



## **AGM – Chairman’s Address**

Good afternoon and good morning to everyone from around the globe.

I would like to formally welcome you all to the 2024 Highfield Resources Annual General Meeting.

This year has been a significant one for Highfield, with substantial progress made on our flagship Muga Potash Mine project and changes to our Board of Directors.

In addition to the amazing effort of securing all the key Muga Project permits in 2023, the Company updated the Muga feasibility study, reconfirming the outstanding project metrics over a 30-year Life of Mine. The Project economics are robust, with an NPV8 of €1.82 billion and a 24% IRR (post-tax). The EBITDA is projected to be €340 million per annum in full production. The pre-production capital requirement for Phase 1 is €449 million.

We are strategically located in the middle of the western European market, with excellent access to ports, transport, and renewable grid power. Our mine access is straightforward with shallow mineralization and low technical risk with conventional mining and processing methods.

We continue to work diligently to secure the remaining financing required for phase 1 operations. We are in negotiations with a range of parties encompassing strategic partnerships, non-dilutive royalties, equity, and offtake agreements. We have been frustrated with the time taken to finalise these negotiations and will update the market as appropriate.

We are delighted to have signed a binding offtake agreement with Maxisalt, a global Spanish chemical and salt producer and trader, to supply 75,000tpa of by-product salt.

We welcomed Mr. Luke Anderson to the Board this year. A qualified chartered accountant, Mr. Anderson brings over 25 years of experience in executive management, corporate development, corporate treasury, financial management, and financial services roles in major international resource and transport companies across Australia and the United States.

We also mourn the loss of our esteemed Board member, Mr. Brian Jamieson. His wisdom, passion, and intellect will be greatly missed.

With the recent signing of our key Construction contract with EPOS-Tunelán construction start of the declines and underground facilities is planned to start in 2024. We are very excited about the start of construction and look forward to keeping you updated on our progress. I would like to also take the opportunity to thank my fellow Board members, the management team led by Ignacio Salazar, and our dedicated employees for all their efforts over the year. I would very much like to thank all our shareholders for their loyalty and continued support over this past challenging year. We are now at the junction of a very exciting stage in Highfield's development, and I look forward to Highfield continuing its positive trajectory towards becoming a successful and sustainable long-life producer of potash.

**Paul Harris**

Independent Non-Executive Chairman



**-ENDS-**

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

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## About Highfield Resources

Highfield Resources is an ASX listed potash company which is focussing on the construction of its flagship low cost, low capex Muga Project in Spain having now received all permits and key licences needed. With the Mining Concession being granted in July 2021, the ramp construction licence in Aragón in June 2022 and the process plant construction licence in Navarra in March 2023. Following the finalisation of the initial site preparatory work of the mine gate and decline area, full scale construction is expected to commence in 2024.

Muga is a unique project – with shallow mineralization with no aquifers above it there is no need to build a shaft. There is quality and readily accessible infrastructure already in place in the region and importantly, the Muga Project is located in the heart of a European agricultural region which has a clear deficit in potash supply. In addition to Muga's secure southern European location, since February 2022 events in Russia and Belarus have heightened the awareness of the strategic value of the Muga Project for both Spain and the European Union.

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 250km<sup>2</sup>.

**FIGURE 2: LOCATION OF MUGA-VIPASCA, PINTANOS, AND SIERRA DEL PERDÓN TENEMENT AREAS IN NORTHERN SPAIN.**

