4th December 2012

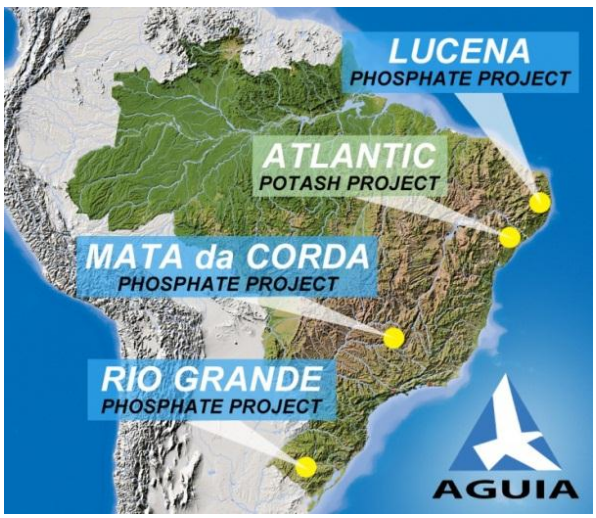
AGUIA TO EXPAND LAND HOLDING NEAR TRES ESTRADAS PHOSPHATE DISCOVERY, SOUTHERN BRAZIL

Emerging fertiliser development company Aguia Resources Limited (ASX**: AGR**) ("**Aguia**" or "**Company**") is pleased to announce that the Company has signed a Term Sheet with IAMGOLD Corporation ("IAMGOLD") to acquire a large prospective landholding ("**the Projects**") to the southwest and along strike from its Tres Estradas ("TE") phosphate discovery located in the state of Rio Grande do Sul in southern Brazil.

Highlights:

- Aguia have signed a Term Sheet to enter an exclusive Option Agreement ("Agreement") with IAMGOLD to acquire 100% of a large landholding covering 27,342 hectares (273km^2)
- The Projects are contiguous with the Tres Estradas ("TE") licence where the Company has made a significant Phosphate discovery and cover the continuation of the magnetic trend extending from TE to the southwest for over 12 kilometres
- TE is similar to the carbonatite style hosted phosphate deposits mined by Vale within Brazil, examples include the Araxa (Reserve: 88.7 Mt @ 11.1% P_2O_5) and Cajati (Reserve: 85.1 Mt @ 5.5% P_2O_5) operations
- The Projects further consolidate the Company's landholding in this highly prospective region where it now has 61 tenements covering 86,000 hectares (860km^2)
- Finalisation of the Option Agreement is subject to due diligence and execution within 45 days
- Brazil imports 49% of its phosphate needs and the Rio Grande do Sul projects are located near excellent infrastructure including roads, water, power and potential domestic primary customers and major fertiliser blenders

Figure 1: Location of Rio Grande Phosphate Projects, SE Brazil



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The Projects compliment the Company's Rio Grande do Sul landholding and further consolidates its strategic position in the region enabling Aguia to capitalise on the increasing demand for fertilisers as it aims to be a developer in the Brazilian fertiliser sector.

The Company announced the TE discovery in November 2011 and has rapidly advanced the project with the announcement of an initial JORC compliant mineral resource in June 2012.

"This is a fantastic opportunity for Aguia to make further discoveries and build significant phosphate resources in an area of Brazil where there are currently no active phosphate mines and is reliant on imports of phosphate", commented Aguia Resources Managing Director Simon Taylor.

"In fact the three southern states of Rio Grande do Sul, Santa Catarina and Paraná currently consume around 1.1 million tonnes P_2O_5[1] or around 29% of Brazilian consumption. It is a credit to our technical team in Brazil who have been first movers in the region and made the discovery at TE with our first drilling program. Work will focus on identifying further carbonatites in the region and we still have not drill tested the Joca Tavares ("JT") carbonatite some 40 kilometres to the east that has returned surface sample assays up to 11.40% P_2O_5", added Mr Taylor.

The TE, JT and other Aguia projects will be logistically advantaged to supply into this region, compared with phosphate mined in Minas Gerais, Goias and imports.

The operating carbonatite mines in Brazil are highly profitable due to their excellent mineralogy enabling the ores to be beneficiated to a suitable concentrate grade (>32% P_2O_5) and their close proximity to markets including fertiliser blenders and end users. Initial test work demonstrates that the ore from TE beneficiates to a commercial grade.

Under the Term Sheet, and after successful due diligence, a formal Option Agreement is to be negotiated and executed within the next 45 days.

The Company has recently completed a Stage 2 drilling program at TE. The technical team is ready to begin reconnaissance mapping and sampling over the Option ground at execution of the Agreement.

– ENDS –

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[1] Data source: ANDA 2011 statistical summary

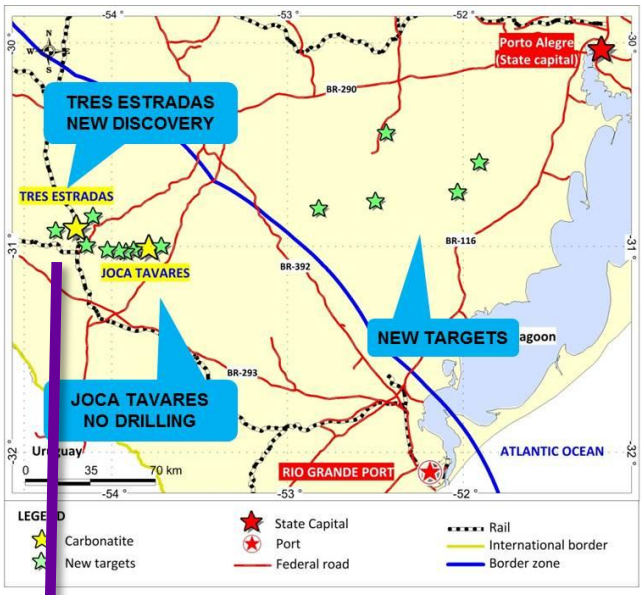
Rio Grande Phosphate Projects

The projects are located in the state of Rio Grande do Sul, the southernmost Brazilian state adjacent to the border with Uruguay. The region has well developed infrastructure with excellent roads, rail, power, ports and services.

Aguia has a highly prospective land package of over 58,682 hectares (587 km^2) including an exclusive option to acquire 100% of the Três Estradas ("TE") and Joca Tavares ("JT") carbonatite style phosphate projects (Refer Figure 2).

The new Option Agreement with IAMGOLD Corporation (TSX: IMG) covers an additional 27,342 hectares (273km^2) and covers the southern extension to the magnetic trend that hosts the TE discovery to the north (Refer Figure 3).

Figure 2: Location of Rio Grande do Sul Projects, SE Brazil



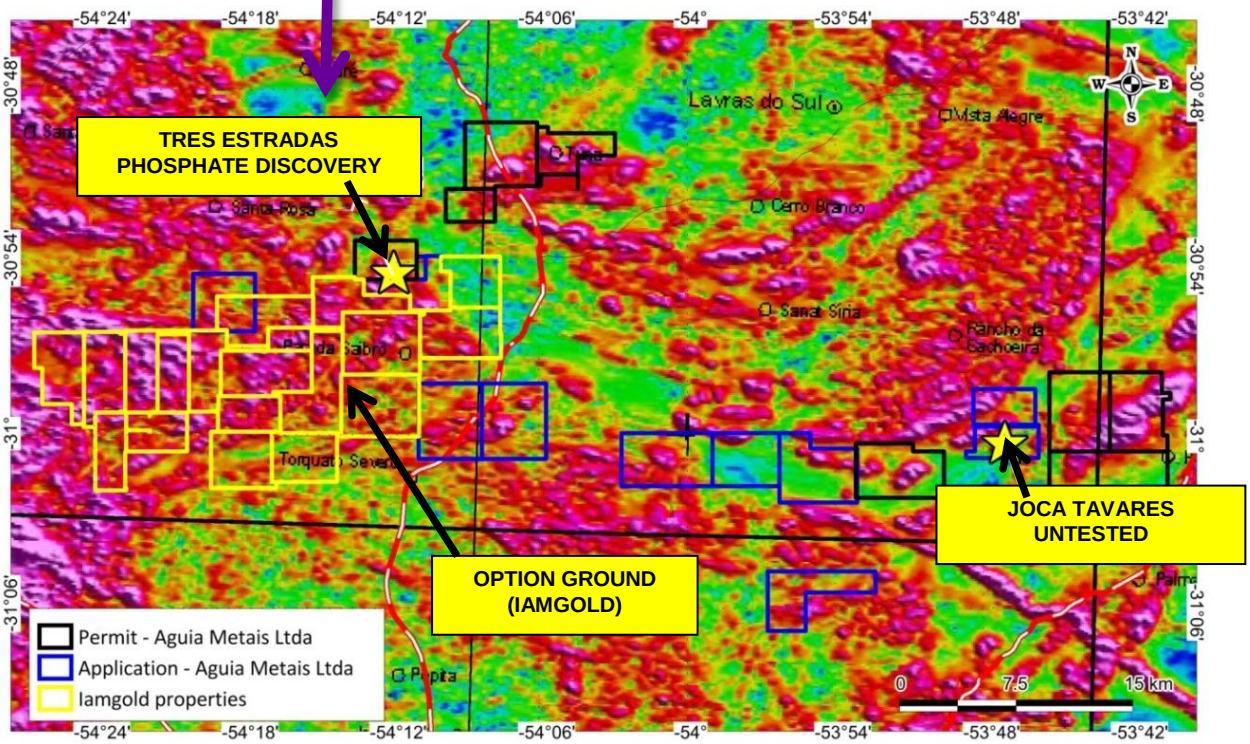
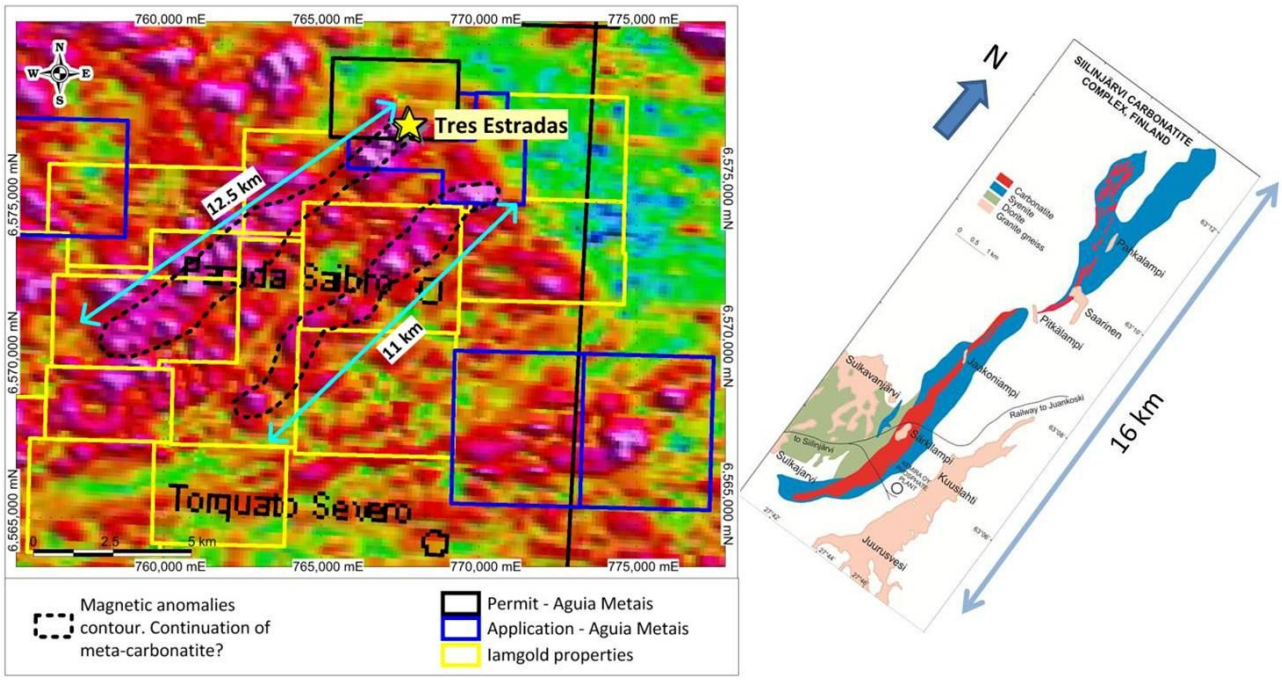


Figure 3: Magnetic Image and Location of the Option Projects (IAMGOLD Corporation) in Yellow and Aguia Projects in Rio Grande do Sul State, SE Brazil

The TE project represents a significant new phosphate discovery with characteristics similar to existing producers in Brazil. Importantly, first stage drilling has shown that the grade and mineralogy is similar to that of other open-cut operating mines globally including Yara's Siilinjärvi mine in Finland and Vale's Cajati mine in Brazil, both of which produce a high quality phosphate concentrate within carbonatite host rocks.

Significantly the TE magnetic trend extends over 12 kilometres and is comparable in size to the trend that hosts Yara's Siilinjärvi mine in Finland (Refer Figure 4).

Figure 4: Magnetic Image Showing Magnetic Trend South of TE on the Left and Yara's Siilinjärvi Mine Trend at the Same Scale on the Right



Carbonatite Hosted Phosphate Mines

The largest phosphate mines in Brazil are all associated with carbonatites as is Yara's Siilinjarvi Project in Finland as can be seen in Table 1 below. The operating mines are highly profitable due to their excellent mineralogy enabling the ores to be beneficiated to a suitable concentrate grade (>32% P_2O_5) and their close proximity to markets including fertiliser blenders and end users.

Table 1: Major Producing Phosphate Deposits in Brazil

Company	Mine	Type	Reserve (Mt)	Grade P_2O_5 (%)	Concentrate Grade P_2O_5 (%)	Prod. Capacity (ktpa)
			(A) (B)		(C)	(D)
Vale	Tapira	Carbonatite	1,309	**7.7**	**36**	2,030
Copebrás/ Anglo	Ouvidor	Carbonatite	257	**7.6**	**38**	1,300
Vale	Araxá	Carbonatite	89	**11.1**	**35 / 33**	910
Vale	Catalao	Carbonatite	224	**9.0**	**36 / 34**	1,209
Vale	Cajati	Carbonatite	85	**5.5**	**36**	528
Average Grade Brazilian Carbonatite Deposits is 7.8% P_2O_5						
Yara	Siilinjarvi, Finland	Carbonatite	470	**4.5**	**36**	850

Sources: (A) Resource and Grades: Salitre – DNPM 1975 / Anitápolis: DOU 1980 (DOU = Official Diary of Brazil) (B) Reserve and Grades: DNPM 2006 Mineral Annuary, (C) Concentration, Beneficiation / Production: ANDA Annuary 2008 (D) Major phosphate rock producer by Bete, Inc for Cargill Fertilizer, Inc 1988

Commercial Terms of the Acquisition

Aguia has signed a Term Sheet to enter into an agreement with Border Prospeccoes Minerais LTDA, Milton Guimares Bueno de Prado and Mauricio Fonseca Sampaio (the "**Parties**") to acquire 100% of the Projects for consideration as follows:

- Aguia has the right to conduct exploration on the projects for a term of up to 36 months ("Option Term");
- Aguia can elect to exercise the option to acquire the Projects through the issue of 3,000,000 fully paid ordinary shares;
- Pay a 2% royalty on any future production, calculated on the basis of CFEM (Brazilian Government Royalty), over net revenues and discounting tax and fees, capped to the total accrued amount of USD$10 million;
- Aguia has the right to buy the royalty for a fixed price of USD$5 million;
- Aguia may elect to terminate the Option Agreement at any time and there is no minimum expenditure;
- The Optionor will retain the gold mineral rights over the properties; and
- The Term Sheet is not a binding document and Aguia will now complete due diligence and the Parties agree to make best efforts to execute the Formal Option Agreement within 45 days.

The projects being acquired are located within the Brazilian border control zone (150 kilometres from the international border) restricting foreign ownership of the tenements to 49%. Should the option be exercised to acquire the tenements at the conclusion of the exploration program, the Company will be required to enter into a joint venture with a Brazilian owned company to develop the tenements.

Accordingly Aguia has set up a corporation, in which Aguia Resources owns 49%, and Brazilian interests 51%, and which incorporates shareholder agreements channelling all economic benefits back to Aguia Resources. This arrangement is not expected to materially alter the Company's potential economic return on the funds invested as part of the exploration program.

About Aguia

Aguia is an emerging fertiliser development company focusing on phosphate and potash projects in Brazil. Brazil is Latin America's biggest economy and is heavily reliant on imports of up to 50 per cent of its phosphate and 90 per cent of its potash needs. Aguia is well positioned to capitalise on the growing demand for phosphorus and potash based fertilisers in the expanding agriculture sector in Brazil and controls four large projects, located close to existing infrastructure. The Company is committed to its existing projects whilst continuing to pursue other opportunities within the fertiliser sector.

JORC Code Competent Person Statements

The Três Estradas Phosphate Project has a current JORC compliant inferred mineral resource of 21.33Mt @ 4.63% P_2O_5 (total initial contained phosphate of 0.99Mt P_2O_5).The information in this report that relates to 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 Aguia Resources Limited. Dr Tallarico has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which he is undertaking to qualify as a Competent Person as defined in the 2004 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves ("JORC Code"). Dr Tallarico consents to the inclusion in this report of the matters based on his information in the form and context in which it appears.