

ASX Release
5 July 2021

MUGA PROJECT RECEIVES MINING CONCESSION

Highfield Resources Limited (ASX:HFR) (“Highfield” or “the Company”) is pleased to announce that on the 1 July 2021 the Mining Concessions for the Muga Project (“Muga” or “the Project”), namely Fronterizo, Muga and Goyo (“the Mining Concession”) have been approved and signed by the three administrations in Madrid, Aragón and Navarra (“the Administrations”) respectively. Upon receipt of the initial notification of these approvals, Highfield immediately applied for and was granted a trading halt by the ASX to assist in managing its continuous disclosure obligations.

Following the award of the Mining Concession, the Company’s priorities will focus on the preparation of the construction at Muga. While this preparation has been advanced in the last few months, the Company will expedite key pre-construction activities including: completion of the construction agreement with our preferred contractor, request to initiate the construction of the bolter miner, finalising pending procurement of equipment and managing the local town hall construction licenses. In parallel with these activities, and together with Endeavour Financial, the Company is reviewing its financing options, for both debt and equity.

Highfield Resources CEO, Mr Salazar, said:

“We are delighted to receive the grant of the Mining Concession. This is a massive step for the Project which allows us to prepare construction. On behalf of the Highfield Board, I would like to thank our shareholders for their continued support during this challenging period. I would also like to thank our staff and the Administrations for their tireless work in reaching this significant milestone. Muga is a unique project and has the potential to deliver great benefits to all our stakeholders. We look forward to progressing the Muga Project into construction.”

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

Highfield Resources Limited
ACN 153 918 257
ASX: HFR

Issued Capital
329.6 million shares
22.82 million options

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A webcast for investors and analysts is scheduled for 3pm Australian EST on 5 July 2021 (7am Central European Summer Time on 5 July 2021; 6am BST on 5 July 2021).

Investors can access the presentation with audio via the webcast link:

<https://webcast.openbriefing.com/7561/>

Highfield Resources Limited

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About Highfield Resources:

Highfield Resources is an ASX listed potash company which focuses on the construction of its flagship low cost, low capex Muga Project in Spain having granted the Mining Concession in July 2021.

Muga is a unique project with shallow mineralization, no aquifers above it, therefore no need to build a shaft, great infrastructure already in place in the region, and importantly, located in the heart of a European agricultural region with clear deficit in potash supply.

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 262km².

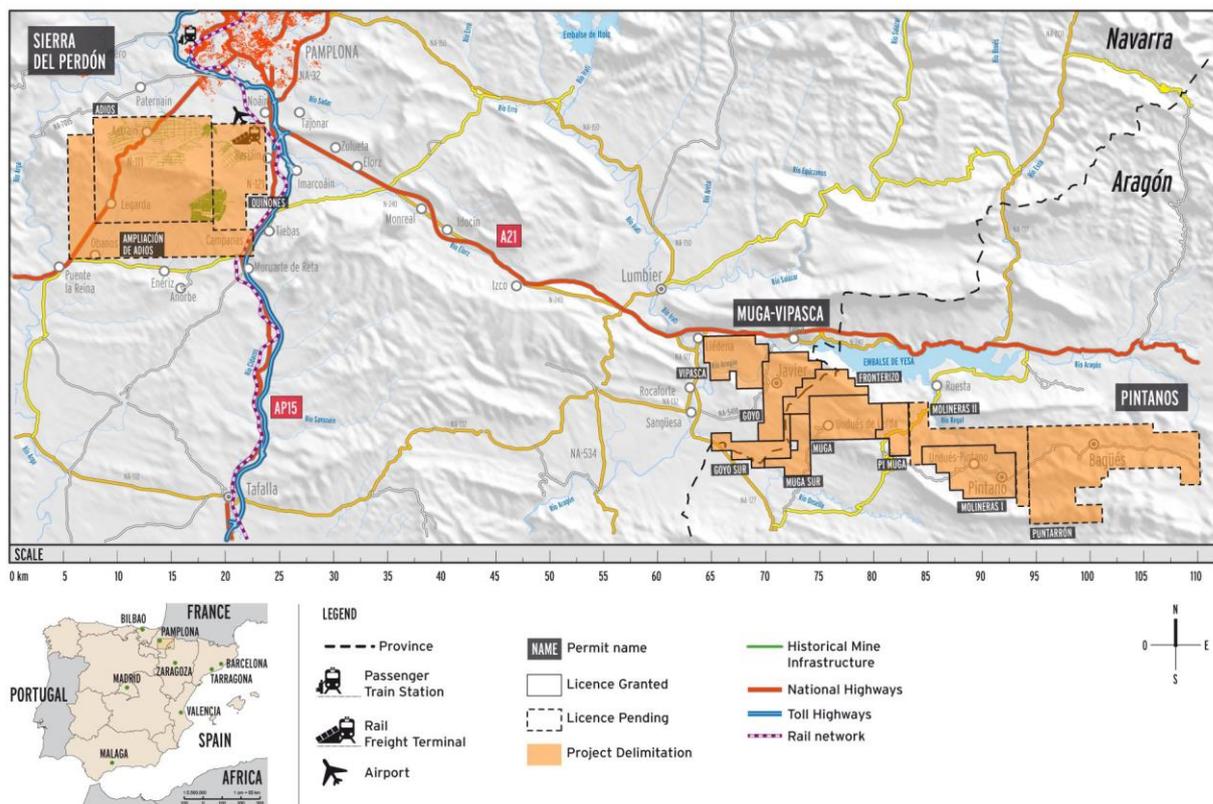


Figure 1: Location of Highfield’s Muga-Vipasca, Pintanos and Sierra del Perdón Tenement Areas in Northern Spain