

AGUIA

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

AGUIA ADVANCES ENVIRONMENTALLY FRIENDLY SOLUTIONS FOR TRÊS ESTRADAS PHOSPHATE PROJECT

Sydney, Australia: Aguia Resources Limited (ASX: AGR) ('**Aguia**' or the '**Company**') is pleased to announce the furthering of environmentally friendly design and engineering solutions for its Três Estradas Phosphate Project ('**TEPP**').

Aguia originally briefed its environmental architectural firm to design the TEPP to include cost effective environmentally beneficial initiatives. On 17 December 2020, Aguia released the Bankable Feasibility Study for the TEPP which demonstrated very low CAPEX and OPEX and a high post-tax IRR of 61%. In addition to very strong project economics, having chosen to voluntarily comply with predefined environmental objectives, our architects have now advised that the Company should consider applying for environmental certification as they are of the view that the TEPP **is very close to exhibiting near zero environmental impact in relation to carbon emissions, water usage, and energy usage.**

As previously announced on 14 January 2021, Aguia has filed the mandatory environmental programs and detailed engineering studies for the granting of the Installation License ('**LI**') for Phase 1 of the TEPP.

The engineering and architectural projects considered the use of semi-permanent constructions for the corporate building. The proposed system, which will be used in the building and operation phase, is based on modular architecture which can be installed directly on to the ground, requiring relatively little preparation. This type of structure can provide adequate facilities with a faster implementation schedule, less environmental impact, lower cost, and allows for energy savings.

The project will have a photovoltaic (solar) electricity system with a nominal capacity of 600 kW and 933,322 kWh of energy produced during the first year of the project. The system will consist of six Tie-Grid type inverters with a power capacity of 100 kW each, together with 1,836 photovoltaic modules of 400 W each, arranged and connected in series, providing a peak power capacity of 734.4 kW. Each module is certified by the Brazilian A-label and are the most environmentally friendly. Considering an average consumption of 1,880,000 kWh/year during Phase 1 of the TEPP, the photovoltaic system should supply 870,000 kWh/year or about 46% of energy consumed by the processing plant.

The water distribution and sewage collection systems were designed to minimise the environmental impact of wastewater discharge and prevent groundwater pollution. A system to collect water from rain and the reuse of treated wastewater will be installed to preserve freshwater resources and reduce the long-term costs of water supply. Despite the very small amount of waste which will be generated by the production unit, mainly domestic waste, the policy for waste management will be selective garbage collection. The wet fraction will be treated by conventional composting to produce soil conditioners and the dry fraction dispatched to recycling plants.

A complete landscaping and vegetation project was designed, including a seedling nursery to produce native tree seedlings which will be used to revegetate degraded areas.

The environmentally friendly solutions were designed by Grupar S
Gestão de Utilidade e Energia Sustentável Ltda (“Grupar”), a c
sustainable constructions, energy efficiency and renewable energy.

The Company is reviewing distinct certification systems to calculate
footprint reduction of the environmentally friendly solutions which a
the TEPP.

Management Commentary

Managing Director Dr. Fernando Tallarico said: “Now that all m
been filed with the Environmental Agency, and the Economic Asse
Mining Agency, we expect to receive the LI this quarter after which we will commence construction works.”

“The granting of the LI is the major milestone on which we are now focused. It will allow us to begin the construction of our phosphate mine and processing plant and move the Company forward into cash flow. We have had excellent support for the development of the TEPP, from the local community through to relevant authorities and we look forward to reporting on this critical development very soon.”

AUTHORISED FOR ISSUE TO ASX BY FERNANDO TALLARICO, MANAGING DIRECTOR OF AGUIA RESOURCES LIMITED

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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.

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Caution regarding forward-looking information:

This press release contains "forward looking information" within the meaning of Australian securities legislation. Forward looking information includes, with respect to the project, information regarding the next steps for the project, timetable for development, processing, resource estimate, exploration program, permit approvals, timetable and the future financial or operating performance of the Company. General forward-looking information may be identified by the use of forward-looking terminology such as "plans", "expects", "is expected", "budget", "scheduled", "estimates", "forecasts", "intends", "anticipates", "believes", or variations of such words and phrases or state that certain actions "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 actual performance or achievements of the Company to be materially different from that anticipated in 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 law.