

16 February 2022

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

INFILL DRILLING PROGRAM COMMENCES AT ANDRADE COPPER PROJECT

Sydney, Australia, - Aguia Resources Limited ABN 94 128 256 888 (ASX: AGR) ('**Aguia**' or the '**Company**') is pleased to advise that the first phase, 2,000 metre diamond drilling program has commenced at the Andrade Deposit in the Rio Grande Copper Belt, Brazil. The program is designed to improve the mineral resource category and potentially expand the existing copper resources.

The drilling program will concentrate on the shallow and high-grade ore body portions of the deposit. Previous holes in that portion returned significant high-grade mineralisation including intercepts of 28.77 metres grading 1.83% copper from 63.63 metres with a higher grade zone of 19.39 metres grading 2.55% copper. The current Mineral Resource Estimate is classified, in conformity with the JORC Code 2012, with an Indicated Resource of 18.03Mt at 0.41% Copper and 1.87g/t Silver and an Inferred Resource of 3.98Mt at 0.53% Copper and 2.06g/t Silver (9 March 2021).

The objective of the drilling program is to improve the resource category of the Deposit to Measured & Indicated (M&I), which is mandatory to advance the engineering studies and economic model for the project. The infill drilling program at Andrade has been planned in 4 phases (Figures 1 and 2).

- Phase 1 will be executed, while phases 2, 3 and 4 are pending and will depend on the results of Phase 1: Phase 1: Drilling planned to confirm the high-grade ore body extensions in the shallow portion of the deposit with the goal of improving the resource category to Measured and Indicated (M&I) in that portion adding high grade blocks to the geological model. Twenty drill holes have been planned totaling about 2,000 metres. Updating the resource category is mandatory to advance with higher quality engineering and an economic model for a Preliminary Economic Assessment (PEA).
- Phase 2: Drilling planned to connect the high-grade ore body in the shallow portion of the deposit to the high-grade ore body in the slightly deeper portion. Three drill holes have been planned totaling some 1,000 metres. Phase 2 has the potential for resource expansion.
- Phase 3: Infill drilling planned in the shallow low-grade portion of the deposit. Eight drill holes have been planned totaling 700 metres. Phase 3 has the potential for resource expansion and delineation of the external outline of the ore body.
- Phase 4: Further infill drilling along the shallow portion of the deposit. The objective is to increase the measured blocks in the resource model in the shallow portion of the deposit. Five drill holes have been planned totaling 600 metres. This phase will allow the initial years of the mining plan to consist 100% with measured blocks which will improve the quality of our economic assessment and support the reporting of a Pre-Feasibility Study (PFS). Depending upon the results and the strategy, this phase can be executed immediately after Phase 1, and leave the further resource expansions designed in Phases 2 and 3, for the future.

Agua has engaged Willemita Sondagens ('**Willemita**') to execute the drilling program. Willemita has over 20 years' experience in geological drilling in different regions of Brazil, including the Rio Grande Copper Belt. Willemita has deployed one drill rig to undertake the drilling program. The 4,000+ metre program will take approximately 5-6 months to complete including the time for all geochemical assay results to be ready.

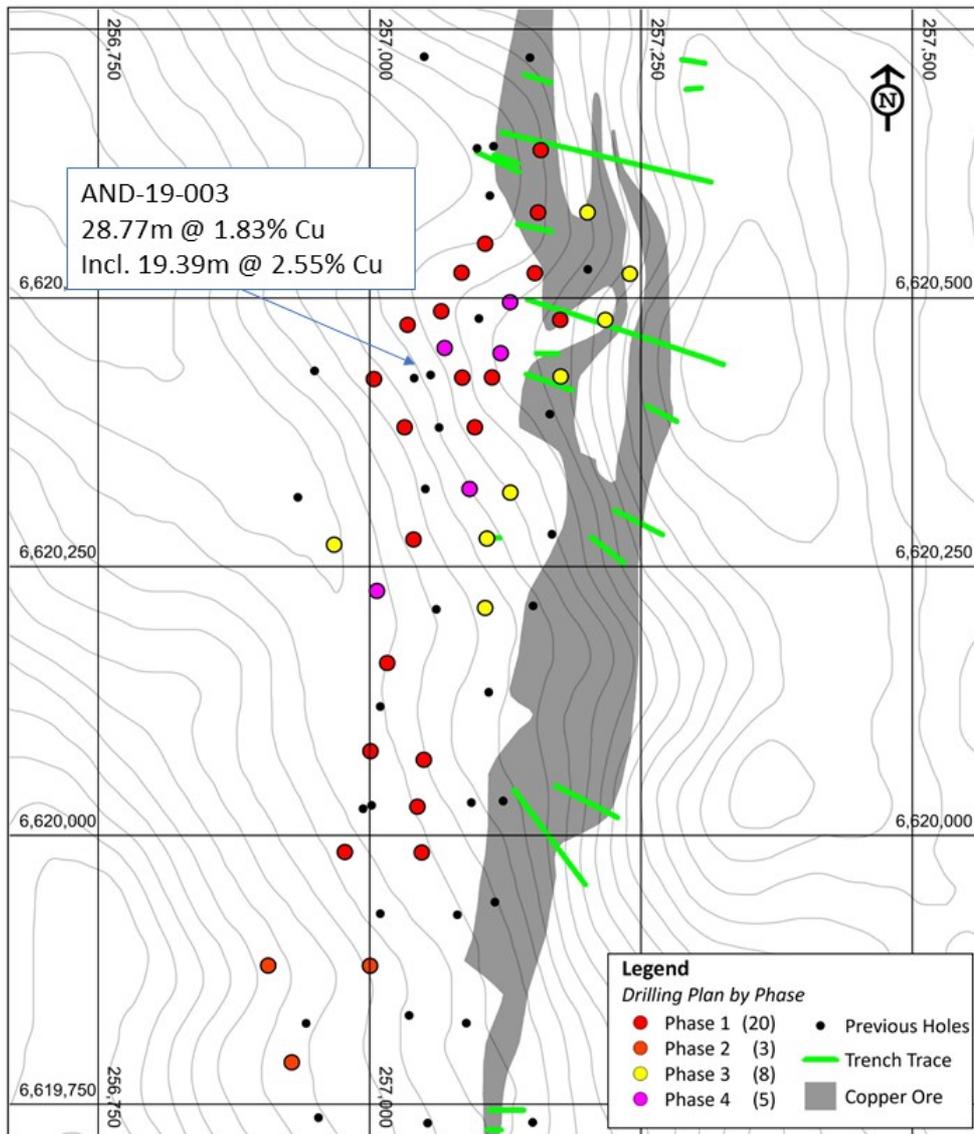


Figure 1 – Andrade drilling plan map.

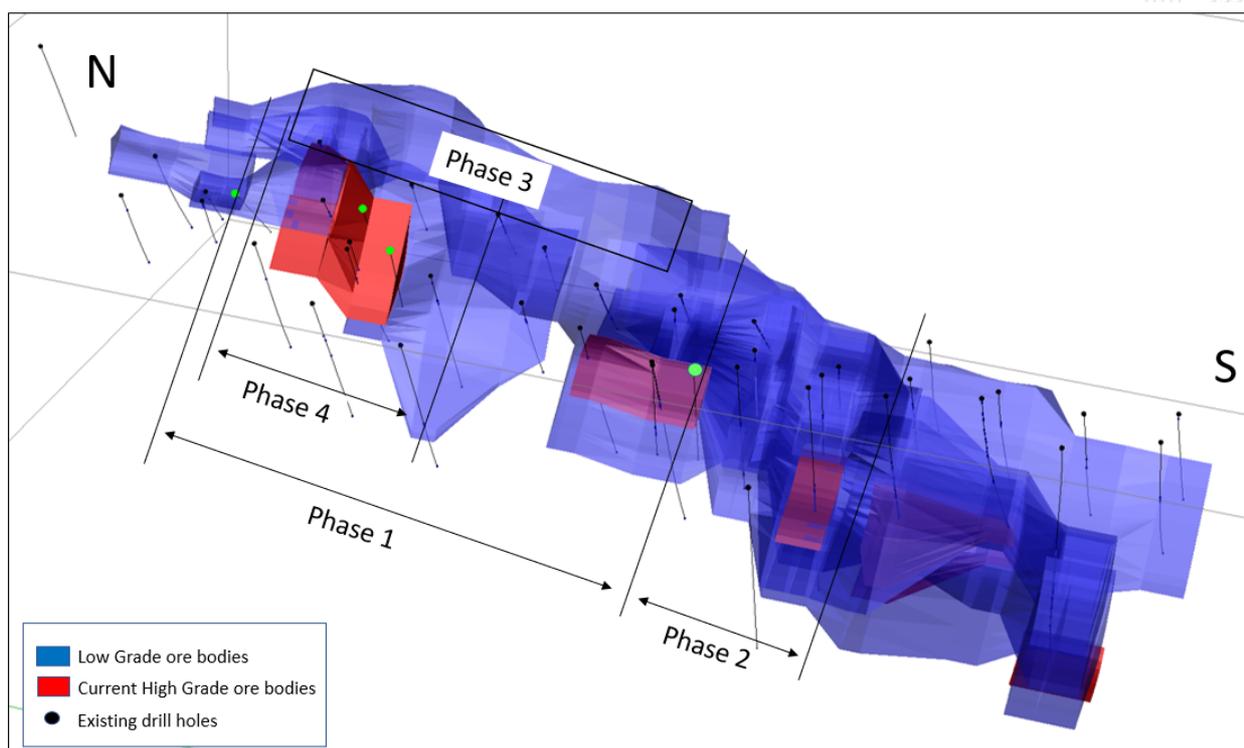


Figure 2 – Resource model with the areas to be drilled in each phase of the 2022 drilling program.

Management Commentary

Managing Director Dr. Fernando Tallarico said: *“We are pleased to be resuming drilling at our most advanced copper project at a time when there is growing demand for copper coupled with a healthy commodity price. With the completion of this program, we expect the resource to improve to M&I category allowing us to develop a more detailed mining and processing plan and refine our economic model. In parallel to the drilling, we also will proceed with a variety of test work designed to improve the beneficiation route of our copper mineralization. Among these, we will test the efficiency to extract copper from the ore via bioleaching, which is aligned with the Agüa’s effort to design sustainable and environmentally friendly projects. Agüa has painstakingly assembled a large portfolio of tenements in a proven copper belt and we are confident, given the extent of the mineralization present, that these next phases of drilling will yield positive results.”*

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

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About Aguia:

Aguia Resources Limited, ("Aguia") 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. Aguia has an established and highly experienced in-country team based in Porto Alegre, the capital of Rio Grande do Sul. Aguia's first project, the Três Estradas Phosphate Project is expected to be in production by Q4 2021. Aguia is committed to advancing its existing projects into production whilst continuing to pursue other opportunities within the 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.

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.