

AGUIA

23 December 2020

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

ADDENDUM TO BANKABLE FEASIBILITY STUDY FOR THE TRÊS ESTRADAS PHOSPHATE PROJECT RELEASED 17 DECEMBER 2020

Sydney, Australia, - Aguia Resources Limited ABN 94 128 256 888 (ASX:AGR) (**'Aguia'** or the **'Company'**) has today lodged an addendum to the independent Bankable Feasibility Study (**'BFS'**) for its Três Estradas Phosphate Project (**'TEPP'**) released on 17 December 2020.

The Company provides the following information in accordance with the ASX Listing Rules as an addendum to the announcement.

Project Funding

The Capital Expenditure (CAPEX) required to fund the TEPP is A\$7.37 million (A\$8.11 million with contingency). Aguia plans to fund this CAPEX through a mix of debt and equity.

As announced on 6 April 2020, the Development Bank of Southern Brazil (Banco Regional de Desenvolvimento do Extremo Sul) (BRDE) has provided a letter of support for a development loan **to fund up to 50% of the CAPEX**. This letter was received following an extensive review of the TEPP by BRDE which confirmed that the project meets its investment criteria. Discussions with BRDE regarding the detailed terms and conditions of the development loan continue and Aguia will update the market once a definitive agreement is reached.

Aguia is also in active dialogue with other prospective investors and is pursuing a number of options to fund the remainder of the required CAPEX with equity or potentially through investment at the asset level. The amount of equity required depends on the size of the debt component in the final agreement with BRDE.

The Company will pursue funding options that maximise future value and returns, first and foremost, for Aguia's shareholders.

Aguia is very well funded as the Company progresses through project permitting with a cash balance at 30 September 2020 of A\$2.52 million and fixed costs running at less than A\$180,000 per month.

Aguia's Non-Executive Chair Christina McGrath added: "Aguia has multiple channels to fund the development of the TEPP and we will deliver a solution that is in the best interests of our shareholders and maximises their future value. We are actively assessing different funding options and look forward to reporting on a comprehensive funding outcome once we secure the important LI early in 2021. Aguia is in great shape with excellent financial support."

**AUTHORISED FOR ISSUE TO ASX BY FERNANDO TALLARICO, MANAGING
DIRECTOR 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 Agua:

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 Results, Mineral Resources or Ore Reserves is based on information compiled by Dr. Fernando Tallarico, who is a member of the Association of Professional Geoscientists of Ontario. Dr. Tallarico is a full-time employee of the company. Dr. Tallarico has sufficient experience that is relevant to the style of mineralisation and type of deposit under consideration and to the activity being undertaken to qualify 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 consents to the inclusion in the report of the matters based on his information in the form and context in which it appears. Mr. Guilherme Gomides Ferreira, a Mining Engineer and employee of GE21, registered as a Competent Person in the AIG (Australian Institute of Geoscientists). Mr. Ferreira has sufficient relevant experience to the style of mineralization, mining methods and process to qualify as a Competent Person as defined in the JORC Code (2012). The report compilation was done by Mr. Bernardo H C Viana, a geologist and full-time director and owner of GE21 and is registered as Competent Person in the AIG (Australian Institute of Geoscientists). Mr. Viana has sufficient relevant experience to the style of mineralization to qualify as a Competent Person as defined in the JORC Code (2012). Mr. Viana also meets the requirements of a Competent Person under the AIM Note for Mining, Oil and Gas Companies. Mr. Porfirio Cabaleiro Rodriguez is a Mining Engineer and full-time director and owner of GE21 and is registered as Competent Person in the AIG (Australian Institute of Geoscientists), he has sufficient relevant experience to the style of mineralization to qualify as a Competent Person as defined in the JORC Code (2012). Mr. Viana, Mr. Ferreira and Mr. Rodriguez consent to the inclusion in this report of the matters based on the GE21 study in the form and context in which it appears.

Caution regarding forward-looking information:

This press release contains "forward looking information" within the meaning of applicable Australian 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

AGUIA

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 law.