

ASX: HFR

1 July 2022

Government of Navarra officially launches the Muga Community Initiative to help promote local development

Highfield Resources Limited ("Highfield" or the "Company") is pleased to announce that the Muga Community Initiative ("Comunidad Muga" in Spanish) a new public-private partnership created to help promote local development around the Muga Potash Mine ("Muga" or the "Mine") has been officially launched by the Government of Navarra (see Photo 1 below).

The Muga Community Initiative is a pioneering social development project. It encourages and facilitates collaboration and involvement between the local public administrations and the private sector. The launch of the initiative follows the start of construction activities at Muga. This initiative is the direct result of the Government of Navarra's 2021 Social Baseline Study of Muga.

At the launch the Managing Director of the department of Local Administration and Depopulation of the Government of Navarra, Mr Jesús María Rodríguez, explained that the Initiative's aim is "to promote the local development of the Sangüesa region, guaranteeing the settlement of the population and the emergence of new opportunities for the economic area of the Mine and its inhabitants, from a collective vision". The launch event was also attended by Ms Miriam Martón, Managing Director of the Navarra Employment Service; Mr Tomás Rodríguez, Director General of Vocational Training; Mr Luis Campos, Director General of the Social Reality Observatory; Mr Eneko Larrarte, Director General of Housing; and local community Mayors.

Through the Muga Community Initiative the Government aims to maximise the socio-economic impact the Mine will have on the local area and to contribute as a partner with the coordination and implementation of four sectoral commissions to address the issues of training and employment, infrastructure, community services and socio-cultural resources.

Ignacio Salazar, CEO, commented: "We congratulate the Government of Navarra for taking the leadership in initiatives like Comunidad Muga. As we are starting construction, the Muga Community partnership arrives at the right time to maximise the socio-economic benefits of the Project in the community. This partnership demonstrates once more the continued support at all levels from the Government of Navarra and the local authorities and communities to Muga."

-ENDS-

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

Highfield Resources

ACN 153 918 257 ASX: HFR **Head Office**

Avenida Carlos III, 13 - 1°B 31002 Pamplona, Spain | +34 948 050 577







For more information:

Highfield Resources Limited

Ignacio Salazar – Chief Executive Officer

Ph: +34 948 050 577

Olivier Vadillo - Investor Relations

Ph: +34 609 811 257

Australia based queries:

Alex Cowie - NWR Communications - Director

Ph: +61 (0) 412 952 610





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.

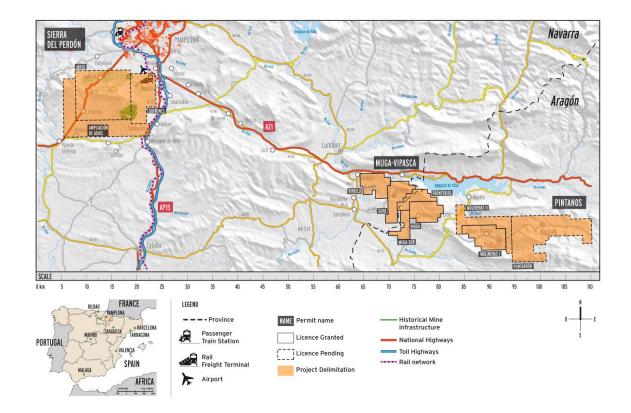






PHOTO1: PARTICIPANTS AT THE OFFICIAL LAUNCH OF THE MUGA COMMUNITY INITIATIVE.



Mr Jesús María Rodríguez (2nd from the left on the top row), Managing Director of the department of Local Administration and Depopulation of the Government of Navarra; Ms Miriam Martón (1st from the left on the top row), Managing Director of the Navarra Employment Service; Mr Tomás Rodríguez (5th from the left on the top row), Director General of Vocational Training; Mr Luis Campos (2nd from the right on the top row), Director General of the Social Reality Observatory; Mr Eneko Larrarte (4th from the left on the top row), Director General of Housing; local communities Mayors and the Highfield team.

