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Sheffield Resources LIMITED

2026
Annual Report

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CORPORATE DIRECTORY

Directors

Mr Bruce Griffin, Executive Chair

Mr Ian Macliver, Non-Executive Director

Mr Gordon Cowe, Non-Executive Director

Mrs Vanessa Kickett, Non-Executive Director

Company Secretary

Mr Bruce Franzen

Registered Office

45 Ventnor Avenue

West Perth WA 6005

T: +61 8 9215 6500

W: www.sheffieldresources.com.au

Postal Address

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West Perth WA 6005

Share Register

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250 St Georges Terrace

Perth WA 6000

T: +61 8 9211 6670

Auditors

HLB Mann Judd

Level 4, 130 Stirling Street

Perth WA 6000

Securities Exchange

Australian Securities Exchange

Level 40 Central Park

152-158 St Georges Terrace

Perth WA 6000

ASX Code: **SFX**

Solicitors

HWL Ebsworth Lawyers

Level 20, 240 St Georges Terrace

Perth WA 6000

Norton Rose Fulbright Australia

Level 30, 108 St Georges Terrace

Perth WA 6000

Bankers

Australia and New Zealand Banking Group Ltd (ANZ)

Level 5, 240 St Georges Terrace

Perth WA 6000

Australian Business Number (ABN)

29 125 811 083

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CHAIR'S REPORT

Dear Shareholders,

The 2026 financial year was the second full year of production from the Thunderbird Mineral Sands Mine, which began operations in October 2023. The Thunderbird Mineral Sands Mine is a long life world class mineral sands mine.

The health, safety and environmental performance at Thunderbird continues to be a focus and Kimberley Mineral Sands (KMS) achieved a Total Recordable Injury Frequency Rate (TRIFR) of 4.22.

Operations at Thunderbird started strongly with record ore mined and concentrate in the September quarter. Ore mined in the December and March quarters were impacted by reduced dozer fleet availability and lower Dry Mining Unit (DMU) availability and concentrate production was impacted by lower ore mined and lower process plant recoveries.

In response to the deteriorating performance in March KMS implemented a change in operational management with the appointment of a site-based Head of Operation and developed and implemented a recovery plan for ore mining and process plant recoveries that included separating ore mining from DMU operation. These changes resulted in sustained increases in ore mined and concentrate production in May and June.

KMS also implemented a range of other improvement projects throughout the year targeting productivity improvements and cost savings. These initiatives included consolidating contracts in some cases retendering the services to secure cost savings.

The significant turnaround in ore production and concentrate recoveries in the June quarter, provides a strong basis for future production at Thunderbird and provides a basis for a debt restructure based upon improved operating performance.

KMS continue to focus on employing as many local people as possible and maintain a residential workforce and their families within the Kimberley region. This approach ensures local economic benefit is maximised.

KMS continues to benefit from strong support from Yansteel. A related party of Yansteel, Sheng Feng (Hong Kong) Co. Ltd acquired the Production Linked Loan Note Facility and subsequently KMS received an additional tranche of US$10,147,500 under the Facility.

Sheffield and Yansteel contributed $3.25 million each in equity and KMS arranged early payment of offtake contracts with various customers, including Yansteel, to assist with working capital management.

KMS continued to progress debt negotiations with senior secured lenders Northern Australia Infrastructure Facility (NAIF) and Sheng Feng and agreed wavier and deferral arrangements in relation to the December 2025, March 2026 and June 2026 interest and principal repayment obligations and various covenants.

In addition to our investment in Kimberley Mineral Sands, we continued to advance our interest in the South Atlantic Project in Brazil. During the year RGM was granted Mining Decrees for Central Retiro, completed a drill program and progressed the pre-feasibility study.

In order to focus its cash resources on KMS, Sheffield agreed to suspend project funding under the option agreement with RGM, while retaining the option to acquire 20% by funding total expenditure of US$15 million with US$3 million funded to date. Sheffield's disposal of its entire shareholding (10% interest) in Capital Metals PLC (AIM: CMET) for net proceeds of $3.6m in January 2026 added to available cash reserves.

With the Thunderbird mine operational turnaround well underway, in FY2027, the focus of the Thunderbird team will be upon continuing to further increase production in line with the business plan. The waste mining fleet, ore mining dozers and DMU can sustain a mining rate equivalent to 16mtpa with ore production to be varied to ensure sufficient feed to fill the process plant. Sustaining a full process plant should ultimately result in concentrate production rate of 900,000 – 950,000 tpa of ilmenite concentrate and 200,000 – 220,000 tpa of zircon concentrate.

I would like to thank my fellow Directors, our employees, the Kimberley Mineral Sands team and their contractors, our joint venture partner Yansteel, along with our financiers NAIF and Sheng Feng for their continued efforts and support during a challenging year for Sheffield.

In closing, I sincerely thank Sheffield's shareholders for your ongoing support as we look forward to growing production at Thunderbird and restructuring the KMS senior debt during 2027.



Bruce Griffin
Executive Chair

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REVIEW OF OPERATIONS

KIMBERLEY MINERAL SANDS (KMS)

During the reporting period, through its 50% interest in Kimberley Mineral Sands Pty Ltd (**KMS**), Sheffield Resources Limited (**Sheffield, the Company or the Group**) completed the second full year of production from the Thunderbird Mineral Sands Mine (**Thunderbird**) in the Kimberley region of Western Australia.

KMS is a 50/50 joint venture between Sheffield and YGH Australia Investment Pty Ltd (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.

Thunderbird is one of the largest and highest-grade zircon mineral sands deposits in the world and contains valuable minerals including ilmenite, zircon and leucoxene, which are extracted and exported as concentrates via the Port of Broome to global offtake partners. Construction activities at Thunderbird were completed during 2023, ahead of schedule and within the original $484 million budget. The maiden shipment of Thunderbird products to customers was completed in January 2024, with the first bulk shipment departing Broome in March 2024.

During the 2026 financial year, Thunderbird produced 852,118 tonnes of concentrate products, mining in excess of 11 million tonnes of ore. During the year Thunderbird shipped 823,001 tonnes of concentrate products to its offtake customers in China.

Health and Safety

A total of 710,000 hours of work were completed throughout this year with a Total Recordable Injury Frequency Rate (TRIFR) of 4.22, above the average for WA Mining of 3.0.

Environmental, Social and Governance (ESG)

Minimising environmental impacts is integral to the long-term success of Kimberley Mineral Sands, and all activities are undertaken in a considered and measured approach, spanning Thunderbird's active mine life and beyond.

KMS is subject to various environmental regulations in respect to its exploration, development and production activities.

In the course of its normal mining and exploration activities, KMS adheres to all environmental regulations imposed upon it by the relevant regulatory authorities, particularly those regulations relating to ground disturbance and the protection of rare and endangered flora and fauna.

KMS is committed to supporting the Kimberley community through employment, community engagement, and local and Aboriginal business opportunities.

During the 2026 financial year, KMS spent over $43 million with more than 100 West Kimberley businesses across civil contracting, fuel supply, mobile plant hire and office services. This included $27.4 million with Aboriginal-owned businesses, of which $24.8 million was contracted with Joombarn-buru Traditional Owner businesses, exceeding the co-existence agreement's operational contract target, currently $2 million per year and rising in stages to $10 million per year in later years of the agreement.

As at 30 June 2026, 30% of KMS's direct workforce of 99 people identified as Aboriginal, and Aboriginal people comprised 15% of the combined site workforce including contracting partners. The Year 2 Aboriginal employment milestone under the co-existence agreement (10% of workforce) was met in October 2025; the Year 4 milestone is 25% by October 2027, with contractor participation the key driver. Women comprised 29% of the direct workforce, and 78% of employees are permanent residents of Broome, Derby and surrounding West Kimberley communities.

Thunderbird Operational and Financial Performance

From the March quarter Thunderbird had sufficient free digging overburden inventory to allow drill and blast activities to be suspended and waste mining to be reduced to day shift only operations. Drill and blast activities and waste mining will continue to be adjusted over time to minimise waste mining costs while maintaining sufficient inventory of ready to mine ore. The current suspension of drill and blast and day shift only waste mining is expected to continue throughout FY27.

Total ore mined for the reporting period was 11.1 million tonnes, with concentrate production totalling 852,118 tonnes for the reporting period. Ore mined in the December and March quarters were impacted by reduced dozer fleet availability and lower DMU availability. In response in March KMS changed operational management with the appointment of a site-based Head of Operation and implemented a recovery plan for ore mining that included separating ore mining from DMU operation. By year end dozer and DMU operating performance was equivalent to an annualised mining rate above 12Mt per annum.

For the reporting period, the Heavy Mineral (HM) grade of the feed to the process plant (Rougher Head Feed or RHF) was 22.05%. Concentrate production was impacted by lower ore mined and lower process plant recoveries in the December and March quarters. A review of operating parameters and improvements to process plant hygiene resulted in TiO_2 and ZrO_2 recoveries returning to design levels in May and June.

KMS also implemented a range of other improvement projects throughout the year targeting productivity improvements and cost savings. These initiatives included consolidating contracts and in some cases retendering the services to secure cost savings.

Product shipments totalled 823,001 dry metric tonnes for the reporting period. Zircon concentrate markets deteriorated in the first half of the year before recovering in the second half.

Operations at Thunderbird started strongly with record ore mined and concentrate in the September quarter. Ore mined in the December and March quarters were impacted by reduced dozer fleet availability and lower DMU availability and concentrate production was impacted by lower ore mined and lower process plant recoveries. Ore production and concentrate recoveries in both improved in the June quarter as KMS implemented its turnaround plan.Looking forward to FY2027, the focus of the Thunderbird team will be upon continuing to increase production in line with the revised business plan. The waste mining fleet, ore mining dozers and DMU can sustain a mining rate equivalent to 16mtpa with ore production to be varied to ensure sufficient feed to fill the process plant which is designed to process 1085tph of rougher head feed. Sustaining a full process plant should ultimately result in concentrate production rate of 900,000 – 950,000 tpa of ilmenite concentrate and 200,000 – 220,000 tpa of zircon concentrate.

C1 cash costs per tonne produced were $245/tonne of concentrate for the reporting period. Finished goods inventory comprises approximately 121,000 tonnes of ilmenite concentrate, approximately 33,000 tonnes of zircon concentrate and 3,000 tonnes of HiTi concentrate available for shipment as at the end of the reporting period.

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THUNDERBIRD MINE – 2025 FINANCIAL YEAR PERFORMANCE METRICS (100% basis)			
	1H 2026	2H 2026	Full Year 2026
Ore Mined ('000 tonnes)	5,872	5,227	11,099
Wet Concentrator - Rougher Head Feed (HM Grade %)	21.88	22.24	22.05
Production – Ilmenite Concentrate (tonnes)	370,117	279,212	649,683
Production – Zircon Concentrate (tonnes)	85,918	71,831	157,749
Sales – Ilmenite Concentrate (tonnes)	346,075	283,474	629,549
Sales – Zircon Concentrate (tonnes)	92,063	58,199	150,262
Ilmenite Realised Sales Price (US$/dmt)	120	130	124
Zircon Realised Sales Price (US$/dmt)	491	544	511
Average Realised Sales Price (A$/dmt)	198	200	199
C1 Cash Costs (A$/t Produced)	235	258	245

Sales

Product shipments of ilmenite concentrate totalled 629,549 metric tonnes under the offtake agreement to joint venture partner, Yansteel. Product pricing is fixed price per percent of TiO_2 content contained within the ilmenite concentrate, with realised pricing of approximately US$124/t for the reporting period.

Zircon concentrate shipments totalled 150,262 metric tonnes, with shipments to various offtake customers throughout the reporting period. The average realised price achieved for zircon concentrate was US$511/t.

Financial

At the end of June 2026, KMS cash reserves totalled $7.4m. During the reporting period, KMS arranged early payment of offtake contracts with various customers to assist with working capital management. As at the end of June 2026, offtake prepayments with Yansteel totalled US$26.2m, which can repaid from delivered ilmenite concentrate volumes and may be renewed by mutual agreement.

Sheffield, and JV partner Yansteel, also contributed $3.25 million each in November 2025.

In January, Sheng Feng (Hong Kong) Co., Ltd ("Sheng Feng") executed transaction documents with OMFR (Th) LLC ("Orion") whereby Sheng Feng received a novation of all of Orion's rights and obligations under the Production Linked Loan Note Facility ("Loan Note Facility"). Sheng Feng is a related party of Yansteel (sharing the same ultimate beneficial owners) and the Transaction did not change the terms of the Facility.

In May, KMS received from Yansteel (Sheng Feng) an additional tranche of US$10,147,500 drawn under the Loan Note Facility. Repayment of funds drawn under the new tranche is required in full by 31 December 2026 and KMS may request to make the repayment by delivering an equivalent amount of product on terms to be agreed between KMS and Sheng Feng.

During the reporting period KMS and its sponsors continued to progress debt negotiations with senior secured lenders Northern Australia Infrastructure Facility (NAIF) and Sheng Feng. KMS, Sheng Feng and NAIF wavier and deferral arrangements in relation to the December 2025, March 2026 and June 2026 interest and principal repayment obligations and various covenant waivers associated with the senior secured facilities.

At the end of June 2026 KMS senior debt facilities included NAIF Facility A (A$120 million), NAIF Facility B (A$40 million), and Sheng Feng (US$110 million). Quarterly interest payment instalments were made for the September quarter.

KMS Outlook

Looking ahead to the 2027 financial year, the focus for KMS and Thunderbird will be in the following areas:

- delivering a sustained improvement in production ;
- negotiate a standstill agreement and debt restructure;
- delivering value to shareholders and both economic and social benefits to our Traditional Owners and the West Kimberley through disciplined financial management, operational efficiency, and continued investment in people, infrastructure and local community; and
- strong financial management transitioning into a sustainable business generating cash flows for shareholders.

SOUTH ATLANTIC PROJECT

The South Atlantic Project is located within the Rio Grande do Sul Coastal Plain, a region located in the southernmost state of Brazil, Rio Grande do Sul, along the coast of the Atlantic Ocean. 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.

In early 2023, Sheffield executed a binding investment agreement (RGM Option Agreement) with Mineração Santa Elina Indústria e Comércio S/A. and Kromus Xi Fundo De Investimento Em Participações, current owners of Rio Grande Mineração S/A (RGM), providing Sheffield with an option to acquire a 20% interest in RGM, the 100% owner of the South Atlantic Project in Brazil. On October 2025, an agreement Variation #2 was executed which among other amendments extended the option period until February 2027. On 5 March 2026, an agreement Variation #3 was executed regarding changes to future funding arrangements with Sheffield no longer required to make any contributions prior to the expiry of the option in February 2027. On 18 June 2026, an agreement Variation #4 was executed regarding changes to future funding arrangements with Sheffield no longer required to make any contributions prior to the expiry of the option in February 2027.

As at the end of the reporting period, Sheffield had contributed a total of US$3.0m, with funding applied toward an exploration drilling program, detailed technical studies, mineral resource estimation and permitting activities.

Activities at RGM focussed on progressing project approvals and a pre-feasibility study. A drilling campaign totalling approximately 1,300 metres was completed at Bujuru and South Retiro during the 2025 December quarter.

CAPITAL METALS PLC

On 30 Jan 2026, Sheffield disposed of its entire shareholding (10% interest) in Capital Metals PLC (AIM: **CMET**), the owner of the Taprobane Minerals Project in Sri Lanka. at A$0.073 per share. The net proceeds of $3.6m, after brokerage fees, were received on 5 Feb 2026. Sheffield does not maintain any further interest or associated rights in CMET.

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EXTERNAL FACTORS AND RISKS AFFECTING THE COMPANY'S RESULTS

Sheffield operates in an uncertain economic environment, but these uncertainties are minimised through the application of a rigorous risk management framework and clearly defined risk appetite, defined by the Board. Consequently, the Board and management monitor these uncertainties and, where possible, mitigate the associated risk of adverse outcomes. The following external factors are all capable of having a material adverse effect on the Sheffield business and may affect the prospects of business units, including the Thunderbird mine, for future financial years.

Exposure to Economic, Environment and Social Risks

Sheffield has material exposure to economic, environmental and social risks, including changes in community expectations, and environmental, social and governance legislation (including, for example, those matters related to climate change). At the Thunderbird mine, reasonable steps are taken via the employment of suitably qualified personnel to assist with the management of its exposure to these risks.

During the operation of the Thunderbird mine, KMS must comply and remain compliant with its Mining License conditions and Australian Mining Codes in order to retain prospecting and mining rights. Any failure to satisfy these requirements could jeopardise any prospecting or mining rights held and impede the ability to acquire, develop or maintain any additional prospecting and mining rights, all of which could have a material adverse effect on the Sheffield and KMS business, results of operations, financial condition, cash flows and/or prospects.

Risks related to mining operational activities

Thunderbird's operations comprise mining and development with a primary focus on the development of high-grade deposits within the mineral sands sector. Operations generally involve a high degree of risk and are subject to all the hazards and risks normally encountered in the mining and development of mineral deposits. These include unstable ground conditions, adverse weather conditions, flooding and other conditions involved in the drilling and removal of material, any of which could result in damage to, or destruction of, mines and other producing facilities, damage to life or property, environmental damage and possible legal liability. Although adequate precautions to minimise risks are, and will continue to be, taken, Thunderbird's operations are subject to risks which may result in environmental pollution and possible liability.

Thunderbird is an established mining operation. Expenditures made or further drilling results are no guarantee for further developments or discoveries of profitable commercial mining operations. Lack of availability of drilling rigs could cause increased project expenditures and/or project delays. Heavy mineral operational development of Thunderbird involves significant risks to develop metallurgical processes and to construct mining and processing facilities. Although adequate precautions to minimise risks are, and will continue to be, taken, Thunderbird is subject to risks which may result in delays or potential performance below expectations.

Sheffield, through its interests, may be affected by various factors, including failure to locate or identify mineral deposits, failure to achieve predicted grades in exploration and mining, operational and technical difficulties encountered in mining, insufficient or unreliable infrastructure such as power, water and transport, difficulties in commissioning and operating plant and equipment, mechanical failure or plant breakdown, unanticipated metallurgical problems which may affect extraction costs, adverse weather conditions, industrial and environmental accidents, industrial disputes and unexpected shortages or increases in the costs of consumables, spare parts, plant and equipment.

In the event that any of these potential risks occur, Sheffield's operational and financial performance may be adversely affected.

Processing Risks

Processing of ore takes place at the Thunderbird mine site and the processing is subject to interruption risk, equipment failure, ore variability, labour risk and other risks associated with mineral extraction and processing. The outcome of this has the potential to materially affect Sheffield results and profitability.

Access to Export Infrastructure

KMS exports products through the Port of Broome, which is not owned or operated by KMS, and experiences significantly higher activity in the dry season as cruise ships and livestock vessels increase their berthing frequency. This port has limited capacity and is not always available for timely export of available inventory, which affects timing of operating cash inflows.

Oversize Material

A significantly higher percentage of oversize material (>12mm) is rejected at the DMU than was initially modelled and predicted. A consequence of the increased oversize material is a potential displacement of heavy-mineral-bearing sand and potential increased operating cost per tonne of ore produced or potential decrease in Ore Reserves. Any expected impact is currently unknown and under review.

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Exploration Risk

The exploration for and development of mineral deposits involves significant risks which even careful evaluation, experience and knowledge may not eliminate. While the discovery of minerals may result in substantial rewards, few properties which are explored are ultimately developed into producing mines. Major expense may be incurred to locate and establish mineral reserves, to develop metallurgical processes and to construct mining and processing facilities at a particular site. It is not possible to ensure that the exploration or development programs planned by Sheffield will result in a profitable commercial mining operation.

Whether a mineral deposit will be commercially viable depends on a number of factors, some of which are: the particular attributes of the deposit, such as size, grade and proximity to infrastructure, commodity prices which are highly cyclical, government regulations, including regulations relating to prices, taxes, royalties, land tenure, land use, importing and exporting of minerals and environmental protection. The exact effect of these factors cannot be accurately predicted, but the combination of these factors may result in Sheffield not receiving an adequate return on invested capital. If any adverse event relating to exploration, mining and/or development should occur, then it could have a material adverse effect on the Sheffield business, financial condition, results of operations, cash flows and/or prospects.

Risk of Inaccurate Estimates

There is considerable uncertainty inherent in estimating the size and value of Mineral Resources and Ore Reserves. The techniques are subjective and an inexact process where the estimation of the accumulation of Mineral Resources and Ore Reserves cannot be accurately measured. To evaluate the recoverable mineral volumes, a number of geological, geophysical, technical and production data must be evaluated. The evaluation conducted in relation to the mineral sands operations may later prove to be inaccurate, and there is a real risk that estimated Mineral Resources and Ore Reserves may be adjusted downward. For example, mineral sands mined may be of a different quality, tonnage or strip ratio from the estimates. Mineral Resource estimates are necessarily imprecise and depend to some extent upon interpretations, which may ultimately prove to be inaccurate and require adjustment. Adjustment to the estimates of Mineral Resources and Ore Reserves could affect development and mining plans, which could have a materially adverse effect on the Sheffield business, financial condition, results of operations, cash flows and/or prospects.

Risk of Uninsured Losses

Sheffield is exposed to a number of risks and hazards generally, including adverse environmental conditions, industrial accidents, unusual or unexpected geological conditions, contamination, changes in the regulatory environment and natural phenomena such as inclement weather conditions or floods. Such occurrences could have a material adverse effect on the Sheffield business, operating result or financial condition.

At Thunderbird, KMS holds comprehensive property and equipment insurance, as well as business interruption insurance to protect against certain risks in such amounts as it considers reasonable. Insurance may not cover all the potential risks associated with the Company's operations.

Contractual Risks

The ability to efficiently conduct Sheffield business in several respects depends upon third party product and service providers and contracts. Accordingly, in some circumstances, contractual arrangements have been entered into by KMS. As in any contractual relationship, the ability for KMS to ultimately receive benefits from these contracts is dependent upon the relevant third party complying with its contractual obligations. To the extent that such third parties default in their obligations, it may be necessary for KMS to enforce its rights under any of the contracts and pursue legal action. Such legal action may be costly, and no guarantee can be given by KMS or Sheffield that a legal remedy will ultimately be granted on appropriate terms.

Additionally, some existing contractual arrangements that have been entered into by Sheffield and its subsidiaries may be subject to the consent of third parties being obtained to enable controlled entities to carry on all of its planned business and other activities and to obtain full contractual benefits. No assurance can be given that any such required consent will be forthcoming. Failure by Sheffield to obtain such consent may result in Sheffield not being able to carry on all of its planned business and other activities or proceed with its rights under any of the relevant contracts requiring such consent.

Commodity Prices

The prices that KMS obtains for its products are a key driver of business performance, and fluctuations in these markets affects its results, including cash flows and shareholder returns. 2024 financial year operating cash flows were sourced from the sale of materials from Thunderbird. Each of these commodities are priced contractually or by external markets and, as Sheffield or KMS are not a price maker with respect to the materials available for sale, it is susceptible to adverse price movements. Commodity prices experienced volatility in the 2025 financial year. KMS purchases material amounts of fuel that is subject to global pricing conditions and KMS has not hedged its exposure to fuel price volatility during the financial year.

Interest Rates

Interest rate movements affect both returns on funds on deposit as well as the cost of borrowings. Interest rate risk may be hedged in certain circumstances, however, no interest rate hedging occurred during the past year. Currency Exchange Rates

The functional currency of KMS and Sheffield is Australian Dollars (AUD). KMS cash inflows are in United States dollars (USD), which is the currency of denominated material sales and inflows may therefore be subject to fluctuations in the exchange rate with respect to sales or ad hoc expenditures in currencies that are not AUD. Both KMS and Sheffield did not enter into any currency exchange hedging during the past year.

Directors' Report

The Directors present their report on Sheffield Resources Limited (**Sheffield, parent entity or the Company**) and its controlled entities (**collectively known as the Group or consolidated entity**) for the year ended 30 June 2026.

PRINCIPAL ACTIVITIES

The principal activities during the year were mineral sands operations in Australia and mineral sands evaluation in Brazil.

DIRECTORS AND COMPANY SECRETARY

The Directors and Company Secretary of the Company during and until the date of this report are:

Mr Bruce Griffin	Executive Chair
Qualifications	B.Ch.Eng, B.A.Econ, MBA
Appointed	10 June 2020 (Previously Commercial Director, appointed Executive Chair 13 April 2021)
Experience	Mr Griffin previously held the position of Senior Vice President Strategic Development of Lomon Billions Group, the world's third largest producer of high-quality titanium dioxide pigments. Bruce previously held executive management positions in several resource companies, including acting as the Chief Executive Officer and a director of TZ Minerals International Pty. Ltd. (TZMI), the leading independent consultant on the global mineral sands industry, Chief Executive Officer and a director of World Titanium Resources Ltd, a development stage titanium project in Africa and as Vice President Titanium for BHP Billiton.
Responsibilities	Member of the Board
Interest in shares, options and rights	3,177,624 ordinary shares 5,859,375 performance rights 111,273 options
Other current directorships	CVW CleanTech Inc. (since 2019) Savannah Resources Plc (appointed 12 September 2023)
Past directorships last 3 years	Capital Metals Plc (resigned 5 February 2026) Mawson Gold Limited (resigned 23 January 2025)
Mr John Richards	Lead Independent Director
Qualifications	B. Econ (Hons)
Appointed	1 August 2019 (Resigned 21 May 2026) (Previously Non-Executive Chair, appointed Lead Independent Director 13 April 2021)
Experience	Mr Richards is an economist with more than 35 years' experience in the resources industry; holding various positions within mining companies, investment banks and private equity groups. He has been involved in a wide range of mining M&A transaction in multiple jurisdictions. Mr Richards is an Independent Non-Executive Director; holding previous positions at Normandy Mining Ltd, Standard Bank, Buka Minerals and Global Natural Resource Investments; he is a Non-Executive Chair of Sandfire Resources Limited.
Responsibilities	Member of the Board Chair of the Remuneration & Nomination Committee Member of the Audit & Risk Committee
Interest in shares, options and rights	400,000 ordinary shares
Other current directorships	Sandfire Resources Limited (appointed 1 January 2021)
Past directorships last 3 years	Northern Star Resources Limited (resigned 31 July 2024)

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Mr Ian Macliver	Non-Executive Director
Qualifications	BCom
Appointed	1 August 2019
Experience	Mr Macliver is an experienced director within the mining sector. His executive and director experience covers many areas of corporate activity including acquisitions, divestments, takeovers, business and strategic planning, and debt and equity structuring. Mr Macliver was Non-Executive Chairman of MMA Offshore Limited from 2020 to 2024, prior to its acquisition by Cyan Renewables, and Non-Executive Chairman of Western Areas Limited from 2011 to 2022. Mr Macliver holds a Bachelor of Commerce from the University of Western Australia, a Post Graduate Diploma from the Securities Institute of Australia and qualified as a Chartered Accountant.
Responsibilities	Member of the Board Chair of the Audit & Risk Committee Member of the Remuneration & Nomination Committee
Interest in shares, options and rights	107,142 ordinary shares
Other current directorships	Emeco Holdings Limited (appointed 1 December 2024) Wright Prospecting Pty Ltd (appointed Alternate Director December 2022, and then Director April 2026) VOC Group Limited (appointed June 2026)
Past directorships last 3 years	MMA Offshore Limited (resigned 24 July 2024)
Mr Gordon Cowe	Non-Executive Director
Qualifications	BSc (Hons) Mechanical Engineering, GAICD
Appointed	12 March 2021
Experience	Gordon Cowe is a qualified mechanical engineer with over 30 years' experience, Mr Cowe has had significant involvement in leading business start-up, planning and delivery of multiple complex projects including Mining & Mineral Processing, Oil & Gas and Resources based infrastructure projects globally. He has enjoyed an extensive career with leading contractors (including Bechtel and Worley Parsons) and project owners on a wide range of projects.
Responsibilities	Member of the Board Member of the Audit & Risk Committee Chairman of the Remuneration & Nomination Committee
Interest in shares, options and rights	None
Other current directorships	None
Past directorships last 3 years	None
Mrs Vanessa Kickett	Non-Executive Director
Appointed	1 January 2022
Experience	Vanessa Kickett has extensive experience and involvement with Aboriginal engagement, native title and heritage matters throughout Western Australia. A member of the Whadjuk Noongar community, Mrs Kickett is currently Deputy Chief Executive Officer of the South West Aboriginal Land and Sea Council, responsible for the recent implementation and operation of the South West (Western Australia) native title settlement. Mrs Kickett has also held a variety of roles in the public sector, leading the development of heritage and native title policy and frameworks on behalf of Water Corporation in Western Australia.
Responsibilities	Member of the Board Member of the Remuneration & Nomination Committee Member of the Audit & Risk Committee
Interest in shares, options and rights	480,000 share options
Other current directorships	None

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Past directorships last 3 years	None
Mr Mark Di Silvio	Company Secretary
Qualifications	B.Bus, CPA, MBA, GAICD
Appointed	15 February 2016 (Resigned 28 February 2026)
Experience	Mark Di Silvio is a CPA and MBA qualified finance professional with over 30 years' resources industry experience. Mr Di Silvio's professional career includes operations and project development experience both in Australia and overseas, including senior finance roles with Woodside Petroleum Limited in Australia and Africa prior to joining Central Petroleum Limited and Centamin Plc as CFO. Mr Di Silvio has significant commercial and financial management experience including project financing, commercial agreement structuring and product offtake agreements.
Mr Bruce Franzen	Company Secretary
Qualifications	B.Bus, FCPA, FFin
Appointed	28 February 2026
Experience	Mr Bruce Franzen is a certified practicing accountant with over 30 years' local and international experience within large, complex organizations in the resources sector. He has substantial executive-level and board experience executing finance and commercial roles related to exploration and development of large capital resource projects. Mr Franzen has also held past senior finance positions for large companies such as Woodside Energy, Inpex, Origin Energy and Agnico Eagle (formerly Kirkland Lake Gold). Mr Franzen currently provides company secretarial, accounting, and commercial advisory consulting services to a number of ASX listed companies in the resources sector.

DIRECTORS' MEETINGS

The number of meetings held and attended by each Director during the year are as follows:

	Directors' Meetings		Audit & Risk Committee		Remuneration & Nomination Committee	
	Held	Attended	Held	Attended	Held	Attended
B Griffin	13	13	-	-	-	-
J Richards	10	10	2	2	2	2
I Macliver	13	13	2	2	2	2
G Cowe	13	13	2	2	-	-
V Kickett	13	10	-	-	2	1

OPTIONS

Total unlisted options on issue at the date of this report are as follows:

Date of expiry	Grant date	Exercise price	Number under options
30 October 2026	25 November 2021	$0.33	214,200
30 November 2026	22 November 2022	$0.84	480,000
			694,200

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PERFORMANCE RIGHTS

Total unlisted performance rights on issue at the date of this report are as follows:

Date of expiry	Grant date	Exercise price	Number under rights
30 October 2026	25 November 2021	Nil	1,649,023
1 December 2027	22 November 2022	Nil	119,023
1 December 2028	22 November 2023	Nil	19,014
2 October 2029	29 November 2024	Nil	2,648,810
8 August 2030	8 August 2025	Nil	650,990
8 August 2030	1 December 2025	Nil	3,906,250
			8,993,110

OPERATING AND FINANCIAL REVIEW

The Group's operations during the year ended 30 June 2026 are set out in the Review of Operations and Ore Reserves and Mineral Resources sections. The Group recorded a net loss after tax for the year ended 30 June 2026 of $52.7m (2025: net loss after tax of $22.1m). At 30 June 2026, the Group had $4m in cash and cash equivalents (2025: $7.1m) and the Group's net assets were $64.4m (2025: $116.5m).

DIVIDENDS

No dividends were paid or declared during the year ended 30 June 2026.

CORPORATE GOVERNANCE STATEMENT

The Corporate Governance Statement is available on the Company's website at www.sheffieldresources.com.au.

LIKELY DEVELOPMENTS AND EXPECTED RESULTS

Sheffield intends to continue its exploration, development and production activities on its existing projects and to assess and consider growth opportunities within the mineral sands sector.

ENVIRONMENTAL REGULATION

The Group's exploration and mining activities are governed by environmental regulation. To the best of the Directors' knowledge the Group believes it has adequate systems in place to ensure the compliance with applicable environmental legislation and is not aware of any material breach of those requirements during the year and up to the date of the Directors' Report.

INDEMNIFICATION AND INSURANCE OF DIRECTORS AND OFFICERS

The Company agreed to indemnify all the Directors and Key Management Personnel of the Company for any liabilities to another person (other than the company or related body corporate) that may arise from their designated position of the Company, except where the liability arises out of conduct involving a lack of good faith. During the year the Company paid a premium in respect of a contract insuring the Directors and Officers of the Company against any liability incurred in the course of their duties to the extent permitted by the Corporations Act 2001.

INDEMNIFICATION OF INSURANCE OF AUDITOR

The Company has not, during or since the end of the year, indemnified or agreed to indemnify the auditor of the Company or any related entity against a liability incurred by the auditor. During the year, the Company has not paid a premium in respect of a contract to insure the auditor of the Company or any related entity.

NON-AUDIT SERVICES

During the year the Company has not used its auditors, HLB Mann Judd, to complete any non-audit related work (2025: nil).

PROCEEDINGS ON BEHALF OF THE COMPANY

No person has applied to the Court under section 237 of the Corporations Act 2001 for leave to bring proceedings on behalf of the Company, or to intervene in any proceedings to which the Company is a party, for the purpose of taking responsibility on behalf of the Company for all or part of those proceedings.

ROUNDING

The amounts contained in the financial report have been rounded to the nearest $1,000 (unless otherwise stated) pursuant to the option available to the Company under ASIC Class Order 2026/183. The Company is an entity to which the class order applies.

AUDITOR'S INDEPENDENCE

This Auditor's Independence Declaration is set out on page 33 and forms part of the Directors' report for the year ended 30 June 2026.

EVENTS SUBSEQUENT TO REPORTING PERIOD

On 1 September 2026, the Company announced that KMS, Sheng Feng and NAIF have agreed a further wavier and deferral arrangement in relation to the December 2025, March 2026, and June 2026 interest and principal repayment obligations and various covenant waivers associated with the senior secured facilities, until 30 September 2026. The current deferral and waiver has been agreed to allow time for KMS, Sheng Feng and NAIF to complete negotiations on a Standstill Agreement ("Standstill") that would seek to defer KMS's debt obligations until 30 June 2027.

There has been no other matter or circumstance that has arisen after reporting date that has significantly affected, or may significantly affect, the operations of the Group, the results of those operations, or the state of affairs of the Group in future financial periods.

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REMUNERATION REPORT (AUDITED)

This report sets out the remuneration strategy and arrangements for Key Management Personnel (**KMP**) of Sheffield Resources Limited for year ended 30 June 2026. This Remuneration Report forms part of the Directors' Report and has been audited in accordance with the Corporations Act 2001.

This report contains the following sections:

Section 1: Key Management Personnel	15
Section 2: Remuneration Principles	15
Section 3: 2026 Financial Year Remuneration Summary	16
Section 4: Remuneration Governance	17
Section 5: 2026 Financial Year Senior Executive KMP Remuneration	17
Section 6: 2026 Financial Year Remuneration & Performance Outcomes	23
Section 7: Non-Executive Directors Remuneration	24
Section 8: Statutory Remuneration Disclosure Tables	25

SECTION 1: KEY MANAGEMENT PERSONNEL (KMP)

For the purposes of this report, KMP are defined as those persons having authority and responsibility for planning, directing and controlling the major activities of the Company and the Group, directly or indirectly, including any Director (whether Executive or otherwise) of the Company and are detailed in the table below. The Executive Chair and other executive management listed in the table below are collectively defined as the **Senior Executive KMPs** for the purposes of this report.

Name	Position	Term as KMP
Non-Executive Directors		
John Richards	Lead Independent Non-Executive Director	Resigned 31 May 2026
Ian Macliver	Non-Executive Director	Full Year
Gordon Cowe	Non-Executive Director	Full Year
Vanessa Kickett	Non-Executive Director	Full Year
Senior Executive KMPs		
Bruce Griffin	Executive Chair	Full Year
Mark Di Silvio	Chief Financial Officer and Company Secretary	Resigned 28 February 2026

SECTION 2: REMUNERATION PRINCIPLES

Sheffield is committed to aligning Senior Executive KMP remuneration to long term shareholder returns. To this end, the Company's remuneration practices are designed to attract and retain employees by identifying and rewarding high performers and recognising their contribution to the continued growth and success of the organisation.

The key objectives of Sheffield's remuneration policy and practices are to:

- provide total remuneration and employment conditions which will enable the Company to attract and retain high quality Senior Executive KMPs to the business;
- align remuneration with the creation and maximisation of shareholder value and the achievement of Company strategy, business objectives and core values;
- ensure the structure and quantum of remuneration is competitive and reflective of the external market in which the Company operates;
- provide a mix of fixed and variable, performance-based remuneration to drive superior performance;
- reward the achievement of individual and Company objectives, thus promoting a balance of individual performance and teamwork across the executive management team;
- provide a fair, equitable and scalable system that allows for sustainable business growth and is regularly reviewed for relevance and reliability; and
- be transparent, easily understood and is acceptable to shareholders.

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The Board's specific remuneration aims for the year ended 30 June 2026 were to:

- retain a core group of Senior Executive KMPs at an early stage in the Company's joint venture operations;
- ensure cash preservation measures were set in place across the Company;
- maintain a Long Term Incentive scheme designed to create alignment with the Kimberley Mineral Sands objectives and maximise overall shareholder value;
- ensure effective benchmarking of fixed and variable remuneration for Senior Executive KMPs for a clearly defined peer group of similar companies to ensure remuneration is fair and competitive; and
- retain total remuneration at approximately the 66th percentile of market.

SECTION 3: 2026 FINANCIAL YEAR REMUNERATION SUMMARY

The summary table below provides an overview of the 2026 financial year remuneration outcomes per element. Where adjustments have been made, these have been further specified.

Total Fixed Annual Remuneration (TFR)	**No changes occurred during the year**	During the year under review, the TFR applicable to the Executive Chair and Chief Financial Officer was reviewed by the Remuneration Committee. No changes have been proposed by the Remuneration Committee. *See Section 8: Statutory Remuneration Disclosure Tables, for further detail.*
Short Term Incentive (STI) outcomes	**Average Senior Executive KMP outcome of 44% of maximum awarded**	The 2026 financial year corporate performance measures include the following: • Production from the Thunderbird Mineral Sands Mine • Thunderbird Per Tonne Unit Operating Costs • Thunderbird Health, Safety & Environmental Performance The above performance measures are further qualified by the following factors: • Health, Safety, Environmental and Governance objectives being met; and • The Senior Executive KMP needing to be employed during the entire period Assessment of these measures resulted in an average 44% STI outcome, relative to the STI targets set. *See Section 5: 2026 Financial Year Senior Executive KMP Remuneration, for further detail.*
Long Term Incentive (LTI) outcomes	**Grant of Performance Rights: 5,970,156** **Grant of Share Options: Nil**	5,970,156 LTI performance rights were granted to Senior Executive KMPs during the year, with the performance period spanning three years ending on 30 June 2028. The next grant of LTI performance rights is scheduled in the 2027 Financial Year, spanning an equivalent three-year performance period ending on 30 June 2029. For the year ended 30 June 2026, no share options were granted to Senior Executive KMPs during the year. The Company has designed an incentive program geared toward performance rights with appropriate long term performance hurdles. *See Section 5: 2026 Financial Year Senior Executive KMP Remuneration, for further detail.*
Non-Executive Director (NED) fees	**No changes**	During the 2025 financial year, there was a review undertaken of the NED fee structure (including the related policy on base and committee fees). It was determined that no change to the NED fee pool was required at the time. *See Section 7: Non-Executive Directors Remuneration, for further detail.*
Other Changes to Senior Executive KMP Remuneration	**No changes**	No other changes to Senior Executive KMP remuneration were made during the 2026 financial year.

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SECTION 4: REMUNERATION GOVERNANCE

Decision making relating to KMP remuneration is guided by the below remuneration governance framework:

Board of Directors (Board)	The Board is: • responsible for the nomination and appointment of Directors and the remuneration of its Directors, Managing Director and Senior Executive KMPs • determines the remuneration of Senior Executive KMPs, following the recommendation of the Remuneration and Nomination Committee.
Remuneration and Nomination Committee (the Committee)	The Committee assists the Board in meeting its remuneration obligations and helps to address all matters pertaining to Board nominations and Senior Executive KMP remuneration. The Committee's responsibilities include the following: • ensures that the Company's remuneration policies and practices attract and retain Executives and Directors who will create long-term value for shareholders • retains responsibility for oversight of the remuneration policies • evaluates and monitors the performance of the Senior Executive KMPs
External Remuneration Consultants	To ensure the Committee and Board are fully informed when making remuneration decisions, it may seek external, independent remuneration advice on remuneration related issues. As a result, remuneration consultants may be engaged directly by the Committee. During the 2025 financial year, the Committee engaged the services of a remuneration consultant (The Reward Practice Pty Ltd (**TRP**)) to assist with general governance and remuneration reporting practices. Additionally, during the prior 2024 financial year, the Committee engaged TRP to provide benchmarking and market data analysis, in relation to the remuneration of Senior Executive KMPs and Non-Executive Directors and specifically, to assess the competitiveness of remuneration arrangements. TRP was engaged by the Committee Chair and reported to the Committee and the Board. The Committee and the Board considered the information provided by The Reward Practice, along with other factors, in making their respective concluding remuneration decisions. The Board is satisfied that the interactions between The Reward Practice and the Senior Executive KMPs were negligible, involving the provision of remuneration data and related payroll information for consideration. The Reward Practice has relevant procedures in place to minimise potential opportunities for collaboration or undue influence from Senior Executive KMPs. The Board is therefore satisfied that the market data provided was free from undue influence from Senior Executive KMPs. Total fees paid to The Reward Practice for services during the year ended 30 June 2026 were $Nil (2025: $8,250). No remuneration recommendations as defined in section 9B of the *Corporations Act 2001* were provided by the consultant during the year.

SECTION 5: 2026 FINANCIAL YEAR SENIOR EXECUTIVE KMP REMUNERATION

Sheffield's Senior Executive KMP remuneration is comprised of both Fixed (Base Salary plus Superannuation) and Variable (consisting of both Short and Long Term Incentives that are performance driven) remuneration elements.

Remuneration Mix

Senior Executive KMP remuneration consists of Total Fixed Annual Remuneration (**TFR**), Short Term Incentives (**STI**) and Long Term Incentives (**LTI**). A description of the Remuneration Mix applicable for the 2026 financial year is set out below:

How is the mix of fixed and at-risk remuneration determined?	The mix of fixed and at-risk remuneration may vary and is dependent upon the organisational seniority of an Executive. It also considers Company and individual performance factors. For instance, the Executive Chair has a greater proportion of remuneration that is at-risk, compared to other Senior Executive KMPs. For all Senior Executive KMPs, it may be possible that during a particular year, no at-risk remuneration will be earned, with fixed remuneration representing 100% of their total remuneration.

For the year ended 30 June 2026, the outcomes and relative proportions of fixed and at-risk remuneration of Senior Executive KMPs are described within Section 6 of this Remuneration Report.

Total Fixed Annual Remuneration (TFR)

A description of TFR applicable for the 2026 financial year is set out below:

What is included in fixed remuneration?	TFR consists of base salary and is inclusive of superannuation. Allowances and other benefits may be provided, including additional superannuation provided that, in the case of extra superannuation, no extra cost is incurred by the Company.
How is fixed remuneration determined and reviewed?	The level of TFR is set to provide a base level of remuneration which is both appropriate to the position and is competitive within the market. TFR is reviewed annually with any adjustments to TFR for Senior Executive KMPs ultimately approved by the Board, following consideration by the Committee. Sheffield seeks to position TFR at the 66th market percentile of salaries for comparable companies within the mining industry, utilising information provided by independent remuneration consultants.

Short Term Incentive (STI)

A description of Short Term Incentive applicable for the 2026 financial year is set out below:

Who is eligible to participate in Short Term Incentives?	The Committee shall nominate eligible STI participants for Board approval. Typically, individuals classified as Senior Executive KMP shall be eligible to participate, in conjunction with selected employees of the Company that management considers capable of influencing STI objectives.
What is the performance period?	Short Term Incentives are measured across an annual time horizon (or as otherwise determined by the Committee and Board).
What is the purpose of Short Term Incentives?	At-risk remuneration strengthens the bond between pay and performance. The purpose of providing STIs is to incentivise and reward Senior Executive KMPs for annual performance, relative to the expectations of their respective role accountabilities and associated KPIs, required behaviours, as well as for the successful execution of annual business plans. A remuneration and benefits structure that provides at-risk remuneration is also a necessary part of competitive remuneration arrangements within the Australian and global marketplace for Executives.
What happens to the Short Term Incentive opportunity if a Senior Executive KMP ceases employment?	Unless the Board determines otherwise, where a participant ceases to be employed by the Company, their award opportunity for the applicable financial year will be reduced to reflect the portion of the financial year not completed at the end of their employment. For the purposes of determining the actual STI award, assessment of the extent of their achievement of individual criteria will be based on performance up to the cessation of their employment, while the extent of achievement of the corporate criteria will be assessed by the Board in the ordinary course at the conclusion of the financial year.
Do the Short Term Incentives consider variable performance levels compared to objectives?	Yes. The quantum of any STI award is linked to the extent of achievement of applicable performance criteria. Performance levels for each performance criteria are set at the following three levels: • **Threshold** - a performance level representative of minimum achievement. It represents the minimum level of performance for which a minimum STI award would be payable above this level. The STI is designed such that there is a >75% probability the Executive will meet or exceed this level of achievement. • **Target** - a performance level that represents a challenging but achievable level of performance. The STI is designed such that there is a 50% probability of achievement in any given year. • **Stretch** - a performance level that represents the upper limit of what may be achievable. The STI is designed such that there is a less than 25% probability the Executive will reach or exceed this level of achievement.

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What are the Short Term Incentive performance criteria for the year ended 30 June 2026?	For the 2026 financial year, the following performance financial and non-financial measures were reviewed and considered by the Remuneration & Nomination Committee to be appropriate, aligned with the Company's strategy: • **Production** - Achievement of product throughput quantity milestones in relation to the Thunderbird Mineral Sands Mine, in accordance with the Board approved budget. • **Per Tonne Unit Operating Costs** - Achievement of targeted cost of production in relation to the Thunderbird Mineral Sands Mine, in accordance with the Board approved budget. • **Health, Safety & Environmental Performance** – satisfactory achievement of health, safety and environmental performance targets across the Thunderbird Mineral Sands Mine.
Are there any gateways or other conditions?	The Committee also recommended that the above performance measures should be further qualified by the following factors: • **Health, Safety, Environmental and Governance** objectives being met. In the event of a fatality or other catastrophic event, the Board would be expected to exercise its discretion to award no STI cash or equity bonus for the period; and • In addition to the above, the **Senior Executive KMP must be employed during the entire period** to be eligible for the award (noting that applicable good leaver provisions may apply).
How much value is ascribed to the Short Term Incentive opportunity?	The Executive Chair has a target STI opportunity of 56% of TFR, with a maximum opportunity (if the stretch targets are achieved) of 75% of TFR. Other Senior Executive KMPs have a target STI opportunity of 41% of TFR, with a maximum opportunity (if the stretch targets are achieved) of 55% of TFR. STI opportunity levels are determined based on mining industry benchmark data with a market position set at the 66th percentile for the 2026 financial year.
What is the Short Term Incentive assessment process?	Based upon objective performance measures and data points collected, the Board determines the extent to which the corporate performance criteria has been satisfied and achieved.
How is the Short Term Incentive paid?	STI award outcomes are typically paid as cash remuneration to an employee. However, to provide greater alignment with shareholder value, Sheffield provides 50% of the STI award in cash, with the remaining 50% balance awarded via vesting of performance rights, subject to shareholder approval provisions.
Are there any malus or claw back provisions associated with a Short Term Incentive Award?	Yes. Where, in the opinion of the Board, a Senior Executive KMP acts fraudulently or dishonestly, is grossly negligent or has his or her employment or office terminated due to serious or willful misconduct or otherwise for cause without notice, the Board may undertake necessary steps to annul, cancel or seek commensurate compensation for any performance rights granted in favor of the Senior Executive KMP associated with the Short Term Incentive award.
How is the Short Term Incentive Award treated upon a Change of Control?	For the 2026 financial year, for the portion of STI award applicable by way of the granting of performance rights in favour of the Senior Executive KMP, performance rights shall automatically vest. In relation to the cash component of any STI award, the Board may exercise its direction to determine a commensurate STI award (if any), taking into account any conditions or information that may be relevant.

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2026 STI Performance Criteria

The STI performance criteria for the 2026 financial year were set at the following levels:

Performance Hurdle	Nil award	Minimum Performance (for a STI award above 0%)	Threshold Performance (50% award)	Target Performance (75% of award)	Stretch Performance (100% of award)
Production	>10% below target performance	10% below target performance	3.5% below target performance	Meets Board approved budgeted product throughput quantity milestones	10% above target performance
Per Tonne Unit Operating Costs	Costs >10% above target performance	Costs 10% above target performance	Costs 3.3% above target performance	Meets Board approved budgeted costs of production	Costs 7.5% below target performance
Health, Safety & Environmental Performance	Increase on year-on-year baseline HSE performance target by >10%	Increase on year-on-year baseline HSE performance target by <10%	50% achievement of year-on-year baseline HSE performance targets	Achievement of year-on-year baseline HSE performance targets	Superior performance relative to prior year baseline targets

Where actual performance achievement falls between performance hurdle intervals (e.g., between Minimum, Threshold and Target performance), the actual award outcome will be determined on a sliding scale basis. For example, where actual production performance is 5% below target performance and thereby falls between Threshold and Target performance, the actual award associated with the Production performance hurdle would equate to 62.5% of the maximum award.

2026 STI Performance Outcomes

Following the end of the 2026 financial year, the Committee considered actual performance and achievements compared to the 2026 STI Performance Criteria described in the above table.

Following the Committee's consideration, the Board resolved to award 44% of the maximum award outcome, with Health, Safety & Environmental performance accounting for less than a quarter of the award. Unit cost performance hurdles achieved above target performance, and production performance hurdles achieved below threshold.

Senior Executive KMP - Long Term Incentive (LTI)

A description of the Long Term Incentive applicable for the 2027 financial year is set out below:

What is the purpose of Long Term Incentives?	Provision of LTI's provide the Company with the opportunity to: • Align the interest of Senior Executive KMPs more closely with the interests of Shareholders by providing an opportunity to earn shares in the Company; • Provide Senior Executive KMPs with the opportunity to share in any future growth in the value of the Company; and • Provide greater incentive for Senior Executive KMPs to focus on the Company's longer-term goals.
Who is eligible to participate in Long Term Incentives?	The Committee shall nominate eligible LTI participants for Board approval. Typically, individuals classified as Senior Executive KMPs shall be eligible to participate, in conjunction with selected employees of the Company that management considers capable of influencing LTI objectives.

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What is the Long Term Incentive performance period?	Each LTI grant on 1 July (or any other appropriate date as determined by the Board) and is followed by a 3-year performance period, with testing occurring at the final day of the performance period.
What types of equity may be granted under the LTI Plan?	Performance rights are granted under the LTI program. Performance rights represent a right to be allocated one share in Sheffield, subject to satisfying any specified thresholds, standards and performance criteria. A participant is not entitled to participate in or receive any dividends or other shareholder benefits until the performance right has vested and been exercised and a share has been allocated to the participant. Share Options are an option to be allocated one share in Sheffield, subject to satisfying any specified thresholds, standards and performance criteria. A participant is not entitled to participate in or receive any dividends or other shareholder benefits until the share option has vested and been exercised and a share has been allocated to the participant. The Company has a preference to grant performance rights in favour of share options.
How much value is ascribed to the LTI opportunity?	The Executive Chair is awarded performance rights worth 125% of TFR. Other Senior Executive KMPs are awarded performance rights worth Nil% of their TFR. LTI performance criteria are designed to target 50% vesting of awarded performance rights over time. Award opportunities and targeted vesting outcomes are based on industry benchmarks to achieve the remuneration policy intent of positioning TFR at the 66th market percentile.
What were the LTI performance criteria for the year ended 30 June 2026?	Share Options: (performance period 1 July 2023 to 30 June 2026): • Superior performance of Compound Annual Growth Rate (CAGR) calculated in respect of the Company's share price, less the percentage CAGR calculated in respect of the S&P/ASX 300 Materials Index, calculated for the period commencing between 1 July 2023 and ending on 30 June 2026. Please refer to page 19 of the ASX Announcement titled "Notice of Annual General Meeting/Proxy Form" dated 14 October 2022 for further details. No options were granted for the applicable triennium commencing 1 July 2023 to 30 June 2026.
What happens to LTIs when a participant ceases employment?	Where a participant ceases to be employed by the Company, unvested LTIs are typically automatically forfeited. In limited circumstances in accordance with the Incentive Performance Rights Plan, the Board may exercise discretion as to whether any unvested LTIs remain on foot and become capable of vesting in accordance with the Incentive Performance Rights Plan rules. Reasons may include, but are not limited to, death, total and permanent disablement, retirement or redundancy.
How is the Long Term Incentive Award treated upon a Change of Control?	Following 1 July 2024 and going forward, the Board has resolved that vesting conditions attached to LTIs shall not be deemed to be automatically waived in the circumstances where a Change of Control occurs, such that all LTIs will proportionately vest and become capable of being exercised based upon the elapsed period of time between date of grant and the date that a Change of Control has occurred. Historically, for the period up to and including 30 June 2024, and in accordance with the Incentive Performance Rights Plan rules, vesting conditions attached to LTIs will be deemed to be automatically waived in the circumstances where a Change of Control occurs, such that all LTIs will vest and become capable of being exercised.
Are there any malus or clawback provisions associated with a Long Term Incentive Award?	Yes. Where, in the opinion of the Board, a Senior Executive KMP acts fraudulently or dishonestly, is grossly negligent or has his or her employment or office terminated due to serious or willful misconduct or otherwise for cause without notice, the Board may undertake necessary steps to annul, cancel or seek commensurate compensation for any Performance Rights or Share Options granted in favour of the Senior Executive KMP associated with the Long Term Incentive award.
Does the Company have a policy in relation to hedging at-risk remuneration?	Yes, the Incentive Performance Rights Plan rules prohibit participants from entering an arrangement where the effect would result in limiting their exposure to risk relating to Performance Rights that have not vested.

What other rights of participation exist in relation to Performance Rights and Share Options?	There are no participating rights or entitlements inherent in the options and the holders will not be entitled to participate in new issues of capital offered to shareholders during the currency of the options. All shares allotted upon the exercise of options will rank pari passu in respect with other shares.
How does the Company consider industry benchmarks when granting Long Term Incentives?	In the case of the current financial year, the Company considered a range of ASX-listed resource peer companies by market capitalisation and sector similarity. The benchmark comparator group for the year ended 30 June 2026 is described below, in the table titled "ASX Companies – Comparator Group".

ASX Companies – Comparator Group		
Arafura Rare Earths Limited	Cobalt Blue Holdings Limited	Northern Minerals Limited
AIC Mines Limited	Global Lithium Resources Limited	Ora Banda Mining Limited
Aurelia Metals Limited	Image Resources NL	Pantoro Limited
Australian Strategic Materials Ltd	Jupiter Mines Limited	Sovereign Metals Limited
BCI Minerals Limited	Lindian Resources Limited	Meteoric Resources NL
VHM Limited		

SECTION 6: 2026 FINANCIAL YEAR REMUNERATION & PERFORMANCE OUTCOMES

Voting and comments made at the Company's 2025 Annual General Meeting ('AGM')

At the 2025 AGM (held on 21 November 2025), 77.1% of the votes received supported the adoption of the remuneration report for the year ended 30 June 2025. The Company did not receive any specific feedback at the AGM regarding its remuneration practices:

Overview of Company Performance

The table below sets out summary of information about the movements in shareholder wealth for the following financial periods:

	2026	2025	2024	2023	2022
Profit / (loss) before tax ($'000)	(52,672)	(22,050)	(32,191)	(8,610)	24,991
Net profit / (loss) after tax ($'000)	(52,672)	(22,050)	(32,191)	(8,610)	26,079
Dividend (cents)	-	-	-	-	-
Basic earnings / (loss) per share (cents)	(13.32)	(5.59)	(8.19)	(2.39)	7.53
Diluted earnings / (loss) per share (cents)	(13.32)	(5.59)	(8.19)	(2.39)	7.44
Share price at year end (cents)	4.5	16.0	35.0	47.5	48.0

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Fixed Remuneration Outcomes of Key Management Personnel

The relative proportions of those elements of remuneration of key management personnel that are linked to performance:

	Fixed remuneration		Remuneration linked to performance	
	2026	2025	2026	2025
Non-Executive Directors				
J Richards	100%	100%	-	-
I Macliver	100%	100%	-	-
G Cowe	100%	100%	-	-
V Kickett	100%	100%	-	-
Senior Executive KMPs				
B Griffin	68%	66%	32%	34%
M Di Silvio	50%	67%	50%	33%

Senior Executive Employment Agreements

Remuneration and other terms of employment for the following KMP are formalised in employment agreements. All contracts with Senior Executives may be terminated early by either party with notice, per individual agreement, and subject to the termination payments as detailed below:

Name	Position	Commencement date	Total Fixed Remuneration	Termination benefit
B Griffin	Executive Chair	10 June 2020	$500,000	1 months' notice
M Di Silvio	CFO & Company Secretary	15 February 2016 (Resigned 28 February 2026)	$388,500	4 months' notice

2026 Financial Year Variable Remuneration Outcomes

The tables below describe the variable remuneration outcomes for Senior Executive KMPs for the 2026 financial year.

Share Options – 2026 Financial Year Movement

The table below outlines the movement of the Share Options held by each Senior Executive KMP during the 2026 financial year:

Name	Opening Balance	Granted	Lapsed	Exercised	Closing Balance	Vested & exercisable
B Griffin	629,120	-	(223,729)	-	405,391	111,273
M Di Silvio	471,866	-	(216,638)	-	255,228	102,927
	1,100,986	**-**	**(440,367)**	**-**	**660,619**	**214,200**

The grant of Share Options to Senior Executive KMPs described in the above table are aligned with relative Compound Annual Growth Rate (CAGR) share price performance compared to the S&P/ASX300 Materials Index, spanning a three year period.

Performance Rights – 2026 Financial Year Movement

The table below outlines the movement of the Performance Rights held by each Senior Executive KMP during the 2026 financial year:

Name	Opening Balance	Granted	Lapsed	Exercised	Other[1]	Closing Balance	Vested & exercisable
B Griffin	2,539,063	5,078,125	(1,028,790)	(216,061)	-	6,372,337	512,962
M Di Silvio	3,659,172	2,731,640	(2,500,487)	(506,291)	(3,384,034)	-	-
	6,198,235	**7,809,765**	**(3,529,277)**	**(722,352)**	**(3,384,034)**	**6,372,337**	**512,962**

[1]Amount held at resignation date on 28 February 2026.

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Detail relating to the Performance Rights:

1,839,609 Performance Rights were granted to Senior Executive KMPs, in the form of Short Term Incentives for the 2026 financial year. 5,970,156 Performance Rights were granted to Senior Executive KMPs during the year in the form of Long Term Incentives, with the performance period commencing on 1 July 2025 and ending on 30 June 2028.

707,819 Short Term Incentive Performance Rights vested in favour of Senior Executive KMPs, following the measurement of the 2025 financial year performance outcomes. Of this amount, 512,962 Performance Rights were exercised, with a further 123,111 made available for exercise.

Nil Long Term Incentive Performance Rights vested in favour of Senior Executive KMPs, following the measurement of the 2025 financial year performance outcomes. Of this amount, Nil Performance Rights were exercised, with a further Nil made available for exercise.

SECTON 7: NON-EXECUTIVE DIRECTORS' REMUNERATION

The structure of Non-Executive Director and Senior Executive KMP remuneration is separate and distinct. Shareholders approve the aggregate or total fees payable to Non-Executive Directors, with the current approved limit being $600,000 (excluding share-based payments). The fees paid to Non-Executive Directors are set at levels that reflect both the responsibilities of, and the time commitments required from each Non-Executive Director to discharge their duties and are not linked to the performance of the Company.

All Non-Executive Directors have their indemnity insurance paid by the Company. Non-Executive Directors receive fixed remuneration consisting of a base fee and any applicable statutory superannuation contributions as set out below:

	2026 $	2025 $
Base fees, including statutory superannuation		
Lead Independent Non-Executive Director	112,000	111,500
Other Non-Executive Directors	89,600	89,200

SECTION 8: STATUTORY REMUNERATION DISCLOSURE TABLES

The tables below show the fixed and variable remuneration for KMP:

	Short-term			Post - employment	Share based payments	
	Salary & fees	Bonus	Non-monetary[2]	Superannuation	Options & rights[1]	Total
2026	$	$	$	$	$	$
Non-Executive Directors						
J Richards[5]	89,102	-	-	10,692	-	**99,794**
I Macliver	80,000	-	-	9,600	-	**89,600**
G Cowe[3]	133,329	-	-	9,600	-	**142,929**
V Kickett	80,000	-	-	9,600	-	**89,600**
Senior Executive KMPs						
B Griffin[4]	500,000	69,139	-	-	161,113	**730,252**
M Di Silvio[5]	369,067	39,396	-	20,000	348,254	**776,717**
	1,251,498	**108,535**	**-**	**59,492**	**509,367**	**1,928,892**

Note 1: The fair value is determined by a combination of internal and external sources using a Black-Scholes option pricing model and independent third-party valuation which comprised of a hybrid option pricing model incorporating a Monte-Carlo simulation. Please refer to Note 16 in the consolidated financial statements for further details.

Note 2: Non-monetary benefits include either cost to the Company in providing fringe benefits and/or attributable non-cash benefit applied by virtue of the Company's Directors and Officer Liability policy.

Note 3: Compensation included $53,329 consulting fees paid to Mr Cowe. Further details disclosed in Other Transactions with KMP and their Related Parties section, which forms part of the Directors' Report.

Note 4: Further details disclosed in Other Transactions with KMP and their Related Parties section, which forms part of the Directors' Report.

Note 5: John Richards resigned as a non-executive director on 21 May 2026. Mark Di Silvio resigned as CFO on 28 February 2026.

	Short-term			Post - employment	Share based payments	
	Salary & fees	Bonus	Non-monetary[2]	Superannuation	Options & rights[1]	Total
2025	$	$	$	$	$	$
Non-Executive Directors						
J Richards	100,000	-	15,759	11,500	-	**127,259**
I Macliver	80,000	-	15,759	9,200	-	**104,959**
G Cowe[3]	119,999	-	15,759	9,200	-	**144,958**
V Kickett	80,000	-	15,759	9,200	-	**104,959**
Senior Executive KMPs						
B Griffin[4]	500,000	20,800	15,759	-	281,027	**817,586**
M Di Silvio	359,500	12,929	15,759	29,000	201,909	**619,097**
	1,239,499	**33,729**	**94,554**	**68,100**	**482,936**	**1,918,818**

Note 1: The fair value is determined by a combination of internal and external sources using a Black-Scholes option pricing model and independent third-party valuation which comprised of a hybrid option pricing model incorporating a Monte-Carlo simulation. Please refer to Note 16 in the consolidated financial statements for further details.

Note 2: Non-monetary benefits include either cost to the Company in providing fringe benefits and/or attributable non-cash benefit applied by virtue of the Company's Directors and Officer Liability policy.

Note 3: Compensation included $39,999 consulting fees paid to Mr Cowe. Further details disclosed in Other Transactions with KMP and their Related Parties section, which forms part of the Directors' Report.

Note 4: Further details disclosed in Other Transactions with KMP and their Related Parties section, which forms part of the Directors' Report.

Additional Remuneration Disclosures

Share Options

The table below outlines the movement of the options held by each KMP:

2026	Opening balance	Granted	Exercised / Other[1]	Lapsed	Closing balance	Vested & exercisable
Non-Executive Directors						
J Richards	-	-	-	-	-	-
I Macliver	-	-	-	-	-	-
G Cowe	480,000	-	-	(480,000)	-	-
V Kickett	480,000	-	-	-	480,000	480,000
Senior Executive KMPs						
B Griffin	629,120	-	-	(223,729)	405,391	111,273
M Di Silvio	471,866	-	(255,228)	(216,638)	-	102,927
	2,060,986	**-**	**(255,228)**	**(920,367)**	**885,391**	**694,200**

[1]Amount held at resignation date on 28 February 2026.

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Performance Rights

The table below outlines the movement of the rights held by each KMP:

	Year granted	Opening balance	Granted	Rights to deferred shares				Other[1]	Closing balance
				Vested & Exercised		Forfeited / Lapsed			
2026		Number	Number	Number	%	Number	%	Number	Number
Non-Executive Directors									
J Richards	-	-	-	-	-	-	-	-	-
I Macliver	-	-	-	-	-	-	-	-	-
G Cowe	-	-	-	-	-	-	-	-	-
V Kickett	-	-	-	-	-	-	-	-	-
Senior Executive KMPs									
B Griffin	2024	2,539,063	5,078,125	(216,061)	9%	(1,028,790)	41%	-	6,372,337
M Di Silvio	2024	3,659,172	2,731,640	(506,291)	14%	(2,500,487)	75%	(3,384,034)	-
		6,198,235	**7,809,765**	**(722,352)**		**(3,529,277)**		**(3,384,034)**	**6,372,337**

[1]Amount held at resignation date on 28 February 2026.

Shareholdings

The table below outlines the relevant interest of each KMP in the share capital (held directly or indirectly of the Company) as at 30 June 2026:

2026	Opening balance	Granted as remuneration	Received on exercise	Other Changes[3]	Closing balance
Non-Executive Directors					
J Richards	400,000	-	-	-	400,000
I Macliver	107,142	-	-	-	107,142
G Cowe	-	-	-	-	-
V Kickett	-	-	-	-	-
Senior Executive KMPs					
B Griffin[1,2]	2,448,601	-	216,061	-	2,664,662
M Di Silvio	671,854	-	506,291	(1,178,145)	-
	3,627,597	**-**	**722,352**	**(1,178,145)**	**3,171,804**

Note 1: 220,000 shares are being held by Mr Griffin's spouse.
Note 2: 103,076 shares are being held by Mr Di Silvio's spouse.
Note 3: Amount held at resignation date on 28 February 2026.

Other Transactions with KMP and their Related Parties

The table below represents consultancy service fees that were paid by Sheffield to other entities external to the Company for the 2026 financial year. In either instance, the Executive Chair and a Non-Executive Director have a controlling interest within each entity. The details concerning these consultancy fees have been outlined in the table below and are accompanied by supporting explanations.

	2026 $	2025 $
Farview Solutions Limited[1]	-	312,467
Ozscot Trust (Ozscot)[2]	53,329	39,999

Note 1: Farview Solutions Limited (Farview) ceased providing consultancy services to the Group on 31 January 2025. Mr Griffin is a director and controlling shareholder of Farview and also serves as the Executive Chair of Sheffield. This payment was also disclosed in the KMP remuneration disclosure table, which forms part of the Directors' Report.

Note 2: Ozscot Trust (Ozscot) provides directorship services to the Group, including service as a director of Kimberley Mineral Sands Pty Ltd. Mr Cowe is a director of Ozscot and also serves as a Non-Executive Director of Sheffield. This payment was also disclosed in the KMP remuneration disclosure table, which forms part of the Directors' Report.

Loans to Key Management Personnel

No loans were granted to KMP during the 2026 financial year.

END OF AUDITED REMUNERATION REPORT

Signed in accordance with a resolution of the Directors, made pursuant to S298(2) of the Corporations Act 2001.

For and on behalf of the Directors



Bruce Griffin

Executive Chair

Perth, Western Australia

30 September 2026

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(Sheffield interest - 50%)

Ore Reserve for Dampier Project held by Kimberley Mineral Sands Pty Ltd as at 30 June 2026[1,2,3]

Dampier Project Ore Reserve

Deposit	Ore Reserve Category	Ore Tonnes (million)	HM Grade (%)	OS (%)	Adj. OS (%)[2]	Slimes (%)	Valuable HM Grade (In-situ)				Mineral Assemblage			
							Zircon (%)	HiTi Leuc (%)	Leuc (%)	Ilmenite (%)	Zircon (%)	HiTi Leuc (%)	Leuc (%)	Ilmenite (%)
Thunderbird	Proved	190	13.4	14	39	16	0.99	0.29	0.27	3.5	7.3	2.1	2.0	26
	Probable	510	10.1	11	31	14	0.79	0.26	0.27	2.9	7.8	2.6	2.6	28
	Total	**700**	**11.0**	**12**	**33**	**15**	**0.84**	**0.27**	**0.27**	**3.0**	**7.6**	**2.4**	**2.4**	**28**

Note 1: Tonnages and grades are rounded to reflect the relative uncertainty of the estimate, thus the sum of columns may not equal .

Note 2: An adjustment has been made to the oversize contents to align this with production data. Adjusted oversize is estimated on a block model cell basis based on the MRE estimated oversize (OS) and the formula (OS*2+10)%.

Note 3: End of period mining pickups occur on 25th of the month. Mining physicals between 26th - 30th are not material in relation to the overall Ore Reserve and are within rounding tolerances.

Previous Ore Reserve for Dampier Project held by Kimberley Mineral Sands Pty Ltd as at 30 June 2025[1,2,3]

Dampier Project Ore Reserve

Deposit	Ore Reserve Category	Ore Tonnes (million)	HM Grade (%)	OS (%)	Adj. OS (%)[2]	Slimes (%)	Valuable HM Grade (In-situ)				Mineral Assemblage			
							Zircon (%)	HiTi Leuc (%)	Leuc (%)	Ilmenite (%)	Zircon (%)	HiTi Leuc (%)	Leuc (%)	Ilmenite (%)
Thunderbird	Proved	205	13.6	15	44	16	1.00	0.29	0.27	3.6	7.4	2.2	2.0	26
	Probable	510	10.1	11	36	14	0.79	0.26	0.27	2.9	7.8	2.6	2.6	28
	Total	**710**	**11.1**	**12**	**38**	**15**	**0.85**	**0.27**	**0.27**	**3.1**	**7.6**	**2.4**	**2.4**	**28**

Note 1: Tonnages and grades are rounded to reflect the relative uncertainty of the estimate, thus the sum of columns may not equal.

Note 2: An adjustment has been made to the oversize contents to align this with production data. Adjusted oversize is estimated on a block model cell basis based on the MRE estimated oversize (OS) and the formula (OS*2+15)%.

Note 3: End of period mining pickups occur on 25th of the month. Mining physicals between 26th - 30th are not material in relation to the overall Ore Reserve and are within rounding tolerances.

The 30 June 2026 and 30 June 2025 estimates have been rounded to 5Mt for ore tonnes, 0.1% for HM and two significant figures for oversize, slimes, zircon, HiTi, leucoxene and ilmenite. Valuable Mineral Assemblage is expressed both as % in ore and % in HM. Ore Reserves are reported as material within pit designs but limited to below a top-of-ore surface generated from consideration of the optimisation value modelling, discard strategy and current geological domain interpretation.

Ore Reserves - Commentary:

Detailed comparison (before appropriate rounding for tabulation) has been performed between the 2025 Ore Reserve and this updated estimate by considering changes in Ore, Heavy Mineral (HM) and Valuable Heavy Mineral (VHM) tonnages between estimates. The main variance, in terms of ore, HM and VHM tonnage, is associated with mining depletion for the reporting period in relation to Proved Ore Reserves. Probable Ore Reserves remain unchanged from the prior estimate (other than the adjusted oversize estimate). Minor changes in the mine plan have been made with the removal of some lower grade T1 material from process feed within the area denoted as surface ore, offset by the inclusion of more T1 material due to the changed pit boundary limits of the mid-term pit (T1 Pit Feed Changes). A reduction in ore tonnage of 1.9Mt from the prior Ore Reserve estimate is due to sterilisation and exclusion associated with the leaving of an in-situ pillar for additional heritage consideration. There are no material differences in primary in-situ grades or mineral assemblage between estimates, other than the adjusted oversize estimate used for enhanced mine planning, which has been lowered in this estimate based on reconciliation work to date.

The Ore Reserve estimate was prepared by Entech Pty Ltd, an experienced and prominent mining engineering consultancy with appropriate mineral sands experience in accordance with the JORC Code (2012 Edition). The Ore Reserve is estimated using all available geological and relevant drill hole and assay data, including mineralogical sampling and test work on mineral recoveries and final product qualities. Measured and Indicated Resources were converted to Proved and Probable Ore Reserves respectively, subject to mine design, modifying factors and economic valuation.

The Company is not aware of any new information or data that materially affects the information included in the Ore Reserve estimate.

(Sheffield interest - 50%)

Mineral Resources for Dampier Project held by Kimberley Mineral Sands Pty Ltd as at 30 June 2026

Dampier Project Mineral Resources [1,2,3,4,5,6,7,8]

Deposit (cut-off)	Mineral Resource Category	Cut-off (THM%)	Material Tonnes (millions)	HM Grade (%)	Mineral Assemblage				Oversize (%)	Adjusted Oversize[5] (%)	Slimes (%)
					Zircon (%)	HiTi Leuc[7] (%)	Leuc (%)	Ilmenite (%)			
Thunderbird[4,5,8]	Measured	3.0	450	8.7	8.0	2.3	2.1	26	12	34	18
	Indicated	3.0	2,040	6.6	8.3	2.7	3.0	28	8	27	15
	Inferred	3.0	480	6.2	8.1	2.7	3.2	27	7	25	14
	Total	**3.0**	**2,960**	**6.8**	**8.2**	**2.6**	**2.9**	**28**	**9**	**28**	**16**
Night Train[6]	Inferred	2.0	50	5.9	14	5.6	49	18	2	2	10
	Total	**2.0**	**50**	**5.9**	**14**	**5.6**	**49**	**18**	**2**	**2**	**10**
All Dampier (various)	Measured	3.0	450	8.7	8.0	2.3	2.1	26	12	34	18
	Indicated	3.0	2,040	6.6	8.3	2.7	3.0	28	8	27	15
	Inferred	Various	530	6.1	8.6	2.9	7.4	27	7	23	14
	Total	**Various**	**3,020**	**6.8**	**8.3**	**2.7**	**3.6**	**27**	**9**	**27**	**15**

Note 1: Night Train: The Mineral Resources estimate was prepared by Optiro Pty Ltd (now Snowden Optiro) and first disclosed under the JORC Code (2012). Thunderbird: The Mineral Resource estimate was prepared by Optiro Pty Ltd (now Snowden Optiro) and first disclosed under the JORC Code (2012). The Dampier Project Mineral Resources are reported inclusive of (not additional to) Ore Reserves.

Note 2: HM is within the 38µm to 1mm size fraction and reported as a percentage of the total material, slimes is the -38µm fraction and oversize is the +1mm fraction.

Note 3: Tonnes and grades have been rounded to reflect the relative accuracy and confidence level of the estimate, thus the sum of columns may not equal.

Note 4: Thunderbird: Estimates of Mineral Assemblage are presented as percentages of the Heavy Mineral (HM) component of the deposit, as determined by magnetic separation, QEMSCAN™ and XRF. Magnetic fractions were analysed by QEMSCAN™ for mineral determination as follows: Ilmenite: 40-70% TiO_2 >90% Liberation; Leucoxene: 70-94% TiO_2 >90% Liberation; High Titanium Leucoxene (HiTi Leucoxene): >94% TiO_2 >90% Liberation; and Zircon: 66.7% ZrO_2+HfO_2 >90% Liberation. The non-magnetic fraction was submitted for XRF analysis and minerals determined as follows: Zircon: ZrO_2+HfO_2/0.667 and High Titanium Leucoxene (HiTi Leucoxene): TiO_2/0.94.

Note 5: The oversize contents for Thunderbird have been adjusted to align with production data.

Note 6: Night Train: Estimates of Mineral Assemblage are presented as percentages of the HM component of the deposit, as determined by magnetic separation, QEMSCAN™ and XRF for one of 12 composite samples. Magnetic fractions were analysed by QEMSCAN™ for mineral determination as follows: Ilmenite: 40-70% TiO_2 >90% Liberation; Leucoxene: 70-90% TiO_2 >90% Liberation; High Titanium Leucoxene (HiTi Leucoxene) and Rutile 90% TiO_2 >90% Liberation, and Zircon: 66.7% ZrO_2+HfO_2 >90% Liberation. The non-magnetic fraction was submitted for XRF analysis and minerals determined as follows: Zircon: ZrO_2+HfO_2/0.667 and High Titanium Leucoxene (HiTi Leucoxene): TiO_2/0.94. HM assemblage determination was by the QEMSCAN™ process for 11 of 12 composite samples which used observed mass and chemistry to classify particles according to their average chemistry, and then report mineral abundance by dominant % mass in particle. For the TiO_2 minerals the following breakpoints were used to distinguish between Ilmenite 40-70% TiO_2, Leucoxene 70-90% TiO_2, High Titanium Leucoxene and Rutile >90%. Screening of the heavy mineral was not required.

Note 7: HiTi Leucoxene and Rutile (%) combined for Night Train at >90% TiO_2 (as one assemblage sample utilised=> 90% rutile and HiTi Leucoxene). HiTi Leucoxene for Thunderbird > 94% TiO_2.

Note 8: Mineral Resources at Thunderbird are depleted for mining to 25 June 2026. End of period mining pickups occur on 25th of the month. Mining physicals between 26th - 30th are not material in relation to the overall Mineral Resources and are within rounding tolerances.

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Previous Mineral Resources for Dampier Project held by Kimberley Mineral Sands Pty Ltd as at 30 June 2025

Dampier Project Mineral Resources [1,2,3,4,5,6,7]

Deposit (cut-off)	Mineral Resource Category	Cut-off (THM%)	Material Tonnes (millions)	HM Grade (%)	Mineral Assemblage				Oversize (%)	Adjusted Oversize (%)	Slimes (%)
					Zircon (%)	HiTi Leuc[6] (%)	Leuc (%)	Ilmenite (%)			
Thunderbird[4,7]	Measured	3.0	470	8.8	8.0	2.3	2.1	27	12	39	18
	Indicated	3.0	2,040	6.6	8.3	2.7	3.0	28	8	32	15
	Inferred	3.0	480	6.2	8.1	2.7	3.2	27	7	30	14
	Total	**3.0**	**2,990**	**6.8**	**8.2**	**2.6**	**2.9**	**28**	**9**	**33**	**16**
Night Train[5]	Inferred	2.0	50	5.9	14	5.6	49	18	2	2	10
	Total	**2.0**	**50**	**5.9**	**14**	**5.6**	**49**	**18**	**2**	**2**	**10**
All Dampier (various)	Measured	3.0	470	8.9	8.0	2.3	2.2	27	12	39	18
	Indicated	3.0	2,040	6.6	8.4	2.7	3.1	28	9	32	16
	Inferred	Various	530	6.1	8.6	2.9	7.4	27	7	27	14
	Total	**Various**	**3,040**	**6.8**	**8.3**	**2.7**	**3.5**	**27**	**9**	**32**	**16**

Note 1: Night Train: The Mineral Resources estimate was prepared by Optiro Pty Ltd (now Snowden Optiro) and first disclosed under the JORC Code (2012). Thunderbird: The Mineral Resource estimate was prepared by Optiro Pty Ltd (now Snowden Optiro) and first disclosed under the JORC Code (2012). The Dampier Project Mineral Resources are reported inclusive of (not additional to) Ore Reserves.

Note 2: HM is within the 38µm to 1mm size fraction and reported as a percentage of the total material, slimes is the -38µm fraction and oversize is the +1mm fraction.

Note 3: Tonnes and grades have been rounded to reflect the relative accuracy and confidence level of the estimate, thus the sum of columns may not equal.

Note 4: Thunderbird: Estimates of Mineral Assemblage are presented as percentages of the Heavy Mineral (HM) component of the deposit, as determined by magnetic separation, QEMSCAN™ and XRF. Magnetic fractions were analysed by QEMSCAN™ for mineral determination as follows: Ilmenite: 40-70% TiO_2 >90% Liberation; Leucoxene: 70-94% TiO_2 >90% Liberation; High Titanium Leucoxene (HiTi Leucoxene): >94% TiO_2 >90% Liberation; and Zircon: 66.7% ZrO_2+HfO_2 >90% Liberation. The non-magnetic fraction was submitted for XRF analysis and minerals determined as follows: Zircon: ZrO_2+HfO_2/0.667 and High Titanium Leucoxene (HiTi Leucoxene): TiO_2/0.94. An adjustment has been made to the oversize contents to align this with production data.

Note 5: Night Train: Estimates of Mineral Assemblage are presented as percentages of the Heavy Mineral (HM) component of the deposit, as determined by magnetic separation, QEMSCAN™ and XRF for one of 12 composite samples. Magnetic fractions were analysed by QEMSCAN™ for mineral determination as follows: Ilmenite: 40-70% TiO_2 >90% Liberation; Leucoxene: 70-90% TiO_2 >90% Liberation; High Titanium Leucoxene (HiTi Leucoxene) and Rutile 90% TiO_2 >90% Liberation, and Zircon: 66.7% ZrO_2+HfO_2 >90% Liberation. The non-magnetic fraction was submitted for XRF analysis and minerals determined as follows: Zircon: ZrO2+Hf02/0.667 and High Titanium Leucoxene (HiTi Leucoxene): TiO_2/0.94. HM assemblage determination- was by the QEMSCAN™ process for 11 of 12 composite samples which uses observed mass and chemistry to classify particles according to their average chemistry, and then report mineral abundance by dominant % mass in particle. For the TiO_2 minerals the following breakpoints were used to distinguish between Ilmenite 40% to 70% TiO_2, Leucoxene 70% to 90% TiO_2, High Titanium Leucoxene and Rutile > 90%, Screening of the heavy mineral was not required.

Note 6: HiTi Leucoxene and Rutile (%) combined for Night Train at a >90% TiO_2 (as one assemblage sample utilised=> 90% rutile and HiTi Leucoxene). HiTi Leucoxene for Thunderbird > 94% TiO_2.

Note 7: Mineral Resources at Thunderbird are depleted for mining to 25 June 2025.

Mineral Resources - Commentary:

The Thunderbird Mineral Resource estimate as of 25 June 2025 was 2.99 billion tonnes at 6.8% total HM for 205 Mt of contained HM. The Mineral Resource estimate has been depleted for mining to 25 June 2026, and excludes areas sterilised due to Aboriginal Heritage Protection considerations and mining. The Thunderbird Mineral Resource estimate as of 25 June 2026 is 2.96 billion tonnes at 6.8% total HM for 202 Mt of contained HM. The Mineral Resource at Thunderbird is estimated and reported in accordance with the guidelines of the JORC Code (2012).

Reconciliation analysis was undertaken by Snowden Optiro (responsible for the Mineral Resource estimate) and Entech (responsible for the Ore Reserve estimate). This indicates that there continues to exist a high degree of uncertainty with respect to oversize estimates modelled when compared with the actual proportion of oversize experienced in mining to date. Reconciliation work undertaken in respect of the updated Mineral Resource and Ore Reserve estimates has noted poor reconcile between HM tonnes modelled and that reported at the concentrator Rougher Head Feed (RHF), with the model appearing to significantly overestimate the contained HM. In addition, the model appears to overestimate the ZrO_2 and to underestimate the TiO_2, however, acceptable reconciliation is observed when considering aggregate TiO_2 + ZrO_2.

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Overestimation of HM is in part due to the reduced grain size fraction used by processing, with the Mineral Resource model reporting HM in the -1mm/+38µm fraction and processing using the -250µm/+38µm fraction for recovery of HM. In addition, drilling and sample preparation of the exploration samples resulted in oversize material being crushed and incorporated into the sand fraction. It is postulated that the model HM is also overestimated by the inclusion of more trash (non-valuable) HM from the higher observed oversize and which is then reject at, or prior to the Dry Mining Unit (DMU), resulting in a WCP feed with a higher valuable HM (VHM). The mineral assemblage components are reported as a percentage of the total HM fraction and so adjustments to HM, to exclude non-valuable HM from the crushed oversize fraction, would also require corresponding adjustment in the mineral assemblage estimation. The modelled mineral assemblage data includes consideration of non-valuable HM in the coarser material (including the additional crushed oversize fraction). Composite HM samples were screened at 106µm and each fraction weighted. Analysis was undertaken on the -106µm fraction, and the mineral assemblage of the total HM fraction reported by assuming non-valuable HM in the +106µm fraction.

The oversize contents in the updated Mineral Resource have been adjusted to align with production data, however, this will have to be monitored and may require further revision as more data becomes available. Provision has been made in the Ore Reserve estimate, by allowing for increased oversize quantity, both in determining rehandle volumes and cost and also in estimating RHF rates at the concentrator for scheduling within installed design process capacity constraints.

At this stage there is insufficient data to make adjustments to the modelled HM, to account for the non-valuable HM in the additional oversize fraction, and it is not yet clear if adjustments are required to the mineral assemblage data. Work to better understand the relationship between modelled/estimated oversize, HM and VHM with actual observed quantities remains ongoing. Mining to date has been limited to a relatively small and near surface region within the global Mineral Resource and it is not yet established whether experiences from mining to date can be confidently applied to the broader Mineral Resource.

The Night Train Mineral Resource estimate has not changed since 30 June 2025.

GOVERNANCE AND INTERNAL CONTROLS

Mineral Resource and Ore Reserve are compiled by qualified Kimberley Mineral Sands Pty Ltd personnel and/or independent consultants following industry standard methodology and techniques. The underlying data, methodology, techniques and assumptions on which estimates are prepared are subject to internal peer review by senior Company personnel, as is JORC compliance. Where deemed necessary or appropriate, estimates are reviewed by independent consultants. Competent Persons named by the Company are members of the Australasian Institute of Mining and Metallurgy and/or the Australian Institute of Geoscientists and qualify as Competent Persons as defined in the JORC Code 2012.

COMPETENT PERSONS AND COMPLIANCE STATEMENTS

The Company's Ore Reserves and Mineral Resources Statement is based on information first reported in previous ASX announcements by the Company. These announcements are listed below and are available to view on Sheffield's website www.sheffieldresources.com.au. Mineral Resources and Ore Reserves reported for the Dampier Project are prepared and disclosed under the JORC Code 2012. Other than known and reported mine operating cost increases as a result of increased induration and inflationary cost pressures, the Company confirms that it is not aware of any new information materially affecting the information included in the relevant original market announcements and that all material assumptions parameters underpinning the estimates in the relevant original market announcement continue to apply and have not materially changed.

The information in this report 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'.

Mr Scrimshaw last visited the Thunderbird site in August 2025. During that visit Mr Scrimshaw viewed the active mining areas, processing and tailings facilities. Mr Scrimshaw has been provided with drone imagery (oblique and georeferenced aerial) that represent the status of the operating site as at the date of the reporting period of this Ore Reserve estimate and is comfortable the imagery provided is sufficient to understand the pit development in the period since his last site visit. Mr Scrimshaw consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.

The information in this report that relates to the estimation of the Mineral Resources is based on information compiled by Mrs Christine Standing, a Competent Person who is a Member of the Australian Institute of Geoscientists (AIG). Mrs Standing is an employee of Datamine Australia Pty Ltd (Snowden Optiro) and has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which she is undertaking 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'. Mrs Standing consents to the inclusion in this report of the matters based on her information in the form and context in which it appears.

The Competent Persons for reporting of Mineral Resources and Ore Reserves in the relevant original market announcements are listed below. The Company confirms that the form and context in which the Competent Persons' findings are presented have not been materially modified from the relevant original market announcement.

SUPPORTING INFORMATION REQUIRED UNDER ASX LISTING RULES, CHAPTER 5

The supporting information below is required, under Chapter 5 of the ASX Listing Rules, to be included in market announcements reporting estimates of Mineral Resources and Ore Reserves.

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PREVIOUSLY REPORTED INFORMATION

This report includes information that relates to Exploration Results, Mineral Resources and Ore Reserves prepared and first disclosed under the JORC Code 2012 and a Bankable Feasibility Study. The information was extracted from the Company's previous ASX announcements as follows:

- Mineral Resource and Ore Reserve Statement: "MINERAL RESOURCE AND ORE RESERVE STATEMENT" 24 September 2019
- Thunderbird Ore Reserve Update: "THUNDERBIRD ORE RESERVE UPDATE" 24 March 2022
- Thunderbird BFS Update: "THUNDERBIRD BFS, FINANCING AND PROJECT UPDATE", 24 March 2022
- Night Train Inferred Resource and Mineral Assemblage results "HIGH GRADE MAIDEN MINERAL RESOURCE AT NIGHT TRAIN" 31 January 2019
- Thunderbird Mineral Resource: "SHEFFIELD DOUBLES MEASURED MINERAL RESOURCE AT THUNDERBIRD" 5 July 2016
- Thunderbird drilling: "EXCEPTIONALLY HIGH GRADES FROM INFILL DRILLING AT THUNDERBIRD MINERAL SANDS PROJECT" 9 February 2015

These announcements are available to view on Sheffield's website at www.sheffieldresources.com.au.

The Company confirms that it is not aware of any new information or data that materially affects the information included in the 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 Mineral Resources and 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 Persons' findings are presented have not been materially modified from the relevant original market announcements.

Ore Reserves and Mineral Resources prepared and first disclosed under the JORC Code (2012):

Item	Report title	Report Date	Competent Person(s)
Ore Reserve estimation	Thunderbird Ore Reserve Update	24 March 2022	P. Scrimshaw
Mineral Resource estimation and reporting	Sheffield Doubles Measured Mineral Resource at Thunderbird	5 July 2016	M. Teakle, C. Standing
Mineral Resource estimation	High Grade Maiden Mineral Resource at Night Train	31 January 2019	C. Standing

Item	Name	Company	Professional Affiliation
Mineral Resource reporting	Mr Mark Teakle	Thunderbird Operations	MAIG, MAusIMM
Mineral Resource estimation	Mrs Christine Standing	Snowden Optiro	MAIG
Ore Reserve estimation	Mr Per Scrimshaw	Entech	MAusIMM

FORWARD LOOKING, CAUTIONARY STATEMENTS AND RISK FACTORS

The contents of this report reflect various technical and economic conditions at the time of writing. Given the nature of the resources industry, these conditions can change significantly over relatively short periods of time. Consequently, actual results may vary from those contained in this report.

Some statements in this report regarding estimates or future events are forward-looking statements. They include indications of, and guidance on, future earnings, cash flow, costs and financial performance. Forward-looking statements include, but are not limited to, statements preceded by words such as "planned", "expected", "projected", "estimated", "may", "scheduled", "intends", "anticipates", "believes", "potential", "predict", "foresee", "proposed", "aim", "target", "opportunity", "could", "nominal", "conceptual" and similar expressions. Forward-looking statements, opinions and estimates included in this report are based on assumptions and contingencies which are subject to change without notice, as are statements about market and industry trends, which are based on interpretations of current market conditions. Forward-looking statements are provided as a general guide only and should not be relied on as a guarantee of future performance. Forward-looking statements may be affected by a range of variables that could cause actual results to differ from estimated results and may cause the Company's actual performance and financial results in future periods to materially differ from any projections of future performance or results expressed or implied by such forward-looking statements. So there can be no assurance that actual outcomes will not materially differ from these forward-looking statements.

HLB MANN JUDD
ADVISORY AND ACCOUNTING

AUDITOR'S INDEPENDENCE DECLARATION

As lead auditor for the audit of the consolidated financial report of Sheffield Resources Limited for the year ended 30 June 2026, I declare that to the best of my knowledge and belief, there have been no contraventions of:

a) the auditor independence requirements of the *Corporations Act 2001* in relation to the audit; and

b) any applicable code of professional conduct in relation to the audit.



Perth, Western Australia
30 September 2026

D I Buckley
Partner

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HLB Mann Judd is a member of HLB International, the global advisory and accounting network.

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

For the year ended 30 June 2026

		2026	2025
		$'000	$'000
Revenue from continuing operations			
Other income		149	362
Share of joint venture results	8	(50,725)	(20,472)
Other corporate expenses		(1,105)	(1,017)
Employee benefits expenses		(1,378)	(1,528)
Net fair value on financial assets - CMET	12	898	1,090
Share-based payments expenses	16	(510)	(483)
Bank fees and finance charges		(1)	(2)
Net profit / (loss) before income tax		**(52,672)**	**(22,050)**
Income tax benefit / (expense)	9	-	-
Profit / (Loss) for the year after income tax		**(52,672)**	**(22,050)**
Other comprehensive income / (loss)		-	-
Total comprehensive loss for the year, net of tax		**(52,672)**	**(22,050)**
Earnings / (Loss) per share			
Basic earnings / (loss) per share (cents per share)	18	(13.32)	(5.59)
Diluted earnings / (loss) per share (cents per share)	18	(13.32)	(5.59)

The consolidated statement of profit or loss and other comprehensive income should be read in conjunction with the accompanying notes.

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CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at 30 June 2026

		2026 $'000	2025 $'000
ASSETS			
Current Assets			
Cash and cash equivalents	10	4,016	7,088
Trade and other receivables	11	168	35
Total Current Assets		**4,184**	**7,123**
Non-Current Assets			
Investment in joint venture	8	55,853	103,328
Financial assets at fair value through profit or loss - CMET	12	-	2,581
Exploration and evaluation assets	13	4,546	3,774
Total Non-Current Assets		**60,399**	**109,683**
TOTAL ASSETS		**64,583**	**116,806**
LIABILITIES			
Current Liabilities			
Trade and other payables	14	182	116
Provisions		-	127
Total Current Liabilities		**182**	**243**
TOTAL LIABILITIES		**182**	**243**
NET ASSETS		**64,401**	**116,563**
EQUITY			
Issued Capital	15	156,622	156,224
Reserves	16	14,077	13,965
Retained earnings / (Accumulated losses)	17	(106,298)	(53,626)
TOTAL EQUITY		**64,401**	**116,563**

The consolidated statement of financial position should be read in conjunction with the accompanying notes.

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CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the year ended 30 June 2026

	Issued capital	Reserves	Accumulated losses	Total
	$'000	$'000	$'000	$'000
Balance as at 1 July 2025	**156,224**	**13,965**	**(53,626)**	**116,563**
Comprehensive income / loss				
Net loss for the year	-	-	(52,672)	(52,672)
Other comprehensive income	-	-	-	-
Total comprehensive loss	**-**	**-**	**(52,672)**	**(52,672)**
Transactions with owners				
Exercise of performance rights	398	(398)	-	-
Share-based payments	-	510	-	510
Total transactions with owners	**398**	**112**	**-**	**510**
Balance as at 30 June 2026	**156,622**	**14,077**	**(106,298)**	**64,401**

	Issued capital	Reserves	Accumulated losses	Total
	$'000	$'000	$'000	$'000
Balance as at 1 July 2024	**155,674**	**14,032**	**(31,576)**	**138,130**
Comprehensive income / loss				
Net loss for the year	-	-	(22,050)	(22,050)
Other comprehensive income	-	-	-	-
Total comprehensive loss	**-**	**-**	**(22,050)**	**(22,050)**
Transactions with owners				
Exercise of performance rights	550	(550)	-	-
Share-based payments	-	483	-	483
Total transactions with owners	**550**	**(67)**	**-**	**483**
Balance as at 30 June 2025	**156,224**	**13,965**	**(53,626)**	**116,563**

The consolidated statement of changes in equity should be read in conjunction with the accompanying notes.

CONSOLIDATED STATEMENT OF CASH FLOWS

For the year ended 30 June 2026

	Note	2026 $'000	2025 $'000
Cash flows from operating activities			
Payments to employees		(1,519)	(1,563)
Payments to suppliers		(901)	(1,167)
Interest received		149	362
Bank fees and finance charges		(1)	(2)
Net cash flows used in operating activities	10	**(2,272)**	**(2,370)**
Cash flows from investing activities			
Investment in financial asset		(382)	(420)
Proceeds from sale of financial asset		3,604	-
Investment in joint venture		(3,250)	-
Payments for exploration and evaluation expenditure		(772)	-
Net cash flows used in investing activities		**(800)**	**(420)**
Cash flows from financing activities			
Proceeds from issue of shares		-	-
Net cash flows from financing activities		**-**	**-**
Net increase/(decrease) in cash and cash equivalents		(3,072)	(2,790)
Effect of exchange rates on cash and cash equivalents		-	-
Cash and cash equivalents at beginning of period		7,088	9,878
Cash and cash equivalents at end of year	10	**4,016**	**7,088**

The consolidated statement of cash flows should be read in conjunction with the accompanying notes

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NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 30 June 2026

1. COPORATE INFORMATION

The consolidated financial report for the year ended 30 June 2026 covers Sheffield Resources Limited (Sheffield, parent entity or the Company) and its controlled entities (collectively known as the Group or consolidated entity). The principal activities during the year were mineral sands evaluation and development in Australia and mineral sands evaluation in Brazil.

Sheffield is a for-profit company limited by shares whose shares are publicly traded on the Australian Securities Exchange. The Company and its controlled entities were incorporated and domiciled in Australia. The registered office and principal place of business of the Company is 45 Ventnor Avenue West Perth WA 6005.

The consolidated financial report of Sheffield for the year ended 30 June 2026 was authorised for issue in accordance with a resolution of the Directors on 21 September 2026.

2. BASIS OF PREPARATION

These general-purpose financial statements have been prepared in accordance with Australian Accounting Standards and Interpretations issued by the Australian Accounting Standards Board (AASB) and the Corporations Act 2001. The consolidated financial statements also comply with International Financial Reporting Standards (IFRS) as issued by the International Accounting Standards Board (IASB). The financial statements have been prepared on a going concern basis.

(a) Functional and presentation currency

Both the functional and presentation currency of Sheffield is Australian Dollars. Each entity in the Group determines its own functional currency and items included in the financial statements of each entity are measured using that currency.

(b) Rounding of amounts

The amounts contained in the financial report have been rounded to the nearest $1,000 (unless otherwise stated) pursuant to the option available to the Company under ASIC Class Order 2026/183. The Company is an entity to which this class order applies.

(c) Going concern

The financial statements have been prepared on a going concern basis. The Group recorded a net loss after tax for the year ended 30 June 2026 of $52.7m (2025: net loss after tax of $22.1m). At 30 June 2026, the Group had $4m in cash and cash equivalents (2025: $7.1m). The Group's net assets were $64.4m (2025: $116.5m) and the net cash outflows from operating activities were $2.3m (2025: $2.4m).

Kimberley Mineral Sands Pty Ltd (KMS) became jointly owned by Sheffield and YGH Australia Investment Pty Ltd (Yansteel) as at 12 March 2021. The Thunderbird mineral sands project (Thunderbird) was previously held by Sheffield through its 100% owned subsidiary KMS prior to the formation of the joint venture. The project is located in north-west Western Australia.

KMS reached financial close on a combined $315m senior loan facilities provided by Northern Australia Infrastructure Facility (NAIF) and OMRF (Th) LLC, a related entity of Orion Mineral Royalty Fund (Orion). The Thunderbird project was fully funded through to first production. In January 2026, Sheffield received notice from Sheng Feng (Hong Kong) Co., Ltd (Sheng Feng), a related party of Yansteel, noting that Sheng Feng has executed transaction documents with Orion whereby Sheng Feng shall receive a novation of all of Orion's rights and obligations under the Production Linked Loan Note Facility.

Productivity was also challenged by lower mining rates compared to plan and greater than expected DMU maintenance requirements impacting DMU availability. Despite these challenges, by the end of the reporting period mining operations were achieving an annualised production rate in excess of 12mtpa, consistent with the revised business plan. Commodity prices within the zircon concentrate market deteriorated in the first half of the reporting period before recovering in the second half.

During the reporting period, KMS initiated discussions with the senior secured lenders with a view to resculpting and aligning the future scheduled debt repayments to the revised mine plan, costs and forecast prices (refer to ASX announcement dated 22 July 2025). During the reporting period, KMS agreed a wavier and deferral arrangement in relation to the December 2025, March 2026, and June 2026 interest and principal repayment obligations, and various covenant waivers associated with the senior secured facilities.

On 1 July 2026, the Company announced that KMS, Sheng Feng and NAIF have agreed a further wavier and deferral arrangement in relation to the December 2025, March 2026, and June 2026 interest and principal repayment obligations and various covenant waivers associated with the senior secured facilities.

On 1 September 2026, the Company announced that KMS, Sheng Feng and NAIF have agreed a further wavier and deferral arrangement in relation to the December 2025, March 2026, and June 2026 interest and principal repayment obligations and various covenant waivers associated with the senior secured facilities, until 30 September 2026.

The current deferral and waiver has been agreed to allow time for KMS, Sheng Feng and NAIF to complete negotiations on a Standstill Agreement ("Standstill") that would seek to defer KMS's debt obligations until 30 June 2027. The Standstill would allow time for the stabilisation of recent significant improvements in operational performance and production to support negotiations on a potential debt restructure.

Sheffield will continue to keep the market informed of material developments concerning the proposed Standstill and discussions regarding the KMS debt obligations with Sheng Feng and NAIF, including the anticipated timing for completion and execution of same. Sheffield and YGH Australia Investment Pty Ltd (YGH), a wholly owned Australian subsidiary of Yansteel, remain sponsors and guarantors to the senior secured loan facilities.

The Directors have prepared cash flow forecasts for the 12-month period from the date of approval of the financial statements. These forecasts assume that KMS successfully completes the proposed Standstill Agreement and subsequently agrees a sustainable restructuring of its senior debt facilities.

The Directors currently expect the proposed Standstill and debt restructuring process to be successfully concluded based on discussions held with Sheng Feng and NAIF to date. However, these arrangements remain subject to negotiation and formal agreement.

Should the proposed financing arrangements not be successfully implemented, Sheffield may be required to provide additional financial support or obtain additional funding to meet obligations associated with its investment in KMS and related guarantee arrangements. Accordingly, a material uncertainty exists that may cast significant doubt on the Group's ability to continue as a going concern and therefore whether the Group will realise its assets and extinguish its liabilities in the normal course of business and at the amounts stated in the financial report.

The Directors have discretion regarding the level and timing of expenditure to be incurred against forecast expenditure. Steps can be taken to contain operating and investment activities, ensuring the Group's ability to manage the timing of cash flows to meet committed obligations of the business as and when they fall due.

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3. SIGNIFICANT ACCOUNTING ESTIMATES AND JUDGEMENTS

The preparation of the Group's financial statements requires management to make judgements, estimates and assumptions that affect the financial results reported in the consolidated financial statements.

Estimates and assumptions are continuously evaluated and are based on management's experience and other factors, including expectations of future events, which are believed to be reasonable under the circumstances. However, actual outcomes would differ from these estimates if different assumptions were used, and different conditions existed.

The Group has identified the following areas where significant judgements, estimates and assumptions are required, and where actual results were to differ, may materially affect the financial position or financial results reported in future periods.

Share-based payments transactions

The Group measures the cost of equity-settled transactions with employees by reference to the fair value of the equity instruments at the date at which they are granted. The fair value is determined by a combination of internal and external sources using a Black-Scholes option pricing model and independent third-party valuation which comprised of a hybrid option pricing model incorporating a Monte Carlo simulation.

Exploration and evaluation expenditure

The future recoverability of capitalised exploration and evaluation expenditure is dependent on several factors, including whether the Group decides to exploit the related area of interest itself or, if not, whether it successfully recovers the related exploration and evaluation asset through sale.

Factors which could impact the future recoverability include the level or reserves and resources, future technological changes which could impact the cost of mining, future legal changes (including changes to environmental obligations) and changes to commodity prices. To the extent that capitalised exploration and evaluation expenditure is determined not to be recoverable in the future, this will reduce profits and net assets in the period in which this determination is made.

In addition, exploration and evaluation expenditure is capitalised if rights to tenure of the area of interest are current and activities in the area of interest have not yet reached a stage which permits a reasonable assessment of the existence or otherwise of economically recoverable reserves.

Investment in joint venture

The Group determines whether it is necessary to recognise an impairment loss on its investment in joint venture. At each reporting date, the Group determines whether there is objective evidence that the investment in the joint venture is impaired. If there is such evidence, the Group calculates the amount of impairment as the difference between the recoverable amount of the joint venture and carrying value, and then recognises the loss within "Share of joint venture results" in the statement of profit or loss.

Upon loss of significant influence or joint control over the joint venture, the Group measures and recognises any retained investment at its fair value. Any difference between the carrying amount of the joint venture upon loss of significant influence or joint control and the fair value of the retained investment and proceeds from disposal is recognised in profit or loss.

4. NEW AND REVISED ACCOUNTING STANDARDS AND INTERPRETATIONS

The Group adopted all new or amended Accounting Standards and Interpretations issued by the Australian Accounting Standards Board that are relevant to its operations and are mandatory for the current financial reporting period beginning 1 July 2025. Any new or amended Accounting Standards or Interpretations that are not yet mandatory have not been early adopted.

5. SEGMENT REPORTING

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker (CODM). The CODM is responsible for allocating resources and assessing performance of the operating segments and has been identified as the Board. Current taxes and deferred taxes are not allocated to the segments as they are managed on a group basis.

The Group's operating segments are as follows:

- South Atlantic project – Project consists of mineral sands tenements located in Brazil. On 28 February 2023, Sheffield executed a binding investment agreement (RGM Option Agreement) with Mineração Santa Elina Indústria e Comércio S/A. and Kromus Xi Fundo De Investimento Em Participações, owners of Rio Grande Mineração S/A (RGM). Please refer to ASX announcement on 28 February 2023 and Note 13 for additional information.
- Thunderbird project – Project consists of mineral sands tenements located in the Canning Basin that form part of the Thunderbird mineral sand mining operation held by Thunderbird Operations Pty Ltd, subsidiary of Kimberley Mineral Sands Pty Ltd (KMS). Please refer to Note 8 for additional information.
- Other –Other exploration and evaluation activities, other investments and corporate expenses that are not allocated to operating segments as they are not considered part of the core operation of any segment.

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2026	South Atlantic project $'000	Thunderbird project $'000	Other $'000	Total $'000
Segment Reporting				
Other income	-	-	149	149
Employee benefits	-	-	(1,378)	(1,378)
Share-based payment	-	-	(510)	(510)
Corporate expenses (other)	-	-	(1,105)	(1,105)
Corporate expenses *(bank fees)*	-	-	(1)	(1)
Gain on sale of financial assets (CMET)	-	-	898	898
Share of joint venture results	-	(50,725)	-	(50,725)
Segment results before tax	**-**	**(50,725)**	**(1,947)**	**(52,672)**
Segment assets	**4,546**	**55,853**	**4,184**	**64,583**
Segment liabilities	**-**	**-**	**182**	**182**
Other disclosures				
Investment in joint venture	-	55,853	-	55,853
Exploration and evaluation expenditure	4,546	-	-	4,546

2025	South Atlantic project $'000	Thunderbird project $'000	Other $'000	Total $'000
Segment Reporting				
Other income	-	-	362	362
Employee benefits	-	-	(1,528)	(1,528)
Share-based payment	-	-	(483)	(483)
Corporate expenses (other)	-	-	(1,017)	(1,017)
Corporate expenses *(bank fees)*	-	-	(2)	(2)
Fair value on financial assets (CMET)	-	-	1,090	1,090
Share of joint venture results		(20,472)	-	(20,472)
Segment results before tax	**-**	**(20,472)**	**(1,578)**	**(22,050)**
Segment assets	**3,774**	**103,328**	**9,704**	**116,806**
Segment liabilities	**-**	**-**	**243**	**243**
Other disclosures				
Investment in joint venture	-	103,328	-	103,328
Exploration and evaluation expenditure	3,774	-	-	3,774

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6. FINANCIAL RISK MANAGEMENT

The Group have exposure to the following risks from their use of financial instruments:

- Interest rate risk;
- Credit risk;
- Liquidity risk; and
- Foreign currency risk;

Risk management

The Group's principal financial instruments comprise of cash, receivables, payables and investments. The Group monitors and manages its exposure to key financial risks in accordance with the Group's financial management policy.

Interest rate risk management

The Group is exposed to interest rate risk as the Group holds cash at both fixed and floating interest rates. The Group's exposure to interest rate risk is limited to the amount of interest income it can potentially earn on surplus cash deposits.

Credit risk management

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the Group. The Group has adopted a policy of only dealing with creditworthy counterparties where appropriate, as a means of mitigating the risk of financial loss from defaults. The Group's exposure and the credit ratings of its counterparties are continuously monitored, and the aggregate value of transactions concluded is spread amongst approved counterparties.

The carrying amount of financial assets recorded in the financial statements, net of any allowance for losses, represents the Group's maximum exposure to credit risk without taking account of the value of any collateral obtained.

Liquidity risk management

Ultimate responsibility for liquidity risk management rests with the Directors, who have built an appropriate liquidity risk management framework for the management of the Group's funding and liquidity management requirements. The Group manages liquidity risk by maintaining adequate reserves and banking facilities by continuously monitoring forecast and actual cash flows and matching the maturity profiles of financial assets and liabilities.

The Group's financial instruments are as follows:

	Floating interest rate	< 1 year	1 to 5 years	> 5 years	Non-interest bearing	Total	Weighted average interest rate	
2026	**$'000**	**$'000**	**$'000**	**$'000**	**$'000**	**$'000**	**Fixed**	**Floating**
Financial assets								
Cash and cash equivalents	3,939	-	-	-	77	4,016	4.41%	4.50%
Trade and other receivables		30			138	168	3.26%	-
	3,939	**30**	**-**	**-**	**215**	**4,184**		
Financial liabilities								
Trade and other payables	-	-	-	-	182	182	-	-
	-	**-**	**-**	**-**	**182**	**182**		

2025	Floating interest rate $'000	< 1 year $'000	1 to 5 years $'000	> 5 years $'000	Non-interest bearing $'000	Total $'000	Weighted average interest rate Fixed	Floating
Financial assets								
Cash and cash equivalents	6,949	-	-	-	139	7,088	-	4.30%
Trade and other receivables	-	30	-	-	5	35	4.85%	-
Financial assets at fair value through profit or loss	-	-	-	-	2,581	2,581		
	6,949	**30**	**-**	**-**	**2,726**	**9,705**		
Financial liabilities								
Trade and other payables	-	-	-	-	116	116	-	-
	-	**-**	**-**	**-**	**116**	**116**		

The Group's expected contractual outflows and maturities of financial liabilities are as follows:

	Current liabilities		Non-current liabilities	
2026	< 6 months $'000	6 to 12 months $'000	1 to 5 years $'000	> 5 years $'000
Financial liabilities				
Trade and other payables	182	-	-	-
	182	**-**	**-**	**-**

	Current liabilities		Non-current liabilities	
2025	< 6 months $'000	6 to 12 months $'000	2025	< 6 months $'000
Financial liabilities				
Trade and other payables	116	-	-	-
	116	**-**	**-**	**-**

Fair value measurement

The fair value of the financial instruments, excluding cash and cash equivalents, including their level in the measurement hierarchy is as follows:

Level 1: Quoted prices in active markets for identical assets or liabilities.

Level 2: Inputs other than quoted prices that are observable for the asset or liability, either directly or indirectly.

Level 3: Unobservable inputs for the assets or liability.

The following tables details the groups assets and liabilities, measured or disclosed at fair value.

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2026	Level 1 $'000	Level 2 $'000	Level 3 $'000	Total $'000
Financial assets				
Trade and other receivables	-	-	-	-
Financial assets at fair value through profit or loss	-	-	-	-
	-	-	-	-
Financial liabilities				
Trade and other payables	-	-	-	-
	-	-	-	-

2025	Level 1 $'000	Level 2 $'000	Level 3 $'000	Total $'000
Financial assets				
Trade and other receivables	-	-	-	-
Financial assets at fair value through profit or loss	2,581	-	-	2,581
	2,581	**-**	**-**	**2,581**
Financial liabilities				
Trade and other payables	-	-	-	-
	-	-	-	-

The carrying amounts of trade and other receivables and trade and other payables are assumed to approximate their fair values due to their short-term nature.

7. SUBSIDIARIES

Subsidiaries are entities over which the Group has control. Subsidiaries are consolidated from the date on which control is transferred to the Group. They are deconsolidated from the date that control ceases.

	Country of incorporation	Ownership interest % 2026	Ownership interest % 2025
Sheffield Resources Limited			
Sheffield Exploration (WA) Pty Ltd	Australia	100%	100%
Sheffield Brazil Holdings Pty Ltd	Australia	100%	100%
Sheffield Brazil Holdings Pty Ltd			
Sheffield Brazil Investments Pty Ltd	Australia	100%	100%

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8. INVESTMENT IN JOINT VENTURE

A joint venture is a type of joint arrangement whereby the parties that have joint control of the arrangement have rights to the net assets of the joint venture. Joint control is the contractually agreed sharing of control of an arrangement, which exist only when the decisions about relevant activities require the unanimous consent of the parties sharing control.

Interest in the investment in joint venture is accounted for using the equity method in the financial statements. Under the equity method, the investment in joint venture is initially recognised at cost. The carrying amount of the investment is adjusted to recognise changes in the share of net assets of the joint venture since the acquisition date. The statement of profit or loss reflects the share of the results of operations of the joint venture.

Kimberley Mineral Sands Pty Ltd Joint Venture

Kimberley Mineral Sands Pty Ltd (KMS) became jointly owned by Sheffield and YGH Australia Investment Pty Ltd (Yansteel) as at 12 March 2021. The Thunderbird mineral sands project (Thunderbird) was previously held by Sheffield through its 100% owned subsidiary KMS prior to the formation of the joint venture. The project is located in north-west Western Australia. Sheffield's interest in KMS is accounted for using the equity method in the consolidated financial statements.

KMS is governed by a four-person Board of Directors with Sheffield and Yansteel each nominating, and being represented by, two directors. Key decisions require unanimous approval of both shareholders.

Carrying amount in joint venture investment is as follows:

	2026 $'000	2025 $'000
Reconciliation of carrying amount in joint venture investment		
Opening balance of share of joint venture investment	103,328	123,800
Equity contribution in favour of KMS	3,250	-
Share of KMS joint venture loss – 50%	(50,725)	(20,472)
Closing carrying amount of joint venture investment	**55,853**	**103,328**

KMS also had commitments and contingent liabilities as at 30 June 2026, for which the Group has corresponding commitments and contingent liabilities as disclosed in Notes 20 and 21.

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Summarised consolidated audited statements of profit or loss and other comprehensive income of KMS for the years ended 30 June 2025 and 2026 are as follows:

		Joint venture (100%) 2026 $'000 (Audited)	Joint venture (100%) 2025 $'000 (Audited)
Revenue from continuing operations	a	234,115	243,585
Other income		-	-
Mining expenses		(113,791)	(117,221)
Processing expenses		(34,780)	(28,442)
Logistics expenses		(44,089)	(44,688)
Non-process infrastructure and maintenance expenses		(7,517)	(14,213)
Site Administration expenses		1,353	(711)
Royalty expenses		(12,298)	(12,968)
Change in inventories		(2,794)	(1,993)
General and administrative expenses		(1,303)	(2,937)
Depreciation and amortisation expenses		(24,751)	(29,534)
Impairment of exploration expenditure		(42)	(3,397)
Loss before financing costs and income tax		**(5,897)**	**(12,519)**
Finance income		45	156
Finance expenses	b	(74,518)	(28,581)
Loss before income tax		**(80,370)**	**(40,944)**
Income tax benefit / (expense)	c	(21,081)	-
Loss after income tax		**(101,451)**	**(40,944)**
Other Comprehensive Income / (loss)		-	-
Total comprehensive loss, net of tax		**(101,451)**	**(40,944)**
Reconciliation of share of joint venture results			
Sheffield's share of joint venture results – 50%		(50,725)	(20,472)

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Consolidated audited statements of financial position of KMS as at 30 June 2025 and 2026 are as follows:

		Joint venture (100%) 2026 $'000 (Audited)	Joint venture (100%) 2025 $'000 (Audited)
Current assets			
Cash and cash equivalents		7,437	14,858
Trade and other receivables		4,894	2,912
Prepayments		2,096	1,195
Other financial assets - TD & housing incentives		1,556	1,562
Inventories	d	34,276	33,852
Assets held for sale		-	125
Total current assets		**50,259**	**54,504**
Non-current assets			
Other financial assets - Bilby & housing incentive		1,111	1,246
Plant and equipment	e	444,422	467,206
Right of use asset	e	64,135	81,619
Mine properties and development	e	125,677	84,714
Exploration and evaluation assets		6,774	5,693
Deferred tax assets		-	21,081
Total non-current assets		**642,119**	**661,559**
Total assets		**692,378**	**716,063**
Current liabilities			
Trade and other payables		41,854	45,253
Short term financial liability		59,955	32,314
Lease liabilities	h	7,960	11,210
Borrowings	f	255,211	34,911
Provisions		3,325	4,102
Total current liabilities		368,305	**127,790**
Non-current liabilities			
Lease liabilities	h	60,498	73,515
Other financial liabilities - royalty make whole	g	108,441	93,971
Borrowings	f	39,240	220,721
Provisions		47,775	36,996
Total non-current liabilities		**255,954**	**425,203**
Total liabilities		**624,259**	**552,993**
Net assets		**68,119**	**163,070**
Equity			
Issued capital		209,160	202,660
Reserves		88,713	88,713
Accumulated losses		(229,754)	(128,303)
Total Equity		**68,119**	**163,070**

Consolidated audited statements of cash flows of KMS for the years ended 30 June 2025 and 2026 are as follows:

	Joint venture (100%) 2026 $'000 (Audited)	Joint venture (100%) 2025 $'000 (Audited)
Cash flows from operating activities		
Receipts from customers	249,045	253,049
Interest received	45	29
Payments to employees	(22,995)	(27,651)
Payments to suppliers	(191,410)	(166,707)
Payments of royalties	(12,190)	(11,420)
Net Interest and other finance costs paid	(6,813)	(30,207)
Net cash flows from operating activities	**15,682**	**17,093**
Cash flows from investing activities		
Proceeds from sale of property, plant and equipment	114	-
Payments for exploration and evaluation expenditure	(1,124)	(798)
Payments for plant and equipment	(979)	(3,526)
Payments for mine assets under development expenditure	(19,164)	(19,159)
Payments for bonds and guarantees	(193)	(78)
Net cash flows used in investing activities	**(21,346)**	**(23,561)**
Cash flows from financing activities		
Payments for lease liabilities	(17,015)	(18,473)
Repayment of borrowings	-	(39,121)
Proceeds from borrowings	9,449	64,138
Proceeds from issue of shares	6,500	-
Net cash flows from / (used in) financing activities	**(1,066)**	**6,544**
Net increase/(decrease) in cash and cash equivalents	(6,730)	76
Effect of exchange rates on cash and cash equivalents	(691)	(568)
Cash and cash equivalents at beginning of period	14,858	15,350
Cash and cash equivalents at end of period	**7,437**	**14,858**

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(a) Joint venture - revenue from continuing operations

KMS primarily generates revenue from the sales of ilmenite and zircon concentrate to customers. Revenue is recognized when control of the product has passed to the customer. For zircon concentrate there are two performance obligations; with the first recognised when the product is loaded onto the ship and the second with revenue from shipping recognised over the period of the journey. For ilmenite concentrate sales, there is only one performance obligation, being the product is loaded onto the ship with revenue recognised at the time of collection.

KMS' revenue from continuing operations is as follows:

	Joint venture (100%) 2026 $'000 (Audited)	Joint venture (100%) 2025 $'000 (Audited)
Revenue from continuing operations		
Sale of concentrates – ilmenite, leucoxene and zircon	234,115	243,503
Freight revenue	-	82
	234,115	**243,585**

(b) Joint venture – finance costs

KMS' finance costs are as follows:

	Joint venture (100%) 2026 $'000 (Audited)	Joint venture (100%) 2025 $'000 (Audited)
Finance costs		
Interest on borrowings	(24,968)	(20,596)
Interest accretion on borrowings	(29,235)	(20,733)
Interest on lease liabilities	(7,130)	(8.106)
Revaluation on royalty make whole	(18,894)	23,797
Net foreign exchange gain / (loss)	11,601	(470)
Other	(5,892)	(2,473)
	(74,518)	**(28,581)**

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(c) Joint venture – income tax benefit

Reconciliation of income tax to prima facie tax for KMS is as follows:

	Joint venture (100%) 2026 $'000 (Audited)	Joint venture (100%) 2025 $'000 (Audited)
Loss before income tax	(80,370)	(40,944)
Prima facie tax calculated at 30%	(24,111)	(12,283)
Adjusted for the tax effect of:		
Other non-deductible expenses	-	-
Derecognition of deferred tax assets recognised in prior periods	(21,081)	-
Deferred tax assets not recognised	24,111	12,283
Income tax expense reported in the statement of profit or loss	(21,081)	-

Deferred tax assets and liabilities for KMS have been recognised in respect of the following items:

	Joint venture (100%) 2026 $'000 (Audited)	Joint venture (100%) 2025 $'000 (Audited)
Deferred tax		
Inventories	-	(804)
Right of use asset	-	(1,087)
Interest deduction carried forward	-	19,479
Exploration and evaluation	-	(2,684)
Other financial liabilities – royalty make whole	-	1,299
Development expenditure	-	(27,392)
Finance lease	-	1,326
Employee benefits	-	1,007
Tax losses	-	29,497
Unrealised foreign exchange	-	440
	-	21,081

During the year, the Group derecognised deferred tax assets of $21.1 million that had been recognised in prior periods. Deferred tax assets arising from current year tax losses and deductible temporary differences have not been recognised as it is not considered probable that sufficient future taxable profits will be available against which those assets can be utilised.

At 30 June 2026, the Group had unused tax losses of $128.6m (2025: $30.7m) for which no deferred tax asset has been recognised. These losses may be carried forward indefinitely subject to the satisfaction of the continuity of ownership test or, where applicable, the business continuity test.

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(d) Joint venture - inventories

Heavy mineral concentrate and ore stockpiles are physically measured or estimated and valued at the lower of cost and net realisable value. Net realisable value (NRV) is the estimated future sales price of the product KMS expects to realise when the product is processed and sold, less estimated costs to complete production and bring the product to sale. Stores and consumables are also valued at the lower of cost and net realisable value.

KMS' inventories are as follows:

	Joint venture (100%) 2026 $'000 (Audited)	Joint venture (100%) 2025 $'000 (Audited)
Non-current assets		
Heavy mineral concentrate and other intermediate stockpiles – at NRV	1,652	1,141
Finished goods stockpiles – at NRV	26,258	29,581
Stores and consumables – at cost	6,366	3,130
	34,276	**33,852**

(e) Joint venture – property, plant and equipment, right of use assets and mine assets under development

Property, plant and equipment

Plant and equipment are stated at historical cost less accumulated depreciation and any accumulated impairment losses. Depreciation of property, plant and equipment is calculated on a straight-line basis over the estimated useful life of the assets as follows:

Buildings	10 years
Plant and equipment	2 to 10 years
Motor vehicles	4 years

Right of use assets

Right-of-use assets are depreciated on a straight-line basis over the unexpired period of the lease or the estimated useful life of the asset, whichever is the shorter. Where the consolidated entity expects to obtain ownership of the leased asset at the end of the lease term, the depreciation is over its estimated useful life. The Group's lease portfolio includes buildings, plant and equipment, these leases have an average of 10 years as the useful life.

An impairment review is undertaken for any right of use lease asset and shows indicators of impairment and an impairment loss is recognised against any right of use lease assets that is impaired. The right of use asset is depreciated over the lease term.

Mine properties and development

Mine development costs are accumulated when economically recoverable reserves have been identified and a decision to develop has occurred. This expenditure includes all capitalised exploration and evaluation expenditure in respect of the area of interest, direct costs of construction, overheads and where applicable borrowing costs capitalised during construction. Once mining of the area can commence, the aggregated capitalised costs are classified under non-current assets as an appropriate class of property, plant and equipment. Accumulated mine development costs are depreciated on a units of production (UOP) basis over the economically recoverable reserves of the mine.

KMS' carrying amount of the non-current assets are as follows:

	Joint venture (100%)			
	Property, plant and equipment	Right of use assets	Mine assets under development	Total
2026	$'000 (Audited)	$'000 (Audited)	$'000 (Audited)	$'000 (Audited)
Non-current assets				
Carrying amount – at cost	481,935	100,411	128,519	710,865
Accumulated depreciation	(37,513)	(36,276)	(2,842)	(76,631)
	444,422	**64,135**	**125,677**	**634,234**
Reconciliation				
Opening balance at the beginning of the year	467,206	81,619	84,714	633,539
[1,2]Additions	-	1,443	20,672	22,115
Transfer between asset classes	(13,456)	-	13,456	-
[3]Modification of right of use asset	-	(5,313)	-	(5,313)
[4]Changes in rehabilitation provision	-	-	8,994	8,994
[5]Disposals	(29)	-	(321)	(350)
Depreciation expenses	(9,299)	(13,614)	(1,838)	(24,751)
Balance as at 30 June 2026	**444,422**	**64,135**	**125,677**	**634,234**

[1] Right of Use Assets: During the period, the Group recognised a DMU Joest Screen Replacement $1.4m.
[2] Mine properties and development: During the period the Group recognised additions to the mine development asset attributable to the Tailings Storage Facility (TSF) of $17.6m and additional AUC spend of $3.1m.
[3] Right of Use Assets: During the period, the Group recognised lease modification adjustments for the DMU of ($8m), Rotainers $1.5m, Wharf Adjustment ($0.3m) and Campbell's critical equipment of $1.5m.
[4] Changes in rehabilitation provision: The Group recognised an increase in the rehabilitation provision of $9.0m due to additional disturbance in the period coupled with changes in rehabilitation cost estimates and underlying assumptions.
[5] Disposals: The Group recognised disposals of a solar farm ($0.1m) and mining hoses ($0.2m) during the period.

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	Joint venture (100%)			
	Property, Plant and equipment	Right of use assets	Mine assets under development	Total
2025	$'000 (Audited)	$'000 (Audited)	$'000 (Audited)	$'000 (Audited)
Non-current assets				
Carrying amount – at cost	495,465	104,648	85,594	685,707
Accumulated depreciation	(28,259)	(23,029)	(880)	(52,168)
	467,206	**81,619**	**84,714**	**633,539**
Reconciliation				
Opening balance at the beginning of the year	255,249	94,700	268,797	618,746
Additions	22,317	1,778	-	24,095
Transfer between asset classes	204,731		(204,731)	-
Derecognition of right of use asset		(1,052)		(1,052)
Changes in rehabilitation provision			7,368	7,368
Capitalised borrowing costs			13,916	13,916
Depreciation expenses	(15,091)	(13,807)	(636)	(29,534)
	467,206	**81,619**	**84,714**	**633,539**

(f) Joint venture - borrowings

This Note 8 (f) (Joint venture – borrowings) should be read in conjunction with Note 8 (g) (Joint venture – prepayments and other financial liabilities).

Borrowings are initially recognised at fair value, net of transaction costs incurred. Borrowings are subsequently measured at amortised cost. Any difference between the proceeds (net of transaction costs) and redemption amount is recognised in the profit or loss over the period of the borrowings using the effective interest method.

Fees paid on the establishment of the loan facilities are recognised as transaction costs of the loan to the extent that it is probably that some or all of the facility will be drawn down. In this case, the fee is deferred until the draw down occurs. To the extent there is no evidence that it is probably that some or all of the facility will be drawn down, the fee is capitalised as a prepayment for liquidity services and amortised over the period of the facility to which it relates.

KMS' carrying amount of borrowings is as follows:

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	Joint venture (100%) 2026 $'000 (Audited)	Joint venture (100%) 2025 $'000 (Audited)
Current liabilities		
Production linked loan facility – Sheng Feng (formerly Orion Mineral Royalty Fund)	97,336	34,911
Government debt facilities - Northern Australia Infrastructure Facility	157,875	-
	255,211	**34,911**
Non-current liabilities		
Production linked loan facility - Sheng Feng (formerly Orion Mineral Royalty Fund)	39,240	63,275
Government debt facilities - Northern Australia Infrastructure Facility	-	157,446
	39,240	**220,721**
	294,451	**255,632**

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KMS' breakdowns of the respective borrowings are as follows:

	Joint venture (100%) 2026 $'000 (Audited)	Joint venture (100%) 2025 $'000 (Audited)
Government debt facilities – Northern Australia Infrastructure Facility		
Opening balance	157,446	157,025
Additions	-	-
Capitalised borrowing costs	-	-
Amortisation	429	421
	157,875	**157,446**
Production linked loan facility – (formerly Orion Mineral Royalty Fund)		
Opening balance	98,186	91,503
Additions	14,288	-
Repayments	-	(16,812)
Financing costs on royalty obligations[1]	-	-
Amortisation	28,806	26,797
Foreign exchange movement	(4,644)	(3,302)
	136,636	**98,186**
	294,451	**255,632**

Facility 1 – Government Debt Facilities (Northern Australia Infrastructure Facility)

On 4th October 2022, the Group entered into a Facility Agreement with the Northern Australia Infrastructure Facility (NAIF) comprising a A$120m loan facility (Facility A). Principal repayments are to be made in line with the repayment schedule commencing 31 December 2027, with the final payment made 31 December 2033. As at 30 June 2026, Facility A is fully drawn. On the 3 July 2026, the Group secured a waiver to defer the interest payment scheduled on 31 December 2025, 31 March 2026 and 30 June 2026 to 31 August 2026. As a result of the waiver being obtained after reporting date, the loan has been classified as a current liability in these financial statements. Total interest paid for the year was $2.0m (2025 $8.0m). A further waiver was agreed on 7 September 2026 deferring interest to 30 September 2026.

On 4th October 2022, the Group entered into a Facility Agreement with the Northern Australia Infrastructure Facility (NAIF) comprising an A$40m cost overrun facility (Facility B). Principal repayments are required to be paid in advance of Facility A. As at 30 June 2026, Facility B is fully drawn. On the 3 July 2026, the Group secured a waiver to defer the interest payment scheduled on 31 December 2025, 31 March 2026 and 30 June 2026 to 31 August 2026. As a result of the waiver being obtained after reporting date, the loan has been classified as a current liability in these financial statements. Total interest paid for the year was $0.7m (2025 $2.6m). A further waiver was agreed on 7 September 2026 deferring interest and principal to 30 September 2026.

Facility 2 – Production Linked Loan Facility Sheng Feng (Formerly Orion Mineral Royalty Fund)

On 30 September 2022, the Group entered into a Production Linked Loan Agreement with the OMFR (Th) LLC (Orion). On the 29 January 2026 Sheng Feng, a related party of Yansteel, executed transaction documents with OMFR (Th) LLC ("Orion") to receive novation of all of Orion's rights and obligations under the Production Linked Loan Note Facility. This facility comprises a US$110m debt facility and a production linked royalty.

During the year, the Group utilised US$10.15m under the Production Linked Loan Note Facility (Tranche A2). The utilisation was applied directly by Sheng Feng to settle approved liabilities of the Group pursuant to the facility arrangements. As the transaction did not result in cash receipts or cash payments by the Group, it has been excluded from the Statement of Cash Flows and disclosed as a non-cash financing activity. The utilisation has been recognised as an increase in borrowings.

Principal repayments are made in line with the repayment schedule commencing 30 June 2025 with the final payment due on 31 December 2028. In December 2025, March 2026 and June 2026, the Group secured waivers to defer the interest payment scheduled on 31 December 2025, 31 March 2026 and 30 June 2026 to 31 August 2026, and to defer the second and third principal repayment due on 31 December 2025 and 30 June 2026 to 31 August 2026, and various covenant waivers associated with the senior secured facilities. The facility was fully drawn during the financial year ended 30 June 2026. Total interest paid for the year was $3.7m (US$2.4m). A further waiver was provided on 31 August 2026 deferring interest and principal to 30 September 2026.

Royalty payments commence on a quarterly basis at the earliest of a) repayment of the loan or b) seven years after the date of the loan agreement. Payment is 1.6% of gross revenue for the period with revenue based upon quantity, type and price of the commodity extracted. The term of the royalty is 25 years unless the Group exercises its buy-back option to reduce the term to 12.5 years.

Debt Covenant

The Group's financing arrangements are subject to financial covenants, which are tested on a quarterly

basis. Key covenants include:

- Loan Life Cover Ratio is greater than 1.20:1
- Project Life Cover Ratio greater than 1.50:1
- Reserve Tail Ratio is greater than 20%
- Debt Service Cover Ratio is greater than 1.10:1

The terms and conditions of outstanding loans are as follows:

	Year of maturity	Currency	2026 Face value $'000 (Audited)	2026 Carrying value $'000 (Audited)	2025 Face value $'000 (Audited)	2025 Carrying value $'000 (Audited)
Facility 1						
Government debt facility A[2]	2033	AUD	120,000	117,875	120,000	117,446
Government debt facility B[2,3]	2027	AUD	40,000	40,000	40,000	40,000
		AUD	**160,000**	**157,875**	**160,000**	**157,446**
Facility 2						
Production linked loan facility A[1]	2028	USD	144,126	121,780	151,145	98,186
Production linked loan facility B[4]		USD	14,773	14,796	-	-
		USD	**158,899**	**136,576**	**151,145**	**98,186**

Note 1 & 4: Interest is charged at a margin of 5% plus the higher of a) adjusted term SOFR, and b) 2% per annum. Minimum interest rate is 7%.
Note 2: Interest charged at a base rate based upon the Commonwealth Government Security cost plus a margin of 3.5% which increases to 8% from year 6 onwards. Interest is payable quarterly in arrears.
Note 3: Loan facility B is required to be paid in advance of Facility A, prior to 31 December 2027.

(g) Joint venture – prepayments and other financial liabilities

This Note 8 (g) (Joint venture – prepayments and other financial liabilities) should be read in conjunction with Note 8 (f) (Joint venture – borrowings).

KMS' Facility 2 Production Linked Loan Facility royalty arrangement contains a "make whole" condition. The key terms for the make whole amount are as below:

- Triggered upon an acceleration (make whole) event occurring, being customary Events of Default for a facility of this type.
- The amount due is the greater of:
  a) An aggregate amount at that time of all payments made under the agreement including the royalty payments; and
  b) An amount equal to the NPV of the lenders right to receive all of the payments made under this agreement including the royalty calculated on the basis of the expected price per tonne of each product.

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An initial valuation of the make whole condition in conjunction with recognition of a financial liability and a corresponding recognition of a prepaid expense is required as at the issuance date of the loan. When the loan was fully drawn, the said prepaid expense will be recorded against the loan liability as a cost of the loan. The royalty prepayment is required to be recorded as an additional expense to the loan for the purposes of the Effective Interest Rate calculation. The make whole amount is effectively the present value of the expected royalty payment which will be expensed through the life of the loan. On each financial reporting date, the make whole amount is recalculated with any difference recognised through profit or loss.

	Joint venture (100%) 2026 $'000 (Audited)	Joint venture (100%) 2025 $'000 (Audited)
Non-current assets		
Prepayments		
Prepaid expense on financing costs on royalty obligations	-	-
Revaluation	-	-
	-	**-**
Non-current liabilities		
Other financial liabilities		
Royalty make whole	93,971	116,527
Revaluation on royalty make whole	18,894	(23,797)
Foreign currency revaluation	(4,424)	1,241
	108,441	**93,971**

(h) Joint venture – lease liabilities

KMS' lease liabilities are as follows:

	Joint venture (100%) 2026 $'000 (Audited)	Joint venture (100%) 2025 $'000 (Audited)
Current liabilities		
Lease liabilities	7,960	11,210
	7,960	**11,210**
Non-current liabilities		
Lease liabilities	60,498	73,515
	60,498	**73,515**
	68,458	**84,725**

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KMS reconciliation of movement in interest bearing liabilities to cash flows from financing activities:

	Joint venture (100%) 2026 $'000 (Audited)	Joint venture (100%) 2025 $'000 (Audited)
Opening balance	84,725	95,602
Additional finance lease liability – non cash	-	501
Accretion of interest	7,130	8,106
[1]Lease modification	(5,371)	-
Foreign currency revaluation	(1,010)	682
Derecognition of lease	(1)	(1,693)
Payments for lease liability	(17,015)	(18,473)
Closing balance	68,458	84,725

[1] During the period, the Group recognised a lease variation for the DMU of $7.6m, Rotainers ($1.5m) and Campbell's critical equipment ($0.8m).

9. INCOME TAX

The income tax expense or benefit is the tax payable on the current period's taxable income based on the applicable income tax rate adjusted by changes in deferred tax assets and liabilities attributable to temporary difference and to unused tax losses.

The carrying amount of deferred tax assets is reviewed at each balance date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred income tax asset to be utilised. Unrecognised deferred income tax assets are reassessed at each balance date and are recognised to the extent that it has become probable that future taxable profit will allow the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply to the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the balance date. Income taxes relating to items recognised directly in equity are recognised in equity and not in profit or loss. Income taxes relating to items recognised directly in equity are recognised in equity and not in profit or loss.

Deferred tax assets and deferred tax liabilities are offset only if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred tax assets and liabilities relate to the same taxable entity and the same taxation authority.

The deductible temporary difference and tax losses do not expire under current tax legislation. Deferred tax is provided on all temporary differences at the balance date between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes.

Deferred tax liabilities

Deferred tax liabilities are recognised for all taxable temporary differences except:

- when the deferred tax liability arises from initial recognition of an asset or liability in a transaction that is not a business combination and that, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss; or
- when the taxable temporary difference is associated with investments in subsidiaries or interests in joint ventures, and the timing of the reversal of the temporary difference can be controlled and it is probable that the temporary difference will not reverse in the foreseeable future.

Deferred tax assets

Deferred tax assets are recognised for all deductible temporary differences, carry-forward of unused tax assets and unused tax losses, to the extent that it is probable that taxable profit will be available against which the deductible temporary differences and the carry-forward of unused tax credits and unused tax losses can be utilised, except:

- when the deferred income tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss; or
- when the deductible temporary difference is associated with investments in subsidiaries or interests in joint ventures, in which case a deferred tax asset is only recognised to the extent that it is probable that the temporary difference will reverse in the foreseeable future and taxable profit will be available against which the temporary difference can be utilised.

Reconciliation of income tax to prima facie tax is as follows:

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	2026 $'000	2025 $'000
Loss before income tax	**(52,672)**	**(22,050)**
Prima facie tax calculated at 30% (2025: 30%)	(15,802)	(6,615)
Adjusted for the tax effect of:		
Prior period adjustments	34	10
Change in tax rate	-	-
Non-deductible share-based payments	153	145
Other non-deductible expenses	15,218	6,141
Other deductible items	(19)	-
Movement to unrecognised deferred taxes	416	319
Income tax benefit / (loss) reported in the statement of profit or loss	**-**	**-**

Reconciliation of unrecognised deferred tax balances is as follows:

	2026 $'000	2025 $'000
Unrecognised deferred tax assets / (liabilities)		
Financial assets at fair value through profit or loss	-	81
Carried forward tax losses	18,480	17,922
Other timing differences	163	224
	18,643	**18,227**

10. CASH AND CASH EQUIVALENTS

Cash and cash equivalents are short term and are highly liquid investments. Short-term deposits are usually between one to three months depending on the cash flow requirements of the Group.

The Group's cash and cash equivalents are as follows:

	2026 $'000	2025 $'000
ASSETS		
Current assets		
Cash at bank and on hand	4,016	7,088
Short-term deposits	-	-
	4,016	**7,088**

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Reconciliation of cash used in operating activities is as follows:

	2026	2025
Reconciliation to operating cash flow	**$'000**	**$'000**
Profit / (loss) after income tax	(52,672)	(22,050)
Adjustments for non-cash items:		
Share-based payments expenses	510	483
Net fair value on financial assets	(898)	(1,090)
Share of joint venture (profit) / loss	50,725	20,472
Net foreign exchange (gain) / loss	19	-
Brokerage expenses	239	-
Changes in assets and liabilities:		
(Increase) / Decrease in trade and other receivables	(133)	18
Increase / (Decrease) in trade and other payables	65	(187)
Increase / (Decrease) in provisions	(127)	(16)
Net cash used in operating activities	**(2,272)**	**(2,370)**

11. TRADE AND OTHER RECEIVABLES

Trade and other receivables are measured on initial recognition at fair value and are subsequently measured at amortised cost. Impairment of trade and other receivables is continually reviewed and those that are considered uncollectable are written off by reducing the carrying amount directly.

Security deposits are non-derivative financial assets with various fixed or determinable payments and maturities. They are included in current assets, except for those with maturities greater than 12 months which are then classified as non-current assets.

The Group's trade and other receivables are as follows:

	2026	2025
	$'000	**$'000**
ASSETS		
Current assets		
Trade receivables	34	5
Other receivables - security deposits	30	30
Prepayments	104	-
	168	**35**

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12. FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS - INVESTMENT IN CAPITAL METALS PLC

Investments and other financial assets are initially measured at fair value. The fair value of the financial assets is determined with reference to quoted share price traded in active markets at each reporting date. The financial assets are derecognised and the carrying value written off when there is no reasonable expectation of recovering part or all of the financial asset.

On 30 Jan 2026, Sheffield disposed of its entire shareholding (10% interest) in Capital Metals PLC (AIM: **CMET**), the owner of the Taprobane Minerals Project in Sri Lanka. at A$0.073 per share. The net proceeds of $3.6m, after brokerage fees, were received on 5 Feb 2026. Sheffield does not maintain any further interest or associated rights in CMET.

The Group's investment is as follows:

	2026 $'000	2025 $'000
Non-current assets		
Listed ordinary shares –financial assets at fair value through profit or loss	-	2,581
	-	**2,581**

Reconciliation of the fair value of the investment is as follows:

	2026 $'000	2025 $'000
Reconciliation of fair value of investment		
Opening fair value	2,581	1,072
Additions	382	419
Net fair value change on financial assets recognised in profit or loss	898	1,090
Disposal	(3,861)	-
	-	**2,581**

13. EXPLORATION AND EVALUATION ASSETS

Exploration and evaluation assets are initially measured at cost and include acquisition of rights to explore, studies, exploratory drilling, sampling and associated activities and an allocation of depreciation and amortised of assets used in exploration and evaluation activities. General and administrative costs are only included in the measurement of exploration and evaluation costs where they are related directly to operational activities in a particular area of interest.

The recoupment of costs carried forward in relation to areas of interest in the exploration and evaluation phases is dependent on the successful development and commercial exploitation or sale of the respective areas. Exploration and evaluation expenditures in relation to each separate area of interest are recognised as an exploration and evaluation asset in the year in which they are incurred where the following conditions are satisfied:

- the rights to tenure of the area of interest are current; and
- at least one of the following conditions is also met:
  - the exploration and evaluation expenditures are expected to be recouped through successful development and exploitation of the area of interest, or alternatively, by its sale; or
  - exploration and evaluation activities in the area of interest have not at the balance date reached a stage which permits a reasonable assessment of the existence or otherwise of economically recoverable reserves, and active and significant operations in, or in relation to, the area of interest are continuing.

Exploration and evaluation assets are assessed for impairment when facts and circumstances suggest that the carrying amount of an exploration and evaluation asset may exceed its recoverable amount. The recoverable amount of the exploration and evaluation asset is estimated to determine the extent of the impairment loss, if any.

Where an impairment loss subsequently reverses, the carrying amount of the asset is increased to the revised estimate of its recoverable amount, but only to the extent that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset in previous years.

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South Atlantic Project

On 28 February 2023, Sheffield executed a binding investment agreement (RGM Option Agreement) with Mineração Santa Elina Indústria e Comércio S/A. and Kromos Xi Fundo De Investimento Em Participações, owners of Rio Grande Mineração S/A (RGM). Please refer to ASX announcement on 28 February 2023 for further details.

Sheffield was 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 option to increase its interest in RGM up to 80%.

Prior to Sheffield electing to exercise its option to acquire shares in RGM, the amounts advanced only accrues interest if a default event occurs under the terms of the contract. The default interest rate is SOFR plus 2% per annum. The option term is the later of 6 months after the initial 18 month period or the last stage 1 activity completed or waived by Sheffield under the agreement.

On October 2025, an agreement Variation #2 was executed which among other amendments extended the option period until February 2027. On 5 March 2026, an agreement Variation #3 was executed regarding changes to future funding arrangements with Sheffield no longer required to make any contributions prior to the expiry of the option in February 2027. On 18 June 2026, an agreement Variation #4 was executed regarding changes to future funding arrangements with Sheffield no longer required to make any contributions prior to the expiry of the option in February 2027.

The Project is located within the Rio Grande do Sul Coastal Plain, a region located in the southernmost state of Brazil, Rio Grande do Sul, along the coast of the Atlantic Ocean. The tenements are held by RGM.

A Pre-Feasibility Study (PFS) for the Project is also currently underway via experienced engineering and mineral sands consultancy Hatch, which will include relevant development options for the Project. It is expected that PFS activities will be completed in 2026 and aligned with Mineral Resource estimation activities.

Sheffield's first tranche contribution of US$1m to RGM was made in March 2023. During the June 2024 quarter, Sheffield contributed a further US$1.5m in favour of RGM, and in July 2025 Sheffield contributed a further US$0.5m bringing total contributions to date totalling US$3m to fund exploration and development activities.

The Group's exploration and evaluation assets is as follows:

	2026 $'000	2025 $'000
Non-current assets		
Exploration and evaluation assets – at cost	3,774	3,774
Expenditure incurred	772	-
	4,546	**3,774**

14. TRADE AND OTHER PAYABLES

Trade and other payables represent unsecured liabilities for goods and services provided to the Group. These amounts have 30 to 60-day payment terms.

The Group's trade and other payables are as follows:

	2026 $'000	2025 $'000
LIABILITIES		
Current liabilities		
Trade payables	135	29
Other payables	47	87
	182	**116**

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15. ISSUED CAPITAL

Ordinary shares are classified as equity. Costs attributable to the issue of new shares or options are shown in equity as a deduction, net of tax.

Reconciliation of movements in issued capital is as follows:

	2026		2025	
	Number	$'000	Number	$'000
Opening balance at the beginning of the year	394,804,950	156,224	393,169,907	155,674
Performance rights redeemed as shares[1]	722,352	398	-	-
Performance rights redeemed as shares[2]	-	-	1,635,043	550
	395,527,302	**156,622**	**394,804,950**	**156,224**

Note 1: On 8 August 2025, Sheffield issued 722,352 fully paid ordinary shares for nil consideration to employees of Sheffield. The shares were issued upon vesting and exercise of performance rights. The consideration has been transferred from Reserves.
Note 2: On 9 August 2024, Sheffield issued 1,635,043 fully paid ordinary shares for nil consideration to a director of Sheffield. The shares were issued upon vesting and exercise of performance rights. The consideration has been transferred from Reserves.

16. RESERVES

The Company provides benefits to employees (including Directors) in the form of share-based payments whereby employees render services in exchange for shares or rights over shares (share-based payments). The cost of these share-based payments with employees is measured by reference to the fair value at the date they are granted. The value is determined using an appropriate valuation model.

The cumulative expense is recognised for share-based payments at each reporting date until vesting date and reflects the extent to which the vesting period has expired and the number of awards, that will ultimately vest. No expense is recognised for awards that do not ultimately vest, except for awards where vesting is conditional upon a market condition.

Where the terms of a share-based payment are modified, as a minimum an expense is recognised as if the terms had not been modified. In addition, an expense is recognised for any increase in the value of the transaction as a result of the modification as measured at the date of modification.

Where a share-based payment is cancelled (other than cancellation when a vesting condition has not been satisfied), it is treated as if it had vested on the date of cancellation and any expense not yet recognised for the award is recognised immediately. However, if a new award is submitted for the cancelled award and designated as a replacement award on the date that it is granted, the cancelled and new awards are treated as if they were a modification of the original award, as described in the previous paragraph.

Reconciliation of movements in reserves is as follows:

	2026	2025
	$'000	$'000
Equity Reserve		
Opening balance at the beginning of the year	13,965	14,032
Performance rights redeemed as shares (transferred to Issued Capital)	(398)	(550)
Share-based payments expenses	510	483
	14,077	**13,965**

Employee share option plan

Employees of the Group (including Directors) may be issued with options over ordinary shares of Sheffield. Options are issued for nil consideration and are subject to performance criteria established by the Directors of Sheffield. The objective of the grant of options to employees is to assist in the recruitment, retention, reward and motivation of the employees of the Group.

Options granted may be exercised at any time from the date of vesting to the date of expiry. The exercise price for employee options granted under the Employee Share Option Plan will be fixed by the Directors prior to the grant of the option. Each employee share option converts to one fully paid ordinary share of Sheffield. The options do not provide any dividend or voting rights and are not quoted on the Australian Securities Exchange.

The following options were in place at the end of the year:

Expiry date	Grant date	Exercise price	Number under options
30 October 2026	25 November 2021	$0.33	214,200
30 November 2026	22 November 2022	$0.84	480,000
			694,200

The weighted average remaining contractual life of the options outstanding as at 30 June 2026 is 1.19 years (2025: 1.84 years).

Movement in options

	2026		2025	
Options	**Options number**	**Weighted average exercise price**	**Options number**	**Weighted average exercise price**
Outstanding at the beginning of the year	2,060,986	$0.66	2,546,786	$0.54
Granted during the year	-	-	-	-
Exercised during the year	-	-	-	-
Lapsed during the year	(1,366,786)	$0.64	(485,800)	$0.33
Cancelled during the year	-	-	-	-
Outstanding at the end of the year	**694,200**	**$0.68**	**2,060,986**	**$0.66**
Exercisable at the end of the year	**694,200**	**$0.68**	**1,174,200**	**$0.67**

Employee incentive plan

The Employee Incentive Plan was established to enable employees of the Group (including Directors) to be issued with performance rights entitling each participant to a fully paid ordinary share. The performance rights issued for nil consideration are issued in accordance with the terms and conditions approved at a General Meeting by shareholders and in accordance with performance criteria established by the Directors. The objective of the Employee Incentive Plan is to assist in the recruitment, reward, retention and motivation of employees of the Group.

Employees do not possess any rights to participate in the Employee Incentive Plan as participation is solely determined by the Directors. Performance rights convert to one fully paid ordinary share in Sheffield at an exercise price of nil upon meeting certain non-market-based performance conditions. The performance rights do not provide any dividend or voting rights and are not quoted on the Australian Securities Exchange. If an employee ceases to be employed by the Group within the period, the unvested performance rights will be forfeited.

The following performance rights were in place and are subject to the Company Performance Rights plan:

Expiry date	Grant date	Exercise price	Number under rights
30 October 2026	25 November 2021	Nil	1,649,023
1 December 2027	22 November 2022	Nil	119,023
1 December 2028	22 November 2023	Nil	19,014
30 August 2029	20 November 2024	Nil	2,648,811
30 August 2028	08 August 2025	Nil	194,857[1]
30 August 2030	08 August 2025	Nil	456,133[1]
1 December 2030	21 November 2025	Nil	512,962[1]
1 December 2030	21 November 2025	Nil	3,906,250[1]
			9,506,073

Note 1: Performance rights issued during the year as part of remuneration to Key Management Personnel, as approved by the 2025 Annual General Meeting of Shareholders. Detailed disclosures regarding vesting conditions of the Performance Rights are also set out in the Remuneration Report, which forms part of the Directors' Report.

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The table lists the inputs to the model for rights issued during the year:

Number	667,734	1,031,953	1,031,953	1,171,875	1,953,125	1,953,125
Expiry date	30 June 28	30 June 30	30 June 30	30 June 28	30 June 30	30 June 30
Grant date	08 Aug 25	08 Aug 25	08 Aug 25	21 Nov 25	21 Nov 25	21 Nov 25
Vesting date	30 Jun 26	30 Jun 28	30 Jun 28	30 Jun 26	30 Jun 28	30 Jun 28
Exercise price	Nil	Nil	Nil	Nil	Nil	Nil
Dividend yield	0%	0%	0%	0%	0%	0%
Expected volatility	60%	60%	60%	60%	60%	60%
Risk-free interest rate	3.32%	3.32%	3.32%	3.68%	3.68%	3.68%
Expected life of rights	2.00	4.00	4.00	2.00	4.00	4.00
Grant date share price	$0.16	$0.16	$0.16	$0.07	$0.07	$0.07
Fair value at grant date	$0.16	$0.10	$0.12	$0.07	$0.02	$0.03

The weighted average remaining contractual life of the performance rights as at 30 June 2026 is 2.95 years (2025: 3.08 years).

Movement in performance rights

	2026		2025	
Rights	**Performance rights number**	**Weighted average fair value at grant date**	**Performance rights number**	**Weighted average grant price**
Outstanding at the beginning of the year	6,198,234	$0.43	4,241,585	$0.40
Granted during the year	7,809,765	$0.11	4,093,320	$0.11
Exercised during the year	(722,352)	$0.55	(1,635,043)	$0.34
Lapsed during the year	(3,779,574)	$0.13	(313,191)	$0.61
Forfeited/Cancelled during the year	-	-	(188,437)	-
Outstanding at the end of the year	**9,506,073**	**$0.12**	**6,198,234**	**$0.43**
Exercisable at the end of the year	2,617,990	$0.27	**2,293,352**	**$0.50**

17. LOSS PER SHARE

Basic earnings per share is determined by dividing the profit after income tax by the weighted average number of ordinary shares outstanding during the year.

Diluted earnings per share adjusted the figures used in the determination of basic earnings per share by taking into account amounts unpaid on ordinary shares and any reduction in earnings per share that will probably arise from the exercise of partly paid shares or options outstanding during the year.

The conversion of options and performance rights to shares for purposes of dilutive calculation is not required when the Group is in a loss position because the conversion would cause the loss position to decrease.

The Company's basic and diluted loss per share are as follows:

	2026	2025
	Cents per share	**Cents per share**
From continuing operations		
Basic earnings per share	(13.32)	(5.59)
Diluted earnings per share[1]	(13.32)	(5.59)

Note 1: The potential ordinary shares are anti-dilutive so no change was made to the basic earnings per share.

The loss after income tax used in the calculation is as follows:

	2026 $'000	2025 $'000
Earnings used in calculating earnings per share – continuing operations		
Loss after income tax	(52,672)	(22,050)

The weighted average number of shares used in the calculation is as follows:

	2026 Number	2025 Number
Weighted average number of shares used as denominator		
Weighted average number of ordinary shares for basic earnings per share	**395,450,119**	**394,625,767**
Effects of dilution from:		
- Options	-	-
- Performance rights	-	4,870,978
Weighted average number of ordinary shares for diluted earnings per share	**395,450,119**	**399,496,745**

18. RELATED PARTIES

Loans to subsidiaries

Loans made by Sheffield to its controlled entities are made to meet required expenditure. The loans are payable on demand and are not interest bearing.

Transactions with other related parties

Ozscot Trust (Ozscot) provides general consultancy services to the Group. Mr Cowe is a director of Ozscot and also serves as Non-Executive Director of Sheffield. The total amount paid to Ozscot during the year was $53,329 (2025: $39,999). The payment was disclosed in the Key Management Personnel remuneration disclosure table, which forms part of the Directors' Report.

19. KEY MANAGEMENT PERSONNEL

The Key Management Personnel of the Group are as follows:

Name	Position
Non-Executive Directors	
John Richards	Lead Independent Director - Resigned on 21 May 2026
Ian Macliver	Non-Executive Director
Gordon Cowe	Non-Executive Director
Vanessa Kickett	Non-Executive Director
Senior Executive KMPs	
Bruce Griffin	Executive Chair
Mark Di Silvio	Chief Financial Officer and Company Secretary - Resigned on 28 February 2026

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The aggregate compensation made to the Key Management Personnel of the Group is as follows:

	2026 $	2025 $
Short-term employee benefits and incentives	1,360,033	1,367,782
Post-employment benefits	59,492	68,100
Share-based payments expenses	509,367	482,936
	1,928,892	**1,918,818**

Other Key Management Personnel Transactions with The Company

There were no other Key Management Personnel transactions with the Company other than the fees paid to Ozscot Trust as detailed in Note 18.

Loans to Key Management Personnel

No loans were granted to Key Management Personnel during the year.

20. COMMITMENTS

Kimberley Mineral Sands Pty Ltd Joint Venture

Kimberley Mineral Sands Pty Ltd (KMS) became jointly owned by Sheffield and YGH Australia Investment Pty Ltd (Yansteel) as at 12 March 2021. The Thunderbird mineral sands project (Thunderbird) was previously held by Sheffield through its 100% owned subsidiary KMS prior to the formation of the joint venture. The project is located in north-west Western Australia. Sheffield's interest in KMS is accounted for using the equity method in the financial statements. Please refer to Note 8 for additional information. KMS reported exploration commitments of $1.1m for 2026 (2025: $1.7m).

The Group has no other commitment as at 30 June 2026 (2025: nil).

21. CONTINGENT LIABILITIES

Sheffield and Yansteel are sponsors and guarantors to the KMS Senior Secured loan facilities. Refer to note 1(c) for further information.

The Group has no other contingent liabilities as at 30 June 2026 (2025: nil).

22. EVENTS SUBSEQUENT TO REPORTING PERIOD

On 1 September 2026, the Company announced that KMS, Sheng Feng and NAIF have agreed a further wavier and deferral arrangement in relation to the December 2025, March 2026, and June 2026 interest and principal repayment obligations and various covenant waivers associated with the senior secured facilities, until 30 September 2026. The current deferral and waiver has been agreed to allow time for KMS, Sheng Feng and NAIF to complete negotiations on a Standstill Agreement ("Standstill") that would seek to defer KMS's debt obligations until 30 June 2027.

There has been no other matter or circumstance that has arisen after balance date that has significantly affected, or may significantly affect, the operations of the Group, the results of those operations, or the state of affairs of the Group in future financial periods.

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23. PARENT ENTITY

	2026 $'000	2025 $'000
Assets		
Current assets	4,184	7,123
Non-current assets (include intercompany loan)	60,400	109,683
Total assets	**64,584**	**116,806**
Liabilities		
Current liabilities	182	243
Non-current liabilities	-	-
Total liabilities	**182**	**243**
Net assets	**64,402**	**116,563**
Equity		
Issued capital	156,622	156,224
Reserves	14,077	13,965
Accumulated losses	(106,298)	(53,626)
Total equity	**64,401**	**116,563**
Financial performance		
Profit / (Loss) after income tax	(52,672)	(22,050)
Other comprehensive income	-	-
Total comprehensive income / (loss), net of tax	**(52,672)**	**(22,050)**

24. REMUNERATION OF AUDITORS

The auditor of Sheffield is HLB Mann Judd.

	2026 $	2025 $
HLB		
Amounts received or receivable for audit or review of the financial report of the entity	106,157	50,591
	106,157	**50,591**

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CONSOLIDATED ENTITY DISCLOSURE STATEMENT

As at 30 June 2026

Basis of preparation

This consolidated entity disclosure statement has been prepared in accordance with the s295(3A)(a) of the Corporations Act 2001 and includes the required information for Sheffield Resources Limited and the entities it controls in accordance with AASB 10 Consolidated Financial Statements.

	Entity type	Country of incorporation	Tax residency	Ownership interest
Sheffield Resources Limited (parent)	Body corporate	Australia	Australia	N/A
Sheffield Exploration (WA) Pty Ltd	Body corporate	Australia	Australia	100%
Sheffield Brazil Holdings Pty Ltd	Body corporate	Australia	Australia	100%
Sheffield Brazil Investments Pty Ltd	Body corporate	Australia	Australia	100%

At the end of the financial year, no entity within the consolidated entity was a trustee of a trust within the consolidated entity, a partner in a partnership within the consolidated entity, or a participant in a joint venture within the consolidated entity.

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DIRECTORS' DECLARATION

1. In the opinion of the Directors of the Company:
   a. the accompanying financial statements and notes are in accordance with the Corporations Act 2001 including:
      i. giving a true and correct view of the Group's financial position as at 30 June 2026 and of its performance for the year ended 30 June 2026; and
      ii. complying with Australian Accounting Standards, the Corporations Regulations 2001, professional reporting requirements and other mandatory requirements.
   b. the consolidated entity disclosure statement is true and correct.
   c. there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.
   d. the financial statements and notes thereto are in accordance with International Financial Reporting Standards issued by the International Accounting Standards Board.
2. This declaration has been made after receiving the declarations required to be made to the Directors in accordance with Section 295A of the Corporations Act 2001 for the year ended 30 June 2026.

This declaration was signed in accordance with a resolution of the Board of Directors.



Bruce Griffin

Executive Chair

Perth, Western Australia

30 September 2026

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INDEPENDENT AUDITOR'S REPORT

To the Members of Sheffield Resources Limited

Report on the Audit of the Financial Report

Opinion

We have audited the financial report of Sheffield Resources Limited ("the Company") and its controlled entities ("the Group"), which comprises the consolidated statement of financial position as at 30 June 2026, the consolidated statement of profit or loss and other comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the year then ended, notes to the consolidated financial statements, including material accounting policy information, the consolidated entity disclosure statement and the directors' declaration.

In our opinion, the accompanying financial report of the Group is in accordance with the *Corporations Act 2001*, including:

(a) giving a true and fair view of the Group's financial position as at 30 June 2026 and of its financial performance for the year then ended; and

(b) complying with Australian Accounting Standards and the *Corporations Regulations 2001*.

Basis for Opinion

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Report* section of our report. We are independent of the Group in accordance with the auditor independence requirements of the *Corporations Act 2001* and the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)* ("the Code") that are relevant to audits of the financial report of public interest entities in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Material Uncertainty Related to Going Concern

We draw attention to Note 2(c) in the financial report, which indicates that a material uncertainty exists that may cast significant doubt on the Group's ability to continue as a going concern. Our opinion is not modified in respect of this matter.

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Key Audit Matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial report of the current period. These matters were addressed in the context of our audit of the financial report as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

In addition to the matter described in the *Material Uncertainty Related to Going Concern* section, we have determined the matters described below to be the key audit matters to be communicated in our report.

Key Audit Matter	How our audit addressed the key audit matter
Carrying amount of the Group's interest in the Kimberley Mineral Sands Pty Ltd Joint Venture Note 8 in the financial statements	
The carrying amount of the Group's equity accounted investment in Kimberley Mineral Sands Pty Ltd at 30 June 2026 was $55.85 million, and the Group recognised a share of joint venture loss of $50.73 million for the year. The accounting for the investment and the assessment of its recoverability were key audit matters because of the financial significance of the investment and the loss recognised during the year. In addition, the assessment of the recoverable amount of the investment involved significant judgement in forecasting the future operating performance and cash flows of the Thunderbird Mineral Sands Project, the financing cash flows and amounts potentially available for distribution to the joint venture participants, and the discount rate applied to those cash flows. The recoverability assessment was also made in circumstances where the joint venture was negotiating a standstill and potential restructuring of its senior debt facilities. The outcome of those negotiations was not finalised at the date of our auditor's report.	Our audit procedures included but were not limited to the following: • evaluated the Group's accounting for the joint venture and agreeing the Group's share of the joint venture's result to the audited financial statements of Kimberley Mineral Sands Pty Ltd; • assessed whether indicators of impairment existed and evaluated management's methodology for determining the recoverable amount of the investment against the requirements of Australian Accounting Standards; • evaluated the significant operating assumptions used in the underlying life-of-mine cash flow model with reference to the audit work performed in respect of Kimberley Mineral Sands Pty Ltd and other supporting information; • assessed the financing cash flows reflected in the model, including forecast interest, senior debt repayments, royalties and the residual cash flows available for distribution to the joint venture participants; • assessed the discount rate applied to the forecast cash flows; and • assessed the adequacy of the related disclosures in the financial report.

Other Information

The directors are responsible for the other information. The other information comprises the information included in the Group's annual report for the year ended 30 June 2026, but does not include the financial report and our auditor's report thereon.

Our opinion on the financial report does not cover the other information and accordingly we do not express any form of assurance conclusion thereon.

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In connection with our audit of the financial report, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial report, or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the Directors for the Financial Report

The directors of the Company are responsible for the preparation of:

(a) the financial report (other than the consolidated entity disclosure statement) that gives a true and fair view in accordance with Australian Accounting Standards and the *Corporations Act 2001*; and

(b) the consolidated entity disclosure statement that is true and correct in accordance with the *Corporations Act 2001*, and

for such internal control as the directors determine is necessary to enable the preparation of:

(a) the financial report (other than the consolidated entity disclosure statement) that gives a true and fair view and is free from material misstatement, whether due to fraud or error; and

(b) the consolidated entity disclosure statement that is true and correct and is free from material misstatement, whether due to fraud or error.

In preparing the financial report, the directors are responsible for assessing the ability of the Group to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Group or to cease operations, or have no realistic alternative but to do so.

Auditor's Responsibilities for the Audit of the Financial Report

Our objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this financial report.

As part of an audit in accordance with the Australian Auditing Standards, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.

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- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or safeguards applied.

From the matters communicated with the directors, we determine those matters that were of most significance in the audit of the financial report of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

REPORT ON THE REMUNERATION REPORT

Opinion on the Remuneration Report

We have audited the Remuneration Report included within the Directors' Report for the year ended 30 June 2026.

In our opinion, the Remuneration Report of Sheffield Resources Limited for the year ended 30 June 2026 complies with Section 300A of the *Corporations Act 2001*.

Responsibilities

The directors of the Company are responsible for the preparation and presentation of the Remuneration Report in accordance with Section 300A of the *Corporations Act 2001*. Our responsibility is to express an opinion on the Remuneration Report, based on our audit conducted in accordance with Australian Auditing Standards.

HLB Mann Judd
Chartered Accountants

D I Buckley
Partner

Perth, Western Australia
30 September 2026

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SHAREHOLDER INFORMATION

The Company was admitted to the official list of ASX on 15 December 2010. The shareholder information set out below was applicable as at 10 September 2026.

DISTRIBUTION OF EQUITY SECURITIES

Spread of Holdings	Total holders	Number held
1 – 1,000	253	98,644
1,001 – 5,000	543	1,537,106
5,001 – 10,000	297	2,405,184
10,001 – 100,000	921	33,677,836
100,001 and over	375	358,321,494
	2,389	**396,040,264**

Unmarketable parcels amount to 4,412,898 shares held by 1,128 shareholders.

SUBSTANTIAL SHAREHOLDERS

Ordinary shareholders – fully paid ordinary shares	Number held	Percentage %
YGH AUSTRALIA INVESTMENT PTY LTD	38,870,771	9.8%
BNP PARIBAS NOMS (NZ) LTD	38,624,399	9.8%
	77,495,170	**19.6%**

RESTRICTED SECURITIES

There were no restricted securities.

VOTING RIGHTS

All ordinary shares carry one vote per share without restriction. Options for ordinary shares do not carry any voting rights.

UNLISTED OPTIONS

Expiry date	Grant date	Exercise price	Number under options
30 October 2026	25 November 2021	$0.33	214,200
30 November 2026	22 November 2022	$0.84	480,000
Total			**694,200**

UNLISTED PERFORMANCE RIGHTS

Expiry date	Grant date	Exercise price	Number under options
30 October 2026	25 November 2021	Nil	1,649,023
1 December 2027	22 November 2022	Nil	119,023
1 December 2028	22 November 2023	Nil	19,014
29 November 2027	29 November 2024	Nil	123,111
29 November 2029	29 November 2024	Nil	2,525,699
08 August 2028	08 August 2025	Nil	194,857
08 August 2030	08 August 2025	Nil	456,133
01 December 2030	01 December 2025	Nil	3,906,250
Total			**8,993,110**

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TWENTY LARGEST SHAREHOLDERS

Details of the twenty largest shareholders by registered shareholding are as follows:

Ordinary shareholders – fully paid ordinary shares	Number held	Percentage %
YGH AUSTRALIA INVESTMENT PTY LTD	38,870,771	9.8%
BNP PARIBAS NOMS (NZ) LTD	38,624,399	9.8%
UBS NOMINEES PTY LTD	13,695,112	3.5%
TUCARNDI PTY LTD	13,000,000	3.3%
HSBC CUSTODY NOMINEES (AUSTRALIA) LIMITED	12,489,720	3.2%
BNP PARIBAS NOMINEES PTY LTD	10,951,899	2.8%
BRAZIL FARMING PTY LTD	9,982,584	2.5%
MR WILLIAM BURBURY	7,474,000	1.9%
BNP PARIBAS NOMS PTY LTD	7,192,740	1.8%
CENTENNIAL FOUNDA MANAGEMENT PTY LTD	6,793,833	1.7%
SATORI INTERNATIONAL PTY LTD	6,113,816	1.5%
J P MORGAN NOMINEES AUSTRALIA PTY LIMITED	6,052,127	1.5%
MR BRUCE MORRISON MCQUITTY	6,000,000	1.5%
MRS DEANA JULIA BUSCH & MR GAVIN JOHN BUSCH	4,931,039	1.2%
ARCHER ENTERPRISES (WA) PTY LTD	4,900,000	1.2%
FRANICA MARIA YOVICH	4,897,540	1.2%
MS DONGLING CHEN	4,767,757	1.2%
EST WALTER MICK GEORGE YOVICH	4,740,204	1.2%
CITICORP NOMINEES PTY LIMITED	4,026,537	1.0%
CLARKSON'S BOATHOUSE PTY LTD	3,216,467	0.8%
Total	**208,720,545**	**52.7%**

TENEMENT SCHEDULE

Kimberley Mineral Sands Pty Ltd Joint Venture (Sheffield interest – 50%)[1]

Project	Tenement	Holder	Interest	Location	Status
Mineral Sands	E04/2083	Thunderbird Operations Pty Ltd	100%	Canning Basin	Granted
Mineral Sands	E04/2084	Thunderbird Operations Pty Ltd	100%	Canning Basin	Granted
Mineral Sands	E04/2171	Thunderbird Operations Pty Ltd	100%	Canning Basin	Granted
Mineral Sands	E04/2456	Thunderbird Operations Pty Ltd	100%	Canning Basin	Granted
Mineral Sands	E04/2494	Thunderbird Operations Pty Ltd	100%	Canning Basin	Granted
Mineral Sands	E04/2509	Thunderbird Operations Pty Ltd	100%	Canning Basin	Granted
Mineral Sands	E04/2540	Thunderbird Operations Pty Ltd	100%	Canning Basin	Granted
Mineral Sands	M04/459	Thunderbird Operations Pty Ltd	100%	Canning Basin	Granted
Mineral Sands	L0/82	Thunderbird Operations Pty Ltd	100%	Canning Basin	Granted
Mineral Sands	L0/83	Thunderbird Operations Pty Ltd	100%	Canning Basin	Granted
Mineral Sands	L0/85	Thunderbird Operations Pty Ltd	100%	Canning Basin	Granted
Mineral Sands	L0/86	Thunderbird Operations Pty Ltd	100%	Canning Basin	Granted
Mineral Sands	L0/92	Thunderbird Operations Pty Ltd	100%	Canning Basin	Granted
Mineral Sands	L0/93	Thunderbird Operations Pty Ltd	100%	Canning Basin	Granted

Note 1: Thunderbird Operations Pty Ltd is a wholly owned subsidiary of Kimberley Mineral Sands Pty Ltd (KMS). KMS is a 50/50 joint venture between Sheffield Resources Ltd and YGH Australia Investment Pty Ltd (Yansteel). Please refer to ASX announcement on 12 March 2021 for further details.

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