



AGM – Presentation

Highfield Resources Limited (ASX: HFR) (**Highfield** or the **Company**) encloses a copy of a presentation to be delivered by Olivier Vadillo, Head of Corporate Strategy and Business Development, and Carles Aleman, CEO of Geoalcali, at the Company's Annual General Meeting to be held on Friday, 30 May 2025.

-ENDS-

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

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Highfield Resources is an ASX listed potash company which is planning on commencing full scale construction of its flagship high margin, low capex Muga Project in Spain having finalised the initial site preparatory work and having received all permits and key licences. Muga's Mining Concession was granted in 2021, the ramp construction licence in Aragón in 2022 and the process plant construction licence in Navarra in 2023.

In mid-2024, the Company announced a transformative transaction to finance Muga and create a new globally diversified potash company with Yankuang Energy Group Co., Ltd and a number of strategic investors to raise US\$220 million of equity capital and acquire the Southey potash project in Saskatchewan, Canada. The transaction is subject to shareholder approval and country regulatory approvals.

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 250km².

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Highfield Resources Annual General Meeting



Disclaimer

COMPETENT PERSONS STATEMENT FOR MUGA ORE RESERVES, MUGA MINERAL RESOURCES and EXPLORATION TARGET

This update was prepared by Mr. Ignacio Salazar Director of Highfield Resources. The information in this update that relates to the Ore Reserve reported as of 31 October 2021 is based on information prepared under the direction of Dr Mike Armitage who was a Corporate Consultant with SRK Consulting (UK) Limited at that time and who was the Competent Person who assumed overall professional responsibility for the Ore Reserve reported at that time. The information related with the review of the Life of Mine ("LOM") that underpins the October 2021 Ore Reserve was prepared by Mr Chris Bray, who was, and remains, a full-time employee of and Principal Consultant (Mining) at SRK. The information in this update that relates to the Mineral Resources with the effective date of 31 December 2020 is based on information prepared by Ms Anna Fardell, was a Senior Consultant at SRK Consulting (UK) Limited.

Dr Mike Armitage is a Member the Institute of Materials, Minerals and Mining ("IMMM") which is a 'Recognised Overseas Professional Organisation' ("ROPO") included in a list promulgated by the Australian Stock Exchange ("ASX") from time to time. Dr. Mike Armitage has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which he is undertaking to qualify as a Competent Person as defined in the 2012 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves'. Dr. Mike Armitage consents to the inclusion in this update of the matters based on the information upon which the October 2021 Ore Reserve is based in the form and context in which it appears.

Mr Chris Bray BEng, MAusIMM (CP) takes responsibility for the review of the LOM plan that underpins the October 2021 Ore Reserve. Mr Bray is a full-time employee and Principal Consultant (Mining) at SRK. He is a Member of and Chartered Professional in the Australasian Institute of Mining and Metallurgy. He is a Mining Engineer with 25 years' experience in the mining and metals industry, including operational experience in underground mines as well as mine planning and review experience on underground potash, salt, lithium and borate projects, and as such qualifies as a CP as defined in the JORC Code. He has also been involved in the reporting of Ore Reserves on various properties internationally for over 10 years.

Ms Anna Fardell was a Senior Resource Geologist employed by SRK as of the effective date for the December 2020 Mineral Resource estimate, and at that time had over five years' experience in estimating and reporting Mineral Resources relevant to the style of mineralisation and type of deposit described herein. Ms Fardell is a registered member of the Australian Institute of Geoscientists (6555) and considered a Competent Person (CP) under the definitions and standards described in the JORC Code 2012. Ms Fardell takes responsibility for the Mineral Resource Statement and Exploration Target presented here and consents to the inclusion in this update of the matters based on their information in the form and context in which it appears.

FORWARD LOOKING STATEMENTS

This presentation includes certain 'forward looking statements'. All statements, other than statements of historical fact, are forward looking statements that involve various risks and uncertainties. There can be no assurances that such statements will prove accurate, and actual results and future events could differ materially from those anticipated in such statements. Such information contained herein represents management's best judgment as of the date hereof based on information currently available. The company does not assume any obligation to update any forward looking statement.

Cautionary Statement

The production target set out in this update is derived from Proved and Probable Ore Reserves, additional Measured, Indicated and Inferred Mineral Resources from the Muga-Vipasca tenement as well as the Exploration Target at the Vipasca and Muga Sur tenements. There is a low level of geological confidence associated with Inferred Mineral Resources and there is no certainty that further exploration work will result in the determination of Indicated Mineral Resources or that the production target itself will be realised. The potential quantity and grade of an Exploration Target is conceptual in nature, there has been insufficient exploration to determine a mineral resource and there is no certainty that further exploration work will result in the determination of mineral resources or that the production target itself will be realised. The technical parameters underpinning the Mineral Resource in the market announcement dated 30 March 2021 and the Exploration Target in the market announcement dated 23 November 2021 and 2 November 2022 continue to apply and, in the Company's opinion, have not materially changed.

Highfield 
Resources

Mina Muga

Leadership change

Carles Aleman - CEO

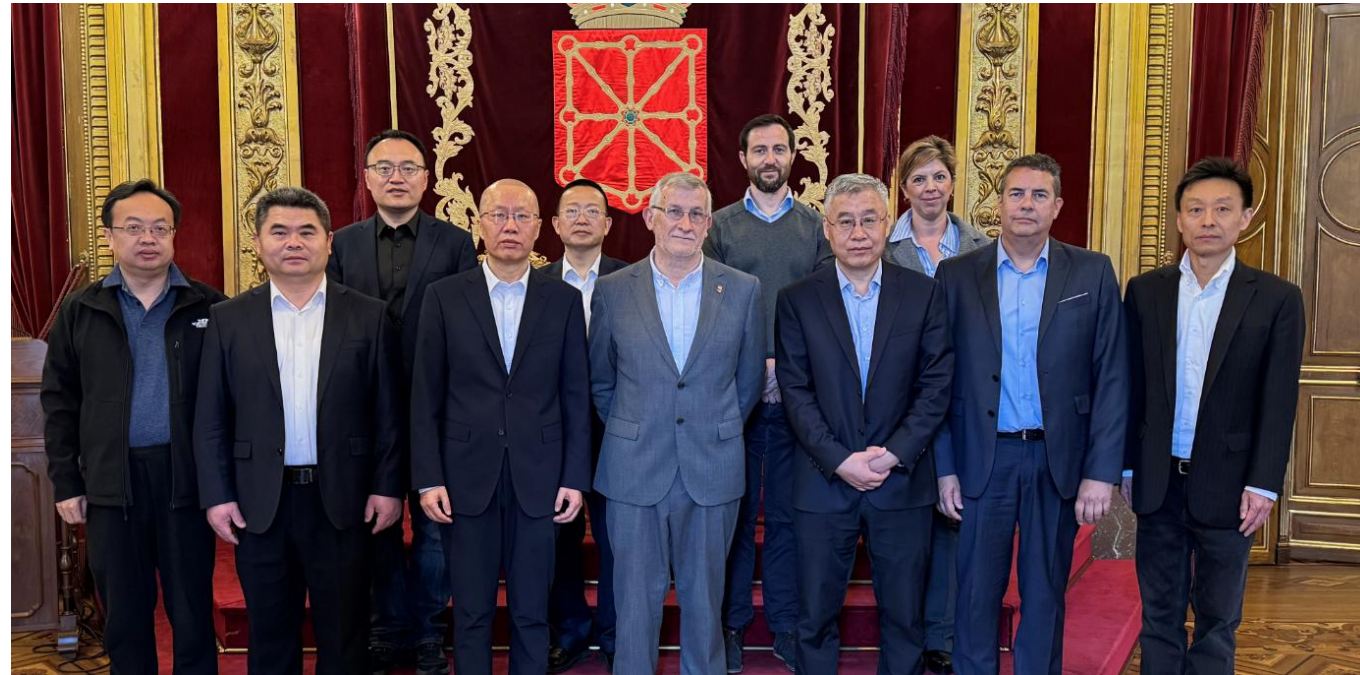
- **Career Highlights**
 - Well respected industry professional
 - Over 30 years of international leadership in chemical and mining industries.
 - Held senior positions at BASF, CIBA-GEIGY, and Pymag-Curtin (as Managing Director).
 - Former President of ICL Iberia (2017–2023).
- **Education**
 - Degrees in Business Sciences, Chemistry, and Pharmacy.
 - Master's in Chemistry
 - MBA from ESADE Business School, Barcelona.
- **Roles at Geoalcali**
 - Key focus will be leading local operations and managing communications with Spanish and regional government stakeholders.



Continued support from Yankuang

Visit from Yankuang two weeks ago highlights their continued commitment

- **Yankuang visit**
 - Recent site visit from Yankuang highlights continued commitment to the Project and to the recent developments.
- **Government commitment**
 - Vice President Taberna emphasized that "Navarra is prepared to lead strategic and sustainable industrial projects with a global vision and local roots," aligning with the regional government's strategy to promote a cohesive and globally connected economy
 - The Government of Navarra reiterated its dedication to attracting investments that are committed to the region and contribute to building a sustainable, robust, and competitive economic model.



Recent Local and Regional Government initiatives

Recent dialogue highlights the shared commitment to responsible and sustainable resource development.

- **Goyo Mining permits**

- We are optimising our strategy and current roadmap with regards to our engagement with regional and central government.
- Several meetings already held with the Vice President of Navarra to discuss the Project's significance and alignment with regional goals.
- This week, we have engaged directly with stakeholders and various ministries in Madrid that are responsible for addressing and solving the permitting situation.
- These discussions have focused on:
 - Ensuring regulatory clarity and compliance.
 - Highlighting the Project's contribution to regional and national economic growth.
 - Reinforcing our commitment to sustainable, responsible mining practices.

LOI signed with a subsidiary of China Minmetals for US\$300 Million Equity Subscription



This partnership will underline Highfield's global expansion strategy and strengthens its financial and operational capabilities.

- **Key Agreement**

- Highfield signed a non-binding LOI with Qinghai Salt Lake Industry Co., Ltd (subsidiary of China Minmetals) for a **US\$300 million equity subscription**.
- Funds to be used to advance the Muga project and other strategic opportunities.

- **Deal Highlights**

- Qinghai Salt Lake, China's largest potash producer, aims to become Highfield's largest shareholder, providing operational influence and expertise.
- Equity capital to be raised via new ordinary shares in Highfield, subject to completion of Highfield's acquisition of the Southey potash project (Canada).
- This new MOU builds on the transformative September 2024 deal with Yankuang Energy to fund the Muga project and acquire the Southey project in Canada, reinforcing Highfield's global growth strategy.
- Plan is to sign a binding MOU at the end of June 2025 with Due Dilligence currently ongoing.

- **Significance**

- Accelerates the Muga potash project's construction and growth initiatives (including Phase 2 and Southey).
- Positions Highfield as a globally diversified potash producer with a strong Chinese partner.
- Negotiations are ongoing, with binding agreements and regulatory approvals still pending.

Additional Financial Support from EMR Capital

Securing Strategic Funding for the Muga Project

- **New Stand-by Loan Facility**
 - Up to €1.15 million secured from EMR Capital
 - Supports working capital flexibility and general costs during this transition phase.
- **Convertible Loan Notes Extended**
 - EMR has also agreed to extend the maturity date of its convertible loan notes
- **Strategic Alignment**
 - The funding complements ongoing efforts to complete the transformative transaction with Yankuang Energy and Qinghai Salt Lake, designed to secure Highfield's long-term strategic partnership. Chairman's Statement
- **Focus on Cash Preservation**
 - Highfield is focused on preserving cash and ensuring prudent use of resources.
 - The Company continues to progress with negotiations and other actions towards completing the transaction.
 - These discussions remain active and constructive, with the objective of securing a long-term strategic partnership that enhances the value of the Muga Project.

APPENDIX



Why Highfield Resources?

The **Muga Potash Mine** is set to deliver a new global and secure source of Potash, a critical input in Fertilizers

Targeting **€340 million per annum EBITDA**¹
Potash operation in full production

Forecast to be one of the highest margin potash mines globally

Fully permitted and shovel ready project in Spain

Location is a major strategic advantage. Shallow mineralization. Infrastructure in place

Potash market has attractive long-term fundamentals with near-term opportunity

A critical future facing commodity leveraged to global food security
Thematic



¹ See ASX Release "Muga Potash Mine Updated 2023 Feasibility Study" 8 November 2023

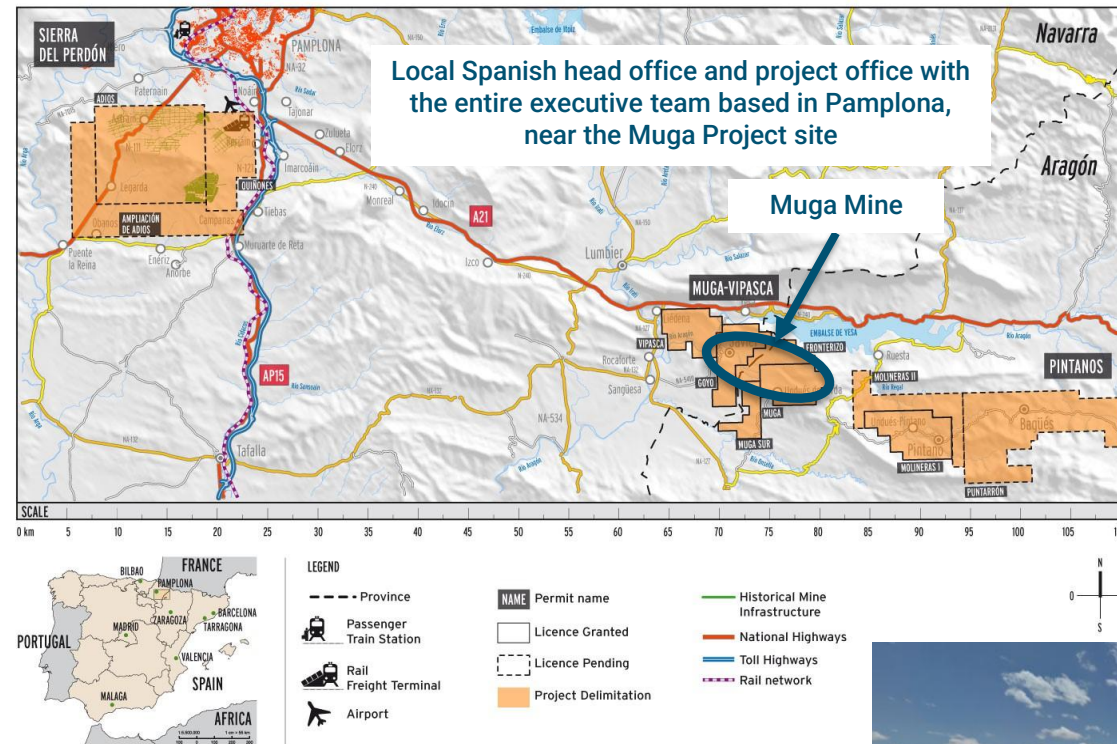
Muga Project Overview

A potash developer listed on the ASX (HFR) with projects in Northern Spain

Muga is a two-phase project which will produce a total of 1 Mtpa of muriate of potash

Conventional Underground Room and Pillar mining. Declines accessing shallow mineralisation

Conventional Flotation and Crystallisation processing



Team

Board overview



Paul Harris, Independent Non-Executive Chairman

- Joined Board March 2022.
- Over 25 years' experience in financial markets and investment banking, including roles with Citibank, Bankers Trust and Merrill Lynch
- Currently on Boards of Aeon Metals, Aurelia Metals
- Masters of Engineering (Mining) and a Bachelor of Commerce (Finance)



Pauline Carr, Independent Non-Executive Director

- Over 30 years' experience in the mining and resources sectors.
- Held senior positions in Newmont and Normandy Mining.
- Currently Chancellor of the Adelaide University Transition Council, Chairman of National Pharmacies and Director of Australian Rare Earths



Luke Anderson, Non-Executive Director

- Over 25 years of experience in executive management, corporate development roles in resource and transport companies
- Previously CEO of One Rail Australia, President and CEO of Unimin Corporation and CFO of Oz Minerals

Management overview



Carles Alemán, CEO

- More than 30 years' experience working in international focused managerial roles in the chemical sector
- Previously worked at BASF, CIBA-GEIGY. Worked 8 years at ICL Spain, where he was the President since 2018



Javier Aguado, CFO

- Over 20 years' accounting and financial experience.
- Previous worked at Ernst and Young and Acciona as Financial Controller for over 12 years



Olivier Vadillo, Head of Corporate Strategy and Business Development

- More than 12 years' professional experience in strategic consultancy.
- Previously worked at Wood Mackenzie, Deloitte MCS Ltd and as a strategic consultant for various mining and energy companies



Jorge Feito, Head of Mining

- 20 years of experience in mining, both in the industrial minerals sector and metal mining, and both open pit and underground
- Previously worked 10-years at First Quantum Minerals' Las Cruces and Sentinel Mines



Susana Bieberach, Head of Public Affairs

- Extensive experience working as a consultant for more than 300 companies, organisations and associations
- She is a member of the Communication ANEFA and of the Communication Committee of Women in Mining

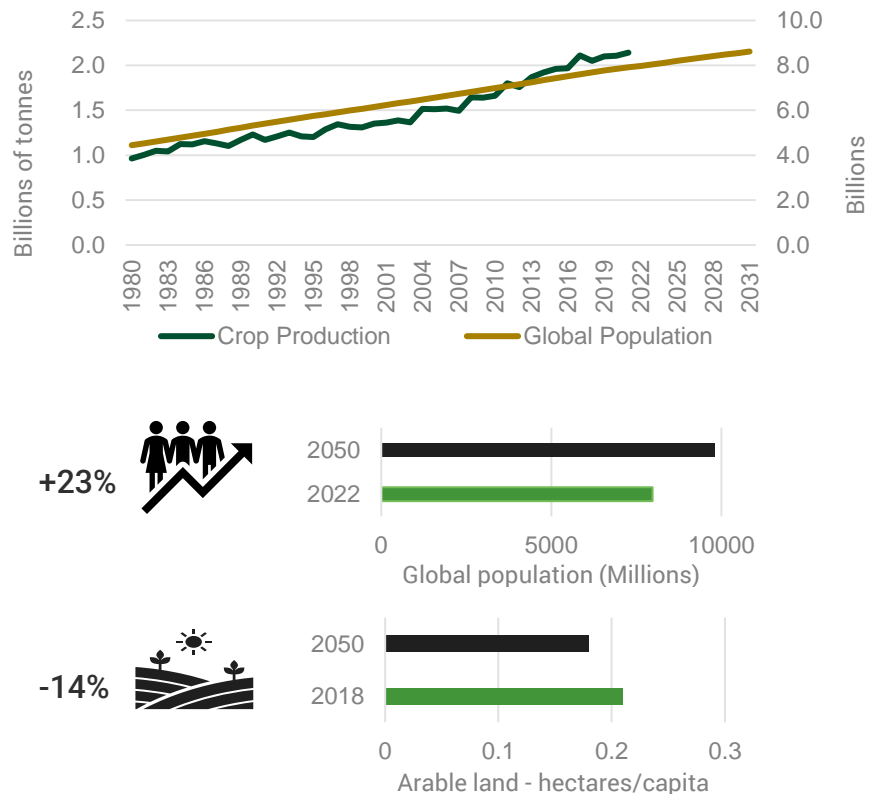


Javier Olloqui, Head of Human Resources, Foundation & IT

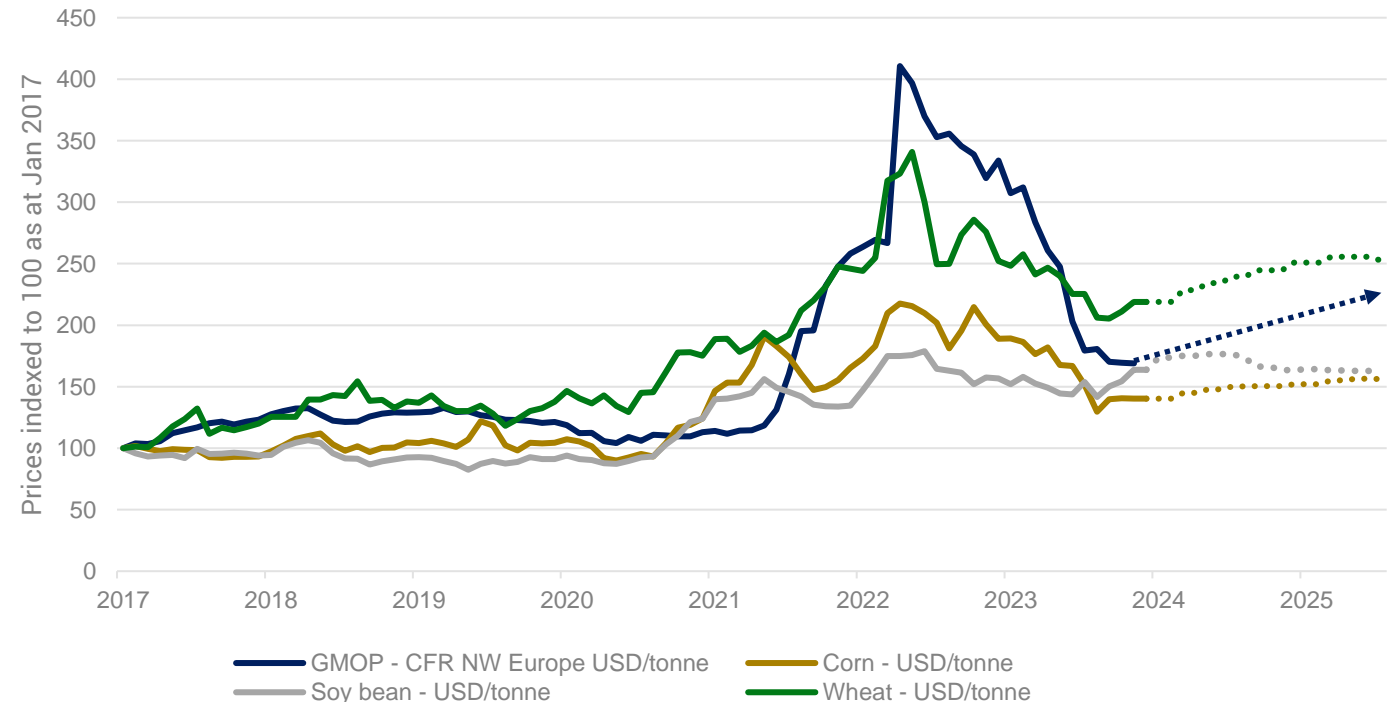
- More than 20 years' experience in Human Resources management
- Previous experience includes senior roles in Gamesa Eólica, Faurecia, Grupo Mondragón, 3P Biopharmaceuticals and Aladium

Potash Market Overview

Global food security will be a key theme in the future with population increasing and arable land decreasing growing the need for more fertiliser use



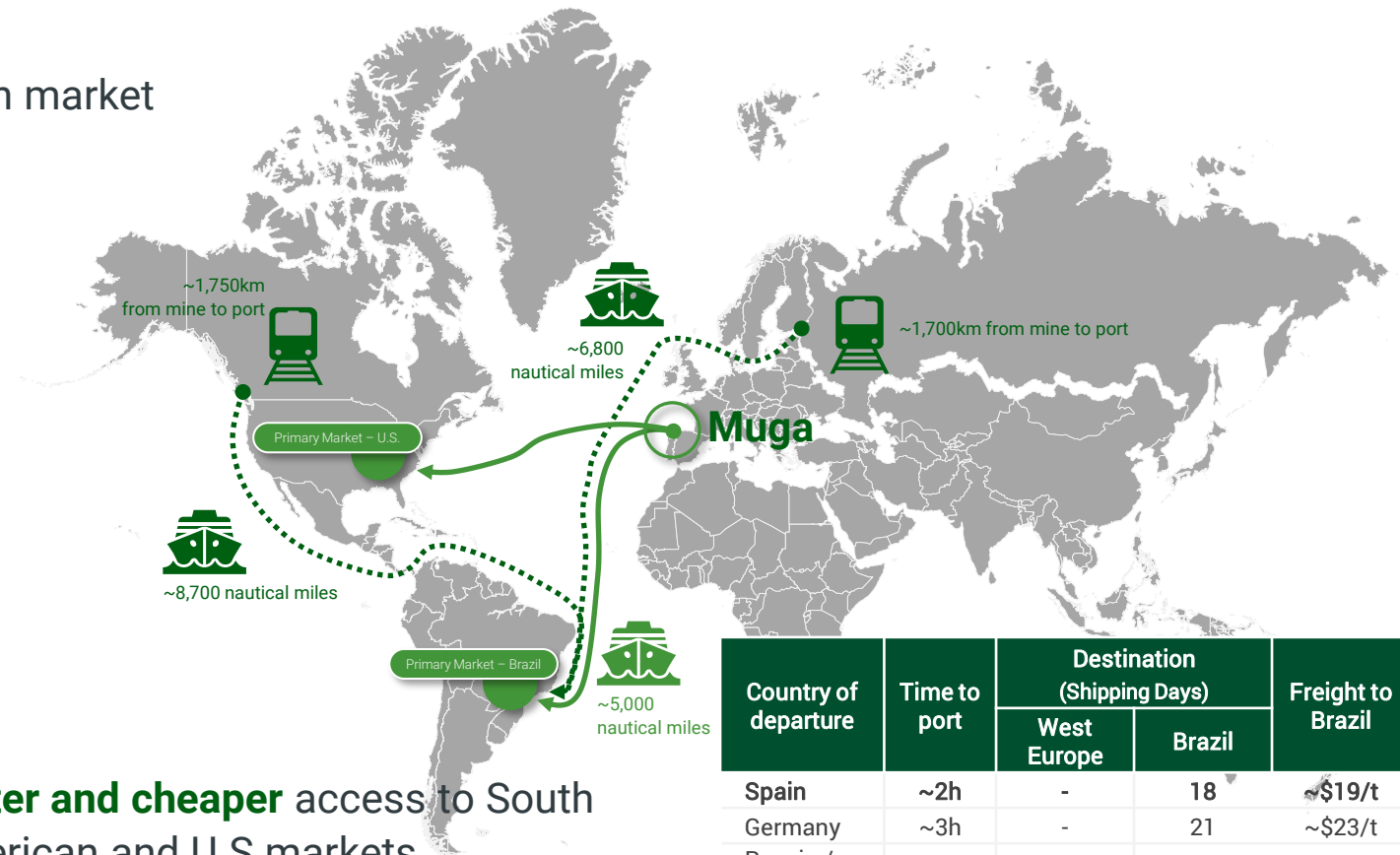
Potash prices are very strongly correlated to crop prices
Crop prices are expected to recover with potash prices expected to follow



Location is a Key Competitive Advantage

Access to Customer Markets

- **Strategically located** in the middle of the European market
- Potash **price premium** in Europe

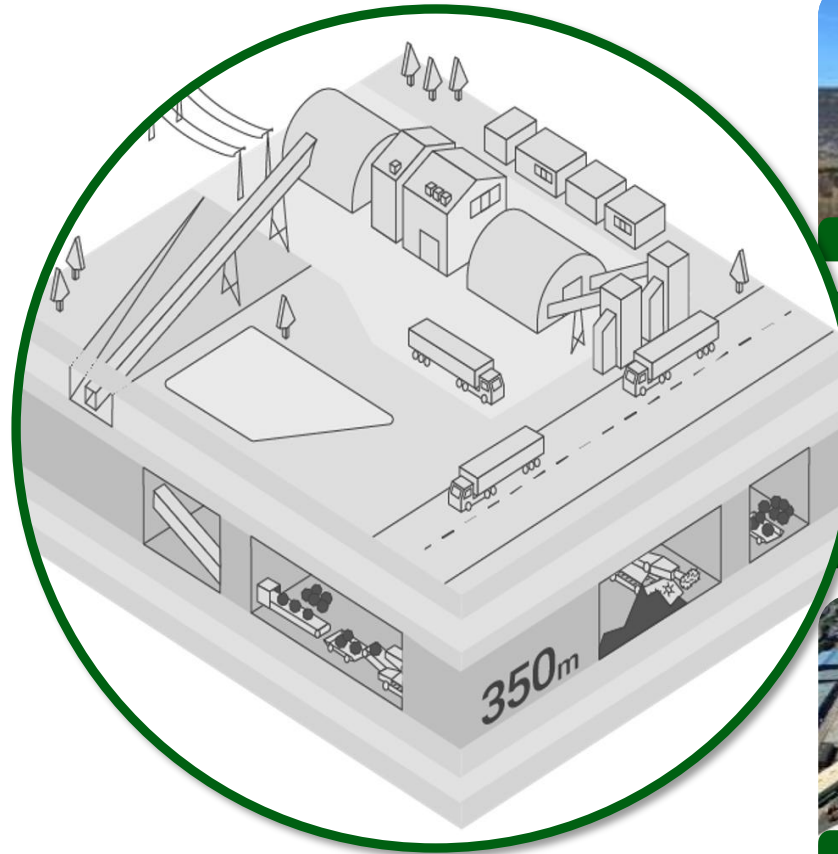


- **Faster and cheaper** access to South American and U.S markets
 - Muga is <200km to port
 - Less than half the transport time

Country of departure	Time to port	Destination (Shipping Days)		Freight to Brazil
		West Europe	Brazil	
Spain	~2h	-	18	~\$19/t
Germany	~3h	-	21	~\$23/t
Russia / Belarus	~2-3 days	5	26	~\$37/t
Canada West Coast	~3 days	35	43	~\$51/t

Other Key Competitive Advantages

- **Excellent infrastructure in place** with immediate access to ports, transport and renewable grid power
- **Straightforward access** to the mine with two ramps, no shafts, no aquifers and shallow mineralization
- **Low technical risk** with conventional underground Room and Pillar mining method and flotation and crystallization processing



National Electricity Grid Substation in Sangüesa



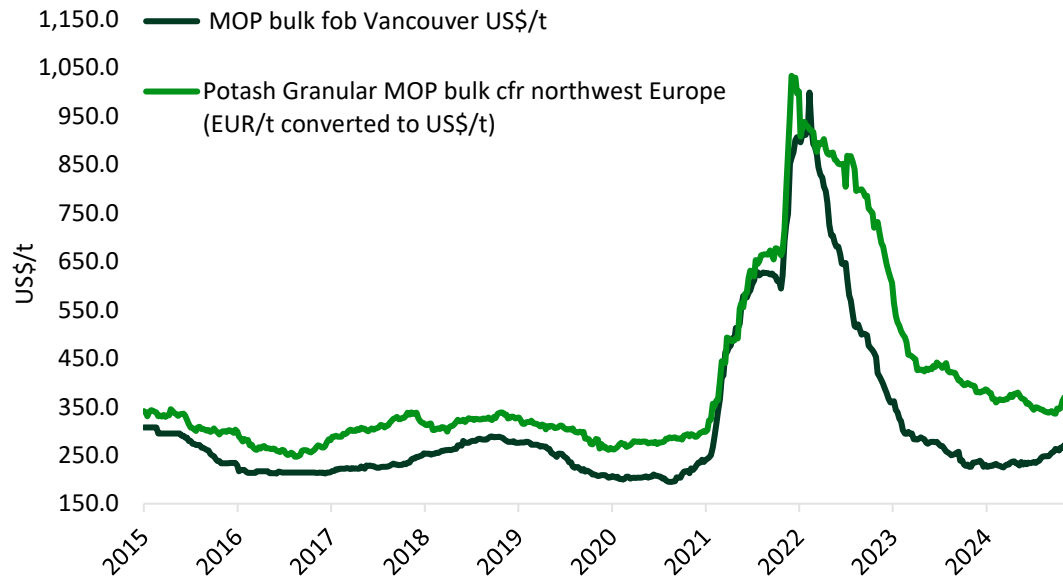
A-21 between Sangüesa and Pamplona



Port of Bilbao (~220km), Spain's largest port

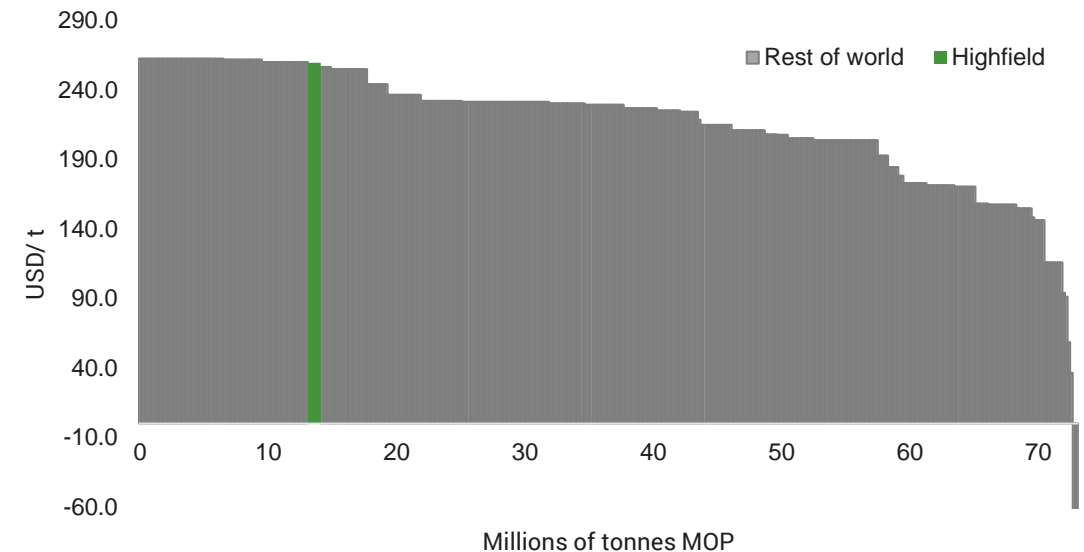
Top Quartile Margins

Europe trades at a premium to other markets



Mine location provides exposure to significantly lower potash delivery rates to the European market, meaning higher netbacks at mine gate

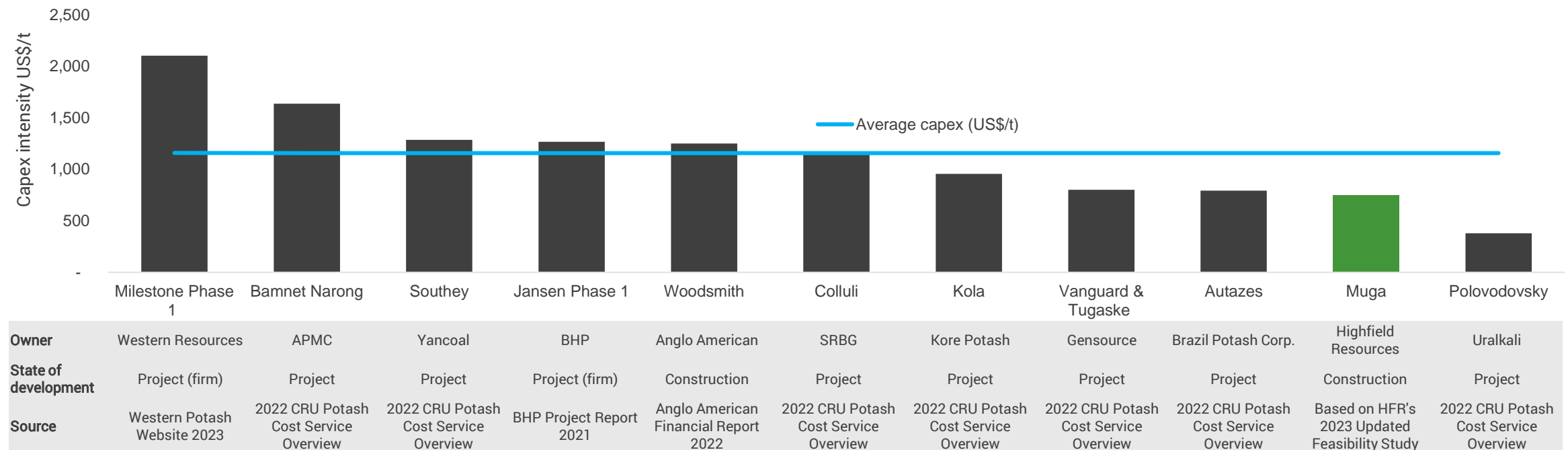
Margin curve forecast for 2026 (real US\$)



Low costs and higher netbacks at mine gate position the mine as potentially one of the highest margin potash mines globally

Low Initial Investment

MUGA has half the capex intensity compared to other global development projects (US\$ Per Tonne Of Potash)



The Company confirms that all material assumptions underpinning these figures, in-line with the initial public report released on 8 November 2023 (refer ASX release "Muga Project Updated 2023 Feasability Study") continue to apply and have not materially changed.

Outstanding Project Economics

ECONOMICS

€340 million pa
EBITDA in full
production

NPV₈ of €1.82 billion
23% IRR (post-tax)

First quartile margin
position

Pre-production capital
cost of €449 million
(phase one), including
10% contingency

Capital cost of €286
million (phase two),
including 10%
contingency

Economics
underpinned using
current real spot
prices

Resource

- 100% owned Muga Potash Project
- ROM tonnes of 173,7Mt at 10.2% Potassium Oxide (K₂O)

Permits

- Fully permitted and construction ready, subject to financing.

OPERATIONAL

2 phase planned
production up to
1Mtpa of Muriate of
Potash (MOP)

Excellent logistics with
access to renewable
grid power, transport,
and port

Strategically located
with low cost access
to customer markets

30 year
Life of Mine

Conventional
Underground Room
and Pillar mining
operation

Established social
licence to operate

Global demand for MOP as a critical fertilizer input is expected to grow which is driven by current geopolitical supply risks, population growth, and pressure on farming yield.



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