



Highfield Resources Welcomes Government Support for Muga Potash Project and Resolution of Goyo Permit Matter

Highfield Resources Ltd (ASX:HFR) (**Highfield** or the **Company**) is pleased to acknowledge the continued commitment of the Government of Navarra and the Spanish authorities to the Muga Potash Project, including proactive efforts to resolve a procedural matter related to the Goyo Mining Concession.

A recent ruling by the Superior Court of Justice of Navarra (**TSJN**) identified a procedural issue in the coordination process between the Government of Navarra and the Spanish central government regarding the approval of the Goyo concession (refer ASX 27 October 2024, "Goyo Mining Concession Update"). Importantly, the ruling does not question the validity of the concession itself.

In a recent note published by the Government of Navarra, it was stated that both President (of Navarra) Ms. Chivite and Vice President (of Spain) Ms. Aagesen have agreed that the central and Navarra governments should continue working together to promote Mina Muga.

Highfield has been informed by Government sources that the procedural matter raised by the TSJN can be resolved within the framework of competencies shared between the central government and Navarra and that authorities have already defined a clear roadmap to rectify the situation in a way that ensures the timely construction of Muga Mine.

The President of Navarra, Ms Maria Chivite was quoted as saying "*that it (Muga) is the largest mining project in Spain, with an investment of 150 million euros and plans to invest 700 million euros more to complete its construction. It should be noted that the promotion of this project will mean the creation of 800 jobs, an industrial development that has the participation of important international investors.*"

Highfield Resources remains confident in the strong government backing for Muga and the swift resolution of the Goyo permit matter.

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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 planning on commencing full scale construction of its flagship high margin, low capex Muga Project in Spain having finalised the initial site preparatory work and having received all permits and key licences. Muga’s Mining Concession was granted in 2021, the ramp construction licence in Aragón in 2022 and the process plant construction licence in Navarra in 2023.

Muga is a unique project – with shallow mineralization and no aquifers above it there is no need to build a shaft. There is high 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 mid-2024, the Company announced a transformative transaction to finance Muga and create a new globally diversified potash company with Yankuang Energy Group Co., Ltd and a number of strategic investors to raise US\$220 million of equity capital and acquire the Southey potash project in Saskatchewan, Canada. The transaction is subject to shareholder approval and country regulatory approvals.

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.

FIGURE 1: LOCATION OF MUGA-VIPASCA, PINTANOS, AND SIERRA DEL PERDÓN TENEMENT AREAS IN NORTHERN SPAIN.

