
PREFERRED EPC TENDERER APPOINTED FOR THUNDERBIRD

Sheffield Resources Limited (“Sheffield”, “the Company”) (ASX: SFX) is pleased to announce the appointment of GR Engineering Services Limited (ASX: GNG) (GRES) as preferred engineering, procurement and construction (EPC) tenderer of the mineral processing plant and facilities for the Thunderbird Mineral Sands Project (Thunderbird) in Western Australia.

In anticipation of entering into an EPC contract, Sheffield has entered into an Early Works Agreement and Key Term Sheet with GRES. GRES will commence early engineering and long lead procurement for the Project under the Early Works Agreement.

The proposed fixed price, lump sum EPC contract comprises a new 7.5 million tonne per annum (Mtpa) mineral processing plant and supporting infrastructure. The appointment confirms the delivery of Thunderbird in line with the Bankable Feasibility Study capital cost estimate, following a reallocation of peripheral scope items between the proposed EPC contract and the Company Owner’s Works program. (See the Company’s Thunderbird Feasibility Study ASX release of 24 March 2017).

The proposed EPC Contract, contemplates a schedule delivery term of approximately two years and encompasses:

- Plant area civils and process water systems;
- Wet Concentrator Plant;
- Concentrate Upgrade Plant;
- Zircon Processing Plant;
- Ilmenite Processing Plant;
- Low Temperature Roast;
- Site administration complex and process workshops;
- Internal roads, hard stands and other infrastructure to support the ore processing operations;
- Metallurgical and throughput performance guarantee and operational support during the first six months of operational ramp up.

Company Owner’s Works will cover all other Thunderbird infrastructure and project costs. This includes all site clearing and preparation, site access roads, construction fuel supply, accommodation village and messing for the construction workforce, Port of Derby storage facilities and refurbishment of ship loading infrastructure, communications network, initial tailings storage facility, bore field, potable water, waste water treatment and owners management costs.

Sheffield’s Managing Director, Mr Bruce McFadzean has welcomed the appointment of the preferred tenderer.

“Sheffield is proud to be associated with GR Engineering and we look forward to its engagement in the development of the Thunderbird Project, one of the most significant mineral sands projects to be developed in 30 years. GR Engineering has demonstrated that it has the technical and operational capabilities to successfully deliver the project and Sheffield looks forward to working with GR Engineering to deliver this outcome”.

Sheffield will update the market on the proposed Thunderbird Project timing and the anticipated commencement of EPC works as it concludes the EPC agreement, project funding and project approvals.

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\$149m
Issued shares:	182.2m	Cash (unaudited, 30 June 2017):	A\$8.3m