

Positive Support from Government of Navarra and Update on Goyo Concession

Highfield Resources Limited (**Highfield** or the **Company**) wishes to provide an update in relation to the Goyo mining concession.

As previously disclosed (refer to the ASX announcement dated 23 October 2024 'Quarterly Activities / Appendix 5B Cash Flow Report' and ASX announcement dated 28 October 2024 'Goyo Mining Concession Update' for further details), the Government of Navarra received a ruling from the regional Superior Court of Justice of Navarra (**TSJN**) which identified a procedural flaw in the internal administrative coordination process in relation to the granting of the Goyo mining concession. The procedural flaw related to the fact that while Highfield had received Government advice to apply for three separate mining concessions in 2014, being Goyo, Muga, and Fronterizo, the TSJN held that, procedurally, a single unified concession should have been issued instead. Importantly, the ruling did not challenge the Muga Project's technical assessments, or any technical information provided by the Company.

Highfield continues to actively engage with the relevant government administrations in relation to the steps to be taken to rectify the procedural flaw.

In this context, the Governments of Navarra, Aragón, and Spain have applied to the Spanish Supreme Court for leave to appeal the TSJN ruling relating to the procedural flaw on the Goyo Concession. A decision as to whether the appeal of TSJN ruling may proceed is expected to be received from the Spanish Supreme Court in October/November 2025 (however, there can be no guarantee that this timeline will not be extended by the Court). Following this decision, the judicial process will either continue or an administrative solution will be sought. Highfield will update the market on this matter, and any steps that follow, once the Court's decision is received.

Notwithstanding the above, Highfield is pleased to announce that following a meeting last week with the Government of Navarra, it has received a letter of institutional support from the President of Navarra, Ms Maria Chivite. The letter reaffirms the Government's strong backing for the Muga Project and closes with the following statement:

Ms Chivite, the President of Navarra said: *"The Government of Navarra reaffirms its institutional support for Muga and thanks Highfield Resources and other investors for driving forward this type of project. Initiatives such as this contribute to consolidating a stronger economic fabric, reinforcing strategic sectors such as agri-food, and advancing towards a sustainable and balanced growth model."*

The Company welcomes this clear and public statement of support and continues to work closely with regional and national authorities in Spain to advance the Muga Project.

Mr Carles Alemán, CEO, said *"We appreciate the continued support of the Government of Navarra and firmly believe that Muga is a key strategic project for Navarra, Aragón, Spain, and Europe, serving the common good and driving social and economic progress."*

Highfield continues to work closely with the Governments of Navarra, Aragón, and Spain regarding a solution in respect of the Goyo mining concession.



The Company remains confident of a positive outcome regarding the Goyo permitting process, supported by:

- The institutional alignment and coordinated appeals by three levels of Spanish government.
- Comprehensive environmental and technical approvals already secured for the Muga Project,

(noting that there can be no guarantee of a positive outcome within any particular timeframe, or at all).

Highfield will continue to keep the market informed as these discussions progress.

-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 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 the construction of the Muga potash project and create a new globally diversified potash company. This transaction involved **Yankuang Energy Group Co., Ltd** and several strategic investors, and included the **proposed acquisition of the Southey potash project** in Saskatchewan, Canada, alongside the **raising of US\$220 million in equity capital**. The transaction remains subject to 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.

