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

AGUIA COMMENCES PROCESS TO CERTIFY THE TRES ESTRADAS PHOSPHATE PROJECT AS NET ZERO ENERGY, WATER & CARBON

Sydney, Australia, - Aguia Resources Limited (ASX: AGR) ('**Aguia**' or the '**Company**') is pleased to inform shareholders that the process to have the Três Estradas Phosphate Project ('**TEPP**' or the '**Project**') independently certified by an internationally recognised agency as being a self-sufficient project requiring zero energy, zero water, and zero carbon (0-0-0) has commenced.

As a result of Aguia's advanced project engineering and the development of environmentally friendly solutions for the TEPP, Aguia is already on track to attain this certification. In this announcement, we provide shareholders with details of the steps required to complete the certification and details of how the TEPP is to be positioned as a 0-0-0 project.

The Project has already been defined (Step 1). Recently the Company submitted the details of the TEPP processing unit to the certifying agency to register the project for international certification (Step 2). Aguia has chosen to pursue Edge Certification, a globally accepted certifier created by the International Finance Corporation ('**IFC**').

Following this initial registration and after inspection by the certifier, the project can then be classified as a "Certified Project" (Step 3).

Sixty days following the commencement of production at the TEPP, Aguia will then apply for organic product registration of **Pampafos**[®] with an independent and globally accredited agency (Step 4). This is to confirm that no chemicals are added to **Pampafos**[®] during production.

Final certification as a 0-0-0 project is granted one year after the commencement of operations following satisfactory testing and inspections (Step 5).

The certification steps are summarised as follows:



Figure 01 – Planned timeline of activities to receive 0-0-0 certification.

Management Commentary

Managing Director Dr. Fernando Tallarico said: *“In addition to the mandatory requirements for environmental permitting, our team is working to make the TEPP a unique project in terms of its environmental standing. The 0-0-0 Certification will be an important milestone for the Company as it will provide an independent assessment of our TEPP environmental credentials. We are very committed to delivering a cost-effective and sustainable project to the local society and our investors. The certification of **Pampafos®** as an organic product will allow its application in the organic market as well as in conventional agriculture.*

Agua is continually working to improve the TEPP through the adoption of practical and sustainable solutions which will substantially reduce the environmental footprint of the project and deliver a cost-effective operation. The Company understands that these efforts endorse our commitment of valuing the long-term wellbeing of society and the natural environment.”

Zero Energy

With the recent optimizations of the processing plant and the development of environmentally friendly solutions, the Company has reduced the projected average energy consumption from 1,880,000 kWh/year to approximately 966,000 kWh/year, an energy consumption reduction of 51.4%. Based on this achievement, which should improve operational efficiency, the photovoltaic (solar) electricity system was redesigned to produce approximately 970,000 kWh/year and fully supply the energy consumed by the processing plant during the 18 years of Phase 1 operation. The photovoltaic panels will be installed on the roof of the processing plant shed and product warehouse and will be linked to the national grid.

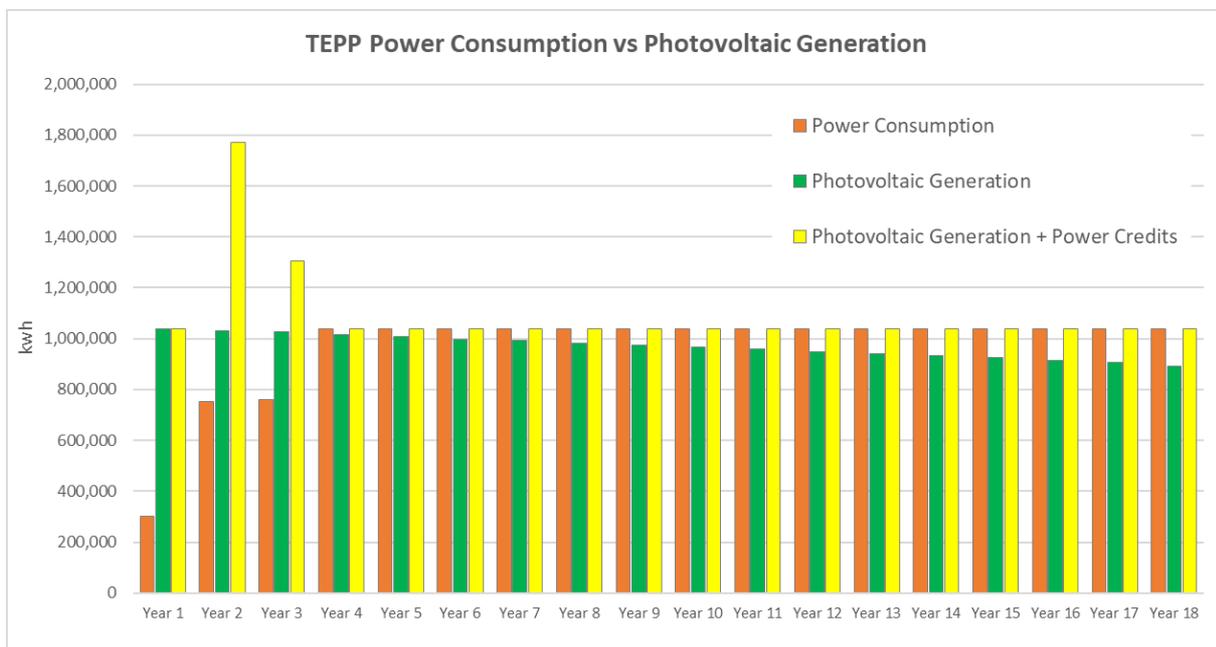


Figure 02 – Chart of estimated power consumption v photovoltaic generation at the TEPP.

The TEPP will use engineering and architectural designs based on modular and semi-permanent constructions for the corporate and operational buildings. These structures provide adequate and healthy facilities with a faster construction schedule, less environmental impact, lower cost, and allow for energy savings.

A geothermal heating, cooling and ventilation system ('HVAC') will be installed in all administrative buildings. The HVAC consists of a pipe system installed approximately two metres underground laid horizontally and/or vertically and an air pump. The purpose of this system is to promote the circulation of air underground, which has a more constant temperature compared to the outdoor temperature. During winter the system will pump warmer air inside the buildings and cooler air in summer.

Zero Water

As previously announced in the Bankable Feasibility Study for the TEPP released on 17 December 2020¹, the beneficiation process of the TEPP ore will consist of a simple route without the use of water resources and without the generation of tailings.

The potable water demand in the production unit will be restricted to human consumption and will be supplied from a water borehole. The used water will be directed to a sewage treatment system of evapo-transpiration absorption beds ('ETA'). The ETA system has a low installation cost and is a sustainable solution to treat greywater from toilets, kitchens, and the cafeteria, without discharging wastewater to the environment.

The industrial unit will include a system to collect rainwater and re-use treated wastewater. All drained water will be directed to five sumps located around the industrial area, avoiding direct discharge to the environment. The use of rainwater for non-potable purposes will be directed to uses considered less noble, such as flushing toilets, irrigation of gardens, and road wetting.

Zero Carbon

All the environmentally friendly initiatives being implemented for energy and water savings are also important to the carbon footprint reduction of the TEPP. The eco-friendly solutions are extremely efficient and have a low installation and maintenance cost. The buildings will have a minimal environmental impact by using eco-friendly materials and will provide adequate and good quality insulation for our employees.

Once all the equipment in the processing plant is powered by electric engines, the photovoltaic plant is expected to be able to fully supply all the power demand with green energy and the carbon emissions from the industrial unit should be fully offset.

The TEPP carbon emissions will be restricted to mine activities which demand the use of equipment powered by fossil fuels, such as dump-trucks, dozers, excavators, and tractors. To offset the emissions from this equipment, targeting a Zero Carbon footprint, Agüia plans to preserve an area of 60 hectares of the Natural Pampa Bioma and initially plant more than 5,000 native tree seedlings. The landscaping and green barrier areas will also include another 3,600 seedlings. The processing unit will include a seedling nursery which will produce native tree seedlings that will be used in the offset program and to revegetate the impacted areas.

Product Registration as Organic

There will be no chemical treatment of, or any chemicals added to, Agüia's **Pampafos**[®]. It will be produced without the use of water resources and with no tailings generated. Therefore, we can apply for organic fertiliser certification. Organic certification will give the final product excellent commercial credentials for use in both conventional and organic agricultural systems.

¹ https://aguiaresources.com.au/asx-announcements/tepp_bfs_20201217/

The development of environmentally friendly solutions is being undertaken by Aguia's team, together with companies specialised in sustainable construction, energy efficiency and renewable energy. Grubar Soluções Integradas em Gestão de Utilidade e Energia Sustentável Ltda ('Grubar') is leading the development of automation and the electrical project and the photovoltaic system design. Ecoah Edificações Ecoeficientes ('Ecoah'), a member of the Green Building Council of Brazil and the Sustainable Development Goals Strategy, is engaged on the architectural project, eco-friendly solutions, and certification process.

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About Agua:

Agua Resources Limited, ("Agua") is an ASX listed multi-commodity company (AGR:ASX) with pre-production phosphate and metallic copper 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 is committed to advancing its existing projects into production whilst continuing to pursue other opportunities within the sector.

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 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.

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