 2019):	A\$5.8m