
SECOND SHIPMENT OF ZIRCON CONCENTRATE

Sheffield Resources Limited (“Sheffield” or “the Company”) (ASX: SFX) is pleased to advise that Kimberley Mineral Sands (KMS) has completed a further shipment of approximately 5,100 metric tonnes of bagged non-magnetic (zircon) concentrate from its Thunderbird Mineral Sands Mine in Western Australia.

The shipment of bags placed directly in the hold of a bulk vessel from the Port of Broome is bound for existing overseas offtake customers with revenue from the shipment to be received during February 2024. Further shipments of bagged non-magnetic (zircon) concentrate are scheduled throughout the March quarter. Furthermore, the Kimberley Port Authority is progressing final state regulatory clearances to enable the commencement of bulk shipments of non-magnetic and magnetic concentrate via the Port of Broome during the current quarter.

Ramp up of operations at the Thunderbird mine continues to progress well, with gradual improvement in equipment and plant availability occurring in line with expectations. Further details of Thunderbird progress, including product shipments, will be contained within future quarterly reports of the Company.

Sheffield Resources Executive Chair, Mr Bruce Griffin said, “We are encouraged by the significant operational steps and progress at the Thunderbird Mine and wish to congratulate our logistics partners and local Kimberley port authorities in delivering this first shipment of product from the Port of Broome.

“We look forward to delivering further product shipments throughout this quarter as we ramp up Thunderbird and look forward to a successful 2024”.

This ASX announcement has been authorised for release by the Company’s Board of Directors.

ENDS

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Image: Vessel loading of bagged zircon concentrate at Port of Broome

ABOUT SHEFFIELD RESOURCES

Sheffield Resources Limited is focused on assembling a portfolio of global mineral sands development and production assets to generate cash returns and growth.

Our core asset is our 50% investment in Kimberley Mineral Sands Pty Ltd (KMS), the owner of the world class Thunderbird Mineral Sands Project under development in north-west Western Australia.

Additionally, Sheffield executed a binding agreement in February 2023, providing the Company with an option to acquire up to an initial 20% interest in the South Atlantic Mineral Sands Project in Brazil.

KIMBERLEY MINERAL SANDS

Kimberley Mineral Sands Pty Ltd, (KMS) is a 50:50 Joint Venture between Sheffield and Yansteel. The joint venture owns and is developing the Thunderbird Mineral Sands Project and adjacent tenements on the Dampier Peninsula.

KMS is governed by a four person Board of Directors with Sheffield and Yansteel each nominating two directors. Key Joint Venture decisions require unanimous approval of both shareholders. KMS operates as a standalone entity with its own management and employees.

THUNDERBIRD MINERAL SANDS

The Thunderbird Mineral Sands Project ("Thunderbird") is one of the largest and highest grade mineral sands discoveries in the last 30 years. The 2022 KMS Bankable Feasibility Study shows Thunderbird is a technically low risk Project, that generates strong cash margins from globally significant levels of production over a decades long mine-life.

With operations commencing October 2023, Thunderbird is expected to generate a high-quality suite of mineral sands concentrate products suited to market requirements. These products include a zircon concentrate and a magnetic concentrate that contains a high quality ilmenite suitable smelting into chloride slag or for manufacturing titanium dioxide pigment.

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.

ABOUT YANSTEEL

Yansteel is a wholly-owned subsidiary of Tangshan Yanshan Iron & Steel Co., Ltd, a privately owned steel manufacturer headquartered in Hebei, China producing approximately 10mt per annum of steel products and has annual revenues of ~A\$6bn.

Yansteel's 500ktpa integrated titanium dioxide processing facility, which includes a titanium slag smelter, will consume the magnetic concentrate from Stage 1 of the Thunderbird Mineral Sands Project under a take or pay offtake agreement.

SOUTH ATLANTIC PROJECT

The South Atlantic Project is located in south east Brazil. Four main deposits have been identified within the project area: Retiro, Estreito, Capao do Meio and Bujuru with Exploration Targets developed for the Retiro and Bujuru deposits. The combined Exploration Target for Retiro and Bojuru is estimated between 500 and 720 Mt of material at an average grade of 4.0% to 3.2% HM.

The tenements are held by RGM. Sheffield entered into an option agreement with RGM in February 2023 with Sheffield to provide US\$2.5m to fund project related activities over an 18 month period and earn an option to acquire up to 20% of RGM with the payment of a further US\$12.5m (US\$15.0m in total) to acquire a 20% interest. Should Sheffield elect to exercise the option, subject to various conditions being satisfied, including project financing being obtained and all funds required for project construction being secured, Sheffield may exercise a further options to increase its interest in RGM up to 80%.