

ASX Release  
1 May 2017

## FORMAL RESPONSES TO GOVERNMENT ON MUGA POTASH PROJECT SUBMITTED

### Highlights

- Revised environmental document submitted to MAPAMA on 28 April 2017
- The submission includes answers to all queries raised by the referral authorities and MAPAMA
- Highfield also completed some further technical work to support and clarify some areas of the submission
- The compilation process has been coordinated by Spanish consultancy, TYPASA, which has successfully managed over 200 Environmental Impact Studies and Declaración de Impacto Ambiental submissions
- Multiple meetings held with referral authorities to ensure all matters have been addressed to their satisfaction and captured in the formal responses
- Continued close engagement with local communities who remain extremely supportive of Muga Potash Project

Highfield Resources (ASX: HFR) (“Highfield” or “the Company”) is pleased to announce that it has delivered its revised and updated environmental submission to the Ministry of Agriculture, Fishing, Food and Environment (“MAPAMA”) as requested in the correspondence from MAPAMA to the Company on 19 December 2016 and 31 January 2017.

The correspondence from MAPAMA included requests for clarification or reconsideration of some components of the project plan by various referral authorities from which MAPAMA had requested input. The new revised and updated document is the culmination of extensive liaison with the referral authorities across three jurisdictions (the Provinces of Navarra and Aragon as well as the central authority in Madrid). Interactions with each of these groups was positive and the Company was reassured by the high level of engagement and interest shown by each. Authorities consulted with by Highfield during this process include:

- *Navarra Environmental Department*
- *Navarra Mining Department*
- *Aragón Environmental Department*
- *Aragón Mining Department*
- *Confederación Hidrográfica del Ebro (CHE - water management)*
- *Instituto Geológico y Minero de España (IGME)*
- *Instituto Geográfico Nacional (IGN)*
- *Instituto Aragonés de Gestión Ambiental (INAGA)*

The responses submitted to MAPAMA include additional work in some areas that was completed by Highfield to further clarify and support the Company’s submission.

During the response process, Highfield engaged the services of TYPASA Group (“TYPASA”) to manage the compilation of the final documents for submission and to provide advisory services to the Company. TYPASA is a leading consulting and engineering group active in the fields of transport, buildings, water,

**Highfield Resources Ltd.**

ACN 153 918 257  
ASX: HFR

**Issued Capital**

323.3 million shares  
51.1 million options  
50.0 Performance B Shares

**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

**Directors**

Derek Carter  
Peter Albert  
Pauline Carr  
Richard Crookes  
Jim Dietz  
Owen Hegarty

**Company Secretary**

Donald Stephens

environment and energy, based in Spain with presence in more than 40 countries, including Australia. TYPESA has extensive experience in Spanish environmental permitting, having been involved in over 200 Environmental Impact Assessments and Declaración de Impacto Ambiental processes in Spain.

Highfield continues to interact with the communities surrounding the Project through various direct communication channels as well as regular meetings with councillors, mayors and other officials. The local communities remain strongly supportive of Muga, the expected positive long term socio-economic impact, and the Company's sustainable approach to its development.

MAPAMA will now be able to continue with its review of the Company's permitting application for the MUGA Project. The Company will remain in contact with MAPAMA and the other referral authorities to respond to any questions or to provide any additional explanation as necessary.

The Company remains confident of receiving all permits for Muga in due course and will continue to keep the market informed of material progress and developments.

**For more information:**

**Highfield Resources**

Peter Albert  
Managing Director  
Ph: + 34 617 872 100

Hayden Locke  
Head of Corporate Development  
Ph: +44 7729 197 707

## About Highfield Resources

Highfield Resources is an ASX listed potash company with five 100%-owned projects located in Spain.

Highfield's Muga, Vipasca, Pintanos, Izaga and Sierra del Perdón potash projects are located in the Ebro potash producing basin in Northern Spain, covering a project area of more than 550km<sup>2</sup>. The Sierra del Perdón project includes two former operating potash mines.

The Company completed a Definitive Feasibility Study for its flagship Muga Project in March 2015, which was optimised in November 2015 to enhance operational efficiencies, sales and marketing activities and the life of mine. Highfield is awaiting a positive environmental declaration which will enable it to commence construction of the Mine.

In addition to the existing Muga Project, Highfield also has significant Exploration Targets for an extension to Muga, as well as for the Vipasca and Pintanos Potash Projects.

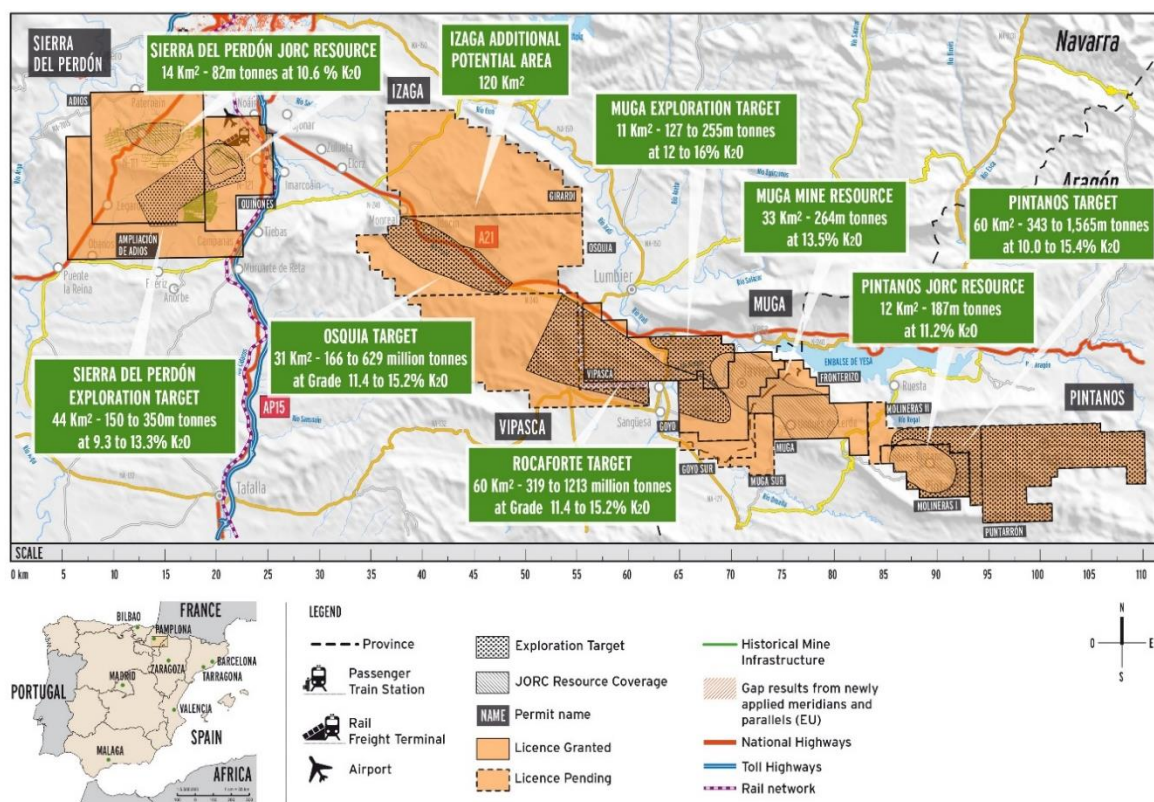


Figure 1: Location of Highfield's Muga, Vipasca, Pintanos, Izaga and Sierra del Perdón Projects in Northern Spain \*

*\*The potential quantity and grade of the Exploration Target is conceptual in nature and there has been insufficient exploration to estimate a Mineral Resource and it is uncertain if further exploration will result in the estimation of a Mineral Resource*