Amendment to Convertible Note Terms

Highfield Resources Limited (ASX: HFR) (**Highfield** or the **Company**) is pleased to announce that it has executed a second deed of amendment with Potash (Muga) Investment Pte. Ltd (formerly EMR Capital Investment (NO. 2B) Pte Ltd and EMR Capital GP III Limited in its capacity as general partner of EMR Capital Resources Fund III, LP (together, **EMR**), to extend the maturity date of the convertible notes which have been issued by the Company to EMR (refer to the ASX announcements dated 23 May 2023, "Highfield secures a key strategic investment of A$25m from EMR Capital and Tectonic Investment Management", and dated 22 December 2023, "Highfield Secures US$6M to Advance Muga Potash Mine Toward Construction").

The amendments follow the recent formal extension of the exclusivity period under the non-binding Letter of Intent with Qinghai Salt Lake Industry Co., Ltd. (**Qinghai Salt Lake**), a subsidiary of China Minmetals Corporation (**CMC**) and Yankuang Energy Group Co., Ltd (**Yankuang**), regarding a proposed US$300 million equity subscription (refer to the ASX announcement dated 18 July 2025, "Update on LoI & Progress of Proposed Cornerstone Placement") (together, the "Proposed Transaction").

Under the amendment, the maturity date of the convertible notes has been updated to reflect alignment with the revised timetable for the Proposed Transaction. Specifically, the maturity date of the convertible notes will be extended to the earliest to occur of:

- **15 August 2025**, unless Qinghai Salt Lake has provided written confirmation of its intention to proceed with the Proposed Transaction by that date, in which case the maturity date will be extended to **31 August 2025**; and
- the date on which any of Qinghai Salt Lake, Yankuang or the Company terminate, or become entitled to terminate, negotiations or any agreements entered into with the Company and or its wholly-owned subsidiary, Geoalcali relating to the Proposed Transaction or otherwise ceases to pursue the Proposed Transaction.

All other terms and conditions of the convertible notes remain unchanged and continue in full force and effect.

The Company appreciates the continued support of its strategic investors and will continue to update the market in accordance with its continuous disclosure obligations.

-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 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.

Muga is a unique project – with shallow mineralization and no aquifers above it there is no need to build a shaft. There is high 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 mid-2024, the Company announced a transformative transaction to finance the construction of the Muga potash project and create a new globally diversified potash company. This transaction involved **Yankuang Energy Group Co., Ltd** and several strategic investors, and included the **proposed acquisition of the Southey potash project** in Saskatchewan, Canada, alongside the **raising of US$220 million in equity capital**. The transaction remains subject to shareholder and regulatory approvals.

Following this, in May 2025, the Company signed a non-binding **Letter of Intent** with **Qinghai Salt Lake Industry Co., Ltd**, a subsidiary of **China Minmetals Corporation**, for a proposed **US$300 million equity subscription**. This proposed QSL Cornerstone Placement represents a significant evolution of the original deal structure and is intended to accelerate the development of Muga and Southey while strengthening Highfield's long-term strategic positioning through the support of China's largest potash producer.

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^2.

FIGURE 1: LOCATION OF MUGA-VIPASCA, PINTANOS, AND SIERRA DEL PERDÓN TENEMENT AREAS IN NORTHERN SPAIN.