

Appendix 3X

Initial Director's Interest Notice

Information or documents not available now must be given to ASX as soon as available. Information and documents given to ASX become ASX's property and may be made public.

Introduced 30/9/2001.

Name of entity	Sheffield Resources Limited
ABN	29 125 811 083

We (the entity) give ASX the following information under listing rule 3.19A.1 and as agent for the director for the purposes of section 205G of the Corporations Act.

Name of Director	Bruce McFadzean
Date of appointment	2 November 2015

Part 1 - Director's relevant interests in securities of which the director is the registered holder

In the case of a trust, this includes interests in the trust made available by the responsible entity of the trust

Note: In the case of a company, interests which come within paragraph (i) of the definition of "notifiable interest of a director" should be disclosed in this part.

Number & class of securities
Nil

+ See chapter 19 for defined terms.

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Part 2 – Director's relevant interests in securities of which the director is not the registered holder

In the case of a trust, this includes interests in the trust made available by the responsible entity of the trust

Name of holder & nature of interest	Number & class of Securities
Note: Provide details of the circumstances giving rise to the relevant interest.	
Not Applicable	Nil

Part 3 – Director's interests in contracts

Note: In the case of a company, interests which come within paragraph (ii) of the definition of "notifiable interest of a director" should be disclosed in this part.

Detail of contract	Employment Agreement
Nature of interest	Direct
Name of registered holder (if issued securities)	Bruce McFadzean

+ See chapter 19 for defined terms.

<p>No. and class of securities to which interest relates</p>	<p>(a) Annual Equity Based Payments</p> <p><i>\$175,000 per annum - Options</i></p> <p>To be issued to Mr McFadzean or his nominee subject to shareholder approval each with an exercise price of \$0.001 and an expiry date of 4 years from the date of issue. In each year of service, Mr McFadzean will be issued that number of options equal to \$175,000 divided by the volume weighted average market price of the Company's shares as traded on ASX in the 30 days immediately prior to the date of finalising the notice of meeting for distribution to shareholders that seeks approval for their issue.</p> <p>(b) Performance Based Equity Payments</p> <p><i>3,000,000 Options</i></p> <p>To be issued to Mr McFadzean or his nominee subject to shareholder approval each with an exercise price of \$0.001 and an expiry date of 4 years from the date of issue. All Options will vest on a change of control event occurring or otherwise vest as follows:</p> <ul style="list-style-type: none"> (i) 500,000 Options: Delivery of a definitive feasibility study (DFS) that is determined by the Board to be a sufficient improvement on the PFS Update. In making this determination, the Board will act reasonably and take into account all of the circumstances of the project's evolution from the PFS Update to DFS, with a particular emphasis on CAPEX and OPEX levels. (ii) 1,000,000 Options: Upon finalisation of Board approved financing package to construct the Thunderbird mine. (iii) 1,500,000 Options: Upon first shipment to market of mineral sands products Thunderbird mine, excluding trial shipments.
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