



28 June 2019

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

AGUIA RESOURCES LIMITED

OPERATIONAL UPDATE

Sydney, Australia, 28 June 2019 - Aguia Resources Limited ABN 94 128 256 888 (ASX: AGR, TSXV: AGRL) (**Agua** or **Company**) is pleased to provide the Company's shareholders with the following update.

The Company is awaiting the granting of the Preliminary License (**LP**), being the environmental and social license at its Tres Estradas Phosphate Project. Meanwhile, the exploration team has had additional success across existing copper tenements. Corporate changes and recent spend have exceeded the forecasts provided to shareholders in the Quarterly Report dated 30 April 2019 by approximately A\$800,000 and the Company has recently identified likely recurrent savings approaching A\$1.0 million pa outside the core operational focus in Brazil.

Quote by Managing Director – Mr Justin Reid

“The focus of our entire Board and Management team is setting the path for a strong pipeline of value creation within the Company. The Tres Estradas phosphate project is now well advanced, and we expect the LP to be approved soon which will be a major step towards building the mine and going into production. Our copper expansion strategy is already laying the foundation of significant value creation for our shareholders due to the large tenement holding and discovery of numerous copper occurrences. Our geological assets are ideally located in a region which has significant infrastructure including; rail, power, road and workforce within mining skills.”

Quote by Technical Director – Mr Fernando Tallarico

“The team on the ground are extremely excited with recent progress across the copper exploration program. The Rio Grande area has the potential to deliver multiple discoveries and we believe it has the potential to be an important copper belt in Brazil. With respect to the phosphate we believe the approval of the LP is imminent and we are preparing for our team to advance as quickly as we can towards the next stage of permitting and then construction. The copper exploration will be split between identification of new copper occurrences and selective drilling of targets which offer simple and low-cost opportunities to deliver resources”.

Tres Estradas Phosphate Project Update

Following the March 2019 Community Consultation meeting the Company has been required to liaise on a small number of matters with the majority now complete. The final request has involved a small number of additional environmental water samples be taken, with independent results to be passed to government.

The Company expects this is the final step before granting of the LP.

This then paves the way for advancement to the next stage of development, which includes the following:

- Ordering of long-lead time items of plant and equipment;
- Signing off-take agreements with phosphate customers;
- Debt financing;
- Final detailed engineering, key contractors appointed;
- Granting of the Installation License (**LI**)
- Equity financing

The Company is extremely grateful for the community's strong support over so many years and looks forward to moving towards construction soon.

Exploration Background

The Company now has an exploration portfolio totalling 861km² in Southern Brazil in the State of Rio Grande do Sul.

Originally the early tenements were focused on phosphate exploration and after the discovery of the Tres Estradas Phosphate Project (**TEPP**) additional efforts were focused on identifying additional phosphate occurrences within 100km radius of the TEPP, with discoveries (now owned or optioned) made at 6 sites:

1. Santa Clara,
2. Terra Santa,
3. Mato Grande;
4. Joca Tavares,
5. Porteira and
6. Santa Ines.

We are hopeful that the above discoveries will add to the feedstock and life of the TEPP.

Knowledge of a now exhausted copper mine located in the eastern portion of the Rio Grande Copper Belt coupled with information searches which identified smaller ancient copper workings closer by (near the recently acquired Andrade and Primavera prospects) led to a decision to do more detailed desktop analysis. Mineralization in the belt seemed to be associated with fractured volcanic and sedimentary rocks adjacent or on top of more recently emplaced large granite bodies (plutons). It was postulated that the granite provided a heat source which also liberated metals and caused widespread fracturing of nearby rock layers whereby metals could move to fractures created and in some cases in quantities enough to support economic exploitation.

The Company's technical director, Fernando Tallarico, is credited with recognising a similar geological setting west of the granite ranges (which are located to the east and north east of the TEPP).

Copper Exploration Update

Because of the number of copper showings discovered over a large area, as well as the advanced exploration assets obtained with the Andrade acquisition reported in February 2019, the Company now has a large tenement position in a Copper Province.

There are signs of copper at 6 locations, which have been elevated to Targets, along with the Andrade deposit which already has a modest resource as follows:

1. Andrade and Primavera
2. Canhada
3. Carlota
4. Big Ranch
5. Seival
6. Passo Feio

The Company has amassed hundreds of samples across other tenements, other than those above, awaiting assay.

It is now thought after observing similar geological features over a large area that there are some common factors in what is now being observed on the ground. To put these in context we provide details of the major features of the Rio Grande Copper Belt below:

- The area is host to ancient layers of sedimentary rocks, at deeper levels these are of marine origin (sandstones, shales, limestone, etc) and at higher (younger) levels there are volcanic rock layers (volcanic lava and ash) as well as younger layers of sandstone.
- Also, long ago the area was torn by major faults generally trending NNE with frequent cross faults which provide zones of weakness.
- More recently, a very large granite system has risen from deep within the crust and now stands as mountain plateaus and in other areas sits buried beneath.

The granite provided a heat source and lifted sometimes near vertical the rock layers adjacent to it and acted to lift rock layers above it.

Volcanic rocks (lava and ash) are typically of low porosity (fluids do not easily flow through them) and very brittle. Hence the tectonic forces acted to flex, twist and in many places shatter these rock layers.

The granite as it cooled had a change in chemistry because those minerals that become solid first leave the remaining fluid with a changed chemistry, in a process known as differentiation. As this process continues, sometimes metals are concentrated in the residual components of the differentiated hydrothermal system, and these can circulate under high pressure into surrounding rocks and even interact with other meteoric fluids (predominately water).

Metal bearing fluids under pressure will find the line of least resistance, for example travelling up faults and contacts between rocks of different competency and entering more porous rock layers or acting to fracture further already brittle and fractured rocks.

All of the above 6 targets, are hosted within near shattered volcanic rocks and are located either adjacent or above granites.

Target Details

The following map highlights the location of the current tenements and targets which are up to 80km distant along with the location of regional granite outcrops (shown in pink at Figure 1), and the major faults which have been mapped.

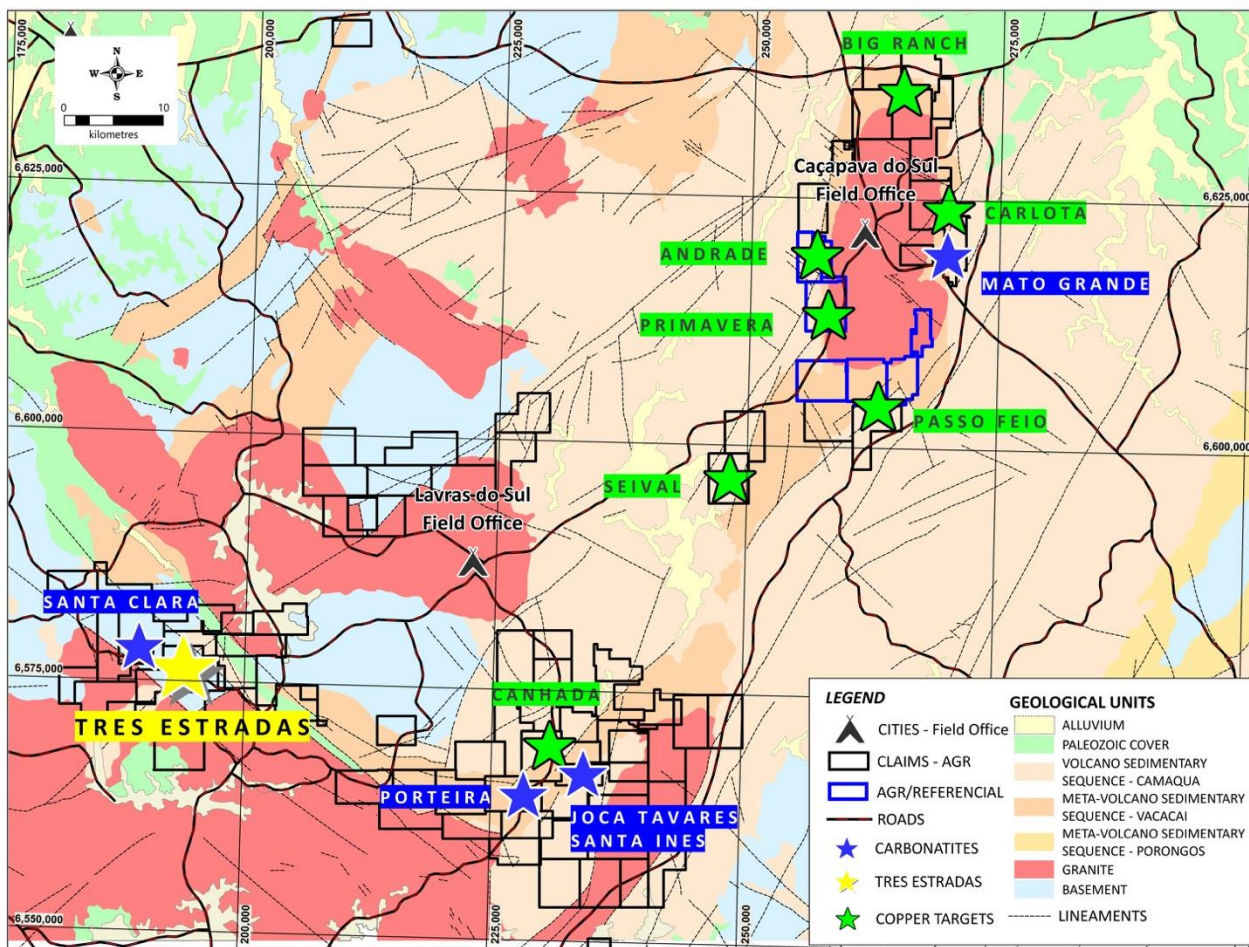


Figure 1. Map of Agüia's current mining claims and targets

Andrade – Primavera

The Andrade deposit is located on the west flank of the Caçapava Granite and consists of a larger envelope of low-grade copper-silver mineralization with higher grade panels that appear structurally controlled by sub-vertical, northwest trending fault structures. Mineralization is hosted by the metavolcanic rocks and forms below the contact with the overlying conglomerate. Mineralization occurs both as disseminated sulphides and on the selvages of carbonate stringer veins. The principal minerals of economic interest are bornite, chalcocite, and lesser chalcopyrite.

Drilling conducted by Agüia earlier this year combined with 38 historical drill holes by the previous owner between 2009 and 2010 defined an NI 43-101/JORC compliant Inferred Mineral Resource of 10.8 Mt at average grades of 0.56 % Cu and 2.56 ppm Ag (see Table 1 below). The Andrade deposit is open along strike to the north, south, and at depth.

The immediate surrounds of the deposit have good exploration potential. Within the deposit, the high-grade lenses show the potential for future economic extraction; additional drilling is required for their further expansion and delineation. This has the potential to upgrade and expand the existing resource estimates in both open pit and underground mining scenarios.

TABLE 1 –ANDRADE DEPOSIT MINERAL RESOURCE ESTIMATE AS OF MARCH 13, 2019

		Tonnes (kt)	Cu Grade (%)	Ag Grade (g/t)	Cu (kLb)	Ag (kOz)
Oxide	Open Pit	1,337	0.43	2.54	12,778	109
Sulphide	Open Pit	8,796	0.51	2.15	98,525	607
	Underground	675	1.42	8.06	21,185	175
TOTAL INFERRED MINERAL RESOURCES		10,807	0.56	2.56	132,488	891

1. Mineral Resources conform to the standards set out by CIM (2014) and JORC Code (2012)
2. Open pit resources are stated within a Whittle pit shell, above a cut-off grade of 0.2% Cu
3. Underground resources are reported above a cut-off grade of 1% Cu
4. Cut-off grades were calculated using a copper price of US\$3.50/lb and a silver price of US\$20/oz
5. Average bulk densities of 2.68 t/m³ for high grade domains and 2.6 t/m³ for low grade and waste domains were applied
6. Resources are reported on a 100% basis. No mining loss or mining dilution factors have been applied to the reported figures.
7. Mineral Resources are not Ore Reserves and should not be considered as such. They do not have demonstrated economic viability
8. Totals may not sum due to rounding

Hole_ID	From (m)	To (m)	Length (m)	Cu%	Ag gpt
AND-19-001	86.00	110.34	24.34	0.91	7.69
Including	88.90	101.45	12.55	1.35	10.53
including	91.35	95.00	3.65	2.30	17.79
AND-19-002	103.65	116.40	12.75	0.36	4.19
Including	112.70	114.25	1.55	0.98	11.84
AND-19-003	63.63	92.40	28.77	1.83	3.84
Including	63.63	83.02	19.39	2.55	4.54
including	65.80	70.15	4.35	3.57	5.44
including	76.50	78.75	2.25	5.40	9.33

Table 2. Summary of mineralized intercepts at Andrade

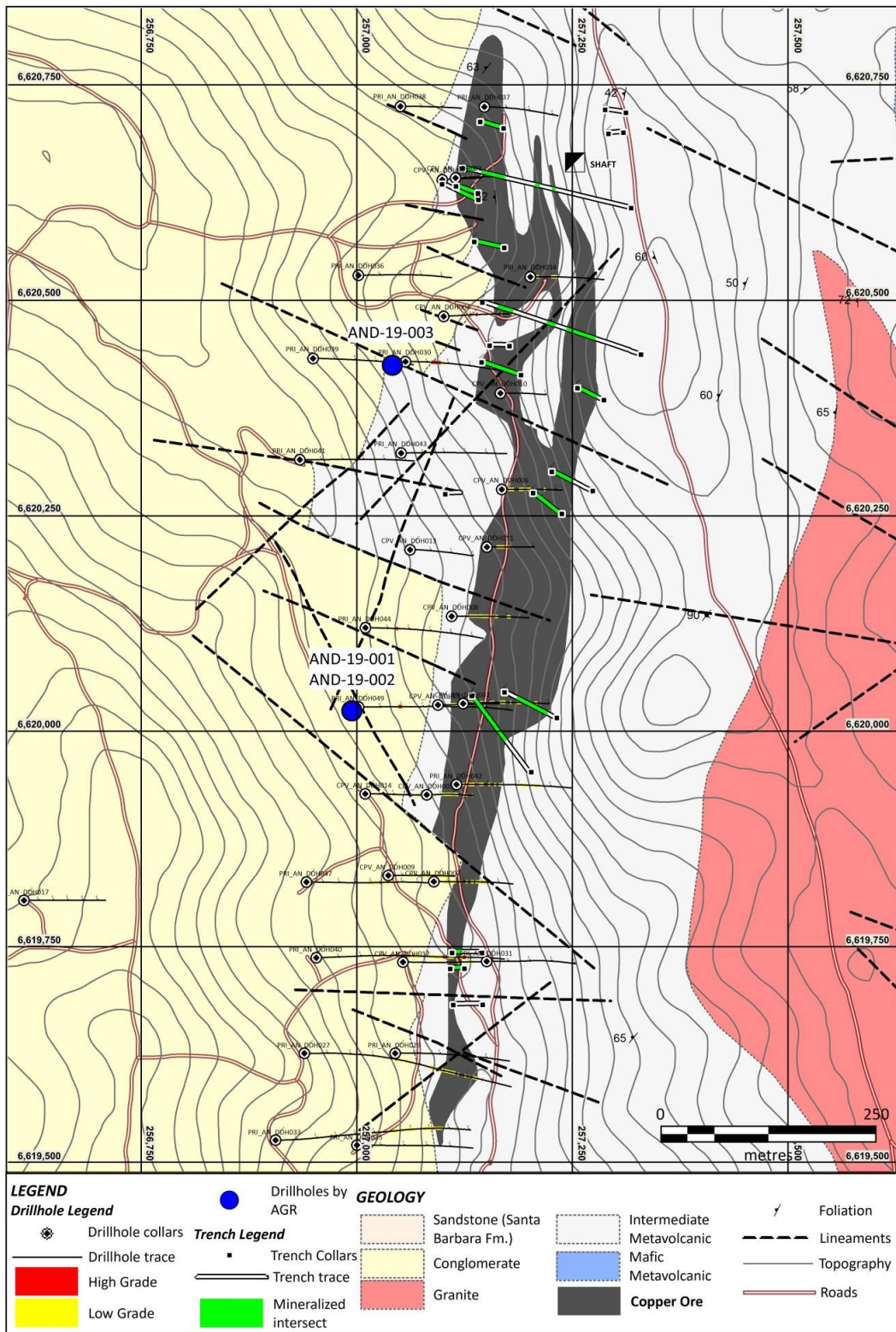


Figure 2. Geological map of the Andrade mineralisation

Primavera

The Primavera Target is located 3.8 km South of Andrade in a similar context, where mineralization is located primarily along the contact between sedimentary and volcanic rocks (see Figure 3). Historical trenching in Primavera has returned up to 52 metres grading 1.03% Cu and 6.20 gpt Ag (TRPR11) and 11 metres grading 1.16% Cu and 25.16 gpt Ag (TRPR13).

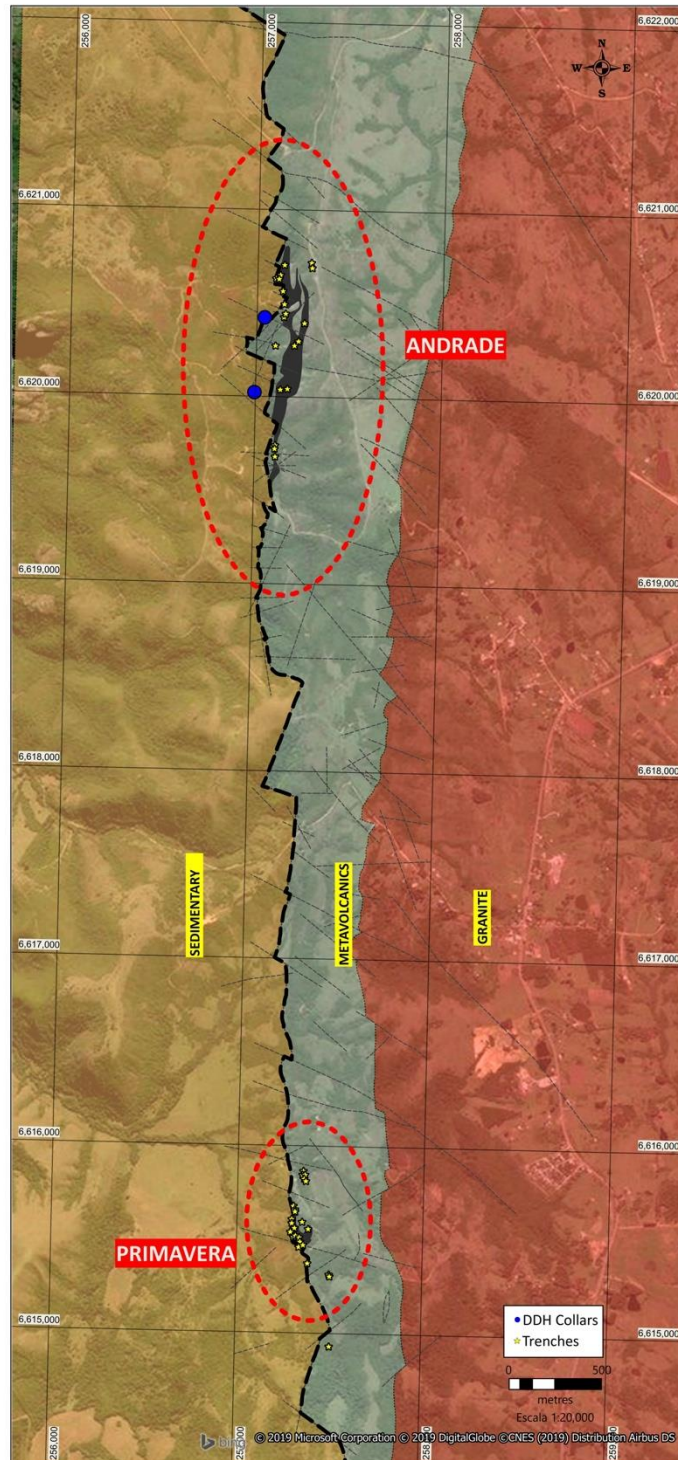


Figure 3. Geological map of the Andrade – Primavera trend

Canhada

Located in gently undulating farmland (adjacent to a road with power), Canhada has historic rock samples with copper assays of over 4% and a historic trench (below) which the Company intends to sample. The copper exists as veins within highly fractured volcanic rock and in places has weathered to intense green and blue shades from the original veins. Airborne geophysics shows Canhada as a magnetic low, caused by near surface weathering of associated magnetic iron (magnetite) to non-magnetic iron (hematite).



Figure 4. Historical Trench with copper showings at Canhada Target

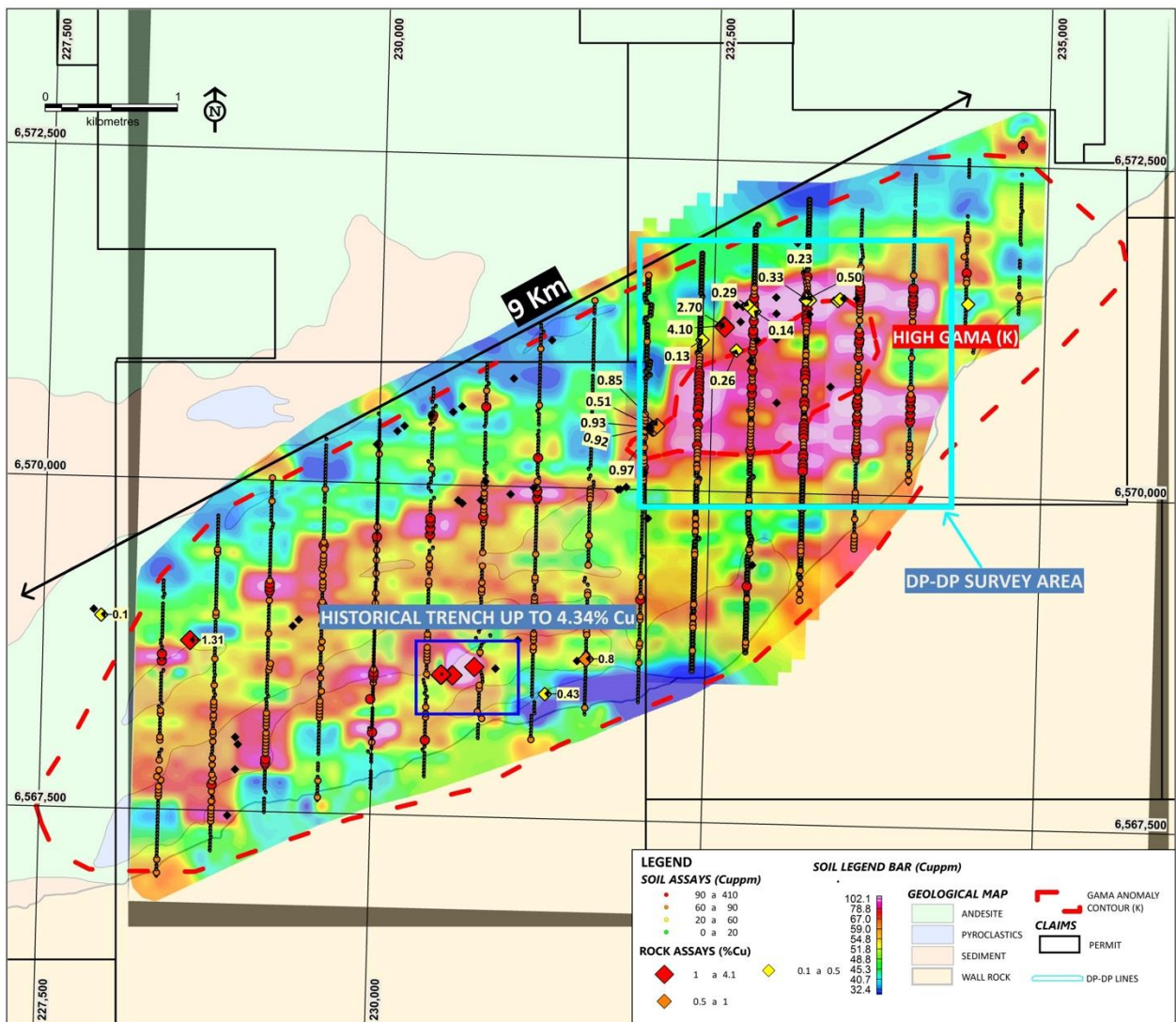


Figure 5. Map of the Canhada Target, with the copper-in-soil geochemical grid on the background. Small dark blue square indicates the historical trench area and the larger light blue square a zone of very intense airborne potassic anomaly where the IP survey was conducted.

The Company intends to sample this trench, located in the south west, its entire distance (currently 150m) and if confirmed by geophysics to lengthen the trench. Should trench sampling confirm copper grades identified to date, shallow drilling may be undertaken.

The Canhada anomaly is 27km² in size and measures approximately 9x3km.

Geophysics (on ground – dipole:dipole) in the north east has mapped conductors (thought to show sulphur bearing minerals) down to 200m and 13 drill holes have been planned.

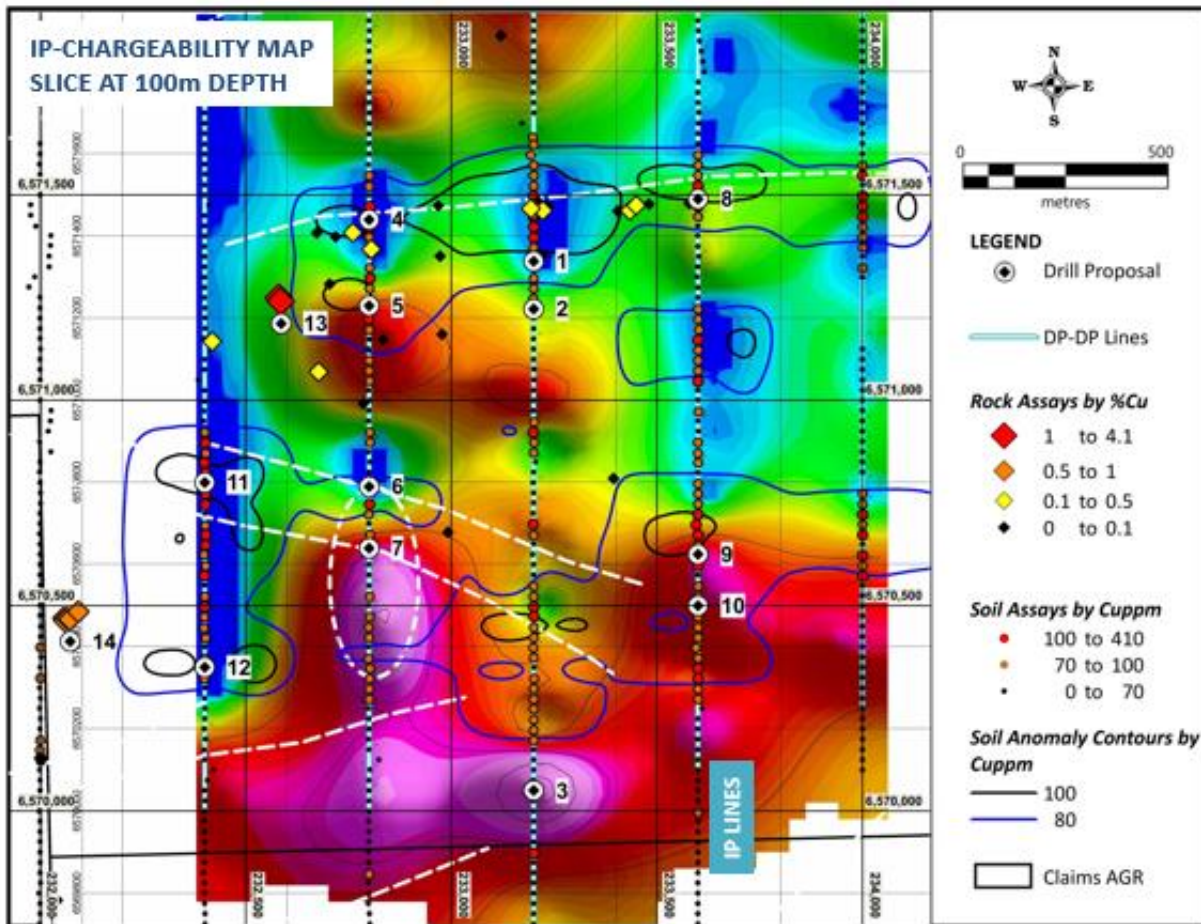


Figure 6. Area of detailed IP geophysics at Canhada Target

Carlota

Located on the eastern edge and adjacent to a granite plateau. Rock sampling and soil sampling have identified anomalous zones of elevated copper and gold, including visible free gold (Figure 7). As reported on May 6, 2019, results from rock samples collected at Carlota included Sample 99987 which returned 48 g/t Au and 1.63% Cu and Sample 99994 which returned 13.4 g/t Au 0.16% Cu.

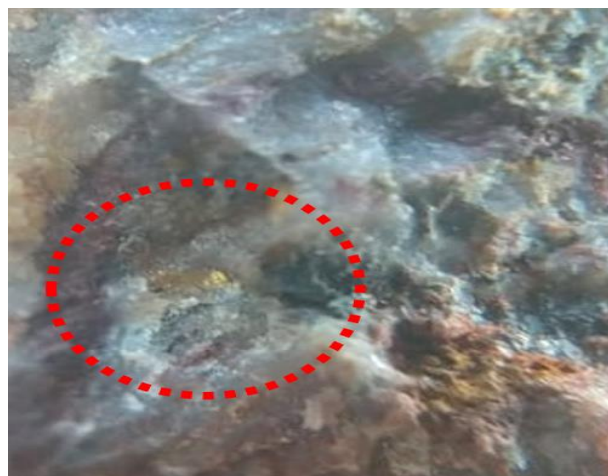


Figure 7. Visible gold in quartz vein

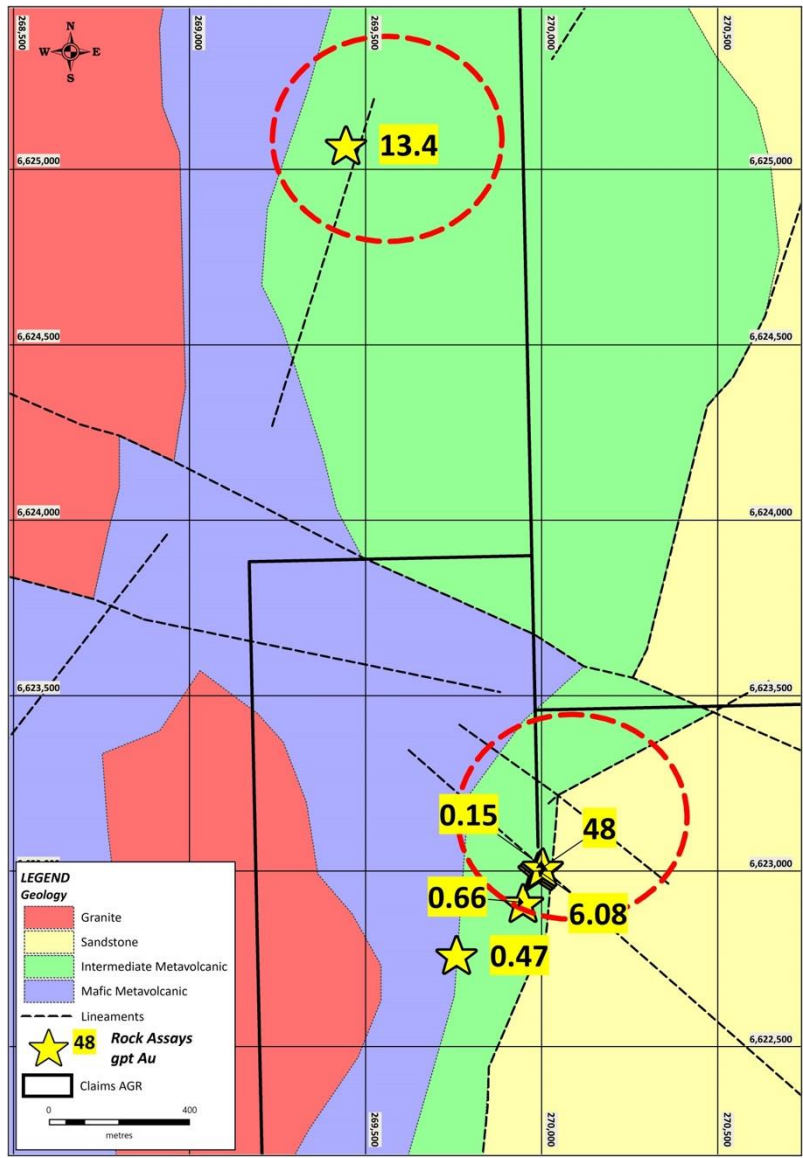


Figure 8. Rock assays and geological map of the Carlota Target

Big Ranch

The Big Ranch Target is located immediately north of the Caçapava Granite and consists of several copper-in-soils anomalies associated to a strong IP chargeability anomaly in the northern portion of the target as shown in the map below. Ten dipole-dipole radial lines were surveyed along the target and guided the first pass exploration drilling completed in late 2018.

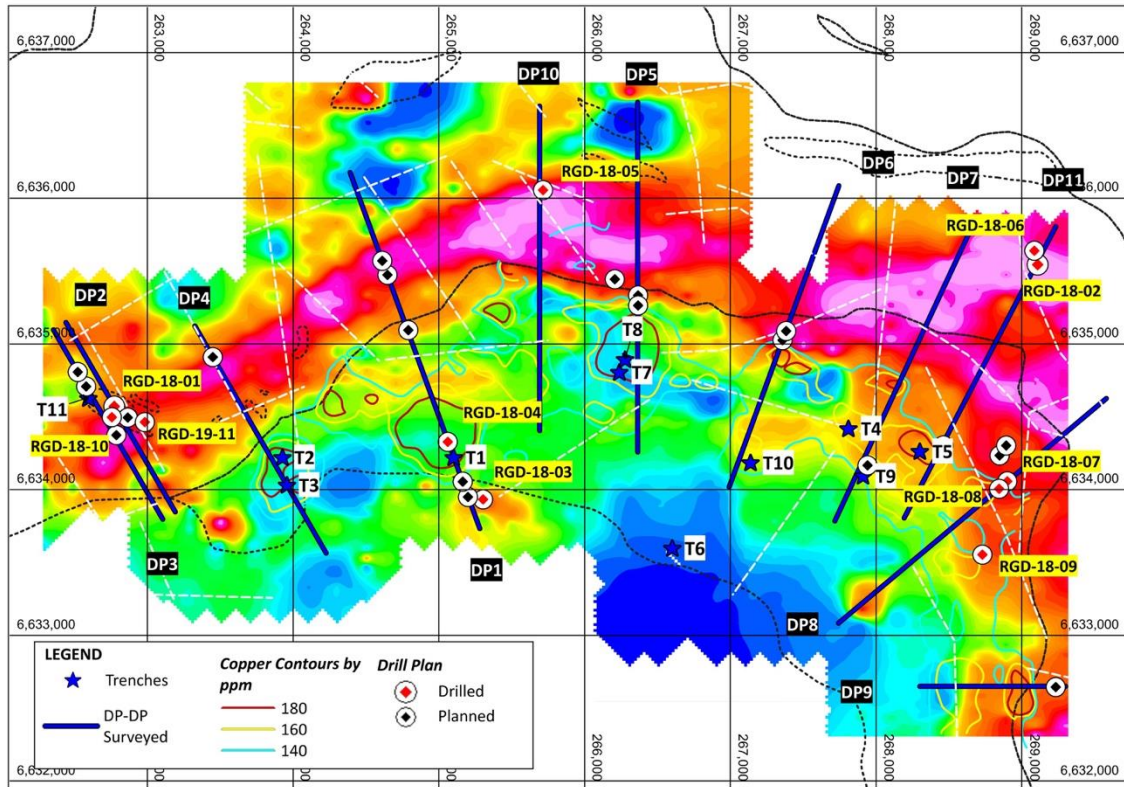


Figure 9. Map of the Big Ranch Target, IP-Chargeability map and drill hole locations

Drilling was used to map the different alteration zones and to test the bulk of the ring-shaped IP chargeability anomaly, that revealed to be primarily associated with iron sulfides minerals (such as pyrite). Minor copper and lead sulfides were intercepted by drilling but so far in very narrow zones (see table below). Further drilling will be necessary to test second scale EW-trending IP anomalies.

Table 3. 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			
RGD-18-006	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
	4.95	5.60	0.65			0.11	
RGD-18-008	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

Seival

The Seival Target is located some 30 km to the southwest of the City of Caçapava and is interpreted to be associated to the same structural corridor (a major fault) that controlled the Andrade and Primavera trend. Initial rock sampling included a sample which returned 2.3% copper in volcanic rocks (see Table 4 below).

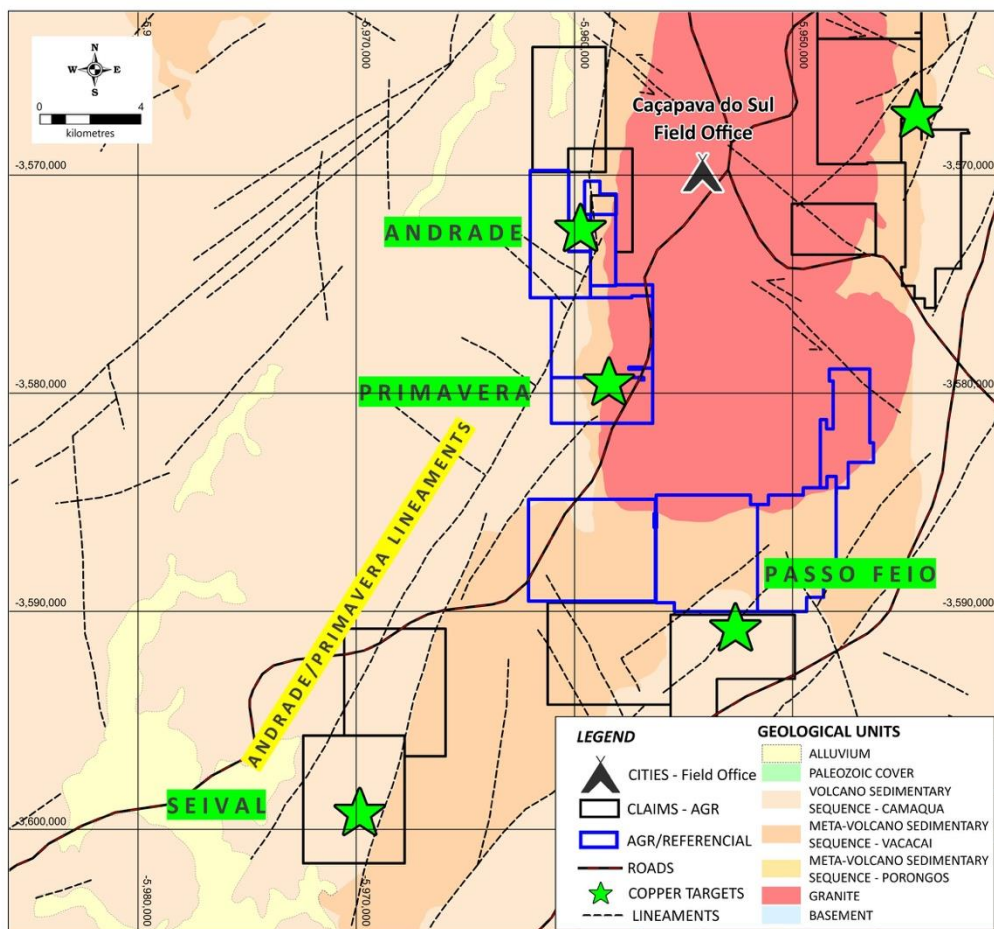


Figure 10. Geological map of the southern portion of the Caçapava Granite, highlighting the location of the Seival Target and the potential structural corridor of connecting to Andrade and Primavera.

Sample	UTM_E	UTM_N	Cu_ppm	Cu%
96232	248427	6596617	23013	2.30
96233	248427	6596617	6764	0.68
96234	248150	6596454	65	0.01
96235	247212	6596136	118	0.01
96236	247583	6596253	37	0.00
96237	247924	6596347	887	0.09

Table 4. Rock sampling results from the Seival Target

Passo Feio

The Passo Feio target was selected because of a large low-magnetic airborne geophysical anomaly, interpreted to be related to the hydrothermal oxidation of magnetite to hematite. Further field follow-up resulted in the identification of many copper showings hosted by heavily fractured volcanic rocks, very similar to what is seen at the Canhada target. The next steps of the program will be to conduct an initial soil sampling program followed by systematic mapping and rock sampling, followed by ground geophysics.

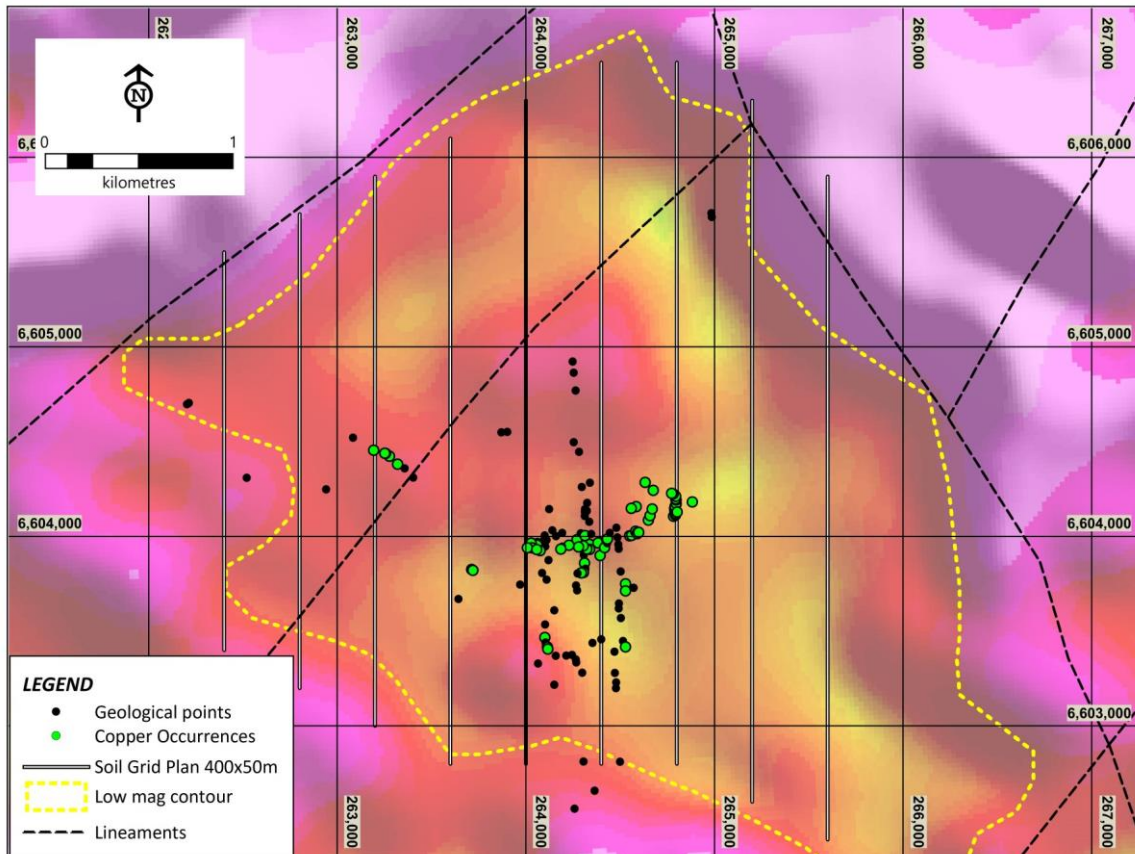


Figure 11. Airborne magnetic map of the Passo Feio Target, highlighting the low-magnetic zone where several copper showings were found in the center of the anomaly. Geochemical lines are planned to follow-up these occurrences.

Financial Review

The Board of the Company has recently initiated a review of the Company's financial and operating situation and prospects with the view of determining how best to optimise the value of the Company and its assets (**Review**).

The initial phases of the Review will encompass:

- the Company's current financial position, obligations and ongoing working capital requirements to determine the Company's immediate and medium-term cash needs;
- recurrent and non-recurrent cost savings possible outside the core focus of the Company's efforts in Brazil so that funding available is predominately directed towards development of the Tres Estradas Phosphate Project and to copper exploration.
- a review of the Company's portfolio of assets to determine how best to maximise the value of each of these assets for the benefit of the Company as a whole;

The Company can report that the spend forecasts provided in the March Quarterly Cashflow Report dated 30 April 2019 understate the position now estimated at 30 June 2019 by approximately A\$800,000.

Pleasingly efforts to identify recurrent savings have identified approximately A\$1.0 million pa outside the core focus of the Company being Brazil.

The Board and Management is aiming to maximise spend on efforts pertaining to the phosphate and copper assets whilst limiting corporate overheads.

Over the coming weeks, we expect to be able to provide all shareholders with updates in relation to the progress and results of the Review, generally, as well as in relation to each of the above noted areas of the Review, specifically.

The Company also reports that Chief Financial Officer Ryan Ptolemy has resigned. Agua wishes Mr. Ptolemy well in his future endeavours and thanks him for his service to the Company.

The Board and Management looks forward to providing all shareholders with fulsome details of how our genuinely held belief that the Company could become a valuable mineral exploration and production company may become a reality.

For more information in relation to the Review or about Agua, please contact Justin Reid, Managing Director on jreid@aguiaresources.com.au or visit's Agua's website at www.aguiaresources.com.au.

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 Agua 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.

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.

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 the Mineral Resource Statement, 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 Três Estradas Phosphate Project and Rio Grande Copper claims.

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". The material factors and assumptions underlying the forward-looking information of the Mineral Resource Statement results have been outlined above and will be detailed in the associated technical report.

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.aguiaresouces.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.

NONE OF THE AUSTRALIAN STOCK EXCHANGE, TSX VENTURE EXCHANGE OR 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
Sampling techniques	<ul style="list-style-type: none"> 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. 	<ul style="list-style-type: none"> 6 rock samples were collected on Seival target, all samples were collected within the DNPM 811.572/2015. These samples were sent to the ALS Laboratory in Vespasiano, Brazil for preparation and assaying.
	<ul style="list-style-type: none"> Include reference to measures taken to ensure sample representivity and the appropriate calibration of any measurement tools or systems used. 	<ul style="list-style-type: none"> Sample location are picked up using handheld 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"> 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. 	<ul style="list-style-type: none"> Rock 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.
Drilling techniques	<ul style="list-style-type: none"> Drill type (eg core, reverse circulation, open-hole hammer, rotary air blast, auger, Bangka, sonic, etc) and details (eg core 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). 	<ul style="list-style-type: none"> The Seival Target was not subject to any drilling by the Company. Not applicable.
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"> The Seival Target was not subject to any drilling by the Company. Not applicable.
	<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"> The Seival Target was not subject to any drilling by the Company. Not applicable.
	<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 	<ul style="list-style-type: none"> The Seival Target was not subject to any drilling by the Company.

Criteria	JORC Code explanation	Commentary
	<i>loss/gain of fine/coarse material.</i>	<ul style="list-style-type: none"> Not applicable.
Logging	<ul style="list-style-type: none"> <i>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.</i> 	<ul style="list-style-type: none"> The Seival Target was not subject to any drilling by the Company. Not applicable.
	<ul style="list-style-type: none"> <i>Whether logging is qualitative or quantitative in nature. Core (or costean, channel, etc) photography.</i> 	<ul style="list-style-type: none"> The Seival Target was not subject to any drilling by the Company. Not applicable.
	<ul style="list-style-type: none"> <i>The total length and percentage of the relevant intersections logged</i> 	<ul style="list-style-type: none"> The Seival Target was not subject to any drilling by the Company. Not applicable.
Sub-sampling techniques and sample preparation	<ul style="list-style-type: none"> <i>If core, whether cut or sawn and whether quarter, half or all core taken.</i> 	<ul style="list-style-type: none"> The Seival Target was not subject to any drilling by the Company. Not applicable.
	<ul style="list-style-type: none"> <i>If non-core, whether riffled, tube sampled, rotary split, etc and whether sampled wet or dry.</i> 	<ul style="list-style-type: none"> The Seival Target was not subject to any drilling by the Company. Not applicable.
	<ul style="list-style-type: none"> <i>For all sample types, the nature, quality and appropriateness of the sample preparation technique.</i> 	<ul style="list-style-type: none"> Sample preparation was completed at ALS's Belo Horizonte laboratory in Brazil using standard crushing and pulverization techniques. The sample preparation techniques meet industry standards and are considered appropriate for the mineralization being investigated. Sample preparation was completed using standard crushing and pulverization techniques PREP-31 (rock and drill samples). All samples were dried, crushed, and milled to 70% passing 2 mm, riffle split off 250 g, then the split pulverized to better than 85% passing 75 microns. Pulp splits are collected and retained in storage.
	<ul style="list-style-type: none"> <i>Quality control procedures adopted for all sub-sampling stages to maximise representivity of samples.</i> 	<ul style="list-style-type: none"> Industry standard procedures were employed, including ensuring non-core samples are adequately homogenized before. Pulp splits are collected and retained in storage. <p>ALS does introduce on routine basis certified reference material within every batch of samples, namely appropriate standards, duplicates and blanks. A QAQC report is sent together with the assay certificates.</p>

Criteria	JORC Code explanation	Commentary
	<ul style="list-style-type: none"> Measures taken to ensure that the sampling is representative of the in situ material collected, including for instance results for field duplicate/second-half sampling. 	<ul style="list-style-type: none"> No field duplicate samples or second half sampling were done.
	<ul style="list-style-type: none"> Whether sample sizes are appropriate to the grain size of the material being sampled. 	<ul style="list-style-type: none"> Rock sample size are adequate and representative for mineralisation type.
Quality of assay data and laboratory tests	<ul style="list-style-type: none"> The nature, quality and appropriateness of the assaying and laboratory procedures used and whether the technique is considered partial or total. 	<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. Routine assays were conducted using a four acid 'near total' digestion with ICP-AES finish (ME-ICP61 process) to provide analysis for 33 elements (Ag, Al, As, Ba, Be, Bi, Ca, Cd, Co, Cr, Cu, Fe, Ga, K, La, Mg, Mn, Mo, Na, Ni, P, Pb, S, Sb, Sc, Sr, Th, Ti, Tl, U, V, W, Zn). All Cu and Co determinations were re-assayed by four acid (HF-HNO₃-HClO₄) digestion, HCl leach and ICP finish to provide an improved level of accuracy on these values (method ME-OG62). 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"> make and model, reading times, calibrations factors applied and their derivation, etc. 	<ul style="list-style-type: none"> A hand held XRF, Delta Analyser CS-4000 by Innov-X Systems, was employed to pre scan samples.
	<ul style="list-style-type: none"> For geophysical tools, spectrometers, handheld XRF instruments, etc, the parameters used in determining the analysis including instrument 	<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"> 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. 	<ul style="list-style-type: none"> Quality control samples, including blanks, duplicates and standards were insert by ALS Laboratories as part of the internal QAQC protocol of the batches.
Verification of sampling and assaying	<ul style="list-style-type: none"> The verification of significant intersections by either independent or alternative company personnel. 	<ul style="list-style-type: none"> The Seival Target was not subject to any drilling by the Company. Thus no intersections were produced. Also no independent verification were done at this initial stage of grassroots exploration.
	<ul style="list-style-type: none"> The use of twinned holes. 	<ul style="list-style-type: none"> Twin holes weren't used. The Seival Target was not subject to any drilling by the

Criteria	JORC Code explanation	Commentary
		Company.
	<ul style="list-style-type: none"> Documentation of primary data, data entry procedures, data verification, data storage (physical and electronic) protocols. 	<ul style="list-style-type: none"> Rock sample documentation and assay certificates were maintained by Agua and the associated data stored in our exploration database.
	<ul style="list-style-type: none"> Discuss any adjustment to assay data. 	<ul style="list-style-type: none"> No adjustment or data manipulation were performed.
Location of data points	<ul style="list-style-type: none"> 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. 	<ul style="list-style-type: none"> Rock samples 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"> Specification of the grid system used. 	<ul style="list-style-type: none"> SAD 1969 UTM system, Zone 22S
	<ul style="list-style-type: none"> Quality and adequacy of topographic control. 	<ul style="list-style-type: none"> No topographic survey was conducted at the Seival target by the Company yet.
Data spacing and distribution	<ul style="list-style-type: none"> Data spacing for reporting of Exploration Results. 	<ul style="list-style-type: none"> Rock samples, from every outcropping rock, were collected initially along a line within exploration permit DNPM 811.572/2015.
	<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"> To this point only rock sampling was performed as part of the initial grassroots exploration effort. The existing data is absolutely insufficient to conduct any mineral resource or reserve estimation.
	<ul style="list-style-type: none"> Whether sample compositing has been applied. 	<ul style="list-style-type: none"> No compositing was performed in any way at this point of the program.
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 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 Seival Target was not subject to any drilling by the Company. Not applicable.
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 sampled material was maintained by Agua. Samples were stored in a secured facility in Lavras do Sul until dispatch to the ALS 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"> No audit or reviews were conducted at this point of the exploration program.

Section 2 Reporting of Exploration Results

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

Criteria	JORC Code explanation	Commentary
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Criteria	JORC Code explanation	Commentary
<i>Mineral tenement and land tenure status</i>	<ul style="list-style-type: none"> • <i>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.</i> • <i>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.</i> 	<ul style="list-style-type: none"> • Exploration Permit DNPM 811.572/2015, 100% owned by Aguia Fertilizantes S.A. Granted February 14th 2018, initial 3-years term expiry February 14th 2021.
<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"> • A single historical occurrence mapped by Brazilian Geological Survey (CPRM)
<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"> • Seival target is located between Lavras and Caçapava Granites, near to historical copper occurrences and historical artisanal copper mines. The host sequence includes a variety of intermediate volcanic rocks, andesites and tuffs, with hydrothermal alterations
<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 exclusion does not detract from the understanding of the report, the Competent Person should clearly explain why this is the case.</i> 	<ul style="list-style-type: none"> • The Seival Target was not subject to any drilling by the Company. • Only rock sampling at this point. Rock samples were surveyed according to the local UTM coordinate system (South American Datum 1969 – SAD69, Zone 22S), using hand held GPS equipment.
<i>Data aggregation methods</i>	<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"> • The Seival Target was not subject to any drilling by the Company. • No data manipulation was performed. • The grassroots stage of this initial exploration program does not require any data statistics or manipulation. We merely

Criteria	JORC Code explanation	Commentary
		are reporting rock sample grades.
	<ul style="list-style-type: none"> 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. 	<ul style="list-style-type: none"> The Seival Target was not subject to any drilling by the Company. No data manipulation was performed. The grassroots stage of this initial exploration program does not require any data statistics or manipulation. We merely are reporting rock sample grades.
	<ul style="list-style-type: none"> The assumptions used for any reporting of metal equivalent values should be clearly stated. 	<ul style="list-style-type: none"> The Seival Target was not subject to any drilling by the Company. No data manipulation was performed. The grassroots stage of this initial exploration program does not require any data statistics or manipulation. We merely are reporting rock sample grades.
Relationship between mineralisation widths and intercept lengths	<ul style="list-style-type: none"> These relationships are particularly important in the reporting of Exploration Results. 	<ul style="list-style-type: none"> The Seival Target was not subject to any drilling by the Company. No data manipulation was performed. The grassroots stage of this initial exploration program does not require any data statistics or manipulation. We merely are reporting rock sample grades.
	<ul style="list-style-type: none"> If the geometry of the mineralisation with respect to the drill hole angle is known, its nature should be reported. 	<ul style="list-style-type: none"> The Seival Target was not subject to any drilling by the Company. No data manipulation was performed. The grassroots stage of this initial exploration program does not require any data statistics or manipulation. We merely are reporting rock sample grades.
	<ul style="list-style-type: none"> 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'). 	<ul style="list-style-type: none"> The Seival Target was not subject to any drilling by the Company. No data manipulation was performed. The grassroots stage of this initial exploration program does not require any data statistics or manipulation. We merely are reporting rock sample grades.
Diagrams	<ul style="list-style-type: none"> 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. 	<ul style="list-style-type: none"> Refer to maps and sections in release.
Balanced	<ul style="list-style-type: none"> Where comprehensive reporting of all Exploration Results is not practicable, 	<ul style="list-style-type: none"> The Seival Target was not subject to any

Criteria	JORC Code explanation	Commentary
<i>reporting</i>	<i>representative reporting of both low and high grades and/or widths should be practiced to avoid misleading reporting of Exploration Results.</i>	<p>drilling by the Company.</p> <ul style="list-style-type: none"> No data manipulation was performed. The grassroots stage of this initial exploration program does not require any data statistics or manipulation. We merely are reporting rock sample grades.
<i>Other substantive exploration data</i>	<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, groundwater, geotechnical and rock characteristics; potential deleterious or contaminating substances.</i> 	<ul style="list-style-type: none"> Agua made use of an airborne magnetic geophysical survey completed by CPRM to aid in exploration targeting.
<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

The available data is absolutely insufficient to allow any mineral resource reporting.

Section 4: Estimation and Reporting of Ore Reserves

The available data is absolutely insufficient to allow any ore reserve reporting.

Section 5: Estimation and Reporting of Diamonds and Other Gemstones

No diamond or gemstones are being prospected in this program.