

ASX Release 16<sup>th</sup> November 2018

# MOU signed with Acciona Infraestructuras S.A.

Highfield Resources (ASX: HFR) is pleased to provide an update on its flagship Muga Potash Project ("Muga" or "the Project").

## Highlights

- Highfield Resources' Spanish subsidiary, Geoalcali S.L., refreshes Memorandum of Understanding (MOU) with the Spanish construction company Acciona Infraestructuras S.A.
- The MOU is for a collaboration for the construction of the Muga Potash Project
- The Project will be delivered in accordance with Geoalcali's Fair Procurement Policy that gives preference to local companies
- The agreement is pivotal to reducing delivery risk and will help ensure the mine will be built on time and on budget

Spanish potash developer Highfield Resources Limited ("Highfield") (HFR: ASX) is pleased to advise its Spanish subsidiary, Geoalcali S.L. ("Geoalcali" or "the Company") has entered into a refreshed Memorandum of Understanding (or "the MOU") with the Spanish construction company Acciona Infraestructuras S.A. ("Acciona"), to collaborate on the construction of the Company's flagship Muga Potash Project. The MOU replaces the previous Collaboration Agreement signed between the companies on 29<sup>th</sup> December 2015 (refer ASX announcement: Highfield Resources enters into collaboration agreement with Acciona to construct Muga Potash Mine; Advances project finance credit approvals)

The MOU establishes a strategic collaboration between the two companies, and names Acciona as the construction partner for the Project. Acciona's responsibilities will include supply, management and coordination of labour and materials during construction. As part of the MOU Geoalcali will establish and maintain an Owners Team to develop, manage, monitor and supervise the construction works.

As part of the arrangement, Acciona will assist in the planning of the project, contributing its skills and experience in large, global infrastructure and industrial projects, guaranteeing that the Company reduces delivery risk. This will be key to ensuring the Muga Mine will be built on time and to budget and is a major step towards signing a construction contract for the project.

**Highfield Resources CEO Peter Albert said:** "the strategic partnership proposed by Geoalcali and Acciona will ensure the timely startup of the Muga Project, it will also guarantee the highest level of construction. Acciona is a globally recognised construction company and we look forward to our future collaboration"

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T. +61 8 8133 5098 F. +61 8 8431 3502 T. +34 948 050 577 F. +34 948 050 578 Directors Derek Carter Peter Albert Pauline Carr Richard Crookes Roger Davey Jim Dietz Owen Hegarty Brian Jamieson Isaac Querub Company Secretary Donald Stephens

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# Acciona Infraestructuras S.A.

Acciona Infraestructuras S.A. is part of Acciona S.A. a Spanish conglomerate group with a global presence, whose business model is based on sustainability and delivery of complex construction projects. It is dedicated to the development, construction and management of infrastructure, water services, buildings, industrial projects and renewable energy projects.

Acciona is one of Spain's largest construction companies with a group revenue of €7,250 million and an EBITDA of €1,275 million. It employs over 37,000 people and operates in more than 40 countries in 5 continents.

With over 100 years of construction experience, Acciona is one of the world's leading construction companies, with the ability to implement the latest technologies and techniques in the execution of its projects.

For more information:

### **Highfield Resources Limited**

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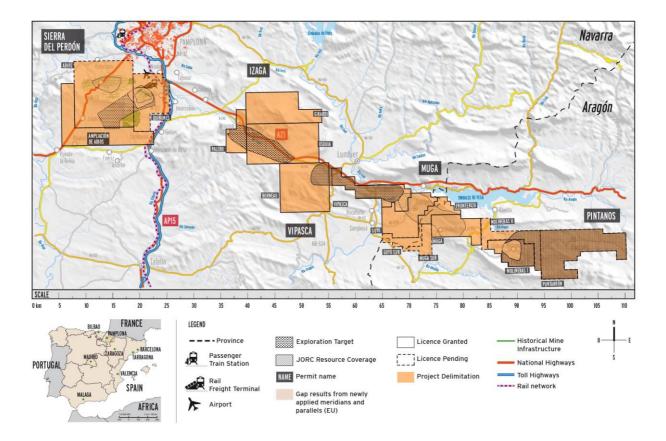
### **About Highfield Resources**

Highfield Resources is an ASX listed potash company with five 100% owned projects located in Spain.

Highfield's Muga, Vipasca, Pintanos, Izaga and Sierra del Perdón potash projects are located in the Ebro potash producing basin in Northern Spain, covering a project area of approximately 500km<sup>2</sup>.

Highfield is awaiting the granting of a positive environmental permit, the award of the mining concession and other permits which will enable it to commence construction of the Mine.

Figure 4: Location of Highfield's Muga, Vipasca, Pintano, Izaga and Sierra del Perdón projects in Northern Spain\*



\*The potential quantity and grade of the Exploration Target is conceptual in nature and there has been insufficient exploration to estimate a Mineral Resource and it is uncertain if further exploration will result in the estimation of a Mineral Resource



#### COMPETENT PERSONS STATEMENT FOR MUGA POTASH PROJECT

This update was prepared by Mr. Peter Albert, Managing Director of Highfield Resources. The information in this update that relates to Ore Reserves, Mineral Resources, Exploration Results and Exploration Targets is based on information prepared by Ms Anna Fardell. Senior Consultant at SRK Consulting (UK) Limited, and Mr Tim Lucks Principal Consultant at SRK Consulting (UK) Limited

Ms Anna Fardell is a Resource Geologist employed by SRK Consulting (UK) Limited, and has at least five years' experience in estimating and reporting Mineral Resources relevant to the style of mineralisation and type of deposit described herein. Ms Fardell is a registered member of the Australian Institute of Geoscientists (6555) and considered a Competent Person (CP) under the definitions and standards described in the JORC Code 2012. Ms Fardell takes responsibility for the Mineral Resource Statement presented here.

Ms Anna Fardell consents to the inclusion in this update of the matters based on their information in the form and context in which it appears.

COMPETENT PERSONS STATEMENT FOR MINERAL RESOURCES AND EXPLORATION TARGETS OTHER THAN MUGA MINERAL RESOURCES.

This update was prepared by Mr. Peter Albert, Managing Director of Highfield Resources. The information in this update that relates to Ore Reserves, Mineral Resources, Exploration Results and Exploration Targets is based on information prepared by Mr José Antonio Zuazo Osinaga, Technical Director of CRN, S.A.; and Mr Manuel Jesús Gonzalez Roldan, Geologist of CRN, S.A.

Mr José Antonio Zuazo Osinaga is a licensed professional geologist in Spain, and is a registered member of the European Federation of Geologists, an accredited organisation to which Competent Persons (CP) under JORC 2012 Code Reporting Standards must belong in order to report Exploration Results, Mineral Resources, Ore Reserves or Exploration Targets through the ASX.

Mr José Antonio Zuazo Osinaga has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which he is undertaking to qualify as CP as defined in the 2012 edition of the JORC Australasian Code for the Reporting of Exploration Results, Mineral Resources and Ore Reserves.

Mr. José Antonio Zuazo and Mr. Manuel Jesús Gonzalez Roldan consent to the inclusion in this update of the matters based on their information in the form and context in which it appears.