



AGUIA

INVESTOR PRESENTATION

JULY 2021 | ASX : AGR

INVESTOR WEBINAR

UPDATE ON LEGAL PROCEEDINGS

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- This document includes information, statements, beliefs and opinions which are forward-looking, and which reflect current estimates, expectations and projections about future events. Statements containing the words “believe”, “expect”, “intend”, “should”, “seek”, “anticipate”, “will”, “positioned”, “project”, “risk”, “plan”, “may”, “estimate” or, in each case, their negative and words of similar meaning are intended to identify forward-looking information. By its nature, forward-looking information involves known and unknown risks, uncertainties and assumptions concerning, among other things, the Company’s anticipated business strategies, anticipated trends in the Company’s business, that could cause actual results or events to differ materially from those expressed or implied by the forward-looking information. These risks, uncertainties and assumptions could adversely affect the outcome and financial effects of the plans and events described herein. In addition, even if the outcome and financial effects of the plans and events described herein are consistent with the forward-looking information contained in this document, those results or developments may not be indicative of results or developments in subsequent periods. There may be factors and risks that cause actions, events or results not to be as anticipated, estimated or intended. Forward-looking information contained in this document is based on the Company’s current estimates, expectations and projections, which the Company believes are reasonable as of the current date. The Company can give no assurance that these estimates, expectations and projections will prove to have been correct. You should not place undue reliance on forward-looking information, which is based on the information available as of the date of this document. Forward-looking information contained in this document is made of the date of this document and, except as require by applicable law, the Company assumes no obligation to update or revise them to reflect new events or circumstances. Although the company believes that its expectations reflected in the forward-looking statements are reasonable, such statements are subject to significant business, economic and competitive uncertainties and contingencies associated with exploration and/or mining which may be beyond the control of the Company which could cause actual results or trends to differ materially, and no assurance can be given that actual results will be consistent with these forward-looking statements. Various factors could cause actual results to differ from these forward-looking statements include but not limited to price fluctuations, exploration results, reserve and resource estimation, environmental risks, physical risks, legislative and regulatory changes, political risks, project delay or advancement, ability to meet funding requirements, factors relating to property title, dependence on key personnel, share price volatility, approvals and cost estimates, the potential that the Company’s projects may experience technical, geological, metallurgical and mechanical problems, changes in product prices and other risks not anticipated by the Company or disclosed in the Company’s published material. The Company makes no representations as to the accuracy or completeness of any such statement of projections or that any forecasts will be achieved.
- Additionally, the Company makes no representation or warranty, express or implied, in relation to, and no responsibility or liability (whether for negligence, under statute or otherwise) is or will be accepted by the Company or by any of their respective officers, directors, shareholders, partners, employees, or advisers as to or in relation to the accuracy or completeness of the information, statements, opinions or matters (express or implied) arising out of, contained in or derived from this presentation or any omission from this presentation or of any other written or oral information or opinions provided now or in the future to any interested party or its advisers. In furnishing this presentation, the Company undertakes no obligation to provide any additional or updated information whether as a result of new information, future events or results or otherwise. The Company does not purport to give financial or investment advice. No account has been taken of the objectives, financial situation or needs of any recipient of this document. Nothing in this material should be construed as either an offer to sell or a solicitation of an offer to buy or sell securities. It does not include all available information and should not be used in isolation as a basis to invest in the Company. Recipients of this document should carefully consider whether the securities issued by the Company are an appropriate investment for them in light of their personal circumstances, including their financial and taxation position. The information contained in this document contains confidential information pertaining to the business, operations and assets of the Company and certain assets being considered for acquisition.
- The Mineral Resource estimate was prepared in accordance with the standards set out in the 2012 edition of the ‘Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves (JORC Code)’. The JORC Code is the accepted reporting standard for the Australian Securities Exchange Limited (“ASX”). 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.
- The scientific and technical information contained in this presentation pertaining to the Mineral Resource estimate for the Andrade copper deposit has been reviewed and approved by 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. They are all independent of Aguia Resources Limited.

BACKGROUND & PUBLIC PROSECUTOR'S OFFICE **AGUIA**

- A Public Civil Action was filed on 29 June 2021 by a Federal Public Prosecutor (FPP).
- The FPP sought an emergency injunction to put a stay on the Preliminary Licence (LP) for the Três Estradas Phosphate Project (the TEPP).
- Following a meeting with Aguia's legal team, and on the same day, the trial court judge denied the FPP's emergency injunction relief request.
- Both Aguia and FEPAM, the state government environmental agency that granted the LP for the TEPP have been named as co-defendants.
- Public Prosecutor's Office in Brazil:
 - An independent body of prosecutors that operates independently from the three branches of government.
 - Main role to bring criminal charges and try criminal cases.
 - Also authorised to file Civil Public Actions regarding matters they deem to be in the Public Interest.

GROUNDNS FOR THE PROCEEDINGS

1. The Traditional Community of family ranchers present on the land affected by the TEPP was not consulted and did not provide prior, free and informed consent.
 - Traditional family ranchers have not been officially recognised as a particular social group that would constitute a Traditional Community.
2. In addition to the Public Hearing held in Lavras do Sul, a second Public Hearing should have been held to encompass those people in the Municipality of Dom Pedrito and in the Torquato Severo District:
 - Several meetings were held with the population of Torquato Severo prior to the Public Hearing.
 - Aguia organised a bus to transport those interested in participating in the Public Hearing from Torquato Severo to Lavras do Sul and back.
3. Technical discrepancies in the EIA that was presented to the Rio Grande do Sul State Environmental Agency (FEPAM).
 - A lengthy technical document in response has already submitted by Aguia, in conjunction with Golder Associates.
 - Aguia's offer to meet with the FPP's office to present and discuss the response was not accepted.

LEGAL PROCESS

1. Filing of the initial complaint by the FPP.
 2. Filing of defence (Agua and FEPAM).
 3. Reply to defence by the FPP.
 4. An order on controverted facts over which there will be further evidence.
 5. Motions on evidence by the parties.
 6. Court appointed expert examination (with technical advisers from each party).
 7. Possible evidentiary hearing.
 8. Written closing arguments.
 9. Trial court decision on the merits.
- It is not possible to estimate with certainty how long it will take for the court to make a ruling but we expect it to be at least six months and possibly 12-18 months.
 - Agua is very keen to settle this matter and has prepared the broad parameters of settlement for discussion.
 - Agua remains open and ready to engage with the Prosecutor at the earliest opportunity.

ONGOING ACTIVITIES – PHOSPHATE & COPPER **AGUIA**

- TEPP:
 - Agronomical testing will continue, currently wheat and pasture before moving to soybean and rice in the summer.
 - Approaches from agronomists and agricultural co-ops regarding MOUs/off take agreements.
- Copper:
 - Being a multi-commodity company creates optionality.
 - Aguia's Andrade Copper Project is an indicated mineral resource of 18.03Mt with an average grade of 0.41% Cu and 1.87g/t Ag.
 - Aguia also controls over 104,000 hectares of exploration permits and has a further 32,000 hectares under application.
- Aguia has the ability, and the established team in place to pivot and further our copper development and exploration.

- Proceedings will result in a delay in progressing the TEPP into production.
- Aguia is confident of our position and has the team in place to defend the allegations.
- Our efforts to be conservative on spending and cash flow will continue, as has been the case for the previous 18 months.
- As a multi-commodity company, Aguia has optionality and work will continue on marketing the TEPP and on our highly prospective copper tenements.

AGUIA

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REFERENCES

Information in this presentation is extracted from the following reports, which are available for viewing on the Company's website:

- 08 July 2021:** Update on Legal Proceedings & Webinar
- 02 July 2021:** Company Update – Legal Proceedings
- 31 May 2021:** Aguia Significantly Expands its Copper Leases in the Rio Grande Copper Belt
- 11 May 2021:** Further Exceptional Agronomic Test Results from TEPP on Rice
- 10 March 2021:** 2021 Copper Strategy Update
- 09 March 2021:** Andrade Copper – Updated Resource Estimate & Scoping Study
- 14 January 2021:** Installation Licence Application for TEPP Submitted
- 17 December 2020:** BFS for TEPP Reaffirms Excellent Project Economics
- 17 October 2019:** Aguia Awarded Key Development Permit For Tres Estradas Phosphate Project

The Company confirms that it is not aware of any new information or data that materially affects the information included in the original market announcements listed above and, in the case of estimates of Mineral Resources or Ore Reserves that all material assumptions and technical parameters underpinning the estimates in the relevant market announcement continue to apply and have not materially changed. The Company confirms that the form and context in which the Competent Persons findings are presented have not been materially modified from the original announcement.

13 July 2021

WEBINAR TRANSCRIPT

Slide 1 – Welcome

Good morning, my name is Christina McGrath, and I am the Chair of Aguia Resources. I am here today with, and would like to welcome, Fernando Tallarico, our Managing Director.

Thank you, Christina, good morning everyone.

Before we begin, we would like to thank everyone who has submitted questions and we will cover as many of them as time allows, either within the presentation or following.

We wish to stress that as these legal proceedings are ongoing, there are some aspects that cannot be discussed, and other questions that we are unable to answer at this time.

Slide 2 – Disclaimer

Slide 3 – Background

We will start with an update on the proceedings to date, and a background on the role of the Public Prosecutor's office in Brazil.

As you would be aware, on the 29th of June, in Brazil, a Federal Public Prosecutor filed a Public Civil Action before the 1st Federal Trial Court of the City of Bage in the State of Rio Grande do Sul.

The Federal Public Prosecutor sought an emergency injunction to put a stay on the Preliminary Licence (the LP) for the Três Estradas Phosphate Project (the TEPP), and to not proceed with the granting of the Installation Licence (the LI) for the TEPP.

Upon becoming aware of the filing of the case, Aguia's legal team was heard by the trial court judge, in view of the Federal Public Prosecutor's request for an injunction relief to be granted without hearing from the defendants. Following this, and on the same day, the trial court judge denied the Federal Public Prosecutor's injunction relief request.

Both Aguia, and the Rio Grande do Sul State Environmental Agency (FEPAM), which is the state government environmental protection agency that granted the LP for the TEPP, have been named as co-defendants in the matter.

Slide 3 – Public Prosecutor's Office

The Public Prosecutor's Office in Brazil is a bit different and has greater reach than what we are familiar with in Australia. It is an independent body of public prosecutors and operates independently from the three branches of government.

Whilst it is the main role of the Prosecutor to bring criminal charges and try criminal cases, they are also authorised by the Brazilian constitution to bring action, against private individuals, commercial enterprises, government, the defence of minorities, the environment, consumers, and civil society in general, broadly, on matters that they deem to be in the public interest.

We have received a number of questions around who has brought the proceedings, dissenting landowners, how this group is funding the case, how this could happen if the community has supported the project, and how it will be possible to proceed if the opposing local community will not give approval.

We wish to make it clear that we are not aware of any dissenting landowners, opposing community members, or that any support from the community has ceased. This matter is not related to the ongoing land acquisition for the TEPP. It is our view, and we have no reason to assume otherwise, that this action has been brought solely by a Federal Public Prosecutor, which is within their authorisation as explained earlier, as they deem that the granting of the LP, and the effects of the project, are in the Public Interest, based on the grounds alleged in the documents filed.

Slide 4 – Grounds for the Proceedings

We will now move on to the grounds alleged in the matter and provide comments on Aguia's position, in relation to them.

At the outset we must stress that we believe there are no grounds whatsoever for these claims.

As we announced on the 8th of July, the Prosecutor has filed the action alleging three grounds that all relate to the requirements of the Environmental Impact Assessment (the EIA) for the TEPP, that formed part of the process for the granting of the LP by FEPAM:

1. Firstly, that the Traditional Community of family ranchers present on the land affected by the TEPP was not consulted and did not provide prior, free and informed consent.

It is important to note that neither FEPAM, nor any other government agency, has officially recognized the traditional family ranchers as a particular social group that would constitute a Traditional Community, thus there is no territory outlined or any legislation in place. Also, FEPAM did not indicate that this was necessary during the permitting process.

2. Second, that in addition to the public hearing held in Lavras do Sul, a second public hearing should have been held to encompass those people in the Municipality of Dom Pedrito and in the Torquato Severo district, locations that will be affected by environmental impacts of the TEPP.

As part of the LP permitting process, Aguia organized several meetings with the population of Torquato Severo, prior to the Public Hearing, where we explained in detail, our project to this particular community. Aguia also organized a bus to transport those that were interested in participating in the public hearing back and forth from Torquato Severo to the city of Lavras do Sul.

3. And third, that there were technical discrepancies in the EIA that was presented to FEPAM.

These so called "technical discrepancies" were pointed out to the Public Prosecutor by the technical staff of the Public Prosecutor's own office. They were not regarded as technical deficiencies by FEPAM. The most significant discrepancy raised was the allegation that the TEPP will require the building of tailings dams, which is certainly not the case and is evidenced in the BFS released in December 2020. We were previously informed of this and the other so-called discrepancies and responded to the Public Prosecutor's office with a long technical document prepared by the Company in conjunction with global consultants Golder Associates, who had previously been engaged by Aguia as part of the LP permitting process. We also offered to organize a meeting with the Public Prosecutor's office to present and discuss our response report, but this was not accepted by the Public Prosecutor.

Video of the public hearing held in Lavras do Sul: <https://aguiaresources.com.au/projects/tres-estradas-phosphate-project/#community>

Slide 5 – Legal Process

We will now provide a brief summary of the legal process that stems from the filing of the proceedings, we advise that this process may be varied, some steps may not be required, and this will depend on what happens as the matter runs.

We also make it clear that settlement may occur at any part of the process.

The trial judge has advised that once served, Aguia will have 15 business days to file a defence. We note that Aguia has not yet been served.

Aguia has retained the legal team that worked alongside the Company during the LP process, to prepare our defence. This is already underway. FEPAM has retained their own legal counsel and Aguia's legal team will work closely in consultation with them.

The legal process consists of the following steps which are those that are most likely in a Public Civil Action such as this one, there may also be additional motions and court orders along the way.

1. Filing of the initial complaint by the FPP.
2. Filing of defence (Aguia and FEPAM).
3. Reply to defence by the FPP.
4. An order on controverted facts over which there will be further evidence.
5. Motions on evidence by the parties.
6. Court appointed expert examination (with technical advisers from each party).
7. Possible evidentiary hearing.
8. Written closing arguments.
9. Trial court decision on the merits.

We are currently preparing our defence and expect to file this during August. Whilst it is not possible to estimate how long it will take for the court to make a ruling, we would expect it to be at least six and possibly 12 to 18 months.

We are very keen to settle this matter and have already prepared the broad parameters of settlement for discussion. We remain open and ready to engage with the Prosecutor at the earliest opportunity.

Slide 6 – Ongoing Activities – Phosphate & Copper

Whilst these proceedings are ongoing, work at Aguia will not cease.

We have and will continue to work on the agronomical testing, that has been going on now for almost two years, as it is critical to our ongoing marketing efforts. Testing is currently proceeding on wheat and pasture and will then move to soybean and rice in the summer.

We have been approached by a number of agronomists and agricultural co-operatives and we plan to enter into memorandums of understanding and off takes as and when we can, which of course will be subject to the granting of the LI.

Aguia is not a one commodity company, in addition to our impressive TEPP, we have been building a portfolio of copper assets in Rio Grande do Sul since 2018. This includes our Andrade Copper Project which is an indicated mineral resource of 18.03Mt with an average grade of 0.41% Cu and 1.87g/t Ag.

In addition to our Andrade Project, Aguia also controls 104,000 hectares of exploration permits and another 32,000 hectares are under application. Along with this extensive land package, the Company has identified a further six exploration targets that we will progressively advance.

Being a multi commodity company creates optionality. Whilst we anticipate delays with the TEPP, we have the ability, and an established team in place, to pivot and further our copper development and exploration.

Slide 7 – Final Comments

Ultimately, these proceedings will result in a delay in progressing the TEPP into production, this can't be avoided. The Aguia team will work diligently to defend our position and we are confident in work done by our team and with FEPAM. We have the team in place to defend the allegations.

The Company is well funded, and we will continue to be conservative on our spending and cash flow, as has been our effort for the previous 18 months. Our monthly cash burn remains at around A\$180,000.

As a multi-commodity company, Aguia has optionality. In addition to the TEPP and our phosphate tenements, we have significant highly prospective copper tenements, on which further exploration had already been planned.

Slide 8 – Thank You

Thank you for your time today, and for your ongoing support of Aguia. Your Board and Management will continue to provide further updates as to the legal proceedings, and additional activities that are being undertaken in an effort to increase shareholder value.

We will now move to the Q&A.