

ASX Release
20 January 2015

HIGHFIELD RESOURCES SIGNS MOU WITH PORT OF BILBAO

Highlights

- **MOU signed with Port of Bilbao, one of Spain's largest ports and a major European Atlantic port**
- **Port of Bilbao is located 220km by road from the Muga Project**
- **MOU confirms 25,000m² of wharf space and 200m berth allocated**

Spanish potash developer Highfield Resources Limited ("Highfield" or "the Company") (HFR: ASX) is pleased to advise it has signed a Memorandum of Understanding (or "the MOU") with the Port Authority of Bilbao.

This MOU complements a similar agreement with the Port of Pasajés (San Sebastián), announced 18 December 2014, and confirms the availability of 25,000m² of wharf space for the construction of handling facilities including 200m of dedicated mooring. These two MOUs provide complementary options for the shipment of 100% of production from the Muga Potash Project ("Muga" or "the Project").



Figure 1: Aerial View of the Port of Bilbao

Highfield Resources Ltd.

ACN 153 918 257
ASX: HFR

Issued Capital

200.50 million shares
103 million performance
shares
39.25 million options

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The Port of Bilbao is located 220km by road from the site of the Muga Project and was Spain's fourth largest port by total tonnage handled in 2013. It is one of the main hub ports of the European Atlantic seaboard and covers 350 hectares of land, 17 kilometres of dock, has 252 hectares of open storage, 30,000m² of covered storage, 25,300m² of cold storage and terminals for containers, solid and liquid bulks, forest products, vehicles, general cargo, and passengers.

With a history of 700 years of trade and commerce, it operates commercial services for all types of markets and can accommodate vessels of up to 32m draught.

Highfield Resources' Managing Director Anthony Hall, commented:

"We are extremely fortunate to have two large commercial ports within easy reach of the Muga Project's future production facilities. Our agreement with the Port of Bilbao is an important element of developing the mine's logistics solution with a long-term view, flexibility and increased optionality from the onset.

The Port of Bilbao is a major LNG terminal and a hub for maritime traffic. It is well prepared for and well connected to service north and south Atlantic trade; both of which we expect to work with as our operations build scale.

Coupled with the MOU signed last month with the Port of Pasajés, we are now in an excellent position to assess routes to export markets."

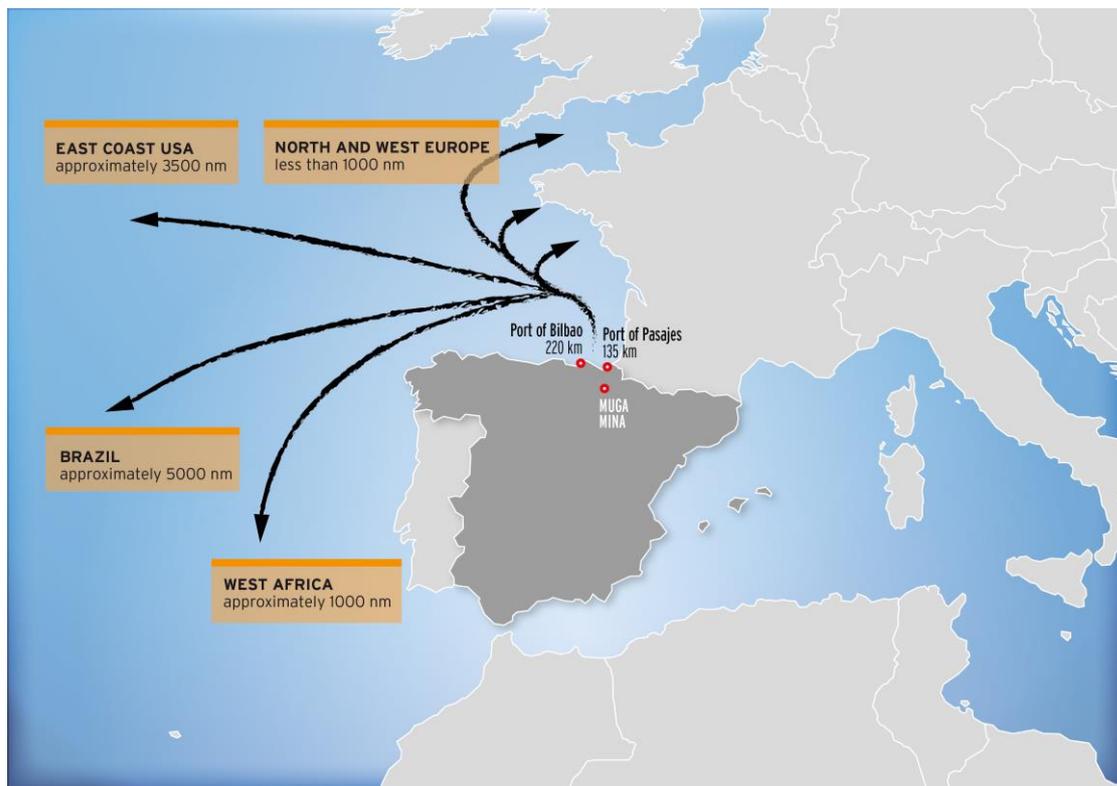


Figure 2: Map Showing the Muga Mine, Ports of Pasajes and Bilbao and Distances to Key Target Markets

The MOU confirms the availability of 25,000m² of wharf for the construction of dedicated facilities under either a concession arrangement or preferential availability, together with 200 linear metres of berth and the charging mechanism for shipments up to and beyond 400,000 tonnes per annum. The target operational date is early 2017.

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