Highfield Resources

Javier Potash Project
Initial Production Target

Investor Presentation

October 2013

ASX Code: **HFR**

Competent Person Statement
Information relating to resources was prepared by Mr Leo Gilbride, P.Eng and Ms Vanessa Santos, P.Geo, of Agapito Associates. The Competent Person under JORC Code standards is Mr Leo Gilbride, P.Eng and Ms Vanessa Santos, P.Geo. of Agapito Associates of Colorado, USA. Mr Gilbride is a licensed professional engineer in the State of Colorado, USA and is a registered member of the Society of Mining, Metallurgy and Exploration Inc. Ms Santos is a licensed professional geologist in South Carolina and Georgia, USA, and is a registered member of the Society of Mining, Metallurgy and Exploration Inc.

The Society of Mining, Metallurgy and Exploration Inc 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. Mr Gilbride is the Vice President of Engineering and Field Services and Ms Santos is the Chief Geologist with Agapito Associates and both have sufficient experience to qualify as a Competent Person for the relevant style and type of mineralisation and deposit under consideration of this release. Mr Gilbride and Ms Santos consent to the inclusion in the report of the matters based on this information in the form and context in which it appears.

Forward-Looking Statements
This presentation includes certain 'forward looking statements'. All statements, other than statements of historical fact, are forward looking statements that involve various risks and uncertainties. There can be no assurances that such statements will prove accurate, and actual results and future events could differ materially from those anticipated in such statements.
Such information contained herein represents management's best judgment as of the date hereof based on information currently available. The company does not assume any obligation to update any forward looking statement.

Exploration Target Statement
Total tonnes and grade were based on the extrapolation of mineralisation in potash beds A, B and 1 from nine historial exploration holes to the limits of the property or basin. The reader is cautioned that this Exploration Target is conceptual in nature, that there has been insufficient exploration to estimate a JORC Mineral Resource, and that it is uncertain if further exploration will result in the estimation of a JORC Mineral Resource.

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Table of **Contents**

1. Overview

2. Javier Potash Project
    a. JORC Mineral Resource Estimate and Upside
    b. Target Mine Strategy
    c. Block Model
    d. Process Plant
    e. Transport Options
    f. Scale Upside
    g. Development Timeline

3. Location

4. Highfield Resources

5. Summary

Three exceptional potash development opportunities

ASX listed (ASX:HFR) potash developer

Three 100%-owned Spanish assets located in Northern Spain in Navarra sub basin of potash producing Ebro Basin.

Projects in close proximity to Pamplona, where Highfield has established its head office.

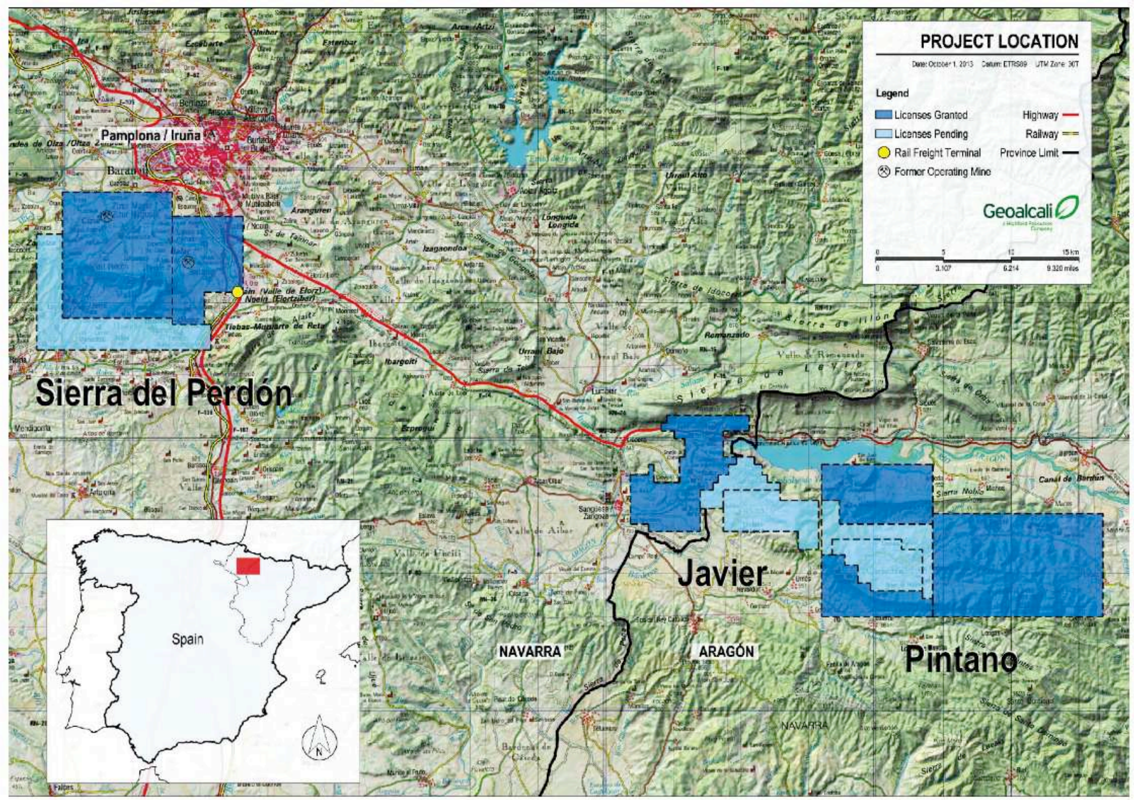
Sierra del Perdón hosts two former operating mines that produced over 9m tonnes of potash over 25 year period.

Javier and Pintano are contiguous and both have relatively shallow potash mineralisation dominated by sylvinite.

Projects are strategically located near:

- Existing infrastructure.
- Major potash consumption areas of European Union.
- Access to commercial ports for shipping to high growth regions: India, China and South America.

Project Locations in Spain



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Javier Project Area

Javier

Overview

JORC Inferred Mineral Resource of 163.2Mt @ 10.9% K_2O / 17.3% KCl.[1]

Significant resource upside remains from current drilling campaign.

Relatively shallow predominantly sylvinite mineralisation that appears suitable for conventional underground mining.

Significant historical information including ten drill holes with logs and seismic profile over the evaporite.

Priority development target with brilliant infrastructure and transport options.

Permits

Goyo	3,920 ha
Fronterizo*	980 ha
Muga**	2,044 ha
TOTAL	6,944 ha

Evaporite

Ranges from 15m to 120m thick (averages c. 60m).

Depths from Surface

Ranges from 290m to 750m.

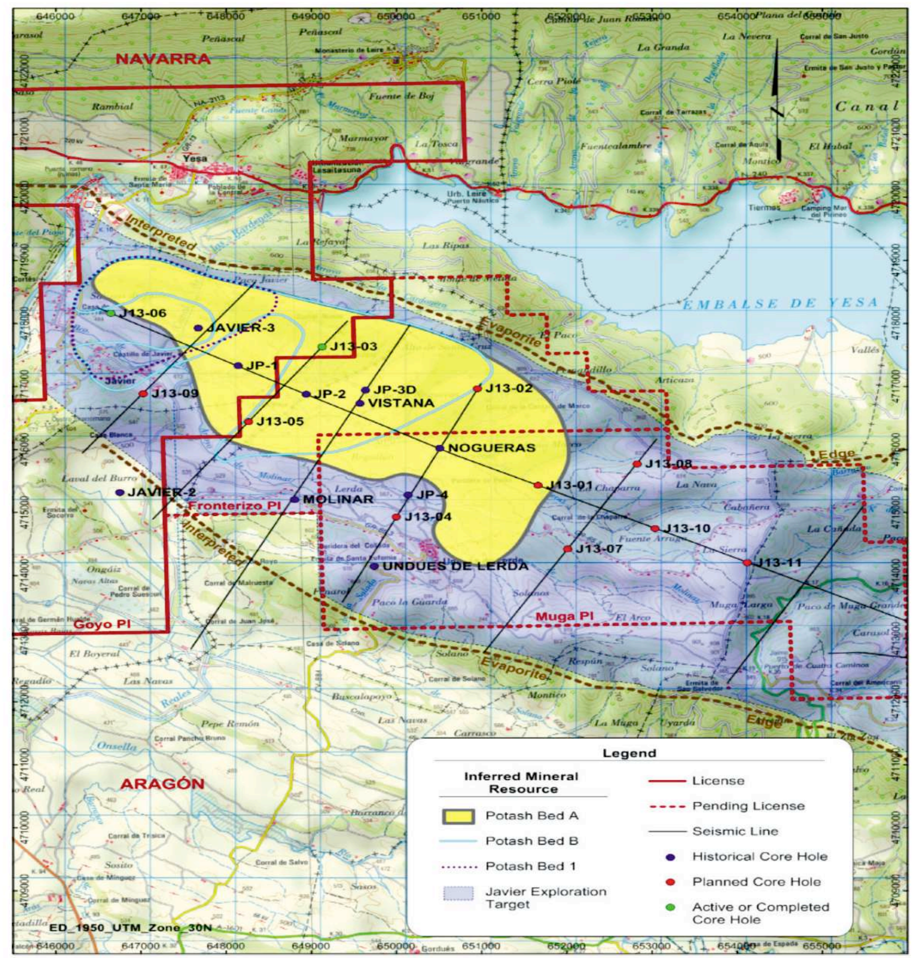
Geology

Up to three sylvinite beds interbedded with halite with thick halite above and below.

* Approved by both Navarra and Aragón and sent to Madrid for issuing on 23 September 2013. Expected to be issued in October 2013.

** In process of conversion from Exploration Permit to Investigation Permit; definitive admission in Aragón on 16 September 2013. Expected to be formally granted in Q4 2013.

[1] Refer ASX Announcement dated 8 October 2013.



Sierra del Perdón

Overview

Two former operating mines, production over 25 years with full production records. Closed in 1997 due to uneconomic potash prices.

Numerous historical drill holes with good quality logs and seismic profile over the evaporite.

Initial drilling campaign results show thick potash mineralisation with some very strong intersects including 90cm at 25.1% K_2O / 39.8% KCl[1].

Permits

Quiñones	3,332 ha
Adiós	7,560 ha
Ampliacion Adiós*	4,088 ha
TOTAL	14,980 ha

Evaporite

Ranges from 10m to 180m thick (averages c. 60m).

Depths from Surface

Ranges from 250m to 1,200m.

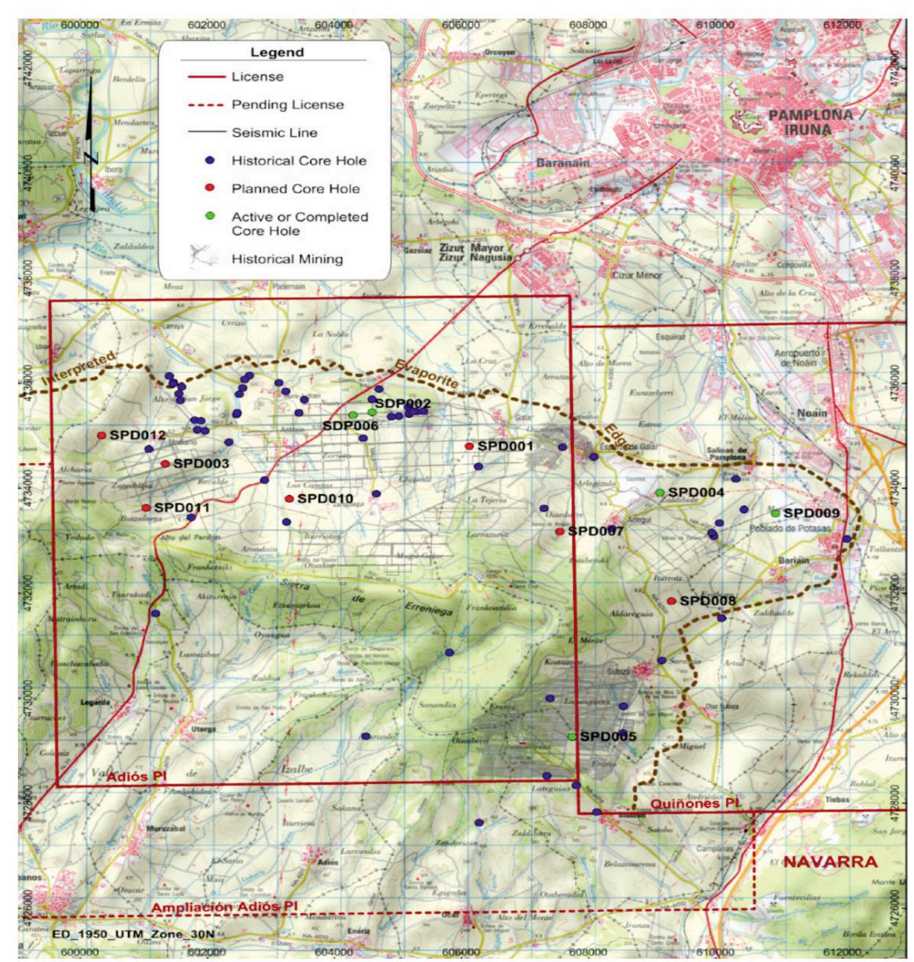
Geology

Halite in the hanging wall followed by a thick seam of carnallite interbedded with sylvinite, followed by a halite interbed, sylvinite and halite in the footwall.

* Application in process; published in the Oficial Gazette of Navarra on 5 September 2013. Expected to be formally granted in Q4 2013.

[1] Refer to ASX Announcement "Spanish Projets Update" dated 16 September 2013.

Sierra del Perdón Project Area



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Pintano Project Area

Pintano

Overview

Large basin with historic drill holes intersecting thick sylvinite mineralisation of over 4m at grades between 10 and 14% K2O.[1]

Seven historical drill holes with good quality logs and seismic profile over the evaporite.

Initial drilling campaign to commence in Q4 2013.

Permits

Puntarrón	9,072 ha
Molineras 10*	1,820 ha
Molineras 20**	1,680 ha
TOTAL	12,572 ha

Evaporite

Ranges from 10m to 180m thick (averages c. 60m).

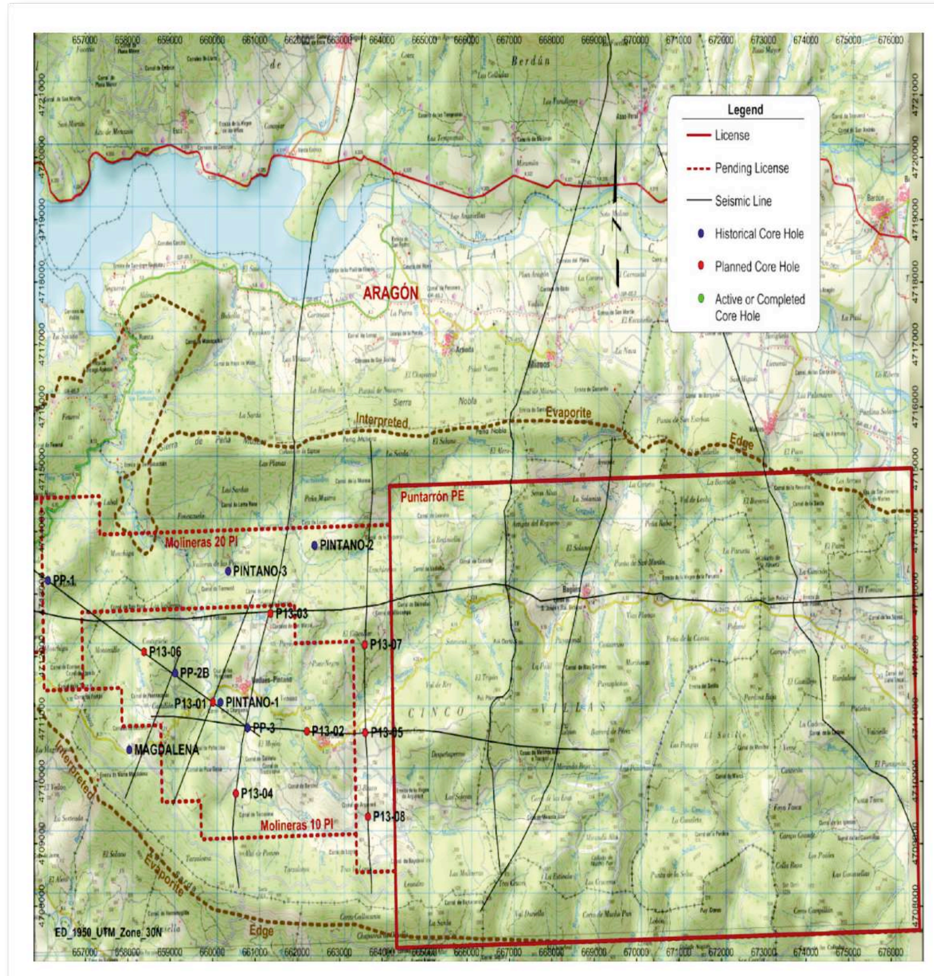
Depths from Surface

Ranges from 500m to 1,500m.

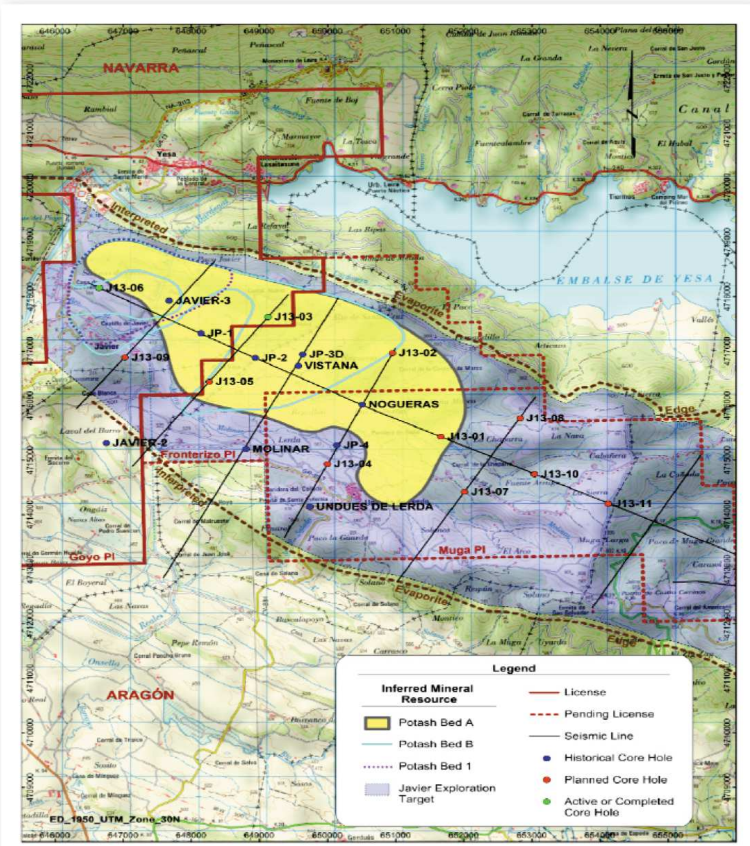
Geology

Up to three sylvinite beds interbedded with halite with thick halite above and below.

* In process of conversion from Exploration Permit to Investigation Permit; definitive admisssion in Aragon on 27 August 2013, expected to be formally granted in Q4 2013.
** In process of conversion from Exploration Permit to Investigation Permit; expected to be formally granted in Q1 2014.
[1] Refer ASX Announcement "Pintano Exporation Target" dated 27 February 2013.



Javier Project Area with JORC Mineral Resource Estimate



JORC Mineral Resource Estimate

Potash Bed	Average Thickness (m)	Resource area (ha)	In-place Tonnes[1,2] (millions)	In-place K_2O (wt %)	In-place KCl (wt %)	Contained K_2O Tonnes (millions)	Contained KCl Tonnes (millions)
Inferred[3]							
A Sylvinite	3.8	1,247.3	97.1	11.8	18.8	11.5	18.2
B Sylvinite	3.5	681.4	48.9	8.9	14.1	4.3	6.9
1 Sylvinite	2.6	322.8	17.3	11.2	17.8	1.9	3.1
Total			**163.2**	**10.9**	**17.3**	**17.7**	**28.2**

The JORC Mineral Resource estimate has been prepared by Agapito Associates, Inc.
Note 1: Average bulk density of sylvinite 2.1 tonnes/m^3.
Note 2: Resource cutoffs composite grade 8.0% K2O and bed thickness 2.0m.
Note 3: Inferred Mineral Resource located within 1,500m radius from a historical exploration core hole with assays.

The JORC Mineral Resource is based on the results of documented geological studies, 2D seismic analysis, and exploration drilling, electric logging (elogs), and chemical analyses on core from 10 exploration holes drilled during the 1980's by Potasas de Navarra S.A. and, later, Potasas de Subiza, S.A.

The Mineral Resource is classified as Inferred because of reliance upon historical exploration data of limited and uncertain quality and reliability.

Target Mine Concept

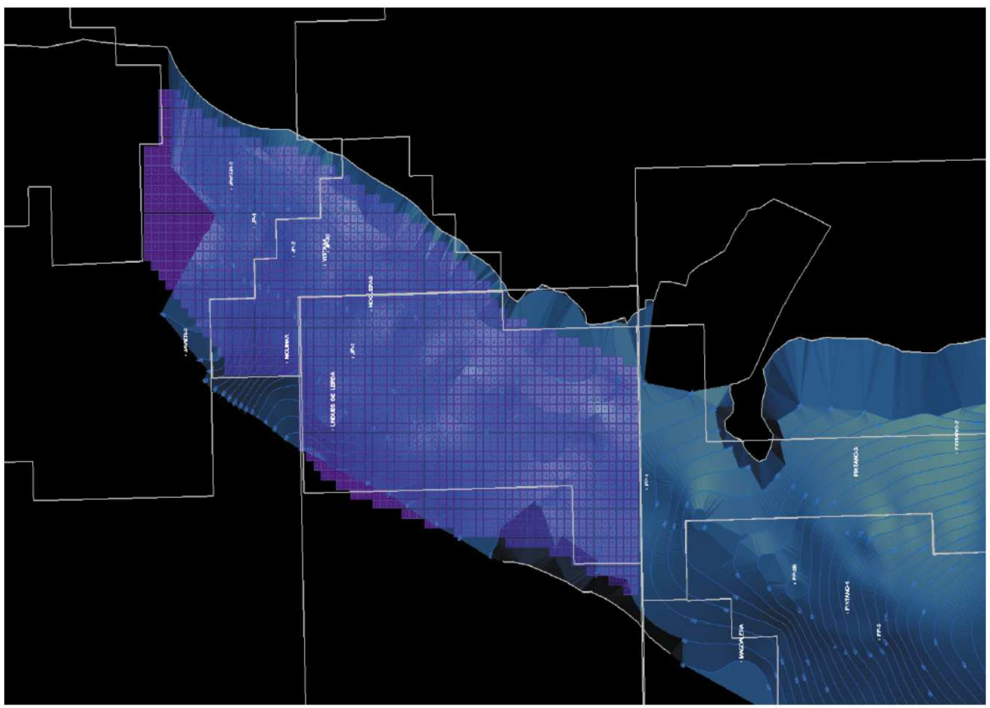
Type	Greenfield
JORC Infered Mineral Resource	163.2 Mt (Sylvinite)[1]
Exploration Target[2]	250-400Mt @ 9 to 12% K2O[2]
Mine concept	Underground conventional
Acces	Decline/Ramp
Advantages	Priority development. Significant historical information for planning. Relatively short timeline from initial capex to production. Shallow predominantly sylvinite mineralisation interbedded with halite and thick halite above and below. Electricity, gas and water networks. Relatively low cost transport solution.
Target timeline	Scoping Study complete by Dec 2013. DFS complete in 2014. Production in 2016.

[1] Prepared by Agapito Associates and released to ASX on 8 October 2013.
[2] Exploration Target prepared by Agapito Asociates and released to ASX on 8 October 2013.
Refer Exploration Target Statement on page 2.

Proposed Extraction Means

Decline Advantages
Speed to production.
Reduced capital costs when compared to shaft sinking.
Scale flexibility and increased options.
Smaller infrastructure and environmental footprint.
Reduced risk.

Plan View of MineSight™ Model Showing Extent of Block Coverage for Javier Model (purple blocks)

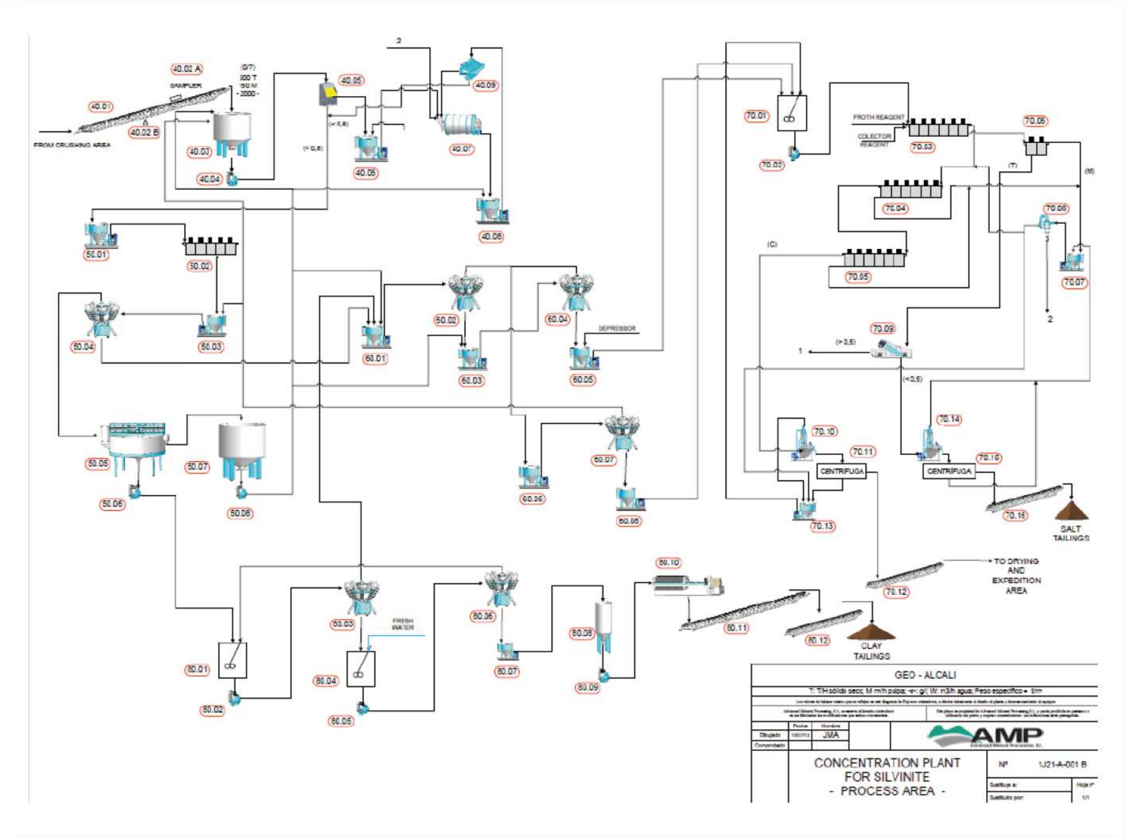


Block Model Work Initiated

A block model based on historical information has been prepared by Agapito Associates.

In consultation with Agapito Associates and, Spanish based mining consultants SADIM, Highfield is currently preparing preliminary underground engineering for a conventional mine accessed by a decline.

Initial Flow Sheet for proposed Flotation Circuit



Basic Engineering for Processing Plant

Preliminary mineralogical report prepared by Wardell Armstrong.

Flotation testing in train.

Basic design for process plant prepared by Madrid based, Advanced Mineral Processing S.L.

Initial capex and opex estimates encouraging.

Transport Study Results

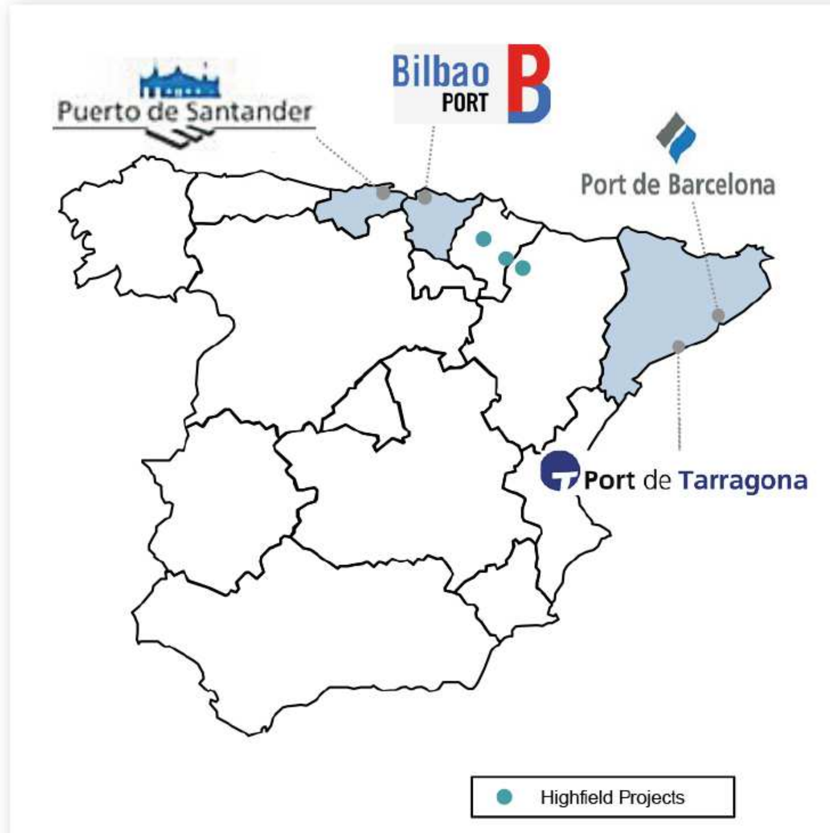
Highfield's potash projects have significant infrastructure and transport options.

A preliminary transport study has been completed by Spanish based consultant IDOM.

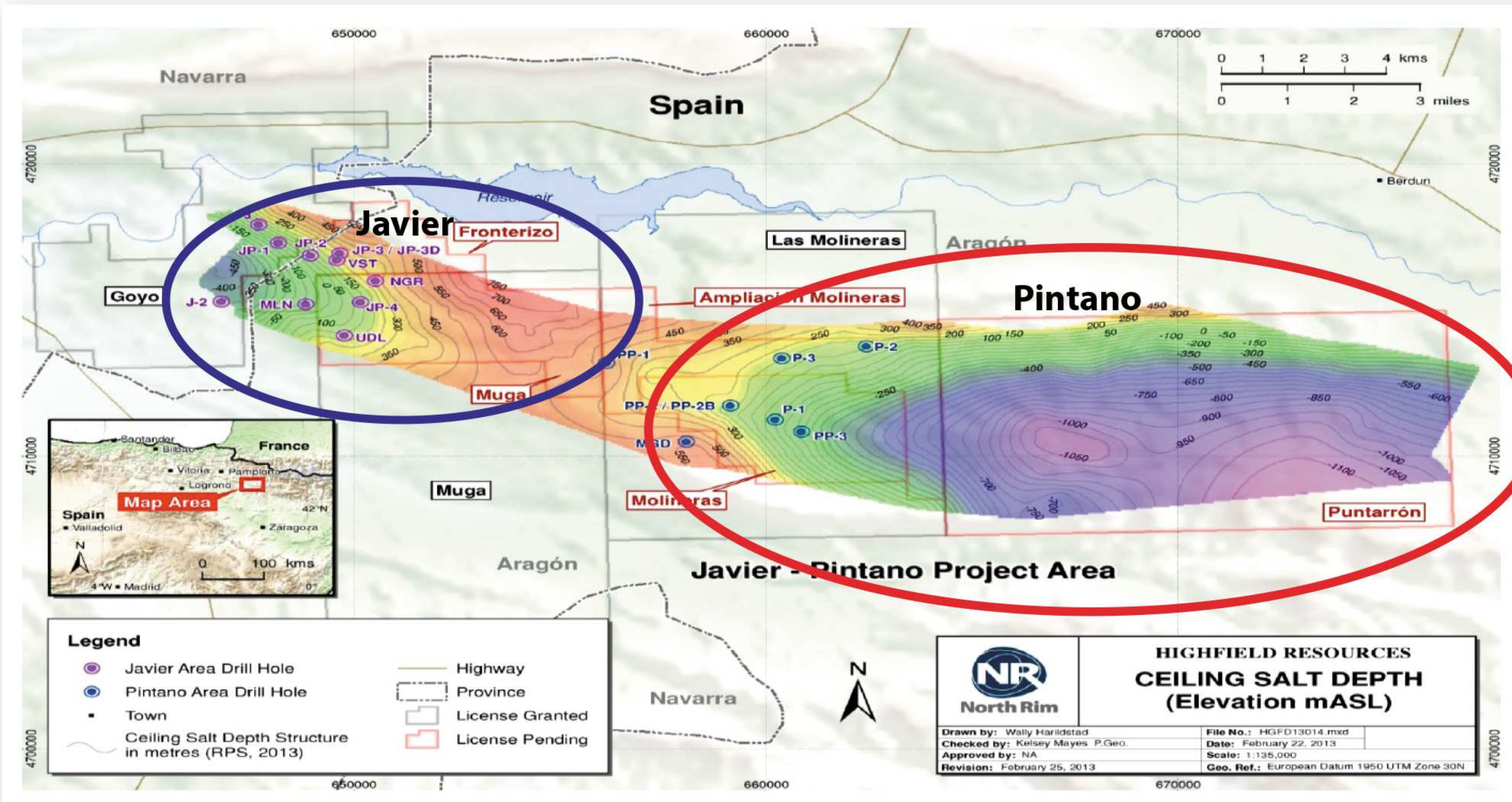
Eleven mixed rail and road options were considered.

Initial findings from the transport study suggest the likely transport solution will be 60 kms via road from Javier and Pintano to an existing freight terminal adjoining the Sierra del Perdón Project.

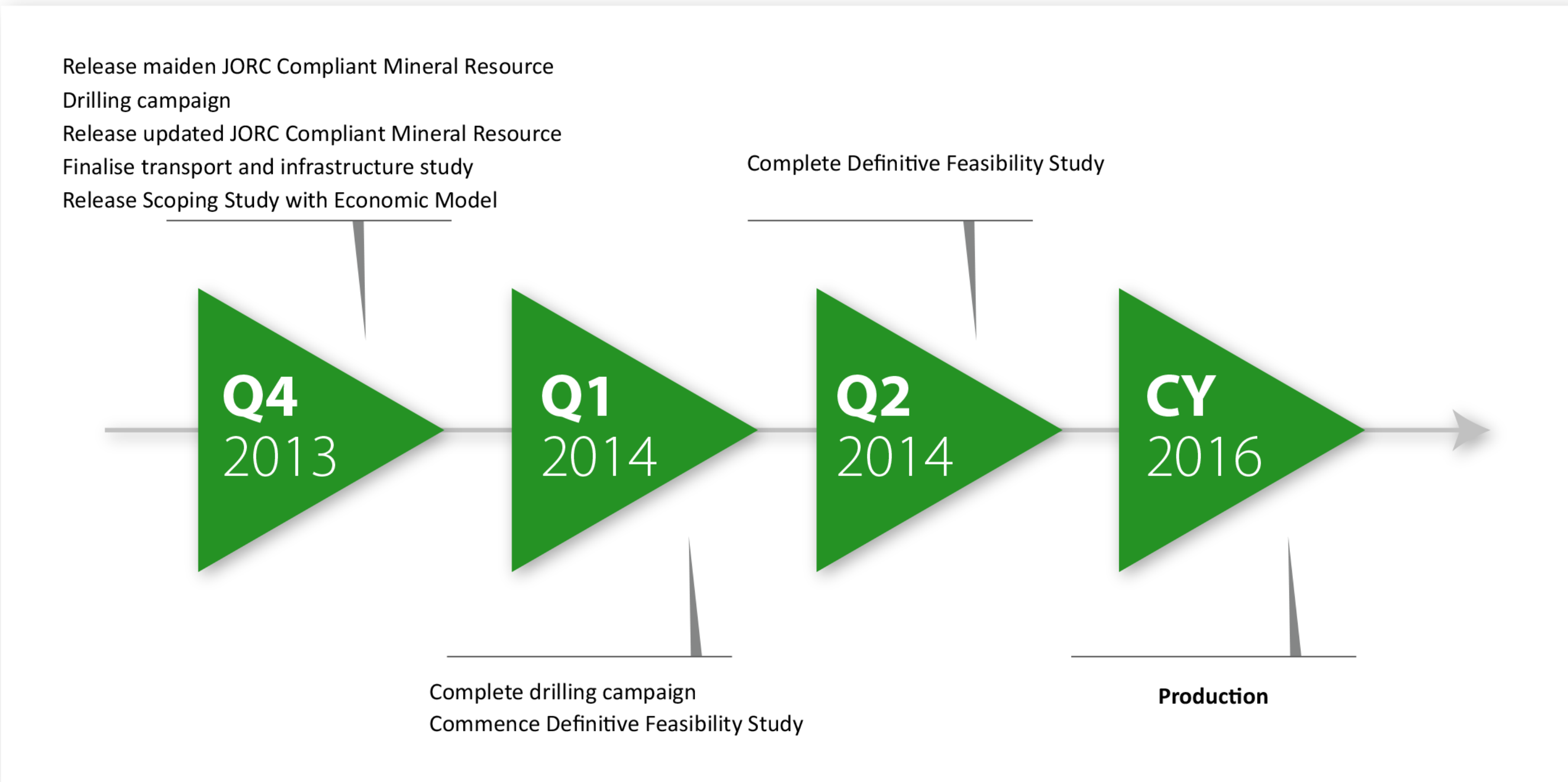
Port options by Rail



Potential Scale Upside with Pintano Potash Project



Javier Potash Project Development Timeline



Why Spain?

1. Margin	Salt Markets in Spain and Europe. Potash markets proximate to production. No ongoing royalties. Tax advantages.
2. Infrastructure	Highly developed transport infrastructure. Electricity, gas and water networks in place. Significant labour force in-country.
3. Capability	Contractors in country with potash experience. Deep history of mining.
4. Sovereign Risk	EU Country with well established democracy.

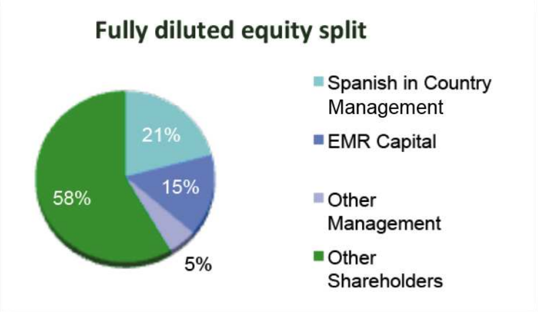
Highfield Resources

Corporate Snapshot

ASX Code	HFR
Shares on Issue (Fully Diluted)[1]	135.5 million 259.0 million
Share Price	$0.49
Market Cap	A$66 million
Cash as at 30/09/13	A$9.5M
Performance Shares on Issue	Performance A 51.5m Performance B 51.5m
Options	20.5 Million (*Exp.* -2017)
Major Shareholders	EMR Capital 28% (Fully diluted 15.5%) Management 8% (Fully diluted 26%)

Performance A and B Shares were issued to the vendors of the Spanish assets and vest on a JORC Indicated Resource and approval milestone respectively.

Note 1: Following the issuance of 103m performance shares and 20.5m options



Board of Directors

Derek Carter	Non-Executive Chairman
Anthony Hall	Managing Director
Pedro Rodriguez	Executive Director
Owen Hegarty	Non-Executive Director
Richard Crookes	Non-Executive Director
Scott Funston	Non-Executive Director

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Board and Management Team

Derek Carter **Non Executive Chairman** **BSc, MSc, FAusIMM(CP)**	A geologist with over 40 years experience in exploration and development, including nearly 20 years in management of ASX listed exploration companies. He has held senior positions in the Shell Group of Companies, including Chief Geologist in Spain and was the Managing Director of the ASX listed Minotaur Resources from its inception in 1993 to 2010.
Anthony Hall **Managing Director** **BBus, LLB (Hons), ACSA**	A qualified lawyer and company secretary with close to 20 years commercial experience in venture capital, risk management, strategy and business development. Was responsible for the listing process of Highfield Resources in 2011 and prior to this worked in roles in the strategy, energy, risk management and legal industries.
Pedro Rodriguez **Development Director** **BSc, MSc**	A geologist with over 30 years experience in mining services in Spain. He has worked for six international mining companies including Billiton International, Navan-Almagrera and Newmont. Most recently he had direct responsibility to the Board of ALMAGRERA SA for delivering a mining chemical complex with more than 460 direct employees and revenues of US$50m pa.
Richard Crookes **Non Executive Director** **BSc (Geol), Grad Dip App Fin**	A geologist with over 25 years experience in the resources and investments industry. Prior to joining EMR Capital as an Investment Manager, he was an Executive Director in Macquarie Bank's Metals Energy Capital Division and Chief Geologist and Mining Manager of Ernest Henry Mining (now Xstrata).
Owen Hegarty **Non Executive Director** **BEc (Hons), FAusIMM**	A mining executive with 40 years experience in the global mining industry, including 25 years with Rio Tinto where he was Managing Director of Rio Tinto Asia and Managing Director of the Group's Australian copper and gold business. He is a director of various listed and unlisted resources' companies including his position as the Chairman of specialist resources private equity firm, EMR Capital, Highfield's largest shareholder and cornerstone investor.
Scott Funston **Non Executive Director** **BBus, CA, ACSA**	A chartered accountant with over 10 years experience in the mining industry and accounting profession. His expertise is in financial management and general corporate advice having worked with several mining companies on fundraising and strategy. He is a Director and Company Secretary of multiple ASX listed entities.
John Claverley **General Manager** **CEng, Eur Ing, BSc, MCIBSE**	A professional engineer with over 30 years experience in major construction and infrastructure projects across Europe. Has worked for more than 20 years in Spain in a design, project management and Enterprise Management capacity for international firms in the construction and infrastructure sector.
Gonzalo Mayoral **Spanish Director of Mining** **BEng(Mining), MBA**	A qualfied mining engineer with over 15 years experience in Spanish construction and infrastructure projects. Prior to joining Highfield Resources was the General Manager of a large Spanish construction and geotechnical consultancy.

Highfield Resources

Three quality potash projects located in Spain.

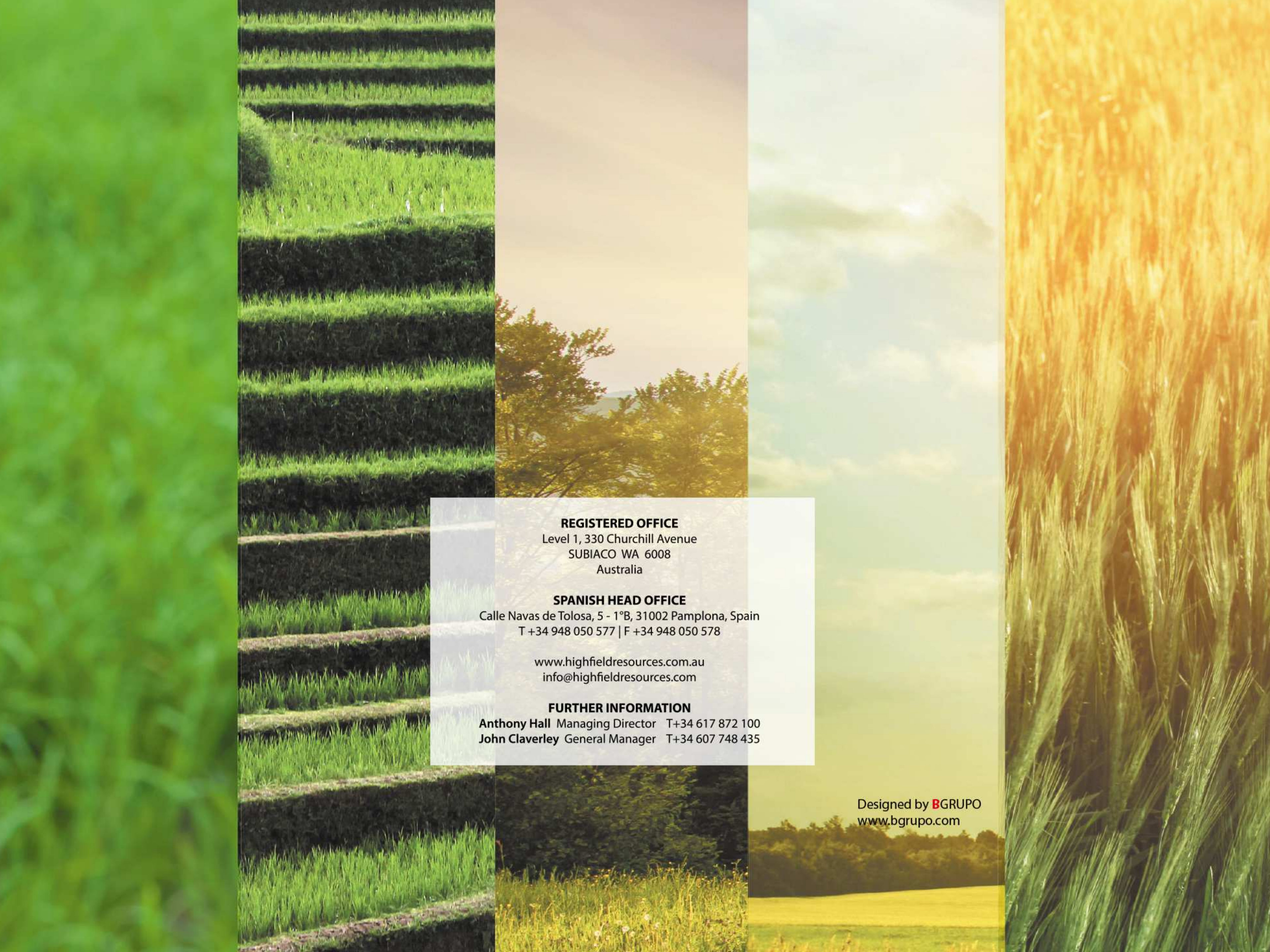
Javier Project - near term production prospect with shallow sylvinite mineralisation.

Significant upside exists in current drilling campaign.

Scoping study being completed, likely to show benefits from relatively shallow decline access, flotation circuit processing and exceptional transport options.

Quality management team that has developed mines in Spain.

Fully funded ($9.5m cash at bank) for 27 hole drilling campaign and completion of Javier Project Definitive Feasibility Study.



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