



SHEFFIELD SIGNS OFFTAKE MOUs

Sheffield Resources Limited (“Sheffield”, “the Company”) (ASX: SFX) is pleased to advise that it has signed two memorandums of understanding (MOUs) for the future sale of premium zircon from its Thunderbird Mineral Sands Project (Thunderbird), in Western Australia.

The MOUs are non-binding and were signed with an industry leading Indian ceramics company, Ruby Ceramics Pvt Ltd (Ruby), and a well-established European ceramics company, CFM Minerales s.a. (CFM), of Spain. The combined agreements represent up to approximately 20% of the estimated total volume of premium zircon to be produced from Stage 1 of the Thunderbird Project.

The signing of these MOUs follows significant product testing and discussions between the parties. The parties intend to finalise negotiations and enter into binding offtake agreements over the coming months. Sheffield is also in negotiations with other potential consumers of its products and will update the market as required.

The execution of the MOUs follows the release of the Company’s Bankable Feasibility Study (BFS), which confirmed Thunderbird as a world-class mineral sands project capable of producing significant annualised volumes of premium zircon and ilmenite over an estimated mine life of 42 years.

Sheffield’s Managing Director, Bruce McFadzean, said:

“The MOUs have been signed with zircon consumers with a high standing in the industry, confirming Sheffield’s capability of supplying the global market with very high quality products once in production. The recent BFS confirms that zircon will represent 62% of the estimated project revenues and we look forward to advancing binding offtake agreements with both Ruby and CFM, as cornerstone premium zircon customers of the Company.

“In conjunction with these arrangements, we are working with our financial advisor, Azure Capital, to progress the funding for project development. We are pleased with the progress being made and look forward to providing our shareholders with further offtake and financing updates in the near future.”

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\$88m
Issued shares:	181.0m	Cash (unaudited, 28 Feb 2017):	A\$11.7m