



ASX: HFR

24 June 2022

Construction Licence Granted for Muga Project's Mine Gate and Declines

HIGHLIGHTS

- Highfield has received the licence for the construction of the Muga project mine gate and the declines from the local authority – the Townhall of Undués de Lerda (“Undués”) in Aragón.
- Initial on-ground preparatory works are expected to commence in the next few days at the mine gate.

Highfield Resources Limited (“Highfield” or the “Company”) is pleased to announce that the Townhall of Undués de Lerda in Aragón has issued the licence for the construction of the mine gate (see Figure 2) and the two underground declines (see Figure 3).

The local Townhalls (councils) of Undués de Lerda (Aragón) and Sangüesa (Navarra) (see Figure 1) are the responsible approving authorities for the mine gate and the process plant construction licences respectively. Following on from the grant of the mining concession last year, these two licences are essential for the construction of the Muga project (the “Project”).

In anticipation of receiving the licence from Undués, the Company had already tendered and contracted the initial works and plans to start initial on-ground construction works in the next few days at the mine gate.

The construction of the declines is on the critical path of the Muga project’s development timetable and, therefore, starting construction of the declines before the plant improves the Company’s internal construction plan. While starting the work in Undués, the Company continues to maintain its active engagement with the Townhall of Sangüesa and the Government of Navarra to complete the licencing process for the plant.

Ignacio Salazar, CEO, commented: *“The grant of this construction licence in Aragón for the mine gate and the declines arrives at a time when the project and its financing are well advanced, and the geopolitical situation demands the start of Muga as soon as possible. This is a pivotal milestone for the project which allows us to start the construction of Muga in the next few days with the initial works around the mine gate. While we start construction, the Company will focus on completing the financing and finalising the licencing process in Navarra. With this licence from Aragón, Highfield is now one big step closer to building the next European potash mine at Muga.”*

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This announcement has been authorised for release by the Directors of Highfield Resources Limited

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About Highfield Resources

Highfield Resources is an ASX listed potash company which is focussing on the construction of its flagship low cost, low capex Muga project in Spain having been granted the Mining Concession in July 2021 and now the mine gate and declines construction licence in June 2022.

Muga is a unique project – with shallow mineralization with no aquifers above it there is no need to build a shaft. There is quality and readily accessible infrastructure already in place in the region and importantly, the Muga project is located in the heart of a European agricultural region which has a clear deficit in potash supply. In addition to its secure southern European location, recent events in Russia and Belarus have increased the awareness of the strategic value of the Muga project for both Spain and the European Union.

Highfield’s potash tenements (Muga-Vipasca, Pintanos, and Sierra del Perdón) are located in the Ebro potash producing basin in Northern Spain, covering an area of around 250km².

LOCATION OF MUGA-VIPASCA, PINTANOS, AND SIERRA DEL PERDÓN TENEMENT AREAS IN NORTHERN SPAIN.

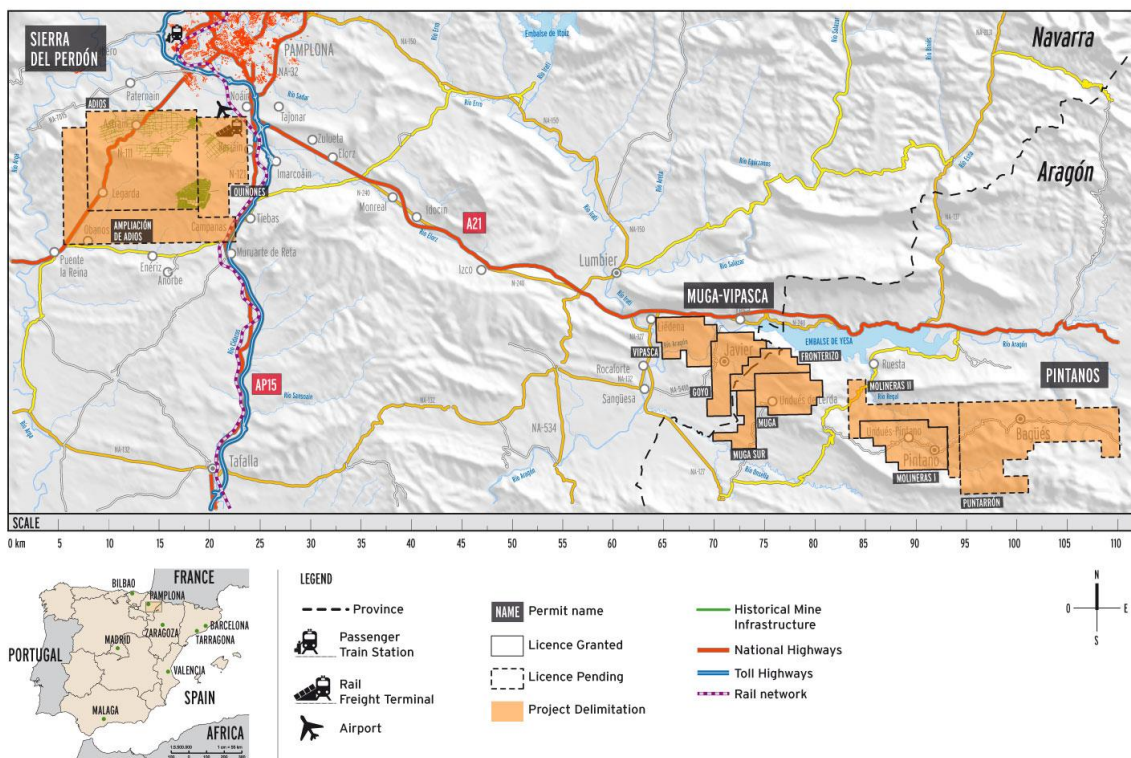




FIGURE 1: LOCATION OF THE MUGA PROJECT'S LICENCES IN UNDUE'S AND SANGÜESA

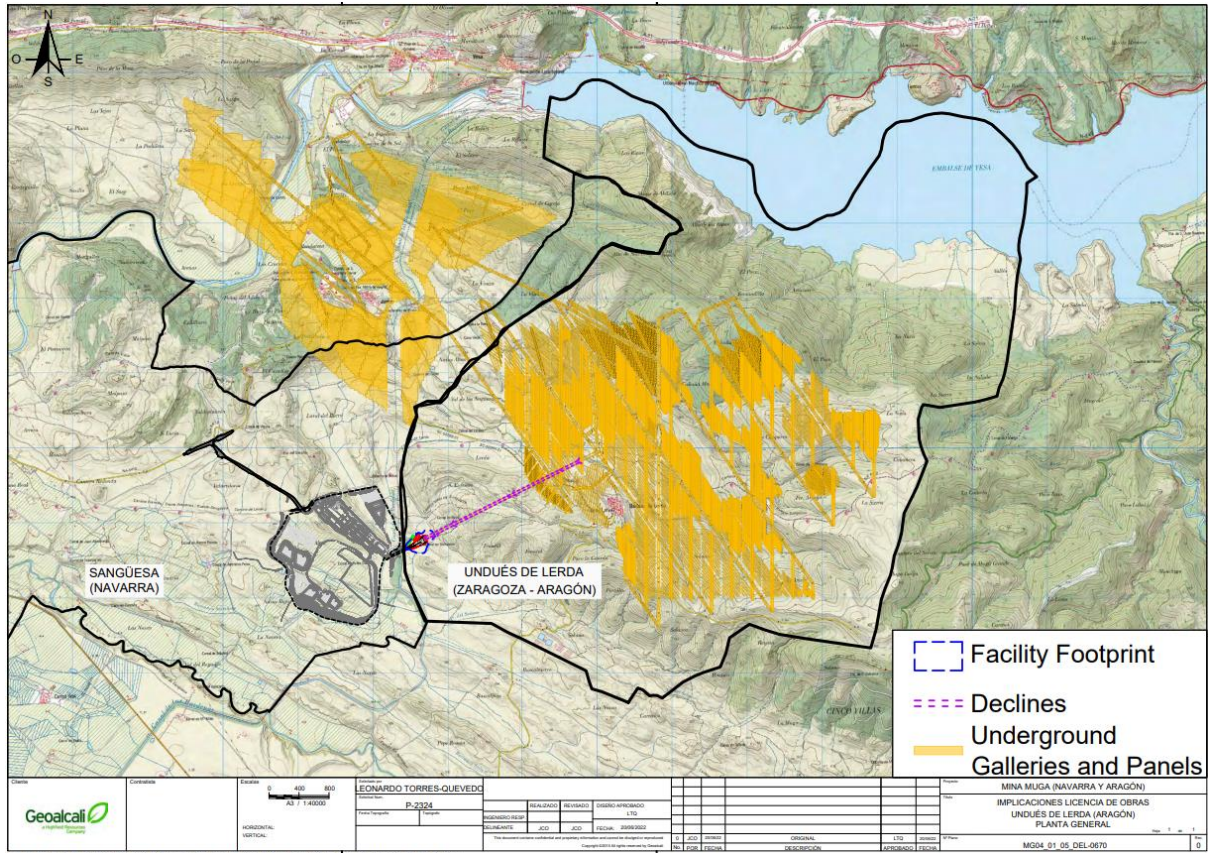


FIGURE 2: 3D REPRESENTATION OF THE MUGA PROJECT'S MINE GATE





FIGURE 3: 3D REPRESENTATION OF THE MUGA PROJECT'S DECLINES

