



ASX: HFR

30 June 2022

Construction Starts at the Muga Potash Mine

HIGHLIGHTS

- Initial construction work starts at the Muga Mine after receiving the construction licence in Aragón
- Investor call to be held on Thursday 30 June 2022 at 3:00pm AEST

Highfield Resources Limited (“Highfield” or the “Company”) is pleased to announce that initial construction work at the Muga Mine (“Muga” or the “Mine”) has started after the Townhall of Undués de Lerda in Aragón issued the licence for the construction of the mine gate and the declines.

The Company has signed a construction contract with Acciona Construcción S.A. (“Acciona”) for these initial works which cover (see Figure 1):

- Fencing of the plot;
- Installation of the above ground construction staff facilities;
- Clearing and stockpiling of topsoil;
- Excavation of the mine entrance;
- Formation of embankments; and
- Stabilisation of the slopes with bolts and gunite (dry gun shotcrete).

Ignacio Salazar, CEO, commented: “We start construction at Muga with a great sense of responsibility towards our shareholders, our staff and collaborators, the banks, the community, the authorities and all stakeholders who have helped us to get to this pivotal point. We are receiving a significant endorsement from leading international banks in the financing process in this time of extreme geopolitical instability around potash supply, especially in Europe. We are working closely with the authorities and especially Navarra and Sangüesa to finalize the licensing there and will be reporting back to the market as we progress through construction.”

ASX ANNOUNCEMENT



Investor Call, Thursday, 30 June 2022 – Highfield Resources is hosting a conference call to discuss the start of construction and the receipt of the licence for the construction of Muga’s mine gate and the declines from the Townhall of Undués de Lerda in Aragón.

Event: Highfield Resources (ASX: HFR) Investor Conference Call.

Date/Time: Thursday, 30 June at 3:00pm AEST.

Presenters: Ignacio Salazar, CEO; Olivier Vadillo, Head of Investor Relations; and Paul Harris, Chairman.

To register for the webinar, please follow this link:

https://us02web.zoom.us/webinar/register/WN_cEoLG1x3TYetHHptUIWgUQ

Investors are invited to submit questions via the Q&A function within Zoom, or prior to the webinar by sending them to alexc@nwrcommunications.com.au

-ENDS-

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

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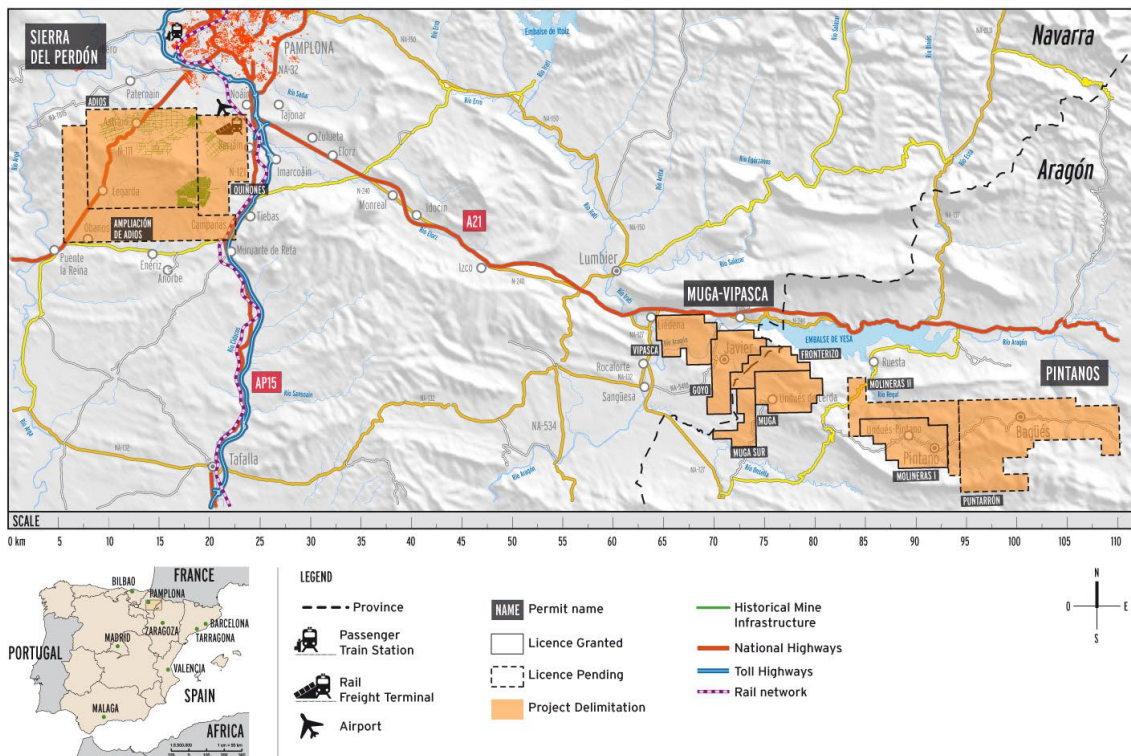
About Highfield Resources

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.



Highfield Resources

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FIGURE 1: MAP OF THE INITIAL WORKS.

