Highfield Resources

ASX Release

6 June 2013

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Issued Capital
119.26 million shares
100 million performance shares
10 million options

ASX Code
HFR

JUNE 2013 SPANISH POTASH PROJECTS MARKET UPDATE

HIGHLIGHTS

- **Five hole validation drilling campaign on Sierra del Perdon project to commence in June 2013**
- **Javier project historical core re-assayed with maiden JORC Code compliant resource estimate expected in July 2013**
- **Ten hole drilling campaign on Javier project to commence in July 2013**
- **Metallurgical testwork commenced on historic Javier core samples**
- **Second Pintano project permit issued**
- **Three additional key Spanish appointments**
- **Pamplona office operational**

The Board of Highfield Resources is pleased to update that substantial progress has been made on Highfield's three 100% owned Spanish potash projects.

An acceleration of development activity is expected over the coming months on the company's Sierra del Perdon and Javier projects.

SIERRA DEL PERDON POTASH PROJECT UPDATE

As previously advised, a 3D model of the Sierra del Perdon evaporite basin has been created that details the infrastructure from the two former operating mines. This 3D model has been used to prepare a confirmatory drilling campaign of five holes. Each hole is relatively shallow with depths ranging between 250m and 400m below surface.

The drilling campaign will test the company's methods' hypothesis with its primary purpose being to:

- provide sufficient data for a JORC Code compliant resource estimate;
- test whether it is possible to re-enter the historic mine areas via a decline to mine unmined areas of mineralisation; and
- provide core samples for mineralogical and metallurgical testwork to determine the optimum process plant design and the mass balance.

The drilling campaign is expected to be completed in Q3 with results expected in Q4 of this Calendar Year.

JAVIER POTASH PROJECT UPDATE

A JORC Code compliant resource estimate is expected for the Javier project in July 2013. A ten hole drilling campaign has been designed to test the extents of the Javier evaporite basin. The drilling campaign will test the potash potential historically intersected at relatively shallow depths ranging between 300m and 530m below surface.

In addition, core samples from three drill holes (shown in the map below) have been re-assayed by North Rim with the results presented below (shown in the Table 1). The analytical results were prepared by the Saskatchewan Research Council (SRC) in Saskatoon, Canada who are accredited to ISO standards and are independent of North Rim and Highfield. Assays were analysed for potash exploration geochemistry using the analytical ICP-OES method. SRC included lab blanks and standards and follows stringent QA/QC protocol. North Rim inserted independent standards as an additional quality check.

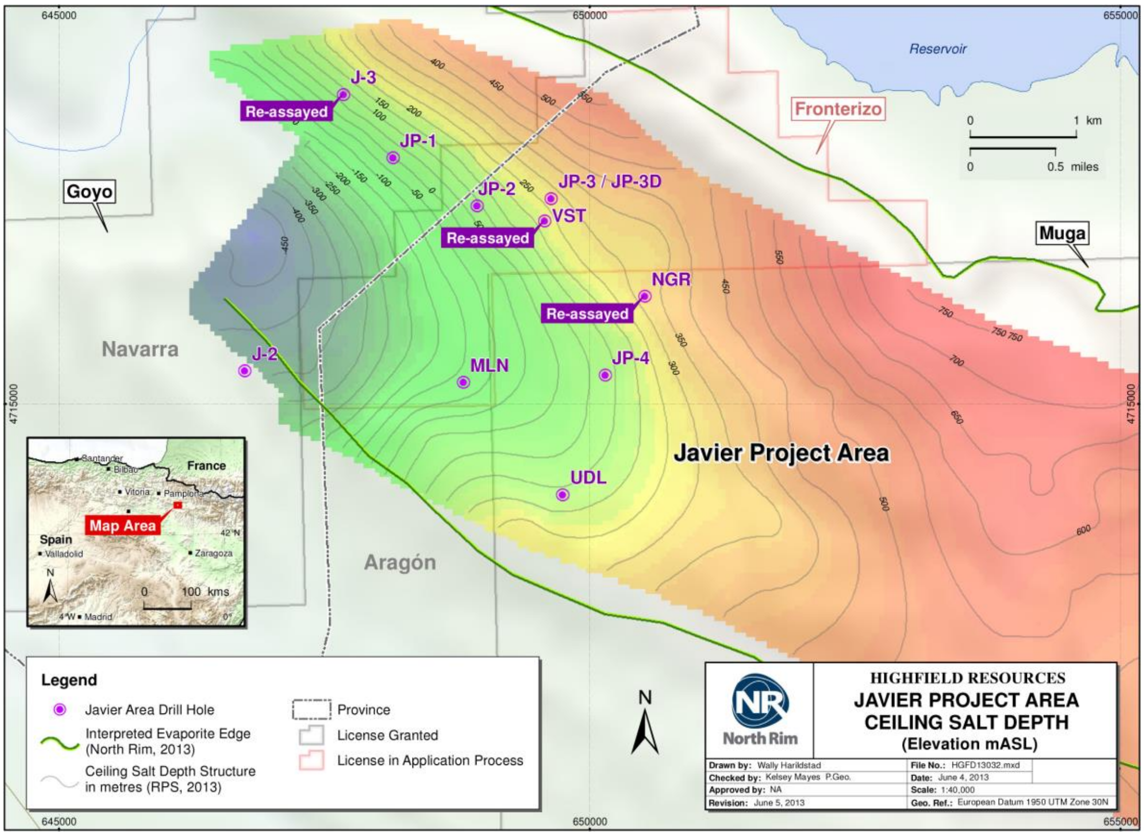

Figure 1: Javier Area Historical Drilling and Re-assayed Wells.

Note: Contour lines reflect depth to top of evaporite salt in meters above sea level. MLN, UDL and J-2 do not contain potash mineralization. The remaining wells (JP-1 to JP-4) were not re-assayed as no core was available, only historical assays. The historical assay results of JP-1 to JP-4 will be released within the Maiden JORC Report expected for Javier in July, 2013.

Table 1: Javier Potash Intersections for Re-assayed Wells

Javier Potash Intersections - Re-assayed Wells

Effective April 23rd, 2013

Drill Hole	Seam	From (m)*	To (m)*	Thickness (m)**	Weighted K_2O**	Weighted KCl**
J3***	Upper	409.50	415.00	5.50	4.96	7.85
	Lower	420.28	421.58	1.30	6.86	10.86
NGR***	Lower	300.30	304.69	4.39	12.10	19.15
VST***	Upper	369.01	373.86	4.85	12.93	20.47
	Lower	378.17	379.41	1.24	10.43	16.51

**Historical assay depths: No wireline for J-3, NGR & VST so depths could not be shifted or confirmed off wireline*
*** Interval and Weighted KCl and K_2O values listed **due to sylvite** (does not include potassium from carnallite)*
****Re-assayed holes use weighted K_2O values which were calculated in Vulcan modeling software as total seam composites. This includes compensation for missing core.*

It is important to note that due to lack of directional surveys, the assay thicknesses may not represent the true potash thicknesses.

Note: Thicknesses and grades are reflective of the selected resource intervals based on the re-assaying analytical results. Numerous samples were taken over each interval and have been weighted in order to produce the listed results.

To convert K_2O to KCl, multiply by a factor of 1.5829.

The deposit geology is defined by a hanging wall salt, an upper potash seam (sylvinite), an interbed salt, a lower potash seam (sylvinite) and a footwall salt. The NGR drill hole appears to be the most promising recording a lower potash seam intersect of 1.36m at 25.2% KCl within a 4.39m intersection with an overall weighted KCl average of 19.15% (KCl values due to sylvite). The depth of this intersection occurs in the interval between 300.30m to 304.69m below surface.

PINTANO POTASH PROJECT UPDATE

On 27 May 2013 the second and final Pintano project permit was issued by the Aragon Administration. Puntarron is a significant permit and ensures the company preserves potential resource upside if the mineralisation extends into deeper sections of the Pintano evaporite basin as shown below.

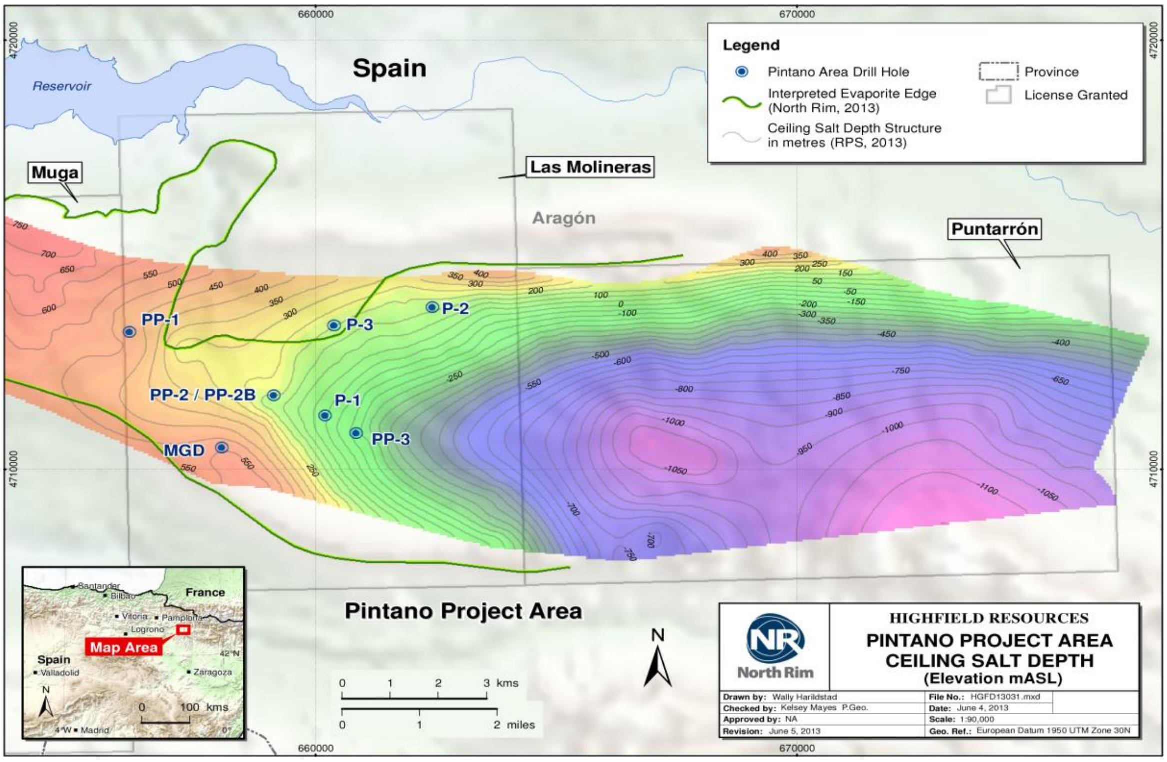

Figure 2: Pintano Area Historical Drilling.

Note: Contour lines reflect depth to top of evaporite salt in meters above sea level.

The Board expects to initiate a drilling campaign for Pintano in Q4 of the current Calendar Year. This drilling campaign has been designed to complement the four existing drill holes that show mineralisation within the project area (previously released in the Pintano Exploration Target).

CORPORATE

The company's office in Pamplona is now operational and houses all of the company's Spanish based team.

During the past month three additional key appointments have been made by Highfield's 100% owned Spanish subsidiary. An environmental scientist has been appointed to drive the environmental approvals process; a qualified lawyer with deep planning experience has been appointed to drive the community engagement and planning process; and an additional project geologist has been appointed to work on the second concurrent drilling campaign planned to commence in Javier in July 2013.

The company's Spanish project website has been enabled. The www.geoalcali.com will be used as part of the company's community engagement strategy to provide project updates to interested parties in Spain.

The Company's focus remains on its Spanish assets given their near term production prospects.

Anthony Hall
Managing Director

Competent Persons' Statement

This ASX release was prepared by Mr. Anthony Hall, Managing Director of Highfield Resources and Ms Tabetha Stirrett, P.Geo, of North Rim. The Competent Person under JORC Code standards and reviewer for this release pertaining to the information surrounding only Javier and Pintano is Ms Tabetha Stirrett, P.Geo. of North Rim Exploration Limited of Saskatchewan, Canada. Ms Stirrett is a Professional Geoscientist and member in good standing with the Association of Professional Engineers and Geoscientists of Saskatchewan which is a JORC Code 'Recognized Professional Organization' (RPO). An RPO is an accredited organization of which the Competent Person under JORC Code Reporting Standards must belong in order to report Exploration Results, Mineral Resources, or Ore Reserves through the ASX. Ms Stirrett is a geologist and Business Development Manager with North Rim and has sufficient experience to qualify as a Competent Person for the relevant style and type of mineralization and deposit under consideration of this release. Ms Stirrett consents to the inclusion in the report of the matters based on this information in the form and context in which it appears.

ABOUT HIGHFIELD RESOURCES

Highfield Resources is an ASX Listed potash company with four key projects located in Spain and Australia.

Highfield's Javier, Pintano and Sierra del Perdon potash projects are located in the Ebro potash producing basin in Northern Spain. The Sierra del Perdon project includes two former operating mines. Highfield's key objective is to quickly recommence production from these mines. The Javier and Pintano potash projects are located in two separate sub basins within 60 kilometres of the former operating mine. Highfield owns a 100% interest in the six granted tenements with two applications pending that comprise the three projects and cover over 400 km^2.

Highfield's McLarty potash project is located in the Canning Basin of northern Western Australia. The Canning Basin contains vast accumulations of Ordovician evaporite salt bearing sediments at relatively low depths underground that is considered prospective for economic potash mineralisation. The Company has entered into a farm in agreement to explore three granted tenements and may obtain an interest of up to 80% of the project.

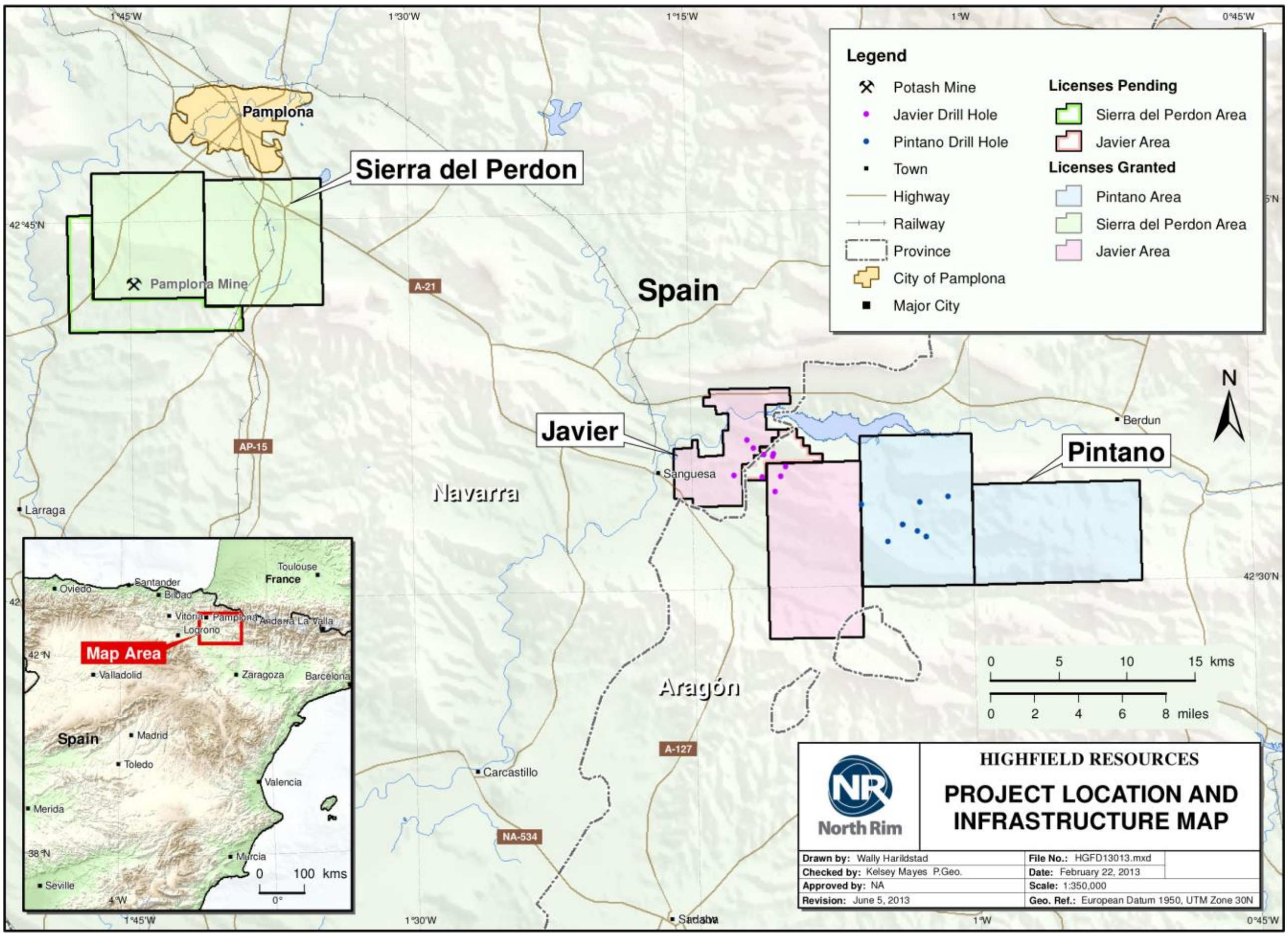

Figure 3: Location of Highfield's Javier project in relation to its Pintano and Sierra del Perdon projects.