

ASX Release
02 August 2021

HIGHFIELD RESOURCES SIGNS AN UPDATED MOU WITH THE AUTHORITY OF THE PORT OF PASAJES

Overview

- Highfield updates its non-binding MOU with the Port of Pasajes, in north western Spain, solidifying its commitment to work with the Port in the future.
- After the granting of the Mining Concession, the Company is updating its key sales and marketing MOUs.
- This partnership with the Port of Pasajes allows Highfield to develop and implement its sales and marketing strategy.
- The Port is under 150km by road from the Muga Mine and will support Muga in being a low-cost potash project.
- 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 an updated non-binding Memorandum of Understanding ("MOU") with the Port Authority of Pasajes ("Pasajes" or "the Port").

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. Pasajes will facilitate the implementation of the requisite logistics infrastructure and services at port to efficiently attend to Highfield's needs. The Port also commits to have all facilities for product handling and shipping operational from Muga's Phase 1.

The Port of Pasajes, located under 150km north, by road, of the Muga Mine, is the closest port to the Mine site, and is one of the largest commercial ports in the region. With excellent road and rail connections, it currently handles around three million tonnes of dry bulk product annually. (See Figure 2)

Highfield Resources CEO, Mr Salazar, said: *"The Company is focused on making swift progress towards the construction of Muga and this MOU with the port of Pasajes is another step in that direction. The Port of Pasajes will be a key export terminal for Muga given its proximity to the Mine and will be instrumental for Muga to be a low-cost potash project"*

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

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ACN 153 918 257
ASX: HFR

Issued Capital
329.6 million shares
22.82 million options

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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 been 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 which has a 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.

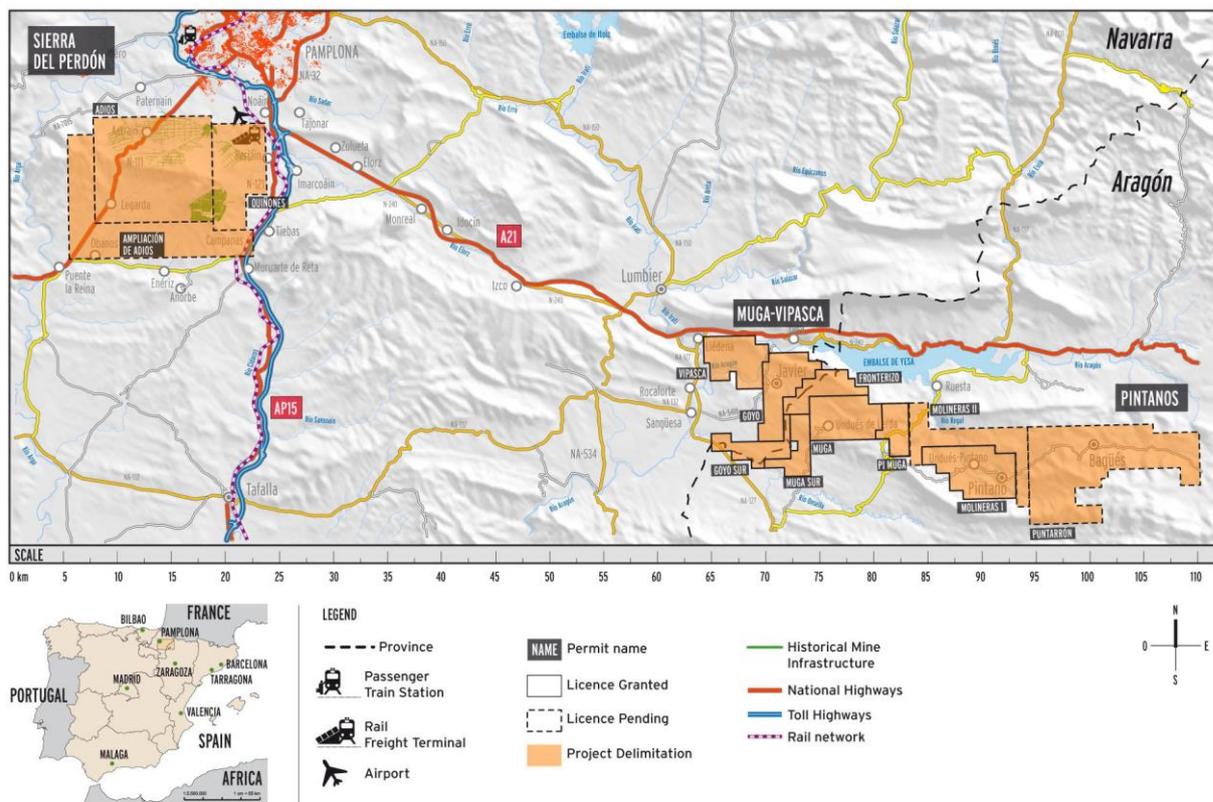
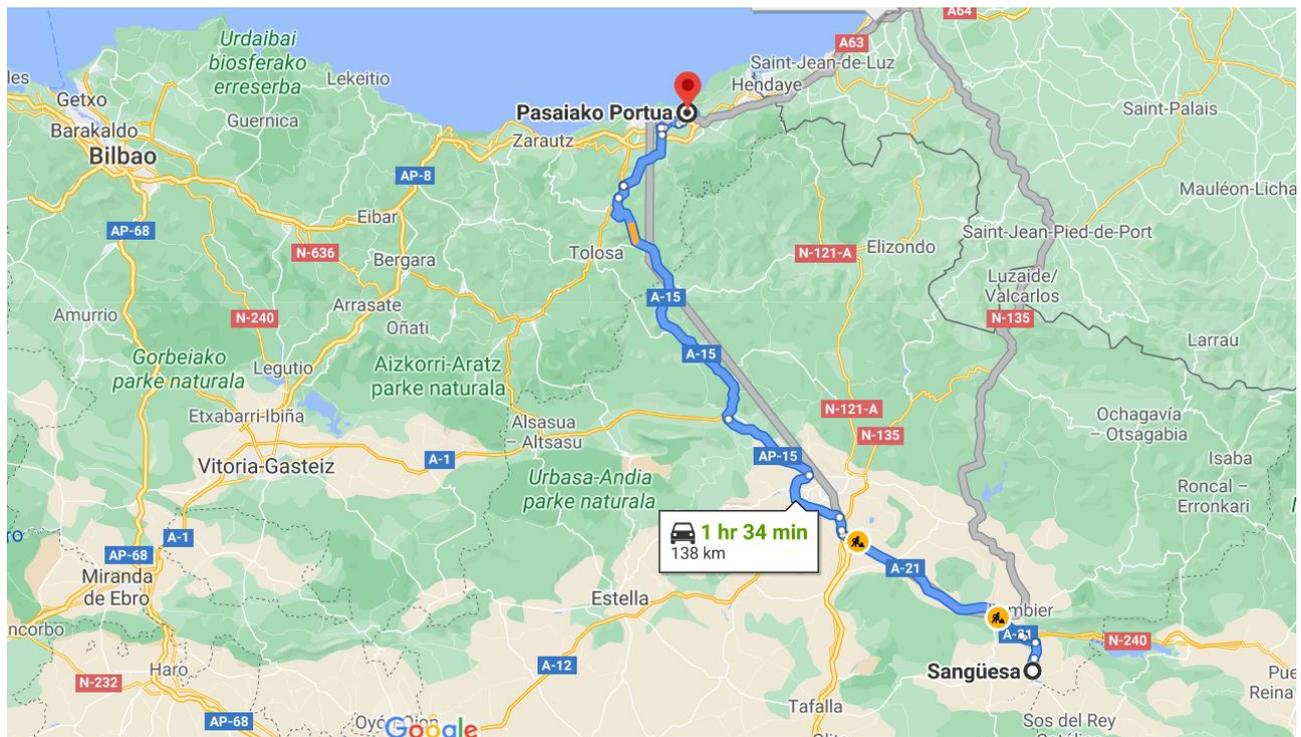


Figure 1: Location of Highfield’s Muga-Vipasca, Pintanos and Sierra del Perdón Tenement Areas in Northern Spain



Source: GoogleMaps

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