MANAGEMENT'S DISCUSSION AND ANALYSIS

FOR THE THREE MONTHS ENDED SEPTEMBER 30, 2019

(Containing information through September 30, 2019 unless otherwise noted)

Background

This Management's Discussion and Analysis ("MD&A") has been prepared based on information available to Aguia Resources Limited. ("we", "our", "us", "Aguia" or the "Company") as of November 13, 2019 unless otherwise noted. The MD&A provides a detailed analysis of the Company's operations and compares its financial results with those of the previous periods and should be read in conjunction with our unaudited condensed consolidated interim financial statements for the three months ended September 30, 2019 and the audited consolidated financial statements as at and for the year ended June 30, 2019. The financial statements and related notes of Aguia have been prepared in accordance with International Financial Reporting Standards ("IFRS") and do not reflect the adjustments that would be necessary should the Company be unable to continue as a going concern and therefore be required to realize its assets and liquidate its liabilities and commitments in other than the normal course of business and at amounts different from those in the accompanying financial statements.

Please refer to the notes of the September 30, 2019 unaudited condensed consolidated interim financial statements and the audited consolidated financial statements for the year ended June 30, 2019 for disclosure of the Company's significant accounting policies. Unless otherwise noted, all references to currency in this MD&A refer to Australian dollars. References to R$ refer to the Brazilian Real, US$ refer to the US dollar and C$ refer to the Canadian dollar.

Additional information relating to the Company can be found on the Aguia website at www.aguiaresources.com.au

Dr. Fernando Henrique Bucco Tallarico, B.Sc. Geology, M.Sc., Ph.D. and P.Geo., Technical Director for Aguia, is the in-house Qualified Person under National Instrument 43-101 and JORC for all technical materials. Mr. Tallarico has reviewed and approved the scientific and technical information in this MD&A.

Cautionary Statement Regarding Forward Looking Information

Except for statements of historical fact relating to Aguia, certain information contained herein constitutes forward-looking information under Canadian and Australian securities legislation. Forward-looking information includes, without limitation, statements with respect to: possible events, the future price of limestone and phosphate, the estimation of mineral reserves and mineral resources, the realization of mineral reserve and mineral resource estimates, the timing and amount of estimated future production, costs of production, capital expenditures, costs and timing of the development of projects and new deposits, success of exploration, development and mining activities, permitting timelines, currency fluctuations, requirements for additional capital, government regulation of mining operations, environmental risks, unanticipated reclamation expenses, title disputes or claims and limitations on insurance coverage. The words “anticipates”, ‘‘plans’’, ‘‘expects’’, “indicative”, “intend”, ‘‘scheduled’’, “timeline”, ‘‘estimates’’, ‘‘forecasts”, “guidance”, “opportunity”, “outlook”, “potential”, “projected”, “schedule”, “seek”, “strategy”, “study” (including, without limitation, as may be qualified by “feasibility” and “pre-feasibility”), “targets”, “models”, or ‘‘believes’’, or variations of or similar such words and phrases or statements that certain actions, events or results ‘‘may’’, ‘‘could’’, ‘‘would’’, or ‘‘should’’, ‘‘might’’, or ‘‘will be taken’’, ‘‘occur’’ or ‘‘be achieved’’ and similar expressions identify forward-looking information. Forward-looking information is necessarily based upon a number of estimates and assumptions that, while considered reasonable by Aguia and its external professional advisors as of the date of such statements, are inherently subject to significant business, economic and competitive uncertainties and contingencies. There can be no assurance that forward-looking statements will prove to be accurate, as actual results and future events could differ materially from those anticipated in such statements.

Forward-looking information is provided for the purpose of providing information about management’s expectations and plans relating to the future. All of the forward-looking statements made in this MD&A are qualified by these cautionary statements and those made in the ‘‘Risk Factors’’ section of this MD&A. These factors are not intended to represent a complete list of the factors that could affect Aguia. Economic analyses in technical reports are based on commodity prices, costs, sales, revenue and other assumptions and projections that can change significantly over short periods of time. As a result, economic information in a technical report can quickly become outdated. Aguia disclaims any intention or obligation to update or revise any forward-looking information or to explain any material difference between subsequent actual events and such forward-looking information, except to the extent required by applicable law.

Overview of the Company

Aguia Resources Ltd. is an exploration and development company focused on Brazilian phosphate and copper projects to supply the Brazilian agriculture sector. Aguia is listed on the Australian Stock Exchange (“ASX”) under the symbol AGR and has offices in Sydney, Australia and Porto Alegre, Brazil. The Company currently controls over 1,573 km^2 of land in the states of Rio Grande do Sul, Paraiba and Minas Gerais containing phosphate mineralization through exploration permits it has acquired from the Brazilian National Mining Agency (“ANM”). The Company seeks to develop its holdings of phosphate deposits into viable mining operations providing phosphate and agricultural limestone to Brazil’s agriculture industry. The Company’s phosphate properties in Brazil include its principal project, Três Estradas in Rio Grande do Sul State. Aguia’s other property is the Lucena Project in Alagoas State.

The Três Estradas project represents a significant new phosphate discovery with characteristics similar to existing producers in Brazil. The project is located in the southern region of Brazil where 30% of Brazilian national phosphate consumption is located. There are currently no producing phosphate mines in the region.

On March 20, 2018, Aguia Resources Ltd. completed its bankable feasibility study for its Três Estradas phosphate project in southern Brazil. The BFS financial model indicates a pre-tax IRR of 21% and a post-tax IRR of 18% with a pre-tax NPV of USD 300 million and post-tax NPV of USD 212 million using a 5% discount rate. The Três Estradas project will require an initial capital expenditure of USD 75.6 million (USD 84 million including contingency). The high efficiency of the column flotation circuit translated into an operational cost of USD 51/tonne of phosphate concentrate produced in Phase 1, USD 77/tonne of phosrock plus USD 5/tonne aglime produced in Phase 2 and USD 2/tonne of aglime in Phase 3.

Financial Results Summary

Financial Analysis	Unit	Pre-Tax[2]	Post-Tax
NPV@5%	(USD Million)	300	212
NPV@7.5%	"	186	129
NPV@10%	"	116	78
IRR	(%)	20.7%	18.3%
Total Cash Flow	(USD Million)	1,041	849
Payback[1]	(Three monthss)	5.9	6.2
EBITDA Three monthss 1 to 3.5 (Phase 1 - Saprolite)	(USD Million)	28	
EBITDA Three monthss 3.6 to 16 (Phase 2 - Carbonatite)	“	37	
EBITDA Three monthss 17 to 36 (Phase 3 - Aglime)	“	26	

[1]Undiscounted, after start-up, [2]Before direct taxes

The mining plan forecasts a total of 43.5 million tonnes of ROM ore mined at a strip ratio of 1.61 (waste to phosphate, in tonnes). The project includes an open-pit, truck and shovel operation, over a life of mine (LOM) of 16 three monthss plus another 20 three monthss of aglime production which will be reclaimed from the tailings dam. The phased approach to the project reduced the initial capital and maximized the economics of the project.

- Phase 1 (Saprolite): Takes advantage of the highhead-grade, low strip-ratio, and relatively low processing costs to produce a high-value phosrock concentrate. Open pit mining of 1.3 Mtpy RoM of saprolitic ore, to the processing plant, which will produce an average of 307,000 tpy of phosrock.
- Phase 2 (Carbonatite): As saprolite is depleted, the plant is expanded to handle the carbonatite ore types, as well as produce an aglime by-product**.** Mining an average of 3.3 Mtpy RoM of lower-grade carbonatite ore, with expansion of the processing plant to maintain production of 300,000 tpy of phosphate concentrate, as well as 2.8 Mtpy of aglime. Anticipated that 1Mtpy of aglime will be sold, the remainder stored in a tailings dam.
- Phase 3 (Aglime): Remaining stockpile of stored aglime is reclaimed and depleted. Following mining operations, recovery of 1Mtpy of the remaining aglime from the Tailings Dam.

With an average capacity of 300,000 tpy of phosrock the average annual feed to the processing plant will be 1.3 million tonnes of the oxide ore in Phase 1 ,and 3.3 million in Phase 2 of the fresh carbonatite ore, resulting in a life of mine production of 4.7 million tonnes of phosphate concentrate and another 32.9 million tonnes of aglime, averaging about 300,000 tons of phosrock annually over 16 three monthss and one million tonnes of by-product aglime annually over 33 three monthss. The relatively steeply dipping and confined nature of the deposit, as well as the drive to optimize project value through early development of the saprolite ore, leads to a decreasing strip ratio after Three months 4.

The findings and conclusions from the most recent pilot-plant program and collector reagents optimization testwork are as follows:

- For the saprolite ore, global phosphate recovery of 81.4% is achievable at a concentrate grade of 32.7% P_2O_5;
- For the carbonatite ore, global phosphate recovery of 75.3% is achievable at a concentrate grade of 30.1% P_2O_5;

For further information please see the press release dated March 20, 2018 and the technical report filed on www.sedar.com.

The Lucena Phosphate Project, comprising 43 tenements and applications for 247 km^2 was drilled from August 2011 to October 2012 in which Aguia completed 49 core drill holes in two separate drilling campaigns, 40 of which were used to estimate the JORC/43.101 compliant mineral resource.

In 2018, Aguia identified a new zone of copper mineralisation on ground staked within the Rio Grande Copper Belt, as a result of regional exploration activities in the State of Rio Grande do Sul, Brazil. The Company successfully secured a strategic land package along the Rio Grande Copper Belt, totaling 77,500 hectares across 53 tenements and identified six mineralised targets within the belt: Canhada, Big Ranch, Carlota, Passo Feio, Seival and Lagoa Parada. During the March 2019 quarter, Aguia executed an Option Agreement to acquire the Primavera Project which includes the Andrade copper deposit from Referencial Geologia Ltda. The acquisition increases Aguia's holdings in the Rio Grande Copper Belt by 9,282 hectares for total area of 86,782 hectares. Andrade is located some 5 km southeast of the city of Caçapava do Sul, Rio Grande do Sul State, approximately 17 km to the southwest of Aguia's Big Ranch target and 65 km north of the Canhada target.

Quarterly Highlights

Aguia is pleased to report on its activities for the first quarter:

- Different development scenarios and a Project Development Plan for the Três Estrades phosphate project commences;
- Ground geophysics continues at Andrade and Primavera, in preparation for drilling in the December 2019 Quarter;
- Sampling and trenching continue at Carlota, Seival and Passo Feia with results of 13.4g/t gold at Carlota, up to 2.3% copper at Seival and up to 2.1% copper at Passo Feia;
- Long-term Technical Director Fernando Tallarico appointed Managing Director; and
- Completed two capital raisings for approximately $2.5 million and $2.2 million respectively.

During the September 2019 Quarter (the "Quarter"), Aguia continued to focus its exploration efforts on the highly prospective copper targets in the Rio Grande Copper Belt while advancing its Três Estradas phosphate project located in the state of Rio Grande do Sul in Southern Brazil (see Figures 1 and 2).

After the end of the September 2019 Quarter, Aguia had its Environmental Impact Assessment (**EIA**) approved and was awarded the key Preliminary License (**LP**) allowing the Três Estradas phosphate project to proceed towards development. Aguia also completed two capital raisings during the September 2019 Quarter raising a total of approximately $4.7 million before costs.

At the beginning of the Quarter, Aguia announced that it had closed a private placement financing for gross proceeds of A$2,535,394.80. These funds were raised in connection with the issuance of 21,128,290 Ordinary Shares via a non-brokered private placement to sophisticated and institutional investors at a price of A$0.12 per Ordinary Share.

On September 16, 2019, Aguia announced it had delisted from the Toronto Stock Exchange.

On September 23, 2019, Aguia announced that it had closed a private placement financing for net proceeds of A$2,139,825.64. These funds were raised in connection with the issuance of 15,176,068 Ordinary Shares via a private placement to sophisticated and institutional investors at a price of A$0.15 per Ordinary Share.

Aguia's Brazilian operation completed a relocation from Belo Horizonte in Minas Gerais State to Porto Alegre in Rio Grande do Sul to be close to the project site. The relocation will better position the technical team to complete the final detailed engineering over the next year and prepare for the construction phase. A streamlined operation and lower cost operating environment are expected to result in cost savings for the coming year.

During the September 2019 Quarter, Mr. Justin Reid and Mr. David Gower resigned as directors of the Company, and Ms. Catherine Stretch resigned as Chief Commercial Officer. Mr. Stephen Ross was appointed a Non-Executive Director and Mr. David Shearwood was appointed Executive Director.

In Brazil, Mr. Lucas Galinari was appointed General Manager Exploration, Mr. Luis Clerot was appointed General Manager Phosphate Development, Mr Thiago Bonas was appointed General Manager Resource Modelling and Ms. Marina Carvalho was appointed General Manager Finance and Administration.

Subsequent to the end of the September 2019 Quarter, Dr Fernando Tallarico was appointed Managing Director of Aguia, Ms. Sarah Prince was appointed Company Secretary, replacing Mr. Michael Duligal, and Mr David Shearwood resigned as a Director of the Company.

Subsequent Events

After the end of the September 2019 Quarter on 17 October 2019, Aguia announced the granting of the LP for the development of the Três Estrades Phosphate Project in southern Brazil. The LP has been granted after approval of the EIA by the Rio Grande do Sul State Environmental Agency ("**FEPAM**").

Outlook

Aguia intends to commence more advanced exploration in the December Quarter 2019, subject to budgets, including drilling aimed at adding to the Mineral Resource at the Andrade Copper Project. Aguia will also commence a geophysics program at Andrade and the nearby Primavera target (3.5km south) to test extensions to these copper targets for further drilling.

At the Três Estrade Phosphate Project, more studies will be undertaken to test the viability of the development of a Direct Application Natural Fertiliser (DANF) product. At Mato Grande auger drilling will be undertaken to test for extensions to the phosphate mineralisation. Phosphate analysis for possible trial mining will be undertaken at Joca Tavares to the southeast of Tres Estradas and Mato Grande.

The granting of the LP is a key milestone in the mine permitting and development process for the Três Estrades Phosphate Project. The LP is only granted after approval of the EIA by FEPAM and is considered the most challenging mine permit milestone to obtain. The LP is considered a major milestone in the development of any mining project in Brazil and represents a substantial de-risking in the path to construction and production.

The next phase of development will be obtaining the Installation Permit or "**LI**". The LI provides the necessary authorisation to initiate construction and start developing the mine site. The LI requires implementation of the programs and requirements prescribed in the LP to ensure Três Estradas has a minimal impact on the environment and social wellbeing of the community.

During this time, Aguia will be finalising the design and plans for the project site, negotiating offtake and sales contracts and, sourcing capital so construction can commence immediately after the LI is granted.

The LI is expected to take up to 12 months to be granted after which construction can commence. Aguia has already commenced the LI process by investigating various mine and processing site options, including investigating different flow sheet scenarios, including commencing detailed studies and engaging a Project Manager for developing a Direct Application Natural Fertiliser (**DANF**) product. A DANF will potentially allow a significant reduction in start-up capital, a simpler flow sheet and a faster route to the commencement of production and ultimately cashflow.

After the achievement of such a significant milestone in the development of the Três Estrades Phosphate Project, the Company looks forward to providing further updates as the LI process continues.

For the Lucena Project, the Company will continue to maintain its claims.

Summary of Unaudited Quarterly Results

The following is a summary of the Company's financial results for the eight most recently completed quarters:

	Q1-2020 30-Sep 2019	Q4-2019 30-Jun 2019	Q3-2019 31-Mar 2019	Q2-2019 31-Dec 2018	Q1-2019 30-Sep 2018	Q4-2018 30-Jun 2018	Q3-2018 31-Mar 2018	Q2-2018 31-Dec 2017
Net (loss)	(854,223)	(1,209,503)	(721,594)	(1,019,404)	(391,954)	(127,527)	(621,424)	(1,057,580)
Net (loss) per share	(0.00)	(0.01)	(0.01)	(0.01)	(0.00)	(0.00)	(0.01)	(0.01)
Working Capital*	1,402,963	(1,584,815)	329,420	1,701,500	1,291,109	2,558,413	(742,780)	1,347,092
Total Assets	39,472,600	37,632,223	36,568,680	37,511,919	34,011,184	35,176,878	33,921,137	35,702,552
Total Non-current Liabilities	-	-	-	-	-	-	-	-

Working Capital is defined as current assets minus current liabilities. Working capital is a Non-IFRS figure without a standardized meaning. Please see "Non-IFRS Measures" for a reconciliation.

Factors Affecting Comparability of Quarters

Results of operations can vary significantly due to a number of factors. The Company's level of activity and expenditures during a specific quarter are influenced by a number of factors, including the level of working capital, the availability of external financing, the time required to gather, analyze and report on geological data related to its properties and the nature of activity, and the number of personnel required to advance each individual project.

The Company´s level of activities increased in 2018 with the completion of the BFS in March 2018. A drill campaign took place plus several technical studies to optimize the Três Estradas project.

Total assets increased as cash was invested to develop Aguia´s Três Estradas project. The Company's working capital fluctuated as a result of financings injecting funds into the Company in September 2018 and December 2018 as the Company's use of those funds for the development of the Três Estradas project.

In March 2018, a low cash balance position due to the completion of the BFS for the Três Estradas project, led to a negative working capital of $742,780.

In September 2018, working capital increased to $2,558,413 on the completion of a C$5 million financing, providing funding to advance Três Estradas permitting and continue exploration of the Rio Grande Copper Belt.

In September 2018, working capital decreased to $1,291,109 as the Company continued to invest in exploration at the Rio Grande Copper Belt as well as preparing for upcoming public hearings for environmental permitting process for Tres Estradas project.

In December 2018, working capital increased to $1,701,500 and total assets increased to $37,511,919 reflecting the completion of the A$2.9 million private placement financing to provide funding for Big Ranch copper drilling activities and upcoming public hearings for environmental permitting process for Tres Estradas project.

In March 2019, working capital reduced to $329,420 due to ongoing investment in Big Ranch copper project, acquisition of the Primavera Project and the public hearing for Tres Estradas project that took place in March 2019.

At June 30, 2019, the Company had negative working capital of ($1,584,815). This was rectified subsequent to quarter-end after the closing of a private placement financing.

At September 30, 2019 the Company had positive working capital of $1,402,963 due to a successful private placement financing of $2,276,410.

The Company is an exploration and evaluation stage company with no producing assets. As such, it expects to generate losses for its exploration activities and supporting corporate costs until such time as it commences profitable commercial production.

There were no significant changes in accounting principles during the eight most recent quarters.

Results of Operations – Financial

The following is a discussion of the results of operations of the Company for the three months ended September 30, 2019 and 2018. This should be read in conjunction with the Company's un-audited condensed consolidated interim financial statements for the three months ended September 30, 2019 and related notes.

	Three months ended September 30,	
	2019	2018
Net loss	**854,223**	**391,954**
Interest income	(816)	(1,656)
Corporate Expenses	401,484	294,140
Business development cost	105,909	111,094
Employee benefits expenses	70,289	100,865
Professional fees	5,019	57,291
General administration	176,836	174,142
Depreciation	3,750	3,785
Movement in fair value of derivatives	91,752	(347,707)

For the three months ended September 30, 2019, the Company recorded a net loss of $854,223 ($0.004 per share) compared to a net loss of $391,954 ($0.002 per share) for the three months ended September 30, 2018.

Corporate expenses increased by $105,909 in Q1 2020 compared with Q1 2019 due to significant restructuring of the corporate level team.

Business development expenditures of $105,909 in Q1 2020 is materially consistent with the $111,094 incurred Q1 2019.

Employee benefit expenditures decreased by $30,576 in Q1 2020 compared to Q1 2019 due to a reduction of headcount in Brazil.

Professional fees decreased by $52,272 in Q1 2020 compared to Q2 2019 due cost containment efforts.

The movement in the fair value of derivatives was $91,752 loss in the three months ended September 30, 2019 compared with a gain of ($347,707) in the comparative period. Due to the appreciation in the Company's share price, the Black Scholes value of the outstanding warrants at September 30, 2019 increased in the first quarter even though the remaining time value of the warrants decreased. Refer to "outstanding share section" of this MD&A for detailed information on the number of warrants outstanding, their strike price and expiry date.

Cash Flows

CASH FLOW STATEMENT	Sep 30, 2019
Payments to suppliers and employees	(1,238,948)
Interest income	816
Net cash flow from/(used) in operating activities	**(1,238,132)**
Payment for exploration	(1,075,375)
Net cash flow from/(used in) in investing activities	**(1,075,375)**
Proceeds from issue of shares	4,811,805
Share issue transaction costs	(165,202)
Net cash flow from/(used in) in financing activities	**4,646,602**
Net increase / decrease in cash and cash equivalents	2,333,095
Cash at beginning of financial period	55,498
Net foreign exchange differences	(4,603)
Cash balance at end	**2,383,990**

During the three months ended September 30, 2019, the Company used cash in operating activities of $1,238,132 of which $1,238,948 related to payments to suppliers and employees. The Company spent $1,075,375 on exploration and evaluation activities at the Rio Grande Copper Belt and for the public hearings for the environmental permitting process for Tres Estradas project. During the three months ended September 30, 2019, the Company raised a net $4,646,602 from financing activities.

EXPLORATION AND EVALUATION IN PROPERTY-BY-PROPERTY BASIS

	Tres Estradas Project	Lucena Project	Copper Project	Total E&E
E&E Initial Balance 30 June, 2019	**25,455,046**	**9,723,978**	**2,292,919**	**37,471,942**
Labor	210,078	0	38,886	248,964
Property (Claims, Land Fees)	27,667	0	33,514	61,181
Travel & Accomodation	17,261	0	7,519	24,779
Vehicle / Equipment Lease & Maintnce	16,032	0	10,476	26,508
Field Supplies	12,880	0	10,665	23,545
Other Exploration Expenses	874	0	13,622	14,496
Drilling / Assays	703	0	61,243	61,946
Bankable Feasibility Study and technical studies	88,810	0	0	88,810
Geophysics / Geochemistry	0	0	0	0
Environmental, Social, Health and Safety	101,740	0	0	101,740
Depreciation	0	0	0	0
Asset Exchange variation of the period	(1,050,316)	(85,543)	-88,655	(1,224,514)
Increase of E&E in the quarter	**(574,271)**	**(85,543)**	**87,269**	**(572,545)**
Total Exploration & Evalutaion in 30 Sep 2019	**24,880,774**	**9,638,435**	**2,380,188**	**36,899,397**

During the three months ended September 30, 2019, the Company focused on developing its flagship Tres Estradas project and exploration of the Rio Grande Copper belt, including the development of the Primavera Project. Exploration and evaluation expenses reflect the work on the environmental studies and social communication for the public hearings as part of the permitting process of Tres Estradas phosphate project as well as exploration expenses for the Rio Grande Copper belt development.

Liquidity and Capital Resources

Given the nature of the Company's operations, the most relevant financial information relates primarily to current liquidity, solvency and planned expenditures. The Company's financial success will be dependent upon the development of a property that leads to the production of phosphate. Such development may take years to complete and the amount of resulting income, if any, is difficult to determine.

The Company currently has a negative operating cash flow and finances its mineral exploration activities through equity financings. The Company's financial success will be dependent on the economic viability of its mineral exploration properties and the extent to which it can establish economic mineral reserves and operations.

The Company had working capital of $1,402,963 as at September 30, 2019 (September 30, 2018 - $1,291,109) including cash and cash equivalents of $2,383,990 (September 30, 2018 - $1,762,608). None of the cash equivalents are invested in asset-backed securities.

The Company's estimate of the adequacy of its working capital is a forward-looking statement as it involves known and unknown risks, uncertainties and other factors. Actual results could differ, perhaps materially; with the result that the adequacy of working capital required for fiscal three months 2019 expressed by such forward-looking statements is materially different than so stated. Also, the ability of the Company to successfully acquire and develop additional properties in the resource sector or to continue development of its current properties is conditional on its ability to secure financing when required. The Company proposes to meet any additional financing requirements through equity financing when required. In light of the continually changing financial markets, there is no assurance that funding by equity subscriptions will be possible at the times required or desired by the Company. See “Cautionary Statement Regarding Forward Looking Information”.

The Company is currently focusing its efforts on the Três Estradas Phosphate project and Rio Grande Copper belt.

Non-IFRS Measures

The Company has included a Non-IFRS performance measure, working capital, throughout this document. In the mining industry, this is a common Non-IFRS performance measure but does not have a standardized meaning. The Company believes that, in addition to conventional measures prepared in accordance with IFRS, we and certain investors use this information to evaluate the Company’s performance and ability to generate cash, profits and meet financial commitments. This Non-IFRS measure is intended to provide additional information and should not be considered in isolation or as a substitute for measures of performance prepared in accordance with IFRS. The following tables provide a reconciliation of working capital to the financial statements as at September 30, 2019 and June 30, 2019.

	September 30, 2019	June 30, 2019
Current assets		
Cash and cash equivalents	2,383,990	55,498
Prepaid expenses and sundry receivables	137,794	61,237
	2,521,784	116,735
Current liabilities		
Accounts payable and accrued liabilities	1,118,821	1,687,334
Working Capital		
current assets less current liabilities	1,402,963	(1,570,599)

Capital Risk Management

The Company’s capital includes cash and equity, comprised of issued ordinary shares, share-based payment reserve and deficit in the definition of capital. The Company’s objective when managing capital is to maintain its ability to continue as a going concern in order to provide returns for shareholders and benefits for other stakeholders.

The Company manages its capital structure and makes adjustments to it based on the funds available to the Company in order to support the acquisition and exploration of mineral properties. The Board of Directors does not establish quantitative return on capital criteria for management but rather relies on the expertise of the Company’s management and consultants to sustain future development of the business.

The Company’s properties are in the intermediate exploration stage and, accordingly, the Company is dependent upon external financings to fund activities. In order to carry out planned engineering, test work, advancement and development of the mining projects, and pay for administrative costs, the

Company will spend working capital and expects to raise the additional funds from time to time as required.

Management reviews its capital management approach on an ongoing basis and believes that this approach is reasonable given the relative size of the Company. There were no changes in the Company's approach to capital management during the twelve months ended September 30, 2019. The Company is not subject to externally imposed capital requirements.

Commitments and contingencies

Legal contingencies

The Company is, from time to time, involved in various claims and legal proceedings. The Company cannot reasonably predict the likelihood or outcome of these activities. The Company does not believe that adverse decisions in any pending or threatened proceedings related to any matter, or any amount that may be required to be paid in connection thereto, will have a material effect on the financial condition or future results of operations. As at September 30, 2019 and 2018, no amounts have been accrued related to such matters.

Environmental Commitments

The Company's mining and exploration activities are subject to various federal, state and international laws and regulations governing the protection of the environment. These laws and regulations are continually changing and generally becoming more restrictive. The Company conducts its operations so as to protect public health and the environment and believes its operations are materially in compliance with all applicable laws and regulations. The Company has made, and expects to make in the future, expenditures to comply with such laws and regulations.

Off Balance Sheet Arrangements

The Company is not party to any off-balance sheet arrangements.

Related Party Transactions

The consolidated financial statements incorporate the assets, liabilities and results of the following subsidiaries:

Name	**Principal place of business / Country of incorporation**	**Ownership %**
Aguia Mining Pty Ltd	Australia	100.00%
Aguia Phosphates Pty Ltd	Australia	100.00%
Aguia Potash Pty Ltd	Australia	100.00%
Aguia Metais Ltda	Brazil	100.00%
Potassio do Atlantico Ltda	Brazil	100.00%
Aguia Rio Grande Mineracao Ltda	Brazil	100.00%
Aguia Fertilizantes S.A.*	Brazil	49.00%

* Controlled by the parent entity through the entity's board of directors.

During the three months ended September 30, 2019 and 2018, the Company did not enter into any transactions with related parties that are not subsidiaries of the Company.

The following balances included in accounts payable and accrued liabilities were outstanding at the end of the reporting period:

	Amounts owed by related parties		Amounts owed to related parties	
	Sep 30, 2019	June 30, 2019	Sep 30, 2019	June 30, 2019
Directors and officers of the company	-	-	389,263	391,334

The amounts outstanding are unsecured and will be settled in cash. No guarantees have been given or received. No expense has been recognized in the current or prior periods for bad or doubtful debts in respect of the amounts owed by related parties.

Compensation of key management personnel of the Company

	Three months ended September 30,		Twelve months ended June 30,	
	2019	2018	2019	2018
Short-term benefits	351,676	271,321	1,284,186	1,508,702
Share-based payments	-	-	172,576	619,185

*share-based payments is the fair value of options granted which have been calculated using the Black-Scholes option-pricing model and the assumptions are disclosed in Note 26 of the September 30, 2019 financial statements.

In accordance with IAS 24 Related Party Disclosures, key management personnel are those persons having authority and responsibility for planning, directing and controlling the activities of the Company, directly or indirectly, including any directors (executive and non-executive) of the Company.

The remuneration of directors and key executives is determined by the compensation committee having regard to the performance of individuals and market trends.

Financial Instruments and Other Instruments

The carrying value of cash and cash equivalents, prepaid expenses, sundry receivable, accounts payable and finance leases approximate their fair values due to the short maturity of those instruments.

The Company's risk exposures and their impacts on the Company's financial instruments are summarized below. There have been no significant changes in the risks, objectives, policies and procedures for managing risk during the three months ended September 30, 2019.

Credit risk

Credit risk arises from the non-performance by counterparties of contractual financial obligations. The Company’s primary counterparty related to its cash and cash equivalents and term investment carry an investment grade rating as assessed by external rating agencies. The Company maintains all of its cash and cash equivalents and term investment with major Australian, Canadian and Brazilian financial institutions. Deposits held with these institutions may exceed the amount of insurance provided on such deposits.

The Company’s maximum exposure to credit risk at the balance sheet date is the carrying value of cash and cash equivalents, trade and other receivables.

Liquidity risk

The Company manages liquidity risk by maintaining adequate cash and cash equivalent balances. The Company continuously monitors and reviews both actual and forecasted cash flows, and also matches the maturity profile of financial assets and liabilities.

As at September 30, 2019, the Company had current assets of $2,521,784 to settle current liabilities of $1,118,821. Approximately $900,000 of the Company's financial liabilities as at September 31, 2019 have contractual maturities of less than 30 days and are subject to normal trade terms.

Market risk

(a) Interest rate risk

The Company’s cash equivalents are subject to interest rate cash flow risk as they carry variable rates of interest. The Company’s interest rate risk management policy is to purchase highly liquid investments with a term to maturity of one three months or less on the date of purchase.

Based on cash and cash equivalent balances on hand at September 30, 2019, a 0.1% change in interest rates could result in a corresponding change in net loss of approximately $2,384.

Currency Risk

As the Company operates on an international basis, foreign exchange risk exposures arise from transactions and balances denominated in foreign currencies. The Company’s foreign currency risk arises primarily with respect to the Brazilian Real. Fluctuations in the exchange rates between these currencies and the Australian dollar could have a material effect on the Company’s business, financial condition and results of operations. The Company does not engage in any hedging activity to mitigate this risk.

A strengthening of $0.01 in the Brazil Real against the Australian dollar would have decreased other comprehensive income by approximately $90,000 for the three months ended September 30, 2019. Rates as at September 30, 2019 and 2018 are represented in the following chart:

	As at	
	September 30, 2019	Septmeber 30, 2018
1 Australian dollar = Brazilian Real	2.8091	2.9235

Risks and Uncertainties

The operations of the Company are speculative due to the high-risk nature of its business, which are the acquisition, financing, exploration and development of mining properties. These risk factors could materially affect the Company's future operating results and could cause actual events to differ materially from those described in forward–looking information relating to the Company.

Nature of Mining, Mineral Exploration and Development Projects

Development projects have no operating history upon which to base estimates of future capital and operating costs. For development projects, mineral resource estimates and estimates of operating costs are, to a large extent, based upon the interpretation of geologic data obtained from drill holes and other sampling techniques, and feasibility studies, which derive estimates of capital and operating costs based upon anticipated tonnage and grades of ore to be mined and processed, ground conditions, the configuration of the mineral deposit, expected recovery rates of minerals from ore, estimated operating costs, and other factors. As a result, actual production, cash operating costs and economic returns could differ significantly from those estimated. It is not unusual for new mining operations to experience problems during the start-up phase, and delays in the commencement of production often can occur.

Mineral exploration is highly speculative in nature. There is no assurance that exploration efforts will be successful. Even when mineralization is discovered, it may take several three months until production is possible, during which time the economic feasibility of production may change. Substantial expenditures are required to establish measured, indicated and inferred mineral resources through drilling. Upon completion of a feasibility study, with an accompanying economic analysis, proven and probable mineral reserves may be estimated. Because of these uncertainties, no assurance can be given that exploration programs will result in the expansion of mineral resources or the establishment of mineral reserves. There is no certainty that the expenditures made towards the search and evaluation of mineral deposits will result in discoveries or development of commercial quantities of ore.

Mine development capital cost estimates are vulnerable to market forces, cost escalations and reductions, exchange rate fluctuations and supplier price changes. These factors can affect capital cost estimates.

Mineral Resource and Mineral Reserve Estimates May be Inaccurate

There are numerous uncertainties inherent in estimating mineral resources and reserves, including many factors beyond the control of the Company. Such estimates are a subjective process, and the accuracy of any mineral resource or reserve estimate is a function of the quantity and quality of available data and of the assumptions made and judgments used in geological interpretation. These amounts are estimates only and the actual level of recovery of minerals from such deposits may be different. Differences between management's assumptions, including economic assumptions such as mineral prices, market conditions and actual events could have a material adverse effect on the Company's mineral resource and reserve estimates, financial position and results of operations.

Uncertainty Relating to Mineral Resources

Mineral resources that are not mineral reserves do not have demonstrated economic viability. Due to the uncertainty that may attach to mineral resources, there is no assurance that mineral resources will be upgraded to mineral reserves.

Foreign Operations

At present, the mineral properties of Aguia are located in Brazil. As a result, the operations of the Company are exposed to various levels of political, economic and other risks and uncertainties associated with operating in a foreign jurisdiction. These risks and uncertainties include, but are not limited to, currency exchange rates; price controls; import or export controls; currency remittance; high rates of inflation; labour unrest; renegotiation or nullification of existing permits, applications and contracts; tax disputes; changes in tax policies; restrictions on foreign exchange; changing political conditions; community relations; currency controls; and governmental regulations that may require the awarding of contracts of local contractors or require foreign contractors to employ citizens of, or purchase supplies from, a particular jurisdiction. Changes, if any, in mining or investment policies or shifts in political attitudes in Brazil or other countries in which Aguia may conduct business, may adversely affect the operations of the Company. The Company may become subject to local political unrest or poor community relations that could have a debilitating impact on operations and, at its extreme, could result in damage and injury to personnel and site infrastructure.

Failure to comply with applicable laws and regulations may result in enforcement actions and include corrective measures requiring capital expenditures, installing of additional equipment or remedial actions. Parties engaged in mining operations may be required to compensate those suffering loss or damage by reason of mining activities and may have civil or criminal fines or penalties imposed for violations of applicable laws or regulations.

Licenses and Permits, Laws and Regulations

The Company's exploration and development activities, including mine, mill and infrastructure facilities, require permits and approvals from various government authorities, and are subject to extensive federal, state and local laws and regulations governing prospecting, development, production, transportation, exports, taxes, labour standards, occupational health and safety, mine safety and other matters. Such laws and regulations are subject to change, can become more stringent and compliance can therefore become more time consuming and costly. In addition, the Company may be required to compensate those suffering loss or damage by reason of its activities. The Company will be required to obtain additional licenses and permits from various governmental authorities to continue and expand its exploration and development activities. There can be no assurance that the Company will be able to maintain or obtain all necessary licenses, permits and approvals that may be required to explore and develop its properties, commence construction or to operate its mining facilities.

The costs and potential delays associated with obtaining the necessary authorizations and licenses and complying with these authorizations, licenses and applicable laws and regulations could stop or materially delay or restrict the Company from proceeding with the development of the Tres Estradas Project. Any failure to comply with applicable laws, regulations, authorizations or licenses, even if inadvertent, could result in interruption or termination of exploration, development or mining operations or logistics operations, or material fines, penalties or other liabilities which could have a material adverse effect on the Company's business, properties, results of operations, financial condition or prospects. The Company can make no assurance that it will be able to maintain or obtain all of the required mineral licenses and authorizations on a timely basis, if at all. There is no assurance that it will obtain the corresponding mining concessions, or that if they are granted, that the process will not be heavily contested and thus costly and time consuming to the Company. In addition, it may not obtain one or more licenses. Any such failure may have a material adverse effect on the Company's business, results of operations and financial condition.

The Environmental Secretary Office of the State of Rio Grande do Sul is the regulatory authority responsible for evaluating and determining the appropriateness of preliminary licenses. As part of the standard application process the Environmental Secretary Office holds public hearings. There can be no assurances that the Environmental Secretary Office of the State of Rio Grande do Sul will grant a license to the Company.

Environmental

The Company's activities are subject to extensive federal, state and local laws and regulations governing environmental protection and employee health and safety. Environmental legislation is evolving in a manner that is creating stricter standards, while enforcement, fines and penalties for non-compliance are more stringent. The cost of compliance with changes in governmental regulations has the potential to reduce the profitability of operations. Furthermore, any failure to comply fully with all applicable laws and regulations could have significant adverse effects on the Company, including the suspension or cessation of operations.

The current and future operations of the Company, including development and mining activities, are subject to extensive federal, state and local laws and regulations governing environmental protection, including protection and remediation of the environment and other matters. Activities at the Company's properties may give rise to environmental damage and create liability for the Company for any such damage or any violation of applicable environmental laws. To the extent the Company is subject to environmental liabilities, the payment of such liabilities or the costs that the Company may incur to remedy environmental pollution would reduce otherwise available funds and could have a material adverse effect on the Company. If the Company is unable to fully remedy an environmental problem, it might be required to suspend operations or enter into interim compliance measures pending completion of the required remedy. The potential exposure may be significant and could have a material adverse effect. The Company intends to minimize risks by taking steps to ensure compliance with environmental, health and safety laws and regulations and operating to applicable environmental standards.

Many of the local, state and federal environmental laws and regulations require the Company to obtain licenses for its activities. The Company must update and review its licenses from time to time, and is subject to environmental impact analyses and public review processes prior to approval of new activities. Aguia can make no assurance that it will be able to maintain or obtain all of the required environmental and social licenses on a timely basis, if at all.

In addition, it is possible that future changes in applicable laws, regulations and authorizations or changes in enforcement or regulatory interpretation could have a significant impact on the Company's activities. Those risks include, but are not limited to, the risk that regulatory authorities may increase bonding requirements beyond the Company's or its subsidiaries' financial capabilities. Developments elsewhere in the Brazilian mining industry or in relation to Brazilian mining legislation may add to regulatory processes and requirements, including additional scrutiny of all current permitting applications.

Liquidity Concerns and Future Financings

The Company will require significant capital and operating expenditures in connection with the development of the Três Estradas Project. There can be no assurance that the Company will be successful in obtaining the required financing as and when needed. Volatile markets may make it difficult or impossible for the Company to obtain debt or equity financing on favorable terms, if at all. Failure to obtain additional financing on a timely basis may cause the Company to postpone or slow down its development plans, forfeit rights in some or all of the Company's properties or reduce or terminate some or all of its activities. In the event that the Company completes an equity financing, such financing could be extremely dilutive to current shareholders who invested in the Company at higher share prices and dilutive as compared to the Company's estimated net asset value per share and mineral resource or reserve ounces per share.

Title to Properties

The acquisition of title to resource properties is a very detailed and time-consuming process. The Company holds its interest in its properties indirectly through exploration permits and exploration applications. Title to, and the area of, the permits may be disputed, or applications may lapse. There is no guarantee that such title will not be challenged or impaired.

The Company may need to acquire title to additional surface rights and property interests to further exploration and development activities. There can be no assurances that the Company will be able to acquire such additional surface rights. To the extent additional surface rights are available, they may only be acquired at significantly increased prices, potentially adversely affecting financial performance of the Company.

Project development costs

The Company plans to continue to develop its Três Estradas Project. There can be no assurance that this project will be fully developed in accordance with the Company's current plans or completed on time or to budget, or at all.

Litigation

Aguia has entered into legal binding agreements with various third parties on a consulting and partnership basis. The rights and obligations that arise from such agreements are open to interpretation and Aguia may disagree with the position taken by the various other parties resulting in a dispute that could potentially initiate litigation and cause Aguia to incur legal costs in the future. Given the speculative and unpredictable nature of litigation, the outcome of any future disputes could have a material adverse effect on Aguia.

Dependence on Key Personnel

The success of the Company is dependent upon the efforts and abilities of its senior management and board of directors. The loss of any member of the management team or board of directors could have a material adverse effect upon the business and prospects of the Company. In such event, the Company will seek satisfactory replacements but there can be no guarantee that appropriate personnel will be found.

Conflicts of Interest

Certain of the directors and officers of the Company may serve from time to time as directors, officers, promoters and members of management of other companies involved in mining or natural resource exploration and development and therefore it is possible that a conflict may arise between their duties as a director or officers of the Company and their duties as a director, officer, promoter or member of management of such other companies.

The directors and officers of the Company are aware of the existence of laws governing accountability of directors and officers for corporate opportunity and requiring disclosures by directors of conflicts of interest and the Company will rely upon such laws in respect of any directors' and officers' conflicts of interest or in respect of any breaches of duty by any of its directors or officers. All such conflicts will be disclosed by such directors or officers in accordance with applicable laws and the directors and officers will govern themselves in respect thereof to the best of their ability in accordance with the obligations imposed upon them by law.

Disclosure Controls and Procedures

Management of the Company is responsible for establishing and maintaining disclosure controls and procedures. Management has designed such disclosure controls and procedures, or caused them to be designed under its supervision, to provide reasonable assurance that material information relating to the Company, including its consolidated subsidiaries, is made known to the Chief Executive Officer and the Chief Financial Officer by others within those entities.

The CEO and CFO have evaluated (or caused to be evaluated under their supervision) the effectiveness of the Company's disclosure controls and procedures as of September 30, 2019. Based upon the results of that evaluation, the CEO and CFO have concluded that as of September 30, 2019, the Company's disclosure controls and procedures were effective.

Internal Control Over Financial Reporting

Aguia's management, including the CEO and CFO, is responsible for establishing and maintaining adequate internal control over financial reporting. Under their supervision, the Company's internal control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with IFRS. The Company's internal control over financial reporting includes policies and procedures that:

- Pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions, acquisitions and dispositions of the assets of the Company;
- Provide reasonable assurance regarding the prevention or timely detection of unauthorized acquisition, use or disposition of the Company's assets that could have a material effect on the annual or interim financial statements.

Management used the criteria set forth by the Committee of Sponsoring Organizations of the Treadway Commission on Internal Control (COSO - 1992) Framework to design the Company's internal control over financial reporting.

The CEO and CFO have evaluated (or caused to be evaluated under their supervision) the Company's internal control over financial reporting as of September 30, 2019. Based on this assessment, the CEO and CFO have concluded that the Company's internal control over financial reporting was effective as at September 30, 2019.

There has been no change in the Company's internal control over financial reporting during the three months ended September 30, 2019 that has materially affected, or is reasonably likely to materially affect, the Company's internal control over financial reporting.

Limitations of Controls and Procedures

The Company's management, including the Chief Executive Officer and Chief Financial Officer, believe that disclosure controls and procedures and internal control over financial reporting, no matter how well conceived and operated, can provide only reasonable, not absolute, assurance that the objectives of the control system are met. Further, the design of a control system must reflect the fact that there are resource constraints, and the benefits of controls must be considered relative to their costs. Because of the inherent limitations in all control systems, they cannot provide absolute assurance that all control issues and instances of fraud, if any, within the Company have been prevented or detected. These inherent limitations include the realities that judgments in decision-making can be faulty, and that breakdowns can occur because of simple error or mistake. Additionally, controls can be circumvented by the individual acts of some persons, by collusion of two or more people, or by unauthorized override of the controls. The design of any control system also is based in part upon certain assumptions about the likelihood of future events, and there can be no assurance that any design will succeed in achieving its stated goals under all potential future conditions. Accordingly, because of the inherent limitations in a cost-effective control system, misstatements due to error or fraud may occur and not be detected.

Significant Accounting Policies

The unaudited condensed consolidated interim financial statements were prepared using the same accounting policies and methods as those used in the Company's consolidated financial statements for the year ended June 30, 2019 with the exception of the adoption of new accounting pronouncements on July 1, 2019 as outlined below.

The Company adopted IFRS 16, *Leases* on July 1, 2019. Adoption of this standard did not have a significant impact on the financial statements.

Critical Accounting Estimates

The preparation of the Company's Financial Statements in conformity with IFRS requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the Financial Statements and reported amounts of revenues and expenses during the reported period. Such estimates and assumptions affect the carrying value of assets, impact decisions as to when exploration and development costs should be capitalized or expensed, and impact estimates for asset retirement obligations and reclamation costs. Other significant estimates made by the Company include factors affecting valuations of stock-based compensation and the valuation of income tax accounts. The Company regularly reviews its estimates and assumptions, however, actual results could differ from these estimates and these differences could be material.

Outstanding Share Data

As at November 13, 2019, the Company has 200,846,012 common shares issued and outstanding.

Stock options, warrants and convertible securities outstanding as at November 13, 2019 are as follows:

Number of Stock Options Outstanding		Exercise Price	Expiry Date
260,000	$	0.625	7-Dec-19
810,000	$	0.600	16-Dec-19
120,000	$	0.640	2-Jun-20
150,000	$	0.540	28-Jul-20
7,520,000	$	0.600	5-Dec-20
697,233	$	0.120	30-Jun-21
300,000	$	0.140	5-Apr-22
9,857,233			

Number of Warrants Outstanding		Exercise Price	Expiry Date
13,180,418	CAD	$ 0.650	30-Jun-20
7,142,900	CAD	$ 0.600	12-Apr-21
20,323,318			