

11 May 2015

## **AGUIA REPORTS 80% PHOSPHATE RECOVERY FROM OXIDIZED CARBONATITE AND 65% FROM FRESH CARBONATITE AT FLAGSHIP TRÊS ESTRADAS PHOSPHATE PROJECT**

### **Highlights:**

- **Recent beneficiation test work at Três Estradas has resulted in expected phosphate recovery from oxidized material of 80%**
- **Expected phosphate recovery from fresh carbonatite of 65%**
- **Phosrock grading up to 39% P<sub>2</sub>O<sub>5</sub> was produced from fresh carbonatite with no impurity issues**
- **Tests demonstrate potential for production of commercial quality calcite concentrate byproduct**
- **Scoping Study/Preliminary Economic Assessment for Três Estradas targeted for release at end of July**

---

Brazilian fertilizer developer Agua Resources Limited (ASX: **AGR**) (“Agua” or “Company”) is pleased to announce positive results from recently completed beneficiation test work, reporting phosphate recovery from the fresh carbonatite of 65%. Flotation tests also successfully resulted in phosphate recovery of 80% from the oxidized mineralization. Phosrock, or flotation concentrates, grading up to 39% P<sub>2</sub>O<sub>5</sub> were produced from fresh carbonatite with no impurity issues.

Agua commissioned SGS Lakefield, Canada, to conduct bench scale tests on samples of fresh carbonatite and oxidized carbonatite from its flagship Três Estradas Phosphate Project in southern Brazil. Tests were overseen by SRK Consulting (Canada) Inc.

Another significant outcome of the program was the opportunity to produce a commercial quality calcite concentrate from the phosphate flotation tailings stream. Calcitic aglime (<5% MgO) product with 48% CaO was produced, indicating the potential for an additional revenue stream in the future.

These results represent an important milestone for the Três Estradas Project to be included in the upcoming Scoping Study/Preliminary Economic Assessment that is being currently being conducted by SRK Consulting (Canada) Inc. The results announced herein are consistent with those summarized in the JORC Table 1, presented on April 27th, 2015.

Agua's Executive Chairman, Justin Reid, commented: "In the last month Agua's technical team has delivered two important milestones at Três Estradas: we have increased the mineral resource by 130% to 70M tonnes (comprising 15.2 Mt Indicated and 54.9 MT Inferred) with an average grade of 4.20% P<sub>2</sub>O<sub>5</sub>, and we have now demonstrated that a robust concentrate can be produced from the operation, backed by solid recoveries. These results will immediately flow into the engineering work being conducted by SRK and we plan to report the results of our Preliminary Economic Assessment to the market at the end of July."

"Três Estradas is shaping up as a key asset for Agua and advancing this project is our main priority. Concurrently, the Board and management team believe there is significant value to be unlocked from the nearby Joca Tavares and Cerro Preto deposits. We will continue to work on these projects at the same time that we take Três Estradas through to the Bankable Feasibility Study stage."

"Agua's projects in the Rio Grande Area provide the foundation to build a robust Brazilian fertilizer supplier to the booming agriculture sector."

– ENDS –

**For further information, please contact:**

**Justin Reid**

Executive Chairman & Managing Director  
Email: jreid@aguiaresources.com.au  
Telephone: +1 (416) 216-5446

**Catherine Stretch**

Chief Commercial Officer  
Email: cstretch@aguiaresources.com.au  
Telephone: +1 (416) 309-2695

**Released through:** Ben Jarvis, Six Degrees Investor Relations: +41 413 150 448

**About Agua**

*Agua Resources is a Brazilian fertiliser company developing phosphate and potash projects. 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. Agua 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 information in this release 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 mineralization 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 announcement of the matters based on his information in the form and context in which it appears.*

*The information in this report that relates to a Technical Memorandum prepared by SRK Consulting (Canada) Inc. and entitled Summary of SGS Mineral Services' Metallurgical Testwork on Três Estradas Samples. This document is dated May 8, 2015 and has been reviewed by and signed off by Dr Adrian Dance, PEng. Dr Dance is a full-time employee of SRK Consulting (Canada) Inc., who was retained by Agua Resources Limited to supervise the metallurgical test work program performed by SGS Lakefield, and is registered with the Association of Professional Engineers and Geoscientists of British Columbia (Licence # 37151). Dr Dance has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity undertaken in this study 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' ("JORC Code"). Dr Dance consents to the inclusion in this report of the matters based on SRK study in the form and context in which it appears.*