

AGUIA

20 November 2020

ASX Market Announcements
Level 6, Exchange Centre
20 Bridge Street
Sydney NSW 2000

2020 Annual General Meeting – Chair’s Address

This year, whilst a particularly challenging one for Aguia, has turned out to be somewhat transformational. The clearly defined task of the Board and management team was to establish a strong and sustainable base in preparedness for the next year, which we firmly believe will be an exciting chapter in the Company’s history and one where shareholders will indeed start to reap the benefits of their investment.

In July 2019, the Board approved the conversion of the Três Estradas Phosphate Project (‘TEPP’) into a natural phosphate fertiliser which delivered vastly superior project economics, a greatly reduced impact on the local environment, and much less upfront capital expenditure. Soon after, we appointed a highly experienced geologist in Luiz Clerot who has a proven track record in natural phosphate production and project delivery. The steepest permitting approval, the environmental approval (LP) was granted in October. The Scoping study followed in February and since then we have sought and gained approval for a loan for 50% of the required capital expenditure from the Brazilian Development Bank. Agricultural testing undertaken during the year indicated our natural fertiliser product, now known as Pampafos, was demonstrably 98% as effective as the competition. Marketing efforts have been underway for quite some time with the appointment of two agronomists.

Land purchases are now progressing, and we are about to lodge the final permit application, the Installation Licence (LI), which is the key approval required for us to commence construction. We are also about to release the Bankable Feasibility Study and are on track to commence construction in the next quarter, subject to LI approval.

From a strategic viewpoint, in the past 12 months we have quite naturally emerged as a clearly defined agricultural products supply business with our Andrade Copper Sulphate Project now also entering its pre-production phase. The primary use of copper sulphate is as a fungicide for crops and we have established that there is a significant market in our region. Copper Sulphate currently sells for A\$4,000 per tonne.

We plan to release the much-awaited Copper Sulphate Scoping Study next month and we are excited by the preliminary project economics that are currently being modelled and finalised. Again, it is consistent with how we have reworked the TEPP to be a low capex start-up operation that focuses on quicker cash generation and a superior ROI.

We continue to hold six other significant copper targets in the Rio Grande copper belt. Those tenements will be maintained in good standing pending the availability of capital to fund further drilling. Third party interest in these assets is significant.

We have also created a renewed and streamlined corporate structure that is well able to deliver on our pre-production goals at this point in time.

Our corporate and administrative cost structure has been greatly reduced from A\$4m in 2019 to a projected sub A\$1m in this current year. Yet in the process we have managed to both maintain and strengthen our core management team in Brazil. Our team is well placed to deliver on the TEPP and the Arapuca projects which we intend to progress simultaneously.

We have established a new corporate outsourced team in Sydney which is professional and working well with our Brazilian counterparts.

A good place to see Aguia's transformation is through our new website which has been seen. We here at Aguia have been very excited by it and it has been a stunning but importantly it delivers our publicly released information in a new way. Hopefully it makes sense of highly technical information for the average reader, whilst also containing all of the links back to the ASX Announcements which makes research easier. Our goal was simply to tell the story as we go along. It will remain current as we move forward.

In closing I would like to remind you that the Aguia holds all known reserves of natural phosphate fertiliser and chalcocite copper in the state of Rio Grande do Sul in southern Brazil. As we have flagged in previous announcements, the scale of these reserves makes these assets inter-generational in their nature which is unique and highly compelling for an ASX junior. Our assets undoubtedly position Aguia to become a key supplier of much needed agricultural raw materials for a long time to come, into some of the richest agricultural land in the world. We have every confidence that Aguia's value and indeed our share price will better reflect our true worth. I look forward to reporting on our progress in the coming months in what will be a busy time for your company. Thank you.

AUTHORISED FOR ISSUE TO ASX BY CHRISTINA MCGRATH, CHAIR OF AGUIA RESOURCES LIMITED

For further information, please contact:

Agua Resources Limited - Investor Relations

ABN: 94 128 256 888

Level 12, 680 George Street, Sydney NSW 2000 Australia

E: investor.relations@aguiaresources.com.au

P: +61 (0) 419 960 560

W: www.aguiaresources.com.au

For enquiries, please contact Ben Jarvis (Six Degrees Investor Relations) at ben.jarvis@sdir.com.au or +61 (0) 413 150 448.

About Aguia:

Agua Resources Limited, ("Agua") is an ASX listed agricultural company (AGR:ASX) with pre-production phosphate and copper sulphate projects located in Rio Grande do Sul, the southernmost state of Brazil. Agua has an established and highly experienced in-country team based in Porto Alegre, the capital of Rio Grande do Sul. Agua's first project, the Três Estradas Phosphate Project is expected to be in production by Q4 2021. Agua is committed to advancing its existing projects into production whilst continuing to pursue other opportunities within the agricultural sector.

JORC Code Competent Person Statements:

The information in this report that relates to Exploration Targets, Exploration Resources or Ore Reserves is based on information compiled by Dr. Ferrarini, a member of the Association of Professional Geoscientists of Ontario. Dr. Ferrarini is an employee of the company. Dr. Tallarico has sufficient experience that is relevant to the mineralisation and type of deposit under consideration and to the activity being undertaken as a Competent Person as defined in the 2012 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves'. Dr. Tallarico is responsible for the information in the report of the matters based on his information in the form and content of the report.

Caution regarding forward-looking information:

This press release contains "forward looking information" within the meaning of applicable securities legislation. Forward looking information includes, without limitation, statements regarding the next steps for the project, timetable for development, production forecast, mineral resource estimate, exploration program, permit approvals, timetable and budget, property prospectivity, and the future financial or operating performance of the Company. Generally, forward looking information can be identified by the use of forward-looking terminology such as "plans", "expects" or "does not expect", "is expected", "budget", "scheduled", "estimates", "forecasts", "intends", "anticipates" or "does not anticipate", or "believes", or variations of such words and phrases or state that certain actions, events or results "may", "could", "would", "might" or "will be taken", "occur" or "be achieved". Forward-looking information is subject to known and unknown risks, uncertainties and other factors that may cause the actual results, level of activity, performance or achievements of the Company to be materially different from those expressed or implied by such forward-looking information, including, but not limited to: general business, economic, competitive, geopolitical and social uncertainties; the actual results of current exploration activities; other risks of the mining industry and the risks described in the Company's public disclosure. Although the Company has attempted to identify important factors that could cause actual results to differ materially from those contained in forward-looking information, there may be other factors that cause results not to be as anticipated, estimated or intended. There can be no assurance that such information will prove to be accurate, as actual results and future events could differ materially from those anticipated in such statements. Accordingly, readers should not place undue reliance on forward looking information. The Company does not undertake to update any forward-looking information, except in accordance with applicable securities laws.