THUNDERBIRD GUIDANCE & PRODUCTION OUTLOOK

Sheffield Resources Limited ("Sheffield" "the Company") (ASX: SFX) provides the following update in relation to the Kimberley Mineral Sands (KMS) owned Thunderbird Mineral Sands Mine (Thunderbird) in Western Australia.

FY27 Guidance

KMS expects to mine between 12.5 to 13.5 Mt of Ore in FY27, producing between 670,000 to 720,000 tonnes of ilmenite concentrate and between 190,000 to 210,000 tonnes of zircon concentrate.

Total ilmenite concentrate shipments are expected to be between 680,000 and 720,000 tonnes with regular shipments occurring each month under the life of mine offtake arrangement with joint venture partner Yansteel at the assumed contract value of US$123/t. Zircon concentrate shipments are expected to range between 190,000 and 210,000 tonnes for FY27 with pricing between US$580/t and US$650/t.

C1 cash costs per tonne produced are expected to be between A$215 to A$240 over the year.

Business Improvement Plan (BIP)

To support the Standstill Agreement discussions a BIP has been developed by KMS. Significant improvements in operational performance and production have already been delivered and the BIP should deliver sustained improvements in performance.

The key elements of the BIP being implemented by KMS are:

- Ore mining capacity of up to 16 mtpa equivalent mining rate with the actual rate varying with mining block grades to ensure the process plant remains full;
- Waste mining capacity to sustain a waste mining rate to support up to 16mtpa of ore mining. This has been delivered with the transition to drill and blast where required and the larger waste mining fleet in 2025;
- Operate the ore mining fleet, Dry Mining Unit (DMU) and Wet Concentrator Plant (WCP) to fully utilise the Concentrate Upgrade Plant (CUP);
- The proposed changes are expected to result in a reduction in the unit cost of production and do not require material capital expenditure or significant working capital to implement.

Updated Thunderbird Base Case Financial Model (BCFM)[1,2]

The BCFM assumes successful implementation of the Business Improvement Plan and updated macro assumptions including price forecasts and foreign exchange rates. The BCFM was prepared by KMS and provided to the senior lenders to support the Standstill Agreement discussions and remains subject to review by the senior lenders. The BCFM will continue to be updated during the proposed Standstill and following review by the senior lenders is intended to provide the basis for KMS to negotiate a debt restructure with the senior lenders.

Discussions regarding KMS debt obligations remain ongoing, particularly in relation to the Standstill Agreement. There can be no certainty that any amendments to the senior secured loan facilities will be successfully completed.

The BCFM assumes Stage 1 only, no Stage 2 expansion, and production of Zircon Concentrate and Ilmenite Concentrate. No HiTi Concentrate production is included as this product will only be produced and sold when market conditions allow.

Annual Ore Production will increase to up to 16mtpa with the ore mining rate varied to fill the process plant. The annual zircon concentrate and ilmenite concentrate production will be 210,000 tpa and 900,000 tpa respectively at steady state.

KMS will continue to sell all of the ilmenite concentrate to Yansteel under the life of mine take or pay contract with prices fixed at US$123/t until the end of CY2028 when the initial 5-year fixed price period ends and then at market price. Zircon concentrate will be sold to existing and new concentrate processing customers at market prices.

KMS is forecast to produce free cashflow excluding any payment to debt or equity of A$377m between 2028 and 2032, A$1,429m by 2038 and A$3,399m over the remaining Life of Mine indicating that significant surplus cash should be available to service and repay the outstanding debt, as well as generating returns to KMS shareholders.

Sheffield Resources Executive Chair, Mr Bruce Griffin said, *"The BCFM demonstrates that Thunderbird can generate significant surplus cash to service and repay its outstanding debt. It provides a solid basis for negotiating a restructure of KMS's debt obligations during the proposed Standstill and demonstrates the potential to generate returns to KMS's shareholders including Sheffield."*

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

ENDS

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Note 1: Refer to Page 7 "Additional Information" for definitions and additional disclosure matters
Note 2: Refer to Appendix 1 "Updated Base Case Financial Model" for analysis and modelling forecasts

APPENDIX 1: Updated Thunderbird Base Case Financial Model (BCFM)

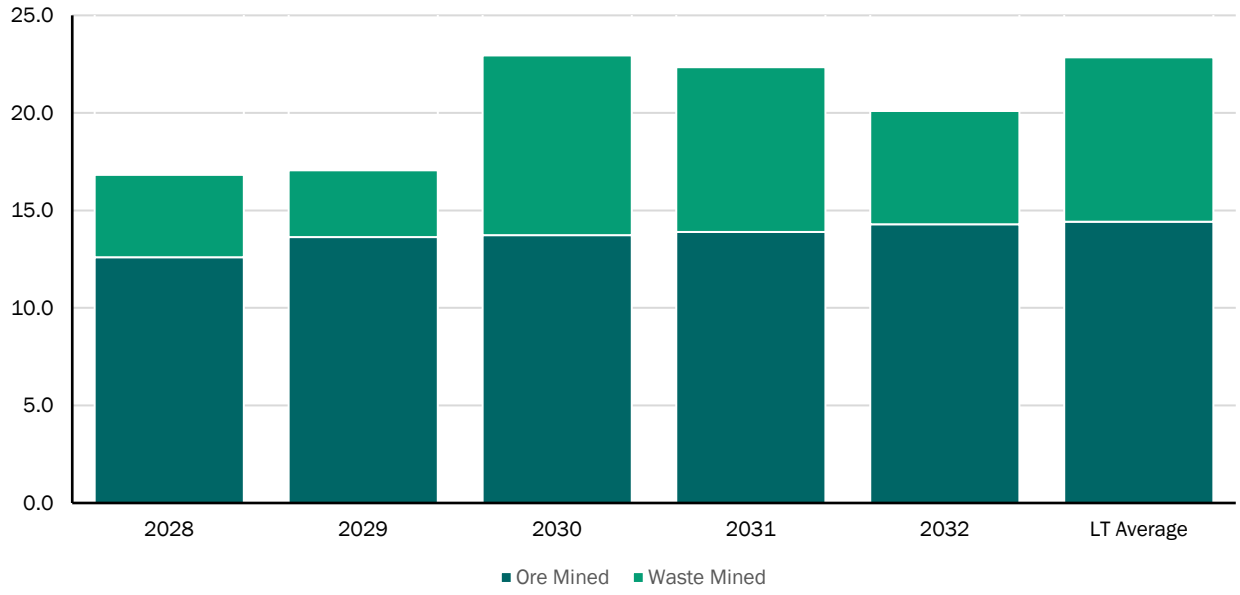
The BCFM assumes successful implementation of the Business Improvement Plan and updated macro assumptions including price forecasts and foreign exchange rates. The BCFM was prepared by KMS and provided to the senior lenders to support the Standstill Agreement discussions and remains subject to review by the senior lenders. The BCFM will continue to be updated during the proposed Standstill and following review by the senior lenders is intended to provide the basis for KMS to negotiate a debt restructure with the senior lenders.

The BCFM assumes 409 million tonnes of ore are mined over the remaining life of mine from 1 July 2027; 152 million tonnes at 14.4% HM of proved reserves and 257 million tonnes at 10.8% HM of probable reserves. The BCFM utilises part of the total reserve of 700 million tonnes at 11.0% HM (refer ASX announcement "2026 Annual Report" 30 September 2026)[1].

The BCFM assumes production of two primary products, a zircon concentrate containing zircon, TiO_2 minerals and monazite, and an ilmenite concentrate. A third product, HiTi concentrate containing lower quality zircon, TiO_2 minerals and monazite, is not assumed to be produced in the BCFM. The HiTi concentrate will be produced and sold when market conditions allow.

Ore production of up to 16 mtpa to ensure that the CUP is fully utilised. Figure 1 shows the annual ore mined and waste moved.

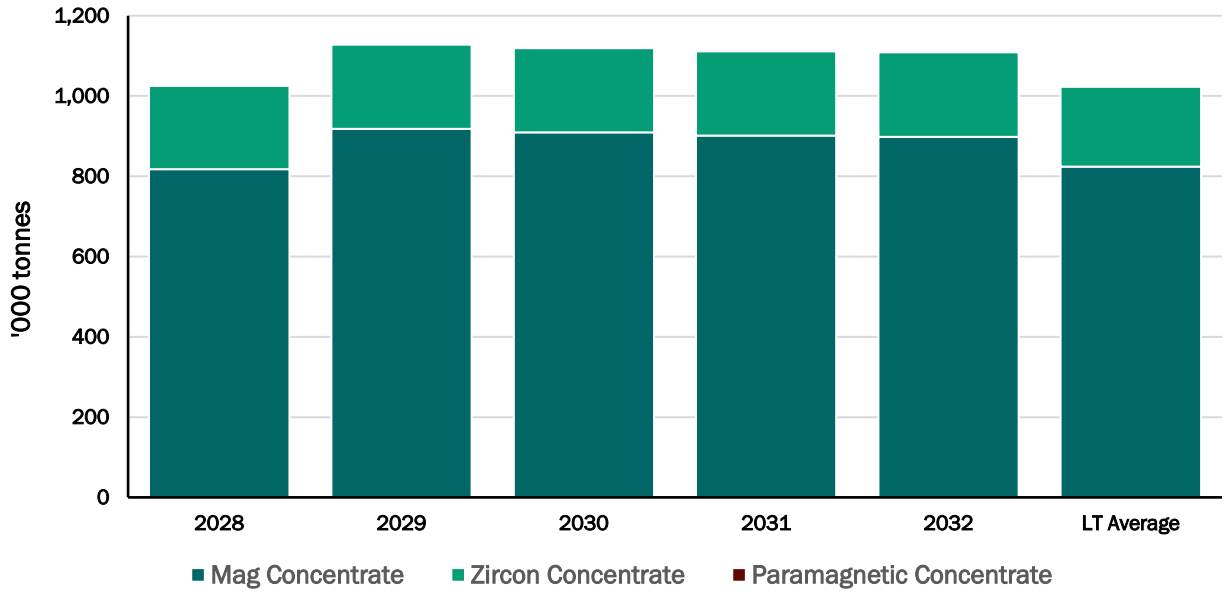
Figure 1: Annual and Long-Term Ore and Waste Volumes



Note 1: The Reserve assumes a 2 DMU operation with a 25% increase in CUP capacity from 2035 and the addition of a second dry mining unit in 2038 (Stage 1 & Stage 2). The BCFM assumes the current DMU and process plant are utilised until the end of mine life (Stage 1 only). The BCFM only includes Stage 1 as Stage 2 is assumed to be deferred until the current debt is substantially reduced.

The annual zircon concentrate and ilmenite concentrate production will be 210,000 tpa and 900,000 tpa at steady state. Figure 2 shows the annual concentrate production for 2028 to 2032 and the remaining LOM annual average.

Figure 2: Annual and Long-Term Average Production Volumes

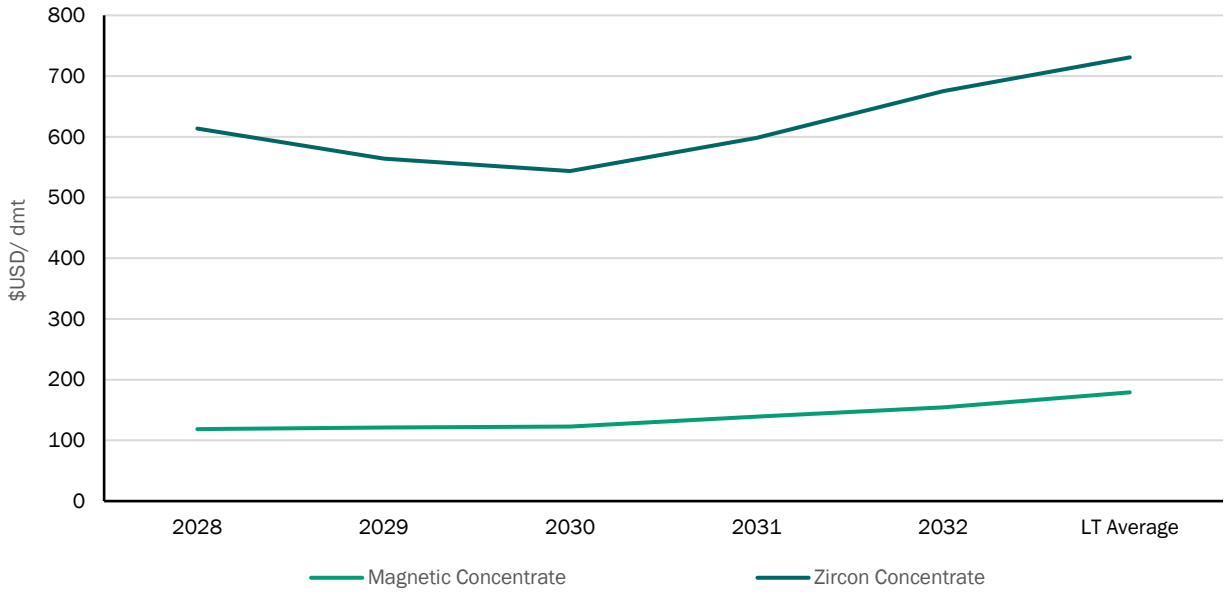


KMS will continue to sell all of the ilmenite concentrate to Yansteel under the life of mine take or pay contract with prices fixed at US$123/t until the end of CY2028 when the initial 5-year fixed price period ends and then at market price. During the fixed price period the price can vary from the US$123/t depending on the TiO_2 content of the product shipped.

Zircon concentrate will be sold to existing and new concentrate processing customers at market prices that include the value of the zircon, TiO2 minerals and monazite contained in the concentrate.

The product pricing assumptions used to in the BCFM are shown in Figure 3 and were provided by independent industry expert (TZMI).

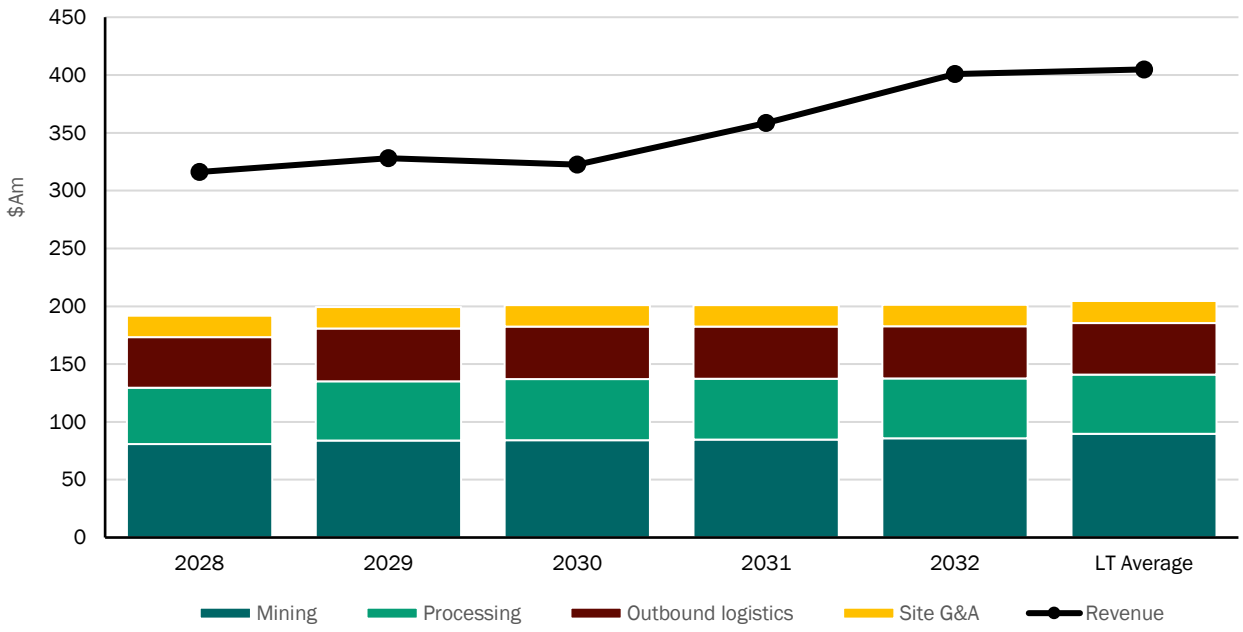
Figure 3: Forecast Product Pricing (Real 2026)



Total revenue is forecast to be A$300 to A$320 million until 2030 and more than A$400m from 2032.

Annual site costs are expected to remain around A$200m resulting in positive cash margins for the Life of Mine.

Figure 5: Annual Revenue and Operating Costs



The projected free cashflow for the remaining Life of Mine, excluding any payment to debt or equity, is shown in Figure 6. KMS is forecast to produce A$377m between 2028 and 2032, A$1,429m by 2038 and A$3,399m over the remaining Life of Mine.

These cashflows indicate that significant surplus cash should be available to service and repay the outstanding debt, as well as generating returns to KMS shareholders.

Figure 6: Life of Mine Cashflow

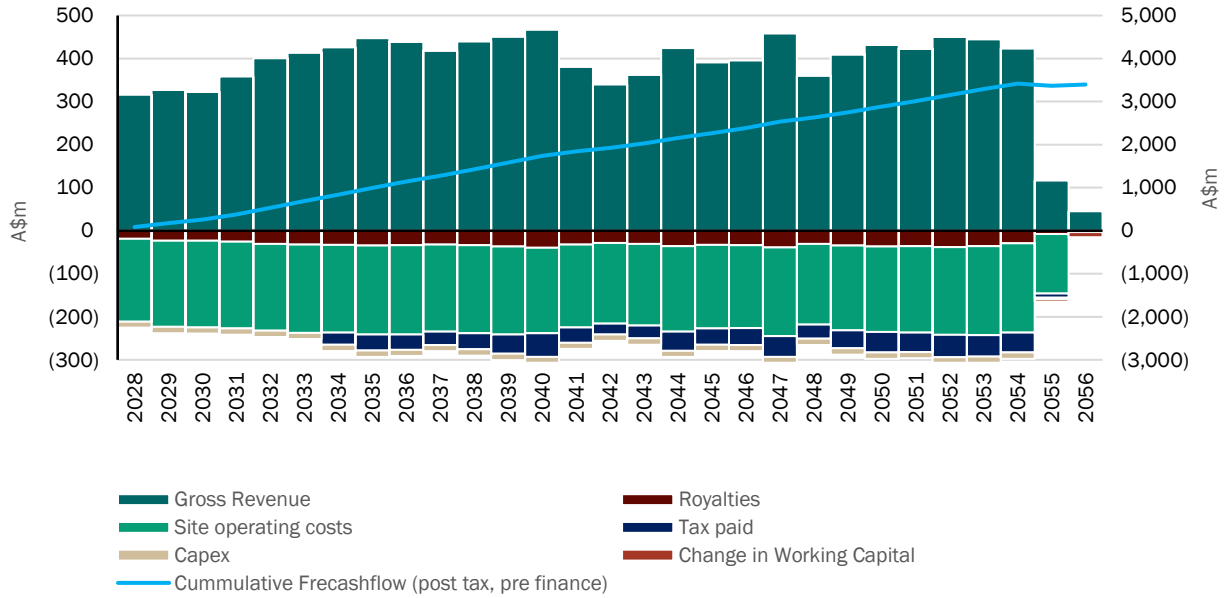


Table 1: BCFM: Financial Metrics and Key Assumptions

A$M, Real 2026 Prices		FY2028-2032 (Millions)	LOM (Millions)
Revenue		1,726	11,085
Royalties		(122)	(880)
Net Revenue		**1,604**	**10,206**
Opex: Mining		(420)	(2,388)
Opex: Processing		(257)	(1,406)
Opex: Logistics		(226)	(1,204)
Opex: Site G&A		(92)	(518)
Total		**(994)**	**(5,516)**
EBITDA		**535**	**4,274**
Ore Mined (annual average)	Mt	13.6	13.3
Zircon Concentrate sales (annual average)	kt	209	190
Ilmenite Concentrate sales (annual average)	kt	889	794
Mine Life Remaining (1 July 2026)	Years	29	
Average FX Rate (A$/US$)	A$/US$	0.70	0.70
Unit Ilmenite Concentrate - FOB (TZMI)	US$	131	169
Unit Zircon Concentrate - FOB (TZMI)	US$	599	702

Note 1: Refer to Page 7 "Additional Information" for definitions and additional disclosure matters

ADDITIONAL INFORMATION

Kimberley Mineral Sands - Equity Accounting

Sheffield is the 50% owner of Kimberley Mineral Sands Pty Ltd, the ultimate owner and operator of the Thunderbird Mine. Sheffield uses the equity accounting method in relation to its joint venture investment in KMS & the Thunderbird Mine. As KMS is privately held and equity accounted by Sheffield, financial results are not consolidated. Sheffield does elect to disclose a wider range of financial and non-financial KMS information on 100% basis for the benefit of shareholders.

GAAP and Non-GAAP financial metrics

Sheffield Resources utilises GAAP and Non-GAAP financial metrics for measuring business unit performance from time to time. Where disclosed by the Company, the following definitions shall apply (unless otherwise denoted):

"C1 Cash Costs" comprises costs including mining, processing, selling & transportation, general & administrative, community, permitting, inventory movement and by-product and co-product credits. Prior period disclosure of C1 cash costs may be affected by cost reallocations, transfers and movements with C2 and C3 cost categories in the ordinary course of business and in accordance with accounting policy and practice.

"C2 Production Costs" comprises C1 Cash Costs, plus depreciation and amortisation charges.

"C3 Total Costs" comprises C2 Production Costs, plus royalty expenses, interest charges, exploration costs, sustaining capital and lease expenditures.

"Revenue to Cost Ratio" comprises gross revenue divided by the sum of C1 Cash Costs (excluding inventory movement) and royalty expenses.

"All In Sustaining Costs (AISC)" and **"All In Costs (AIC)"** are in accordance with the "Word Gold Council – 2018 Updated Guidance Note on Non-GAAP Metrics" disclosures.

PREVIOUSLY REPORTED INFORMATION

The Mineral Resources and Ore Reserves of Sheffield have been extracted from Sheffield's ASX releases;
"2026 Annual Report" 30 September 2026
A copy of this announcement is available at http://www.sheffieldresources.com.au/

FORWARD LOOKING AND CAUTIONARY STATEMENTS

This document contains forward-looking statements. Wherever possible, words such as "intends", "expects", "scheduled", "estimates", "anticipates", "believes", and similar expressions or statements that certain actions, events or results "may", "could", "would", "might" or "will" be taken, occur or be achieved, have been used to identify these forward-looking statements. Although the forward-looking statements contained in this document reflect management's current beliefs based upon information currently available to management and based upon what management believes to be reasonable assumptions, the Company cannot be certain that actual results will be consistent with these forward-looking statements. A number of factors could cause events and achievements to differ materially from the results expressed or implied in the forward-looking statements. These factors should be considered carefully, and prospective investors should not place undue reliance on the forward- looking statements. Forward-looking statements necessarily involve significant known and unknown risks, assumptions and uncertainties that may cause the Company's actual results, events, prospects and opportunities to differ materially from those expressed or implied by such forward-looking statements. Although Sheffield has attempted to identify important risks and factors that could cause actual actions, events or results to differ materially from those described in forward-looking statements (refer in particular to the "Key Risks" section of the Company's ASX announcement dated 24 March 2022, "Thunderbird BFS, Results, Financing and Project Update"), there may be other factors and risks that cause actions, events or results not to be anticipated, estimated or intended, including those risk factors discussed in the Company's public filings. There can be no assurance that the forward- looking statements will prove to be accurate, as actual results and future events could differ materially from those anticipated in such statements. Accordingly, prospective investors should not place undue reliance on forward- looking statements.

Any forward-looking statements are made as of the date of this announcement, and Sheffield assumes no obligation to update or revise them to reflect new events or circumstances, unless otherwise required by law. This document may contain certain forward-looking statements and projections regarding:

- estimated Resources and Reserves;
- planned production and operating costs profiles;
- planned capital requirements; and
- planned strategies and corporate objectives.

Such forward-looking statements/projections are estimates for discussion purposes only and should not be relied upon. They are not guarantees of future performance and involve known and unknown risks, uncertainties and other factors, many of which are beyond the control of Sheffield and Kimberley Mineral Sands Pty Ltd. The forward-looking statements/projections are inherently uncertain and may therefore differ materially from results ultimately achieved. Sheffield does not make any representations and provides no warranties concerning the accuracy of the projections and disclaims any obligation to update or revise any forward-looking statements/projections based on new information, future events or otherwise except to the extent required by applicable laws.

Disclaimer

This document has been prepared by Sheffield Resources Limited based on information from its own and third-party sources, including Kimberley Mineral Sands Pty Ltd, and is not a disclosure document. No party other than the Company has authorised or caused the issue, lodgement, submission, despatch or provision of this document, or takes any responsibility for, or makes or purports to make any statements, representations or undertakings in this document. Except for any liability that cannot be excluded by law, the Company and its related bodies corporate, directors, employees, servants, advisers and agents disclaim and accept no responsibility or liability for any expenses, losses, damages or costs incurred by you relating in any way to this document including, without limitation, the information contained in or provided in connection with it, any errors or omissions from it however caused, lack of accuracy, completeness, currency or reliability or you or any other person placing any reliance on this document, its accuracy, completeness, currency or reliability. Information in this document which is attributed to a third-party source has not been checked or verified by the Company. This document is not a prospectus, disclosure document or other offering document under Australian law or under any other law. It is provided for information purposes and is not an invitation nor offer of shares or recommendation for subscription, purchase or sale in any jurisdiction. This document does not purport to contain all the information that a prospective investor may require in connection with any potential investment in the Company. It should be read in conjunction with, and full review made of, the Company's disclosures and releases lodged with the Australian Securities Exchange (ASX) and available at www.asx.com.au. Each recipient must make its own independent assessment of the Company before acquiring any shares in the Company.

All dollar values are in Australian dollars (A$ or AUD) unless otherwise stated.

Production Target Cautionary Statement

This announcement contains a production target for the Thunderbird Mineral Sands Mine, an operating mine, and forecast financial information derived from that production target, as contemplated in ASX Listing Rules 5.16 and 5.17 respectively. Those statements are forward-looking statements. The production target and forecast financial information are based on the BCFM, which was prepared by KMS to support the Standstill Agreement discussions with its senior lenders.

The Company satisfies the requirements of these Listing Rules with respect to the BCFM as follows:

- for the purposes of Listing Rule 5.16.2, the Company confirms that the Ore Reserve estimates have been prepared by a Competent Person in accordance with the requirements of the JORC Code (2012 edition);
- for the purposes of Listing Rule 5.16.3, the Company confirms that the life of mine production target pursuant to the BCFM in this announcement is underpinned solely by ore reserves, comprising 152 Mt at 14.4% HM of proved ore reserves and 257 Mt at 10.8% HM of probable ore reserves; and
- for the purposes of Listing Rule 5.17.2, the forecast financial information contained in this announcement is derived from the life of mine production target pursuant to the BCFM, which is also contained in this announcement.

No other provision of Listing Rules 5.16 or 5.17 is required to be satisfied in respect of the production target and forecast financial information in this announcement.

Competent Persons Statement

The information in this release that relates to Ore Reserves is based on information and supporting documentation prepared by Mr. Per Scrimshaw that has been extracted from a report entitled '2026 Annual Report' announced on 30 September 2026 and is available to view on the Company's website (www.sheffieldresources.com.au/site/content/) and www.asx.com. The information in this release that relates to Ore Reserves is based on information and supporting documentation prepared by Mr. Per Scrimshaw. Mr. Scrimshaw is a Member of The Australasian Institute of Mining and Metallurgy. Mr. Scrimshaw is employed by Entech, a mining consultancy engaged by KMS to prepare Ore Reserves estimation for the Thunderbird Project. Mr. Scrimshaw has sufficient experience that is relevant to the style of mineralisation and type of deposit under consideration and to the activity being undertaken to qualify as a Competent Person as defined in the 2012 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves'.

The Company confirms it is not aware of any new information or data that materially affects the information included in the 2026 Annual Report (and other relevant market announcements) other than known reported mine operating cost increases as a result of increased induration and inflationary cost pressures and, in the case of estimates of Ore Reserves, that all material assumptions and technical parameters underpinning the estimates in the relevant market announcement continue to apply and have not materially changed. The Company confirms that the form and context in which the Competent Person's findings are presented have not been materially modified from the original market announcements.

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 Mine in operation 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 operates the Thunderbird Mineral Sands Mine and actively exploring adjacent tenements on the Dampier Peninsula. Yansteel holds its interest in KMS through its wholly owned Australian subsidiary YGH Australia Investment Pty Ltd.

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 MINE

The Thunderbird Mineral Sands Mine ("Thunderbird") is one of the largest and highest grade mineral sands discoveries in the last 30 years.

Now in production 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 an ilmenite 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 over a decades long mine life.

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 Mineral Resources developed for the Retiro and Bujuru deposits. The combined Mineral Resource for Retiro and Bujuru is 771Mt of material at an average grade of 3.0% THM (please refer to ASX announcement dated 25 June 2025 titled *"South Atlantic Project: Maiden Mineral Resource & Retiro Licence Approval".*

The tenements are held by RGM. Sheffield entered into an option agreement with RGM in February 2023, with subsequent extensions agreed in August 2024, October 2025, February 2026, and June 2026. Sheffield will provide funding for project related activities over an initial 48 month period and earn an option to acquire up to 20% of RGM a total investment of US$15m, less any funds contributed during the option period. 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 option to increase its interest in RGM up to 80%.