



Termination of Agreement with Yankuang

Highfield Resources Limited (ASX: HFR) (“Highfield” or “the Company”) announces that it has received notice from Yankuang Energy Group Co., Ltd (“Yankuang Energy”) terminating the implementation agreement (and the associated equity subscription agreement) between Yankuang Energy and the Company (refer to the ASX announcement dated 24 September 2024, “Creation of a New Globally Diversified Potash Company”).

Receipt of that notice has the effect of automatically terminating the equity subscription agreements between the Company and each of Beijing Energy International Co., Ltd and Singapore Taizhong Global Development Pte. Ltd. (which were entered into at the same time as the implementation agreement).

The Board acknowledges Yankuang Energy’s decision and notes that the transaction announced on 24 September 2024 will no longer proceed. The termination of these agreements removes the exclusivity provisions previously in place and provides Highfield with the ability to actively pursue a wider range of strategic options as it progresses its funding strategy.

Highfield remains committed to progressing its flagship Muga Potash Project and continues to actively review alternative funding options that align with the Company’s strategic objectives. In particular, HFR is currently in active discussions regarding a potential capital raising and will make an ASX announcement once these discussions are finalised. The Company also continues its focus on prudently managing working capital and minimising expenses across the Group as it works towards the best outcome possible for shareholders and major stakeholders.

-ENDS-

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

For more information, contact:

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