

ASX Release
21 September 2021

PURCHASE CONTRACT SIGNED FOR MUGA MINE PROCESS PLANT EQUIPMENT

Highlights

- Highfield advances the process of contracting the main equipment for the Muga Mine process plant by signing a purchase contract with Weir Minerals.
- With the acquisition of the Screens and Cyclones, 85% of the equipment needed for the process plant has now been contracted. Highfield expects to achieve 100% in the next few weeks.
- This contract represents an important milestone as Highfield continues to progress development at Muga.

Highfield Resources (ASX: HFR) (“Highfield” or “the Company”) is pleased to announce the signing of a purchase contract for important components of the process plant (see figure 1) in order to finalise the pre-construction activities at the flagship Muga Potash Mine (“Muga” or “the Mine”).

Following the recent A\$18.1 million capital raise, the Company is well funded to finalise the purchase contracts of the remaining long-lead items. And with the signing of this purchase contract, 85% of the planned equipment needed for the plant has now been contracted. The remaining 15%, which includes cross-flow separators, dryers, thickeners and flotation columns, is expected to be formalised in the next few weeks. The rest of equipment, mainly mining equipment, will be acquired prior to start of operations. Completion of the procurement of the process plant equipment is key to allow improvements in the detailed engineering design of the plant with the design of the specific equipment used. In addition, it allows Highfield to cover the long lead manufacturing times of this type of equipment.

Weir Minerals is providing both primary and secondary concentrate screens (see figure 2) which will be used for the granulometric separation in the initial phase of the crushing, grinding and desliming processes. The hydrocyclones from Weir will be used to remove the fine particles from the slurry (known as desliming) prior to flotation.

Highfield Resources CEO, Ignacio Salazar, said: *“The signing of this supply contract with Weir Minerals is key to ensure that we are ready for construction. This is another important milestone for Highfield and continues to highlight the progress and commitment of the Company to the efficient construction of Muga.”*

Highfield Resources Limited
ACN 153 918 257
ASX: HFR

Issued Capital
364.4 million shares
24.66 million options

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About the Weir group PLC

Founded in 1871, over the last 150 years Weir has evolved into a focused, high quality mining technology business, providing mission-critical solutions for smarter, more efficient and sustainable mining to a global customer base. Its differentiated technology is used in extraction to concentration and tailings management.

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

For more information:

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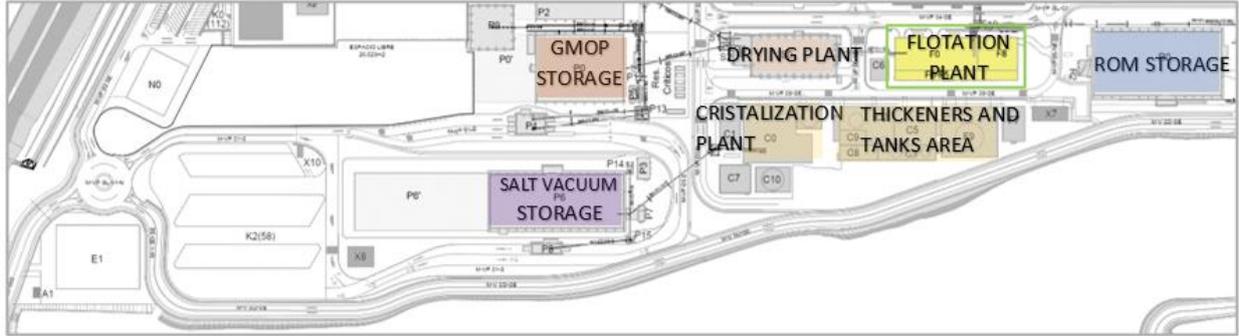


Figure 1: Process plant layout

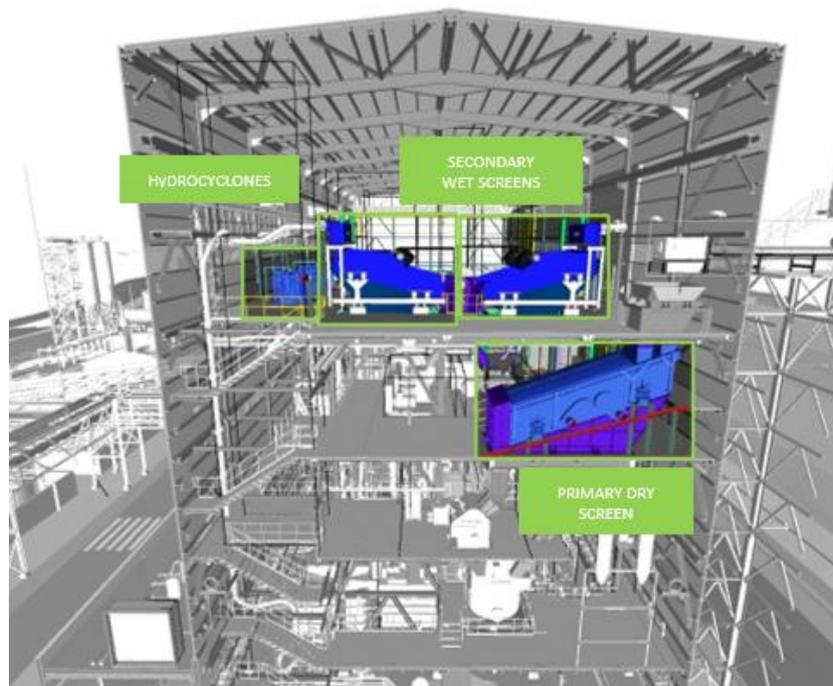


Figure 2: Location of the hydrocyclones and the screens in the flotation plant

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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 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, Pintos, and Sierra del Perdón) are located in the Ebro potash producing basin in Northern Spain, covering an area of around 262km².

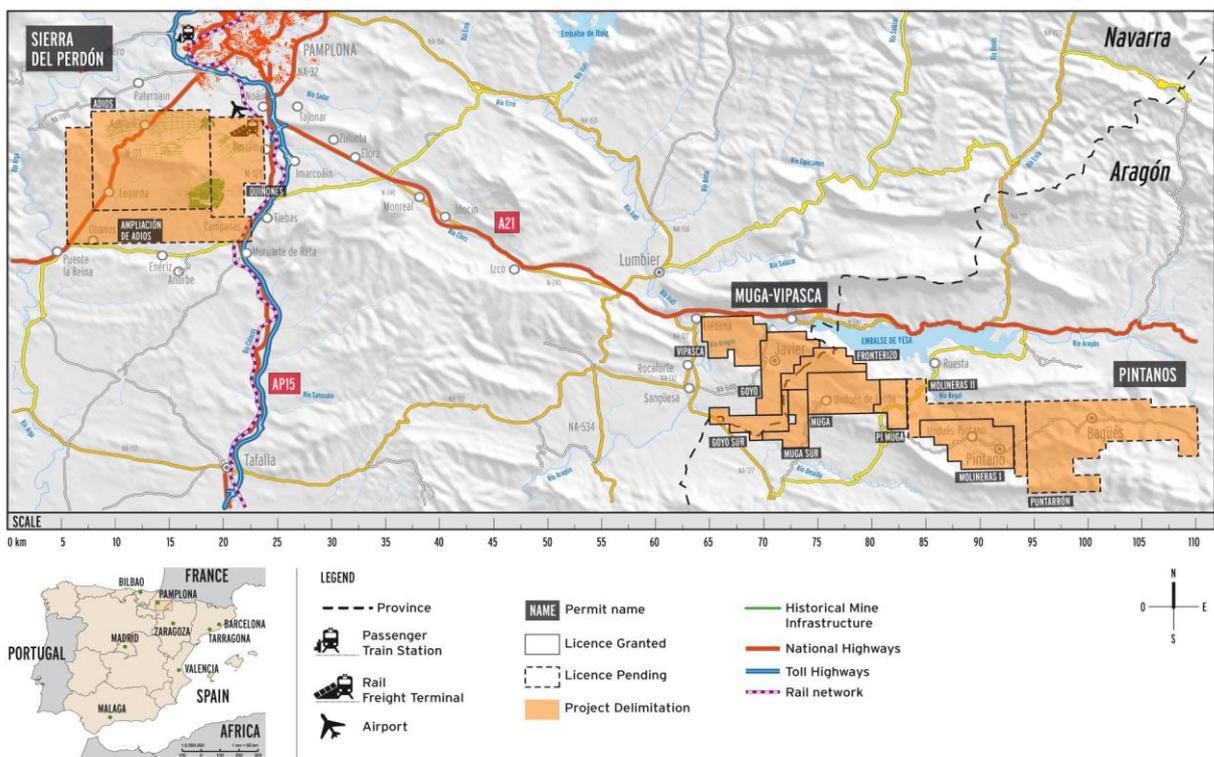


Figure 1: Location of Highfield's Muga-Vipasca, Pintos and Sierra del Perdón Tenement Areas in Northern Spain

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