



7 March 2019

INITIAL SCOUT DRILLING AT BIG RANCH IDENTIFIES PERVASIVE SYSTEM OF SULPHIDE MINERALISATION

Highlights:

- **First pass scout drilling at Big Ranch defines a large system of sulphide mineralisation**
- **High-grade samples intersected over thin intervals**
- **Next stage of exploration being developed to continue vectoring program using data gathered to date**
- **Três Estradas permitting process in final stages with community consultation in Lavras do Sul set for March 20, 2019**

SYDNEY, Australia, March 7, 2019 - Agua Resources Limited (ASX: AGR, TSXV: AGRL) (“Agua” or the “Company”) is pleased to report on results from its recent 2,224 metre diamond drilling program at the Big Ranch copper prospect in southern Brazil.

As previously announced, the Company discovered a new zone of copper mineralisation on 23 tenements across 34,000 hectares on ground staked within the Rio Grande Copper Belt, in the State of Rio Grande do Sul, Brazil (Figure 1).

The Big Ranch target is located along the northern edge of the Caçapava Granite and consists of a 6 km-long zone that hosts significant copper and gold in soils anomalies. Anomalous trends of zinc and lead have also been mapped. These soil anomalies were followed-up using a combination of ground geophysical exploration methods, including Induced Polarization (IP) with gradient and dipole-dipole arrays, magnetics and radiometric surveys. By analyzing the data gathered from the ground geophysics, in combination with mapping, rock chip sampling and trench results, Agua’s technical team identified a number of promising locations for exploratory drill holes.

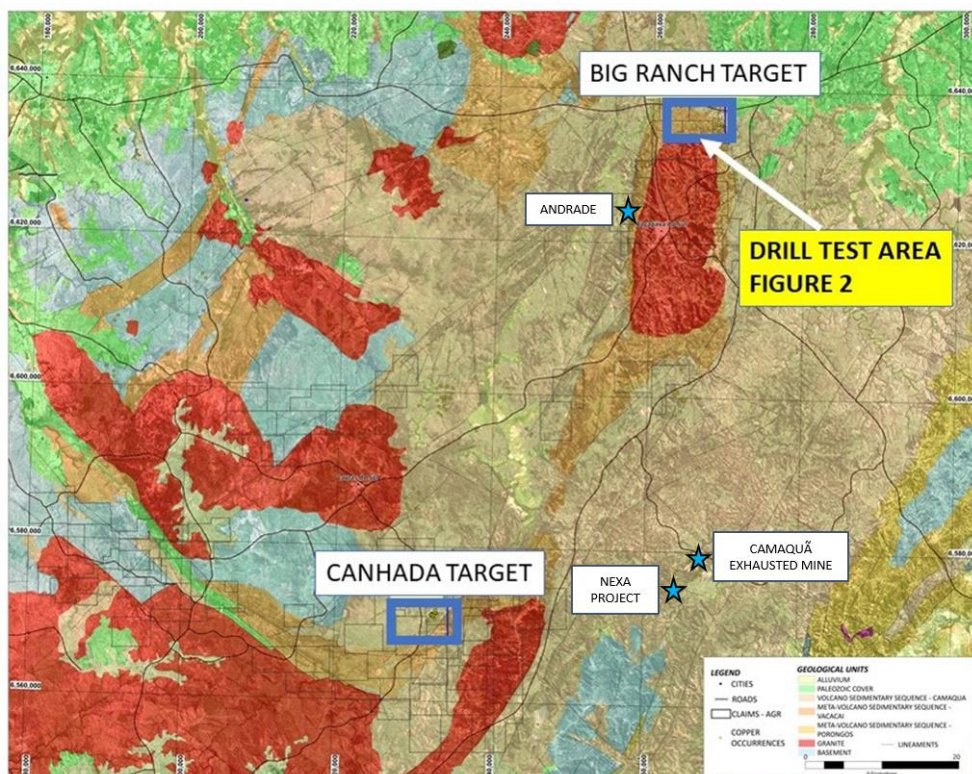


Figure 1. Geological map of the Rio Grande Copper Belt. The Big Ranch target inset is detailed in Figure 2.

The drilling program commenced in October 2018. The main purpose of this campaign was to acquire additional data on the geology and nature of the hydrothermally altered rocks at depth, to provide the necessary information for a more accurate interpretation of the copper and base metals showings identified to that point.

This first pass of exploration drilling, which focused on the broadly spaced surface base metal showings, structural controls and associated geophysical anomalies, has successfully identified a 6 km by 2 km zone of mineralisation including zinc, copper and precious metals. The data gathered in this drill program will be used to vector towards zones that exhibit high discovery potential for future drilling.

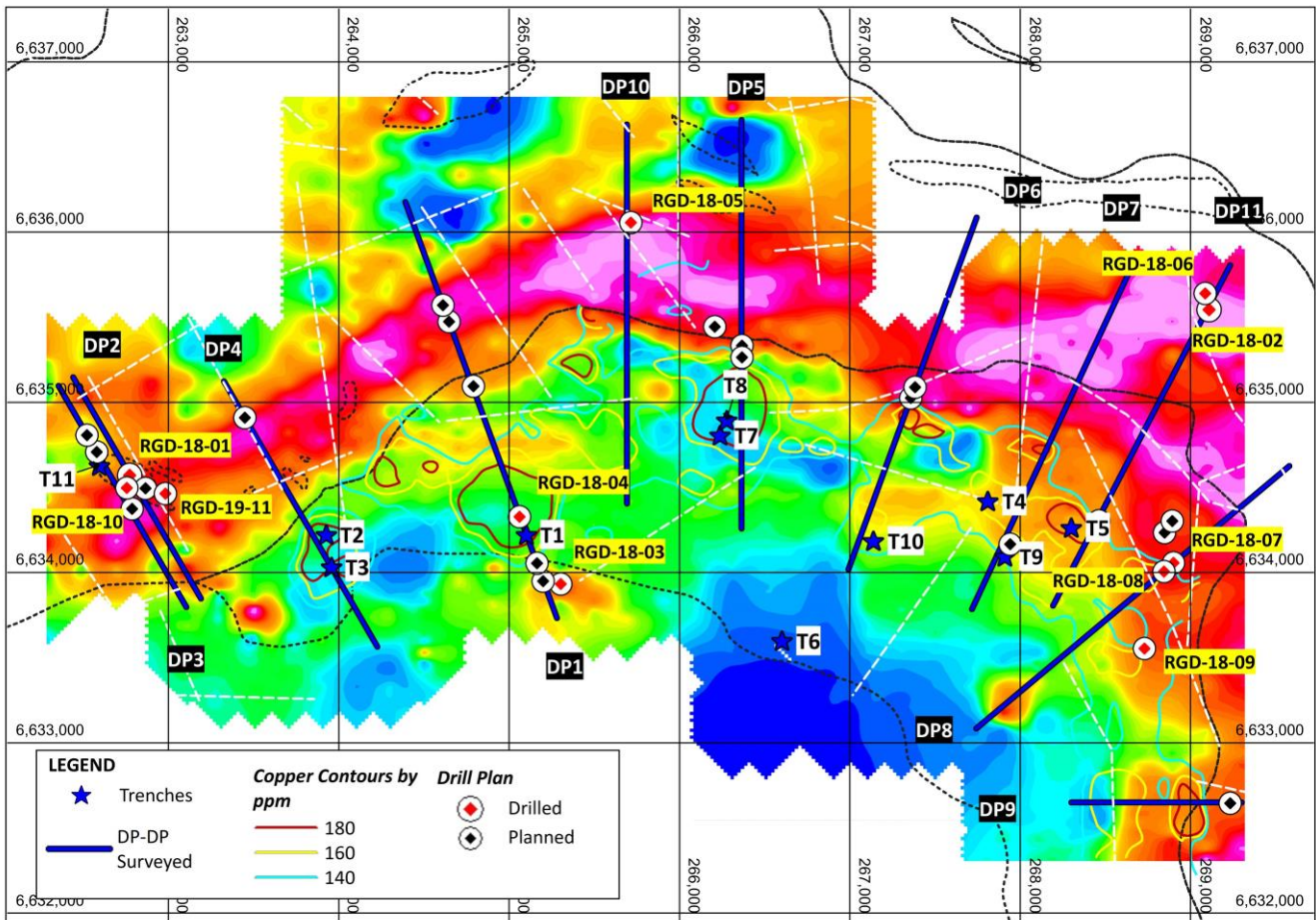
Assay results have been received for 11 holes with mineralisation encountered in 7 holes. The assays from the drilling program confirm Agua has identified a major hydrothermal system and provides greater understanding of the distribution and nature of the various geophysical and geochemical anomalies mapped at surface and also at depth. Intense hydrothermal alteration including chlorite, carbonate and K-feldspar halos host the sulfide minerals. Pyrrhotite and pyrite are the most abundant sulfide species and explain the bulk of the geophysical anomalies that were mapped. Zinc and copper sulfide minerals occur in association with the iron-sulfides. High-grade samples were intersected over thin intervals. The next stage of the exploration program is being developed to continue the vectoring program using the data gathered. The key objective moving forward will be to identify and rank structural and chemical trap zones that can potentially favor the concentration of economic sulfide mineralisation. The table below summarizes the assay results received to date:

Table 1. Assay results from Big Ranch drill campaign

Hole	From (m)	To (m)	Length (m)	Cu%	Zn%	Pb%	Au gpt	Ag gpt
RGD-18-002	34.30	37.60	3.30		0.29			
		Including	0.60	0.13	0.70	0.34		
	50.45	51.70	1.25		0.36	0.12		
	80.40	81.55	1.15		1.21	0.56		
		Including	0.55		1.72	1.06		
	89.50	90.20	0.70		1.48			
	114.00	115.00	1.00		0.46			
	138.25	140.25	2.00		0.55	0.11		
	138.25	140.25	2.00		0.55	0.11		
RGD-18-006	151.72	152.70	0.98		0.72			
RGD-18-007	0.00	1.40	1.40					17.00
	24.05	27.00	2.95				0.88	
		Including	0.95				2.04	
	118.55	119.10	0.55	0.83			0.28	5.60
RGD-18-008	4.95	5.60	0.65				0.11	
	5.60	10.90	5.30		0.14			
	29.29	30.00	0.71				0.32	
	91.37	92.14	0.77	0.15				
RGD-18-009	132.00	133.00	1.00				0.27	
	135.00	136.00	1.00					0.13
	138.00	139.00	1.00				0.26	
RGD-18-010	47.15	47.65	0.50	0.19	0.43		0.20	8.10
	55.50	57.00	1.50	0.17				
RGD-19-011	9.85	12.40	2.55	0.22	0.15			2.54

There were no other significant mineral intercepts in the other core boreholes not included in the table above

Figure 2. Map of the Big Ranch Target highlighting the four Target Areas and drill hole locations



The surrounding geological environment is highly prospective and includes the past producing Camaqua copper mine, a new Zn-Pb project currently being licensed by Nexa Resources (Votorantim Group), and the Andrade copper occurrence owned by Brazilian-based Referencial.

Exploration activity continues in the Rio Grande Copper belt and further results are expected later in the first quarter.

Três Estradas Project

Meanwhile, Agüia is very focused on preparations for its upcoming community consultation due to take place in Lavras do Sul on March 20, 2019. The community consultation is a major event that occurs in the environmental permitting for a Brazilian mining project. The consultation is open to the public and provides a forum for all stakeholders to learn more about the project, ask questions and share their point of view. The event is planned to last four hours and be attended by up to 800 people. Agüia's team in Lavras do Sul is fully engaged in preparations for the public hearings and has been engaged in an outreach campaign that has included workshops, seminars, community events and participation in local agriculture fairs. Support for the project locally has been very positive.

Commentary

Technical Director Fernando Tallarico commented: "This initial scout drilling program across a very large area of the Big Ranch Target has allowed us to gain a better understanding of the subsurface information on the geophysical and geochemical anomalies we mapped earlier in 2018. The drill

program provided us with valuable information of the nature of what is clearly a very large hydrothermal system we are targeting, and more importantly, of the zoning and associated sulfide minerals. The next step will be to vector towards potential trap zones: areas where structural and/or chemical barriers can favor the formation of mineral deposits.”

Managing Director Justin Reid added: “Our objective with the Big Ranch drill program has been to learn as much as we can about this very large target on our first pass. Big Ranch now marks the northern border of our holdings in the Rio Grande Copper Belt with Canhada at the southern end and the recently optioned Primavera Project sandwiched in the middle. We plan to continue to test targets along the belt with a particular focus on Andrade which has delivered compelling drill results in the last couple of months and look forward to delivering additional results as they become available.”

“Meanwhile, we are fully engaged with the local authorities in Rio Grande do Sul to complete the final steps of the environmental permitting for Três Estradas. The community consultation coming up in late March is a major milestone event for Aguia and our team has been engaged in a polished and professional outreach campaign for months to develop a positive message and image in advance of the public event.”

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About Aguia:

Aguia Resources Limited, (“Aguia”) is an ASX and TSX Venture listed company whose primary focus is on the exploration and development of mineral resource projects in Brazil. Aguia has an established and highly experienced in-country team based in Belo Horizonte, Brazil with corporate offices in Sydney, Australia. Aguia’s key projects are located in Rio Grande do Sul, a prime farming area which is 100% dependent on phosphate imports. The Rio Grande phosphate deposits exhibit high quality and low cost production characteristics, and are ideally located with proximity to road, rail, and port infrastructure. Aguia’s experienced management team has a proven track record of advancing high quality mining assets to production in Brazil.

Qualified Person

The technical information in this press release has been reviewed and approved by Dr. Fernando Tallarico, who is a member of the Association of Professional Geoscientists of Ontario, Technical Director for Aguia and a Qualified Person as defined by National Instrument 43-101. Dr. Tallarico consents to the inclusion of his name in this release. Dr. Tallarico verified the data disclosed in this press release in accordance with industry standard best practices, including sampling, analytical, and test data underlying the information or opinions contained herein.

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.

Cautionary Statement on Forward Looking Information

This press release contains "forward-looking information" within the meaning of applicable Canadian and Australian securities legislation. Forward-looking information includes, without limitation, statements regarding the results of exploration activities at the Primavera, Andrade, Canhada and Big Ranch Targets, soil and assay results, plans for future drilling and exploration programs, the mineral resource estimates, production targets, the anticipated timetable, permitting, forecast financial information, bankable feasibility study and ability to finance the project, and the prospectivity and potential of the Canhada and Big Ranch Targets.

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 risks inherent in the mining industry and risks described in the public disclosure of the Company which is available under the profile of the Company on SEDAR at www.sedar.com, on the ASX website at www.asx.com.au and on the Company's website at www.aguiarresources.com.au. These risks should be considered carefully.

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. Persons reading this news release are cautioned that such statements are only predictions and 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 disclaims any intent or obligation to update or revise any forward looking statements whether as a result of new information, estimates, options, future events, results or otherwise and does not undertake to update any forward-looking information, except in accordance with applicable securities laws.

NEITHER THE AUSTRALIAN STOCK EXCHANGE, TSX VENTURE EXCHANGE NOR THEIR REGULATION SERVICES PROVIDER (AS THAT TERM IS DEFINED IN THE POLICIES OF THE TSX VENTURE EXCHANGE) ACCEPTS RESPONSIBILITY FOR THE ADEQUACY OR ACCURACY OF THIS RELEASE.

JORC Code, Table 1

Section 1 Sampling Techniques and Data

(Criteria in this section apply to all succeeding sections.)

Criteria	JORC Code explanation	Commentary
<p><i>Sampling techniques</i></p>	<ul style="list-style-type: none"> <i>Nature and quality of sampling (eg cut channels, random chips, or specific specialised industry standard measurement tools appropriate to the minerals under investigation, such as down hole gamma sondes, or handheld XRF instruments, etc). These examples should not be taken as limiting the broad meaning of sampling.</i> 	<ul style="list-style-type: none"> Rock samples, from every outcropping rock, were collected initially along lines 400 metres apart, until the mineralized target was delineated; Soil samples on Big Ranch Target were collected on 500x25m grid, for a total of 2,060 soil samples collected to date. All soil samples targeted the B Horizon soil profile. Channel samples in the trenches were collected every metre along the wall of the opened trench Drilling comprised: 11 core boreholes (1,841.15 meters). All borehole collars were surveyed according to the local UTM coordinate system (SAD 69, Zone 22S), using a hand-held GPS (GARMIN GPSMAP62). Downhole surveys were completed using a Maxibore down-hole survey tool, collecting orientation readings at 3-meter intervals.
	<ul style="list-style-type: none"> <i>Include reference to measures taken to ensure sample representativity and the appropriate calibration of any measurement tools or systems used.</i> 	<ul style="list-style-type: none"> Sample location are picked up using hand-held GPS, according to the local UTM coordinate system (SAD 69, Zone 22S). Sampling was carried out using comprehensive Aguia protocols and QAQC procedures as per industry best practice.
	<ul style="list-style-type: none"> <i>Aspects of the determination of mineralisation that are Material to the Public Report. In cases where ‘industry standard’ work has been done this would be relatively simple (eg ‘reverse circulation drilling was used to obtain 1 m samples from which 3 kg was pulverised to produce a 30 g charge for fire assay’). In other cases more explanation may be required, such as where there is coarse gold that has inherent sampling problems. Unusual commodities or mineralisation types (eg submarine nodules) may warrant disclosure of detailed information.</i> 	<ul style="list-style-type: none"> Rock and soil samples initially were sent to SGS laboratories and analysed using method ICP90A – Sodium Peroxide Fusion – ICP OES. Elements assayed for include Al, As, Ba, Be, Ca, Cd, Co, Cr, Cu, Fe, K, La, Li, Mg, Mn, Mo, Nb, Ni, P, Pb, Sb, Sc, Sn, Sr, Ta, Ti, V, W, Y, Zn Since May 2018, rock and soil samples were sent to ALS laboratories and analysed using methods ICP, ME-ICP41 and Fire Assay, Au-AA24. Elements assayed for include Ag, Al, As, B, Ba, Be, Bi, Ca, Cd, Co, Cr, Cu, Fe, Ga, Hg, K, La, Mg, Mn, Mo, Na, Ni, P, Pb, S, Sb, Sc, Sr, Th, Ti, Tl, U, V, W, Zn and Au.
<p><i>Drilling techniques</i></p>	<ul style="list-style-type: none"> <i>Drill type (eg core, reverse circulation, open-hole hammer, rotary air blast, auger, Bangka, sonic, etc) and details (eg core</i> 	<ul style="list-style-type: none"> Core Drilling - Drilling utilized HQ equipment for weathered material and NQ for fresh rock.. Downhole surveys were

Criteria	JORC Code explanation	Commentary
	<i>diameter, triple or standard tube, depth of diamond tails, face-sampling bit or other type, whether core is oriented and if so, by what method, etc).</i>	performed on 3-meter intervals using a Maxibore down-hole tool on all boreholes. A total of 11 core holes have down-hole surveys. No core orientation has been carried.
Drill sample recovery	<ul style="list-style-type: none"> Method of recording and assessing core and chip sample recoveries and results assessed. 	<ul style="list-style-type: none"> Core Drilling - Recovery by sample and by drill run was recorded. Core recovery exceeded 90 percent in 90 percent of all core borehole samples.
	<ul style="list-style-type: none"> Measures taken to maximise sample recovery and ensure representative nature of the samples. 	<ul style="list-style-type: none"> Core Drilling - Detailed geological logs on appropriate logging form were completed. All cores have been photographed dry before sampling.
	<ul style="list-style-type: none"> Whether a relationship exists between sample recovery and grade and whether sample bias may have occurred due to preferential loss/gain of fine/coarse material. 	<ul style="list-style-type: none"> There is no detectable relationship between sample recovery and grade in all samples collected.
Logging	<ul style="list-style-type: none"> Whether core and chip samples have been geologically and geotechnically logged to a level of detail to support appropriate Mineral Resource estimation, mining studies and metallurgical studies. 	<ul style="list-style-type: none"> There is no detectable relationship between sample recovery and grade in all samples collected.
	<ul style="list-style-type: none"> Whether logging is qualitative or quantitative in nature. Core (or costean, channel, etc) photography. 	<ul style="list-style-type: none"> There is no detectable relationship between sample recovery and grade in all samples collected.
	<ul style="list-style-type: none"> The total length and percentage of the relevant intersections logged 	<ul style="list-style-type: none"> All the relevant intersections were logged.
Sub-sampling techniques and sample preparation	<ul style="list-style-type: none"> If core, whether cut or sawn and whether quarter, half or all core taken. 	<ul style="list-style-type: none"> Core was sawn in half, with one half sent for assaying and one half being retained for reference. Friable core was split down the centerline, using a spatula or similar tool, with half being retained and half sent for assaying.
	<ul style="list-style-type: none"> If non-core, whether riffled, tube sampled, rotary split, etc and whether sampled wet or dry. 	<ul style="list-style-type: none"> Not applicable
	<ul style="list-style-type: none"> For all sample types, the nature, quality and appropriateness of the sample preparation technique. 	<ul style="list-style-type: none"> The sample preparation techniques meet industry standards and are considered appropriate for the mineralization being investigated.
	<ul style="list-style-type: none"> Quality control procedures adopted for all sub-sampling stages to maximise representivity of samples. 	<ul style="list-style-type: none"> Industry standard procedures are employed, including ensuring non-core samples are adequately homogenized before. Archive samples are collected.
	<ul style="list-style-type: none"> Measures taken to ensure that the sampling is representative of the in situ 	<ul style="list-style-type: none"> No field duplicate samples or second half

Criteria	JORC Code explanation	Commentary
	<p><i>material collected, including for instance results for field duplicate/second-half sampling.</i></p>	<p>sampling was done.</p>
	<ul style="list-style-type: none"> • <i>Whether sample sizes are appropriate to the grain size of the material being sampled.</i> 	<ul style="list-style-type: none"> • Core sample sizes are adequate for the target mineralization sampled.
<p><i>Quality of assay data and laboratory tests</i></p>	<ul style="list-style-type: none"> • <i>The nature, quality and appropriateness of the assaying and laboratory procedures used and whether the technique is considered partial or total.</i> 	<ul style="list-style-type: none"> • The ICP method used is industry standard and considered appropriate for the analysis of base metal hosted mineralisation. • Sample preparation and analysis was completed at ALS's Belo Horizonte laboratory in Brazil using standard crushing and pulverization techniques. • The prepared pulps are analysed by Aqua Regia Digest and ICP (Inductively Coupled Plasma) for major and minor elements (Ag, Al, As, B, Ba, Be, Bi, Ca, Cd, Co, Cr, Cu, Fe, Ga, Hg, K, La, Mg, Mn, Mo, Na, Ni, P, Pb, S, Sb, Sc, Sr, Th, Ti, Tl, U, V, W, Zn) (Method code ME-ICP41) and analysed by Fire Assay method for Au (method Au-AA24); • The preparation and analytical procedures are appropriate for the type of mineralization sampled and are reliable to deliver the total content of the analysed compounds.
	<ul style="list-style-type: none"> • <i>make and model, reading times, calibrations factors applied and their derivation, etc.</i> 	<ul style="list-style-type: none"> • Where utilised, hand held XRF is an Delta Analyser CS-4000 by Innov-X Systems
	<ul style="list-style-type: none"> • <i>For geophysical tools, spectrometers, handheld XRF instruments, etc, the parameters used in determining the analysis including instrument</i> 	<ul style="list-style-type: none"> • There is a calibration plate supplied by INOVV-X-Systems for the calibration of the Portable X Ray Fluorescence equipment.
	<ul style="list-style-type: none"> • <i>Nature of quality control procedures adopted (eg standards, blanks, duplicates, external laboratory checks) and whether acceptable levels of accuracy (ie lack of bias) and precision have been established.</i> 	<ul style="list-style-type: none"> • For the soil sampling, Agua used a pulp duplicate and the control are considered appropriate to the sampling type and grades • For the trench sampling, Agua used a certified copper reference material (standard), supplied by the Instituto de Tecnologia Augusto Kekule (ITAK). ITAK-809 is a low grade copper standard. In addition, fine and coarse blank samples were prepared from barren quartz veins. Also pulp duplicates were inserted in the batches. The control is considered

Criteria	JORC Code explanation	Commentary
		<p>appropriate to the sampling type and grades.</p> <ul style="list-style-type: none"> For the core sampling, Aguia used certified reference materials (standard), supplied by the Instituto de Tecnologia Augusto Kekule (ITAK). ITAK-809 is a low grade copper standard, ITAK-628 and ITAK-630 are low grade and high grade gold standard, respectively and ITAK-412 is a low grade zinc standard. In addition, fine and coarse blank samples were prepared from barren quartz veins. Also pulp duplicates were inserted in the batches. The control is considered appropriate to the sampling type and grades.
<i>Verification of sampling and assaying</i>	<ul style="list-style-type: none"> <i>The verification of significant intersections by either independent or alternative company personnel.</i> 	<ul style="list-style-type: none"> Not applicable
	<ul style="list-style-type: none"> <i>The use of twinned holes.</i> 	<ul style="list-style-type: none"> Not applicable
	<ul style="list-style-type: none"> <i>Documentation of primary data, data entry procedures, data verification, data storage (physical and electronic) protocols.</i> 	<ul style="list-style-type: none"> Not applicable
	<ul style="list-style-type: none"> <i>Discuss any adjustment to assay data.</i> 	<ul style="list-style-type: none"> Not applicable
<i>Location of data points</i>	<ul style="list-style-type: none"> <i>Accuracy and quality of surveys used to locate drill holes (collar and down-hole surveys), trenches, mine workings and other locations used in Mineral Resource estimation.</i> 	<ul style="list-style-type: none"> Rock and soil samples were surveyed according to the local UTM coordinate system (South American Datum 1969 – SAD69, Zone 22S), using hand held GPS equipment. All boreholes collar were surveyed according to the local UTM coordinate system (South American Datum 1969 – SAD69, Zone 22S), using hand held GPS equipment.
	<ul style="list-style-type: none"> <i>Specification of the grid system used.</i> 	<ul style="list-style-type: none"> SAD 1969 UTM system, Zons 22S
	<ul style="list-style-type: none"> <i>Quality and adequacy of topographic control.</i> 	<ul style="list-style-type: none"> Not applicable
<i>Data spacing and distribution</i>	<ul style="list-style-type: none"> <i>Data spacing for reporting of Exploration Results.</i> 	<ul style="list-style-type: none"> Rock samples, from every outcropping rock, were collected initially along lines 400 metres apart from within DNPM, 811294/2015, 810441/2016, 811530/2015 and 811549/2015 areas; Soil samples on Big Ranch Target were collected on 500x25m grid from within DNPM 811549/2015, 811530/2015, 811294/2015 and 811277/2015 areas 11 diamond drill holes were completed in a target area with 6x3km, checking geophysical and geochemical anomalies

Criteria	JORC Code explanation	Commentary
		distributed in this area
	<ul style="list-style-type: none"> Whether the data spacing and distribution is sufficient to establish the degree of geological and grade continuity appropriate for the Mineral Resource and Ore Reserve estimation procedure(s) and classifications applied. 	<ul style="list-style-type: none"> The diamond drilling was a initial exploration campaign and the distribution of the drill holes are not sufficient to establish a geological resource.
	<ul style="list-style-type: none"> Whether sample compositing has been applied. 	<ul style="list-style-type: none"> Not applicable
Orientation of data in relation to geological structure	<ul style="list-style-type: none"> Whether the orientation of sampling achieves unbiased sampling of possible structures and the extent to which this is known, considering the deposit type. 	<ul style="list-style-type: none"> The sampling patterns used did not introduce an apparent sampling bias.
	<ul style="list-style-type: none"> If the relationship between the drilling orientation and the orientation of key mineralised structures is considered to have introduced a sampling bias, this should be assessed and reported if material. 	<ul style="list-style-type: none"> The sampling patterns used did not introduce an apparent sampling bias.
Sample security	<ul style="list-style-type: none"> The measures taken to ensure sample security. 	<ul style="list-style-type: none"> Chain of custody of all sample material was maintained by Aguia. Samples were stored in a secured facility in Lavras do Sul and Caçapava do Sul until dispatch to the preparation laboratory by commercial carrier.
Audits or reviews	<ul style="list-style-type: none"> The results of any audits or reviews of sampling techniques and data. 	<ul style="list-style-type: none"> Not applicable

Section 2 Reporting of Exploration Results

(Criteria listed in the preceding section also apply to this section.)

Criteria	JORC Code explanation	Commentary
Mineral tenement and land tenure status	<ul style="list-style-type: none"> Type, reference name/number, location and ownership including agreements or material issues with third parties such as joint ventures, partnerships, overriding royalties, native title interests, historical sites, wilderness or national park and environmental settings. The security of the tenure held at the time of reporting along with any known impediments to obtaining a licence to operate in the area. 	<ul style="list-style-type: none"> Big Ranch Permits DNPM 811.294/15 and 811.549/2015, 100% owned by Aguia Fertilizantes S.A. Granted December 8th 2015, initial 3-years term expiry December 7th 2018. Permit DNPM 810.441/16, 100% owned by Aguia Fertilizantes S.A. Granted September 1st 2016, initial 3-years term expiry August 30th 2019. Permit DNPM 810.530/15, 100% owned by Aguia Fertilizantes S.A. Granted

Criteria	JORC Code explanation	Commentary
		<p>October 26th 2016, initial 3-years term expiry October 25th 2019.</p> <p>Permit DNPM 811.277/15, 100% owned by Agua Fertilizantes S.A. Granted May 27th 2016, initial 3-years term expiry May 27th 2019.</p>
<i>Exploration done by other parties</i>	<ul style="list-style-type: none"> • <i>Acknowledgment and appraisal of exploration by other parties.</i> 	<ul style="list-style-type: none"> • Big Ranch <p>Exploration works, as airborne geophysics and soil geochemistry, was undertaken during the period 2007-2013 by Mining Ventures as part of DNPM 810674/2007.</p>
<i>Geology</i>	<ul style="list-style-type: none"> • <i>Deposit type, geological setting and style of mineralisation.</i> 	<ul style="list-style-type: none"> • Big Ranch <p>Big Ranch target is located along the northern edge of the Caçapava Granite and consist of an 8-km-long by 4-km-wide zone where multiple zinc and copper showings were found including multiple outcrops of gossans suggesting alteration aureole along the northern margin of the intrusion. The host sequence includes a variety of metasedimentary rocks displaying penetrative diapiric foliation and radial fracturing clearly associated with the emplacement of the granite</p>
<i>Drill hole Information</i>	<ul style="list-style-type: none"> • <i>A summary of all information material to the understanding of the exploration results including a tabulation of the following information for all Material drill holes:</i> <ul style="list-style-type: none"> ○ <i>easting and northing of the drill hole collar</i> ○ <i>elevation or RL (Reduced Level – elevation above sea level in metres) of the drill hole collar</i> ○ <i>dip and azimuth of the hole</i> ○ <i>down hole length and interception depth</i> ○ <i>hole length.</i> • <i>If the exclusion of this information is justified on the basis that the information is not Material and this</i> 	<ul style="list-style-type: none"> • Not applicable

Criteria	JORC Code explanation	Commentary
	<i>exclusion does not detract from the understanding of the report, the Competent Person should clearly explain why this is the case.</i>	
Data aggregation methods	<ul style="list-style-type: none"> <i>In reporting Exploration Results, weighting averaging techniques, maximum and/or minimum grade truncations (eg cutting of high grades) and cut-off grades are usually Material and should be stated.</i> 	<ul style="list-style-type: none"> Not applicable
	<ul style="list-style-type: none"> <i>Where aggregate intercepts incorporate short lengths of high grade results and longer lengths of low grade results, the procedure used for such aggregation should be stated and some typical examples of such aggregations should be shown in detail.</i> 	<ul style="list-style-type: none"> Not applicable
	<ul style="list-style-type: none"> <i>The assumptions used for any reporting of metal equivalent values should be clearly stated.</i> 	<ul style="list-style-type: none"> Not applicable
Relationship between mineralisation widths and intercept lengths	<ul style="list-style-type: none"> <i>These relationships are particularly important in the reporting of Exploration Results.</i> 	<ul style="list-style-type: none"> Not applicable
	<ul style="list-style-type: none"> <i>If the geometry of the mineralisation with respect to the drill hole angle is known, its nature should be reported.</i> 	<ul style="list-style-type: none"> Not applicable
	<ul style="list-style-type: none"> <i>If it is not known and only the down hole lengths are reported, there should be a clear statement to this effect (eg 'down hole length, true width not known').</i> 	<ul style="list-style-type: none"> Not applicable
Diagrams	<ul style="list-style-type: none"> <i>Appropriate maps and sections (with scales) and tabulations of intercepts should be included for any significant discovery being reported These should include, but not be limited to a plan view of drill hole collar locations and appropriate sectional views.</i> 	<ul style="list-style-type: none"> Refer to maps and sections in release
Balanced reporting	<ul style="list-style-type: none"> <i>Where comprehensive reporting of all Exploration Results is not practicable, representative reporting of both low and high grades and/or widths should be practiced to avoid misleading reporting of Exploration Results.</i> 	<ul style="list-style-type: none"> Not applicable
Other substantive exploration data	<ul style="list-style-type: none"> <i>Other exploration data, if meaningful and material, should be reported including (but not limited to): geological observations; geophysical survey results; geochemical survey results; bulk samples – size and method of treatment; metallurgical test results; bulk density,</i> 	<ul style="list-style-type: none"> Agua made use of an airborne magnetic geophysical survey completed by CPRM to aid in exploration targeting. Ground Geophysics Gradient Array Induced Polarization/Resistivity method by AFC Geofisica. Ground Geophysics Double-Dipole

Criteria	JORC Code explanation	Commentary
	<i>groundwater, geotechnical and rock characteristics; potential deleterious or contaminating substances.</i>	Induced Polarization/Resistivity method by AFC Geofisica <ul style="list-style-type: none"> • Ground Geophysics by radiometric and magnetometric methods by AFC Geofisica
<i>Further work</i>	<ul style="list-style-type: none"> • <i>The nature and scale of planned further work (eg tests for lateral extensions or depth extensions or large-scale step-out drilling).</i> 	<ul style="list-style-type: none"> • As presented in the text of this report
	<ul style="list-style-type: none"> • <i>Diagrams clearly highlighting the areas of possible extensions, including the main geological interpretations and future drilling areas, provided this information is not commercially sensitive.</i> 	<ul style="list-style-type: none"> • As presented in the text of this report

Section 3 Estimation and Reporting of Mineral Resources

Not applicable to this release – this does not include mineral resource estimations

Section 4: Estimation and Reporting of Ore Reserves

Not applicable to this release

Section 5: Estimation and Reporting of Diamonds and Other Gemstones

Not applicable to this release