

ASX Release
30 August 2021

HIGHFIELD RESOURCES SIGNS MOU WITH THE AUTHORITY OF THE PORT OF BILBAO

Overview

- Highfield signs a non-binding MOU with the Port of Bilbao, one of Spain's largest ports and a major deep-sea European Atlantic port, solidifying our commitment to work with the Port in the future
- This partnership will allow Highfield to develop and implement its sales and marketing strategy
- The Port, located within 220km by road of the Muga Mine, provides a logistics advantage and will support Muga in being a low-cost potash mine
- The Port Authority will facilitate the implementation of the necessary logistics infrastructure and services at port
- Confirmed port capacity available for over 700,000 metric tonnes of product per annum

As part of the Company's transport and logistics strategy for the sale of muriate of potash and salt from its Muga Potash Mine ("Muga" or "the Mine"), Highfield Resources Limited (ASX:HFR) ("Highfield" or "the Company") is pleased to announce the signing of a non-binding MOU with the Port Authority of Bilbao ("Bilbao" or "the Port"). The MOU complements a similar agreement with the Port of Pasaia, announced on 2 August 2021. These two ports in Northern Spain will both be key components of Muga's supply chain and are central to the Project's competitive logistical advantage.

Under this MOU, the Port confirms the availability of sufficient port capacity for up to 700,000 metric tonnes per annum of muriate of potash and salt. Bilbao will facilitate the implementation of the requisite logistics infrastructure and services at port to efficiently meet the Project's needs. The Port also commits to have all facilities for product handling and shipping operational from Muga's Phase 1.

Highfield Resources CEO, Mr Salazar, said:

"This MOU is another step in getting the Muga Mine into production. The port of Bilbao is a major European Atlantic port and will be a key export terminal for Muga given its capacity and its proximity and excellent connections to the Mine."

About the Port of Bilbao

The Port of Bilbao, located in north western Spain, 220km by road of the Muga Mine, is among the closest ports to the Mine site, and one of Spain's largest ports and a major European Atlantic port and it currently handles around 35.5 million tonnes including 4.7 million tonnes of dry bulk product annually. There are excellent road and rail connections between Muga and the Port of Bilbao.

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
358.4 million shares
19.82 million options

Registered Office
C/- HLB Mann Judd
169 Fullarton Road
Dulwich, SA 5065
Australia

T. +61 8 8133 5098
F. +61 8 8431 3502

Head Office
Avenida Carlos III, 13 -
1ºB, 31002
Pamplona,
Spain

T. +34 948 050 577
F. +34 948 050 578

Highfield Resources Limited

Ignacio Salazar
CEO
Tel: +34 948 050 577

Olivier Vadillo
Investor Relations
Tel: +34 609 811 257

Australia based queries:
Michael Weir
Citadel Magnus – Director, Partner
Tel: +61 (0) 402 347 032

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 and no aquifers above it there is no need to build a shaft. There is quality and readily accessible infrastructure already in place nearby and importantly Muga is located in the heart of a European agricultural region which has a clear deficit in potash supply. It is expected to be a relatively low cost and low capex potash mine.

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.

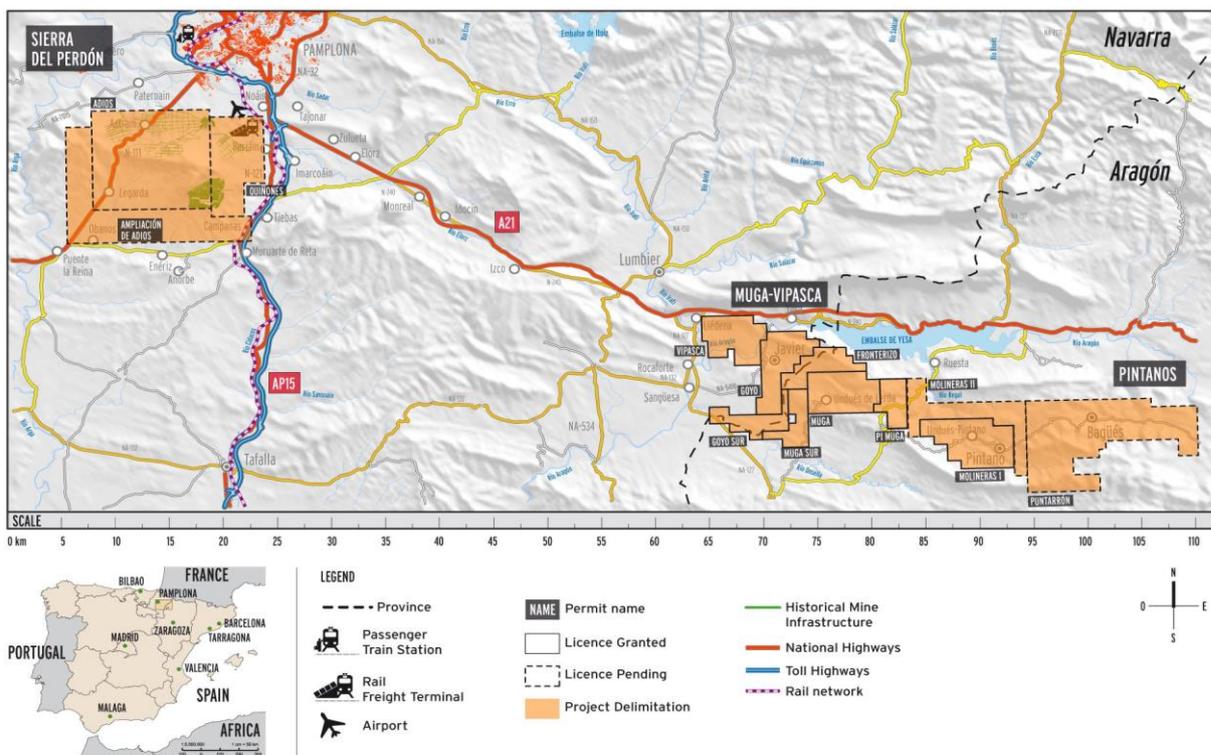


Figure 1: Location of Highfield’s Muga-Vipasca, Pintanos and Sierra del Perdón Tenement Areas in Northern Spain

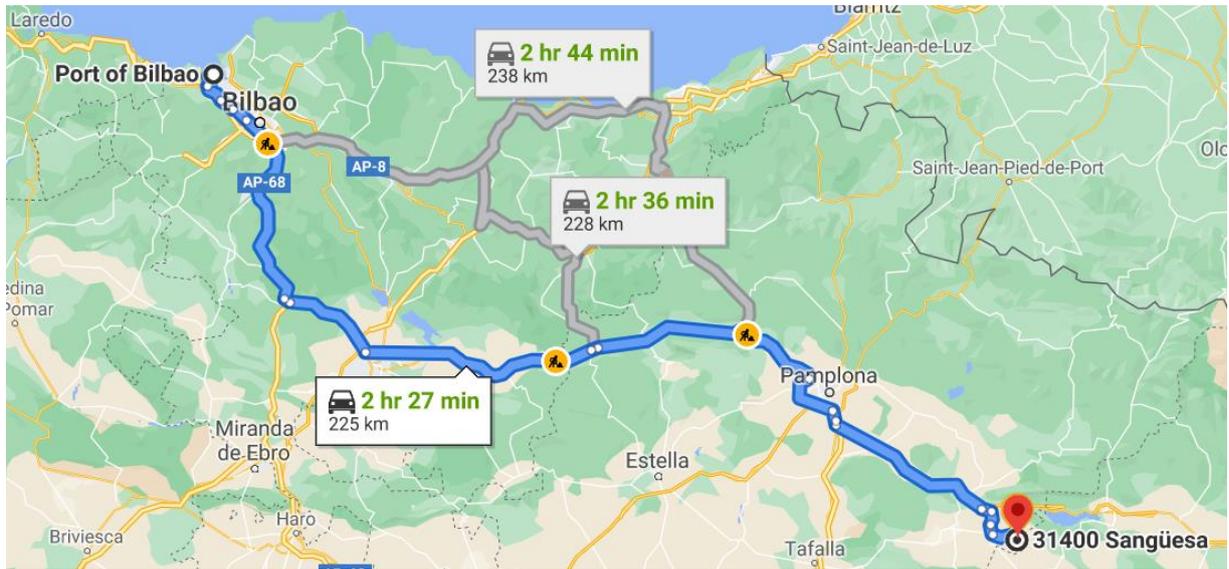


Figure 2: Location of the Port of Bilbao by road from Muga