



7 November 2024

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

AGUIA SIGNS MEMORANDUM OF UNDERSTANDING TO PROCESS PHOSPHATE IN BRAZIL

HIGHLIGHTS

- **Aguia's 100%-owned Brazilian subsidiary Águia Fertilizantes S.A. has signed a non-binding Memorandum of Understanding (MOU) with Brazilian Company Dagoberto Barcelos S.A. (DB) to treat Pampafos ore through their existing processing facility close to Caçapava do Sul, Brazil (see images 1-3 below).**
- **The MOU anticipates that Aguia will lease the DB processing facility for a 10 year period with an option to extend the lease for a further 10 years.**
- **The current facility has operated at a rate of approximately 100,000 tpa of product over an eight-year period. Adding a second drying unit could increase annual production to up to 300,000 tpa.**
- **A once-off payment of BRL\$5 million (A\$1.3m) is payable to DB to reimburse DB for planned capital works for the site and to offset costs associated with ceasing operations through the plant.**
- **A monthly lease of BRL\$163,200 (A\$43k) is payable to DB upon assuming site control.**
- **Aguia anticipates processing first ore by mid-2025 and is fast-tracking exploration and development of two 100%-owned deposits located within 9 km of the DB plant.**
- **The Brazilian phosphate market represents a huge opportunity for Aguia given Rio Grande do Sul, where the Company operates, is 100% dependent upon imports currently costing A\$344 per tonne. Aguia expects to receive A\$120-\$140 per tonne for its product.**
- **Aguia is continuing negotiations with another processing facility in the Caçapava do Sul region for an expanded production profile from its 100%-owned phosphate projects.**

Executive Chairman, Warwick Grigor commented: *"This MOU with DB is a major step forward for Aguia in Brazil. It is expected that processing of Pampafos ore will commence in mid-2025, after completing some capital works, at the plant's current rate of 100,000 tpa. Depending upon the speed of market penetration, Aguia will look to expand production at the DB plant as early as the start of 2026. When I became Chairman of Aguia I stated that our goal was to clear the way to commence production of phosphate in Brazil as soon as possible. I am pleased to report that we are now close to realising that goal with our eye on progressive expansion through one or more processing plants. With Brazil largely dependent on phosphate imports, we are confident of carving out a meaningful market position in the southern Brazil farming region.*

Sydney, Australia: Aguia Resources Limited (ASX: AGR) ('Aguia' or the 'Company') is pleased to provide shareholders with information regarding the signing of a MOU with DB to lease their existing phosphate processing facility, located close to Cacapava do Sul, State of Rio Grande do Sul, Brazil. Final documentation is expected to be completed by year end.

FAVOURABLE TRANSACTION TERMS

Aguia will pay DB an entry fee of BRL\$5,000,000 (A\$1.3m), broken into one payment of BRL \$1,000,000 upon signing and 5, monthly payments of BRL\$ 800,000, to compensate DB for capital works required on the processing facility to make the facility compatible with Aguia's ore and to compensate DB for costs associated with ceasing operations through the plant.

A monthly lease fee of BRL\$163,200 (\$A43K) is payable for the processing facility from July 1, 2025 (ie. A\$5.13/t at the 100,000 tpa rate). The current processing facility is capable of treating approximately 100,000t of phosphate per annum. Aguia will operate the processing facility.

The lease is for an initial 10 years commencing once the initial capital works and permits are in place allowing Aguia site control, with an option to extend the lease for a further 10 years.

TIMEFRAME AND STEPS TO PROCESSING FIRST ORE

Aguia will likely commence production through the DB plant using Pampafos ore by mid-2025. However, Aguia has been fast tracking the evaluation of the Mato Grande and Passo Feio deposits with a view to displacing Pampafos with ore from these two deposits. Drilling and evaluation of these two deposits is ongoing. The Mato Grande deposit is situated less than 3 km from the DB plant while the Passo Feio deposit is located approximately 8 km from the DB plant.

AUTHORISED FOR ISSUE TO THE ASX BY THE BOARD OF AGUIA RESOURCES LIMITED

About Aguia Resources Limited

Aguia Resources is an ASX-listed multi-commodity company (AGR:ASX) with pre-production phosphate projects located in Rio Grande do Sul (Brazil) and gold projects in Bolivar (Colombia). Aguia has established highly experienced in-country teams based in Porto Alegre, the capital of Rio Grande do Sul (Brazil) and in Medellin (Colombia). The acquisition of Andean Mining has added a portfolio of gold, silver and copper projects to its asset base.

Competent Person

Raul Sanabria, M.Sc., P.Geol., EurGeol., and a Competent/Qualified person ("QP") as defined by Australian JORC (2012 Edition) and Canadian National Instrument 43-101, has reviewed and approved the technical information contained in this document.

JORC Code Competent Person Statements:

The technical information contained in this press release has been prepared and reviewed by Raul Sanabria, M. Sc., P.Geol, EurGeol, member in good standing of the APEGBC and EFG, and Qualified Person as described in NI43-101 Canadian Guidelines and Competent Person as described in JORC Guidelines for standards of public reporting technical information relevant to exploration results. Mr Sanabria 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'. Mr. Sanabria consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.



Image 1: Rotary kiln dryer



Image 2: Woodfired furnace



Image 3: Product storage area

For further information, please contact:

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Caution regarding forward-looking information:

This announcement is for information purposes only and does not constitute a prospectus or prospectus equivalent document. It is not intended to and does not constitute, or form part of, an offer, invitation or the solicitation of an offer to purchase or otherwise acquire, subscribe for, sell or otherwise dispose of any securities, or the solicitation of any vote or approval in any jurisdiction, nor shall there be any offer, sale, issuance or transfer of securities in any jurisdiction in contravention of any applicable law. 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.