



SHEFFIELD TO RAISE \$32 MILLION THROUGH PLACEMENT AND UNDERWRITTEN SHARE PURCHASE PLAN

Sheffield Resources Limited (“Sheffield” “the Company”) (ASX: SFX) is pleased to announce it has received commitments to raise \$30 million (before costs), through a placement of 42,857,143 million fully paid ordinary shares at an issue price of \$0.70 per share (“the Placement”), to continue the development of the world-class Thunderbird Mineral Sands Project (“Thunderbird Project”).

Following a significant over subscription and scale back, the Company has welcomed a number of new institutional investors through the Placement. The Placement price represents a 9.3% discount to the 15 day volume weighted average price of Sheffield shares up to and including Friday, 20 October 2017.

The Company will also undertake a Share Purchase Plan (“SPP”) to existing shareholders, to raise an additional \$2 million (before costs) at the same price of \$0.70, which will be fully underwritten.

Proceeds of the Placement and SPP will be used to continue the development of the Thunderbird Project. This will include commencement of early works construction and engineering activity, procurement of long lead items, finalising offtake and financing arrangements and continue with Aboriginal employee training and work ready preparedness, as well as working capital and general corporate purposes.

The Placement was well supported by significant existing shareholders of Sheffield as well as several major institutional investors who are new to the share register. This continues the process of strengthening Sheffield’s share register, providing additional financial flexibility to the Company as it moves closer to development of the Thunderbird Project.

Sheffield’s Managing Director Bruce McFadzean commented:

“This successful capital raising is a landmark event in Sheffield’s evolution as we advance the world-class Thunderbird Mineral Sands Project toward production. It leaves us well capitalised to commence early works activities and well-placed to complete the optimal funding arrangements for the Thunderbird Project in 2018.

“We are extremely pleased to welcome the new, major institutional investors to our share register and are buoyed by the strong continued support of our loyal existing shareholders. At the same time, we believe it is important to ensure that our smaller shareholders have the opportunity to participate in Sheffield at the same price as institutional investors, via the SPP, at an exciting point in Sheffield’s evolution.”

Bridge Street Capital Partners, Blue Ocean Equities and Pulse Markets acted as joint lead managers to the Placement. Bridge Street Capital Partners acted as book runner to the Placement. The Company has executed an agreement with Bridge Street Capital Partners and Pulse Markets to jointly underwrite any shortfall of the SPP, and is subject to customary terms and conditions.

Details of the SPP

The Company will undertake a SPP to existing shareholders, with registered addresses in Australia and New Zealand, to raise an additional \$2 million (before costs). The SPP will provide shareholders with the opportunity to subscribe for up to a maximum of \$15,000 worth of shares at the Placement price of \$0.70 per share. Full details of the SPP will be subsequently announced and distributed to eligible shareholders.

Key dates for the SPP are shown in the table below:

Share Purchase Plan: Summary of Key Dates	
SPP Record Date	24 October 2017
SPP Opening Date	1 November 2017
SPP Closing Date	15 November 2017
SPP Settlement Date	22 November 2017

The Company reserves the right to accept or reject any application under the SPP at its discretion. Any issue of Shares in relation the SPP shortfall will be in compliance with the Company's ASX Listing Rule 7.1 capacity at the time of issue.

Together, the Placement and SPP will comprise an issue of up to approximately 45,714,286 million ordinary shares in the Company at an issue price of \$0.70 to raise up to \$32 million (before costs).

The Placement is not subject to shareholder approval and will be completed pursuant to the Company's capacity under ASX Listing Rule 7.1 and 7.1A (24,635,515 Shares under Listing Rule 7.1 and 18,221,628 Shares under Listing Rule 7.1A). Settlement of the Placement is scheduled to occur on Tuesday, 31 October 2017.

As announced on the 19 October 2017, Sheffield is in the process of spinning out its subsidiary, Carawine Resources Limited, via an in specie distribution to Sheffield shareholders ("**Spin Out**"). The shares to be issued under the Placement and SPP will be issued prior to the record date for the Spin Out and, as a result, subscribers under the Placement and SPP will be eligible to receive Carawine shares as part of the Spin Out.

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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 assess other regional exploration opportunities.

THUNDERBIRD MINERAL SANDS

Thunderbird is one of the largest and highest grade mineral sands discoveries of the past 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 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 (audited, 30 June 2017):	A\$8.3m