



**31 July 2020**

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

## **JUNE 2020 QUARTERLY ACTIVITIES REPORT**

**Sydney, Australia**, - Aguia Resources Limited ABN 94 128 256 888 (ASX:AGR) (**'Aguia'** or the **'Company'**) is pleased to report on its activities for the June 2020 Quarter (the **'Quarter'**).

During the Quarter, Aguia continued to advance its business plan to put its Três Estradas Phosphate Project (TEPP) into production.

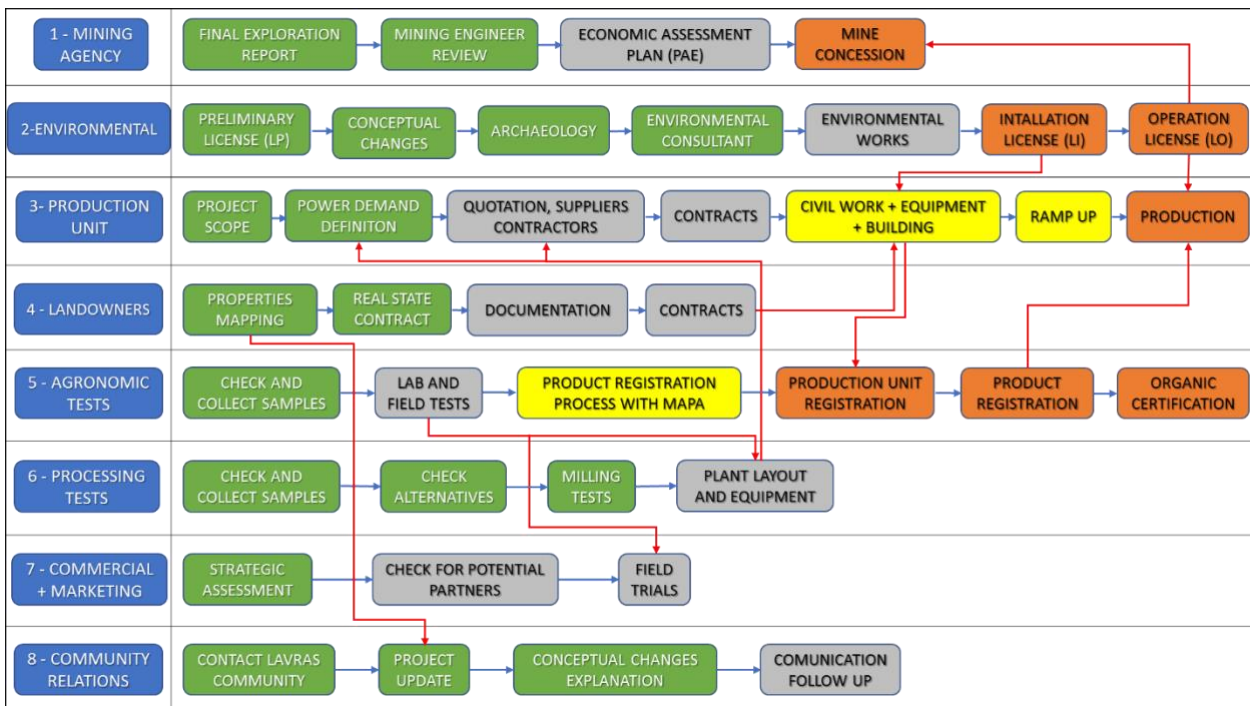
### **Highlights**

- **Brazilian Regional Development Bank gives support to fund 50% of the CAPEX for the TEPP;**
- **Results from ongoing agronomic tests demonstrate that the Direct Application Natural Fertilizer (DANF) from the TEPP is a very effective source of phosphate for soybean crops and has the ability to replace conventional phosphate fertilizers;**
- **Environmental works and programs necessary for the granting of the Installation License (LI) are ongoing;**
- **Detailed engineering plans for Phase 1 of the TEPP are advancing.**

### **Três Estradas Phosphate Project**

The Company is advancing key activities to progress the project into production. Figure 01 shows the updated flow chart of key activities and milestones to develop, install, and put Phase 1 of the project into operation.

On 6<sup>th</sup> April 2020, the Company announced that the Development Bank of Southern Brazil (Banco Regional de Desenvolvimento do Extremo Sul) (BRDE), which is a respected Brazilian institution that promotes economic and sustainable development in Southern Brazil, confirmed that the Três Estradas Phosphate Project meets its investment criteria and has provided a letter of support for a development loan to fund 50% of the capital expenditure for TEPP ([click here to read the full announcement](#)).



**Figure 01 – Três Estradas Phosphate Project – Key activities for project Phase 1. Blue boxes: Key activities; Green boxes: Company actions completed; Grey boxes: Ongoing actions; Yellow boxes: Planned actions; Orange boxes: Milestones.**

**1 – National Mining Agency**

Agua submitted the Final Exploration Report (RFP) regarding mineral property 810.325/2012, which covers the southern portion of the TEPP in April 2020. The approval of the RFP is the last requirement before the Economic Assessment Plan (PAE) submission with the Brazilian Mining Agency (ANM).

The Company is already progressing with the preparation of the PAE that is expected to be filed with the ANM by the end of Q3 2020. PAE approval is mandatory for issuing of the Installation License (LI).

**2 – Environmental**

In order to satisfy the requirements for LI granting, the company recently engaged Golder Associates, a world-renowned environmental services company, to conduct the major work on the mandatory environmental programs and to elaborate the Basic Environmental Plan (PBA). The environmental programs include the following main lines of activities: (1) General environmental management and environmental risk management, (2) Safety, (3) Environment and health and (4) Environmental monitoring. The PBA outlines compensatory measures and hazard control plans.

**3 – Production Unit**

Agua advanced the preparation of the detailed engineering plans for Phase 1 of the TEPP, which includes a detailed Executive Project with construction plans and descriptive memorials, in accordance with the Preliminary License conditions.

The detailed project on the 9km power line to connect the TEPP production unit has been formally filed with the State Electric Power Company (CEEE). On 17<sup>th</sup> June 2020, CEEE confirmed the receipt of the filed documents and ask for complementary documents which are being provided by Agua. Once all documents are approved, CEEE will evaluate the electrical project prior to the authorization for construction.

The executive engineering project regarding the mine pit and waste dumps of the TEPP Phase 1 is being undertaken by GE21 Consultoria Mineral Ltda. These works include, a geotechnical study for the pit slopes, pit geometry definition to operational slopes final slopes, review of geotechnical studies regarding waste dumps and dikes and the executive project for the waste dumps in accordance with the current technical standard, including the constructive sequencing of the waste dumps.

The electrical, architectural and engineering project regarding the administrative facilities is being conducted by Grupar Soluções Integradas em Gestão de Utilidade e Energia Sustentável Ltda., with a focus on the implementation of ecofriendly solutions to the buildings and surrounding areas.

The processing plant layout is being prepared together with Mecmining do Brasil Ltda. The plant will include a primary crusher and four secondary hammer mills. After the milling, the product will be transported to the warehouse through a conveyor belt and tripper car system (Figures 02 and 03).

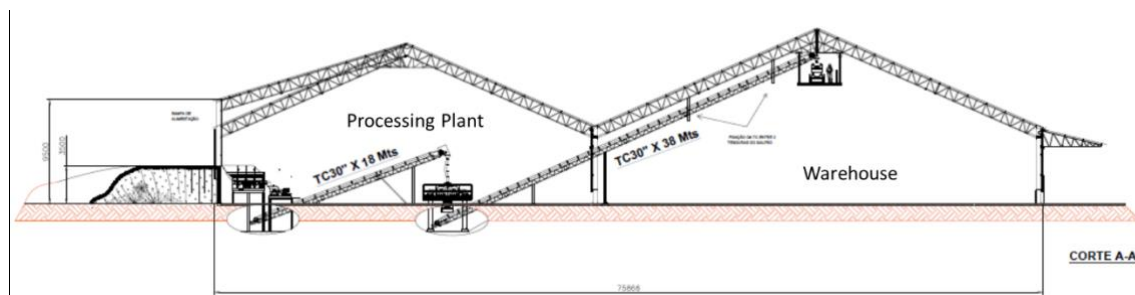


Figure 02 – Lateral section of the processing plant and warehouse.

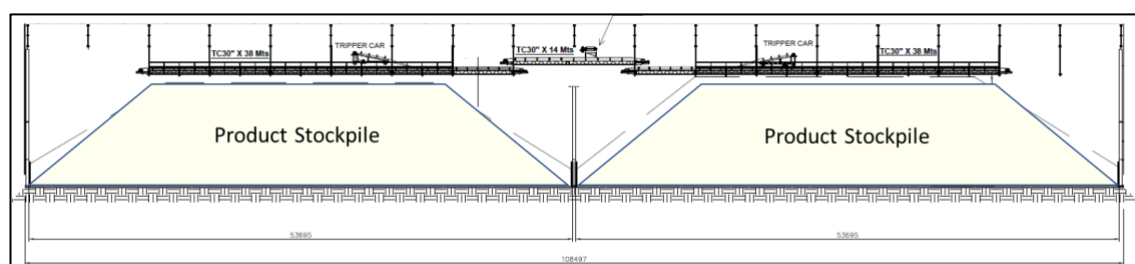


Figure 03 – Longitudinal section of the warehouse.

#### 4 – Landowners

Agua has hired a realtor specialized in land negotiation and acquisition to initiate negotiations for the acquisition of properties that are required for Phase 1 installation. The Company expects to complete the land acquisition in December of 2020.

#### 5 – Agronomic Tests

Integrar Gestão e Inovação Agropecuária (Integrar), a renowned agronomic consulting firm located in southern Brazil, was engaged to conduct a series of agronomic efficiency tests on the TEPP DANF as a source of phosphorous (P) for crops. These tests are being conducted at Integrar’s Agronomic Station located in Capivari do Sul, RS. Two types of processed ore are being used in the agronomic tests, carbonatite sapolite (CBTSAP) and amphibolite sapolite (AMPSAP).

Test #1 started in late November 2019 on the soybean, the 2019/2020 summer crop, and will be followed by ryegrass in the 2020 winter and rice in the 2020/2021 summer. The soybean plants were harvested in mid-April and the ryegrass seeded in mid-May 2020.

Both tests include 16 agronomic treatments (Table 01). These treatments consist of different sources of phosphate for comparison purposes, including conventional phosphate fertilizers; Super-simple Phosphate (SSP), Triple Superphosphate (TSP), Monoammonium Phosphate (MAP), and Natural Phosphate from Morocco (NP). Treatments with distinct quantities of our DANF products (CBTSAP and AMPSAP), a combination of CBTSAP and AMPSAP with MAP, and a phosphate solubilizer known as BiomaPhos were also tested. The test was designed to use randomized blocks with four replications.

Treatment	Dosage	Source of P
T1	Control	-
T2	N+K	-
T3	N+K+P1	CBTSAP
T4	N+K+P1	CBTSAP + BiomaPhos (phosphorus solubilizer)
T5	N+K+P2	CBTSAP
T6	N+K+P1	AMPSAP
T7	N+K+P1	AMPSAP+ BiomaPhos (phosphorus solubilizer)
T8	N+K+P2	AMPSAP
T9	N+K+P1	Natural Phosphate Morocco (NP)
T10	N+K+P1	Triple Super Phosphate (TSP)
T11	N+K+P1	Simple Super Phosphate (SSP)
T12	N+K+P1	MAP
T13	N+K+P2	¼ via CBTSAP + ¾ via MAP
T14	N+K+P2	½ via CBTSAP + ½ via MAP
T15	N+K+P2	¼ via AMPSAP + ¾ via MAP
T16	N+K+P2	½ via AMPSAP + ½ via MAP

**Table 01 – Summary of treatments on soybean in the field.**

**Test #1 – Soybean Productivity**

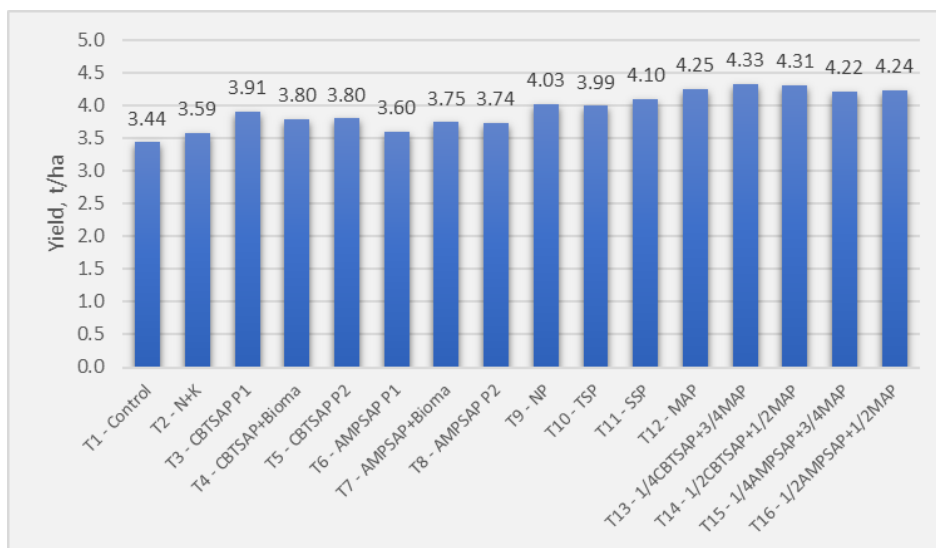
The soybean yield that resulted from each treatment is shown in Figure 04.

Treatment T13, the application of 100 kg/ha of P<sub>2</sub>O<sub>5</sub> (25% CBTSAP and 75% MAP), resulted in the highest soybean yield of all treatments with 4.33 t/ha, followed by treatment T14, the application of 100 kg/ha of P<sub>2</sub>O<sub>5</sub> (50% CBTSAP and 50% MAP), with a yield of 4.31 t/ha.

Treatment T3, CBTSAP in a P<sub>2</sub>O<sub>5</sub> dosage of 50 kg/ha resulted in a yield of 3.91 t/ha, which equates to 98% of the yield achieved using the conventional fertilizer TSP (3.99 t/ha) (T10), 97% of the NP yield (4.03 t/ha) (T9), 95% of the SSP yield (4.10 t/ha) (T11), and 92% of the MAP yield (4.25 t/ha) (T12).

Treatment T8, AMPSAP in a P<sub>2</sub>O<sub>5</sub> dosage of 100 kg/ha resulted in a yield of 3.74 t/ha, which equates to 95% of the yield achieved by CBTSAP in a dosage of 50 kg/ha (3.91 t/ha) (T3), 93% of the SSP yield (T11) and 88% of the MAP yield (T12).

The phosphate in Test #1 was applied by launching, which tends to be less effective in promoting solubilization (especially for natural phosphates) and can affect the availability of the nutrient to the plant. The soybean yields that were returned with the application of our fertilizers, CBTSAP and AMPSAP, exceeded expectations for a first production cycle. The expectation is that in a short time period, the differences in productivity between the conventional phosphate fertilizers, and CBTSAP and AMPSAP, will be further reduced or be negligible.

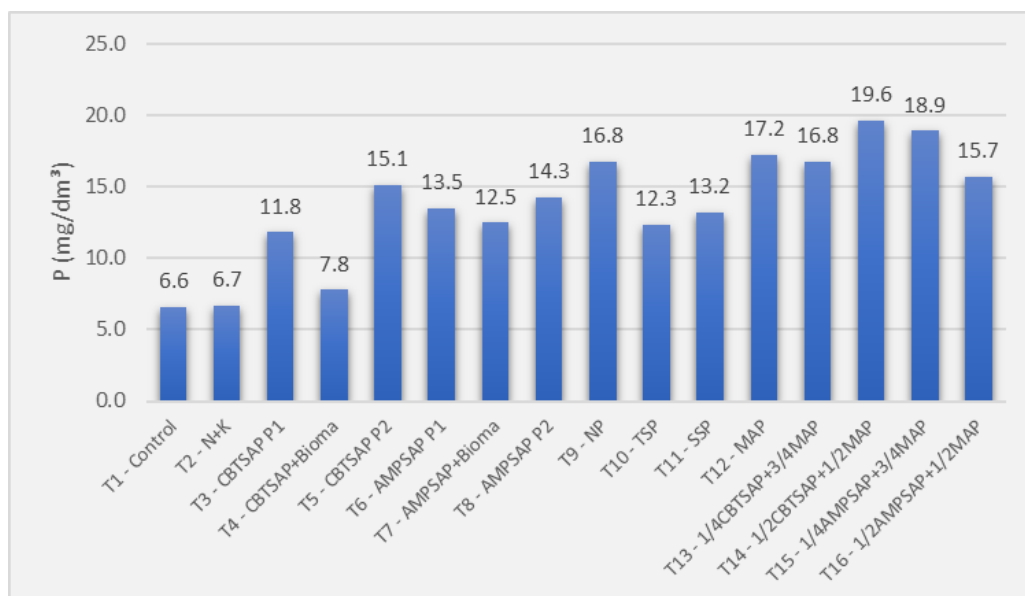


**Figure 04 – Soybean yield resulting from each treatment under Test #1. 2019/2020 harvest in Capivari do Sul, RS, Brazil.**

**Test #2 – Phosphorous in the Soil**

After the harvest, the 0 to 10 cm layer of the soil was sampled and assayed to determine the phosphorus (P) content. The results indicate a good P solubilization of CBTSAP and AMPSAP in the soil after five months of application. In some cases, the level of P in the soil after the application of AMPSAP, exceeded the residual in the soil after the application of conventional phosphate fertilizers, including STP and SSP (Figure 05).

The P grades in the soils that received CBTSAP and AMPSAP treatments are significantly higher than the P grade in the soils with control treatment (T1), where there is no addition of P. The CBTSAP in a dosage of 50 kg/ha resulted in 11.8 mg/dm<sup>3</sup> of P in the soils (T3), grading similarly to treatments with TSP (12.3 mg/dm<sup>3</sup>) (T10) and SSP (13.2 mg/dm<sup>3</sup>) (T11). The higher dosage of CBTSAP (100 kg/ha) reached 15.1 mg/dm<sup>3</sup> of P in the soils (T5) and the combination of CBTSAP (50%) and MAP (50%) in the dosage of 100kg/ha resulted in the highest level of P in the soils (19.6 mg/dm<sup>3</sup>) (T14).



**Figure 05 – Phosphorous grades in the 0 to 10 cm layer of soil after the soybean harvest for each treatment under Test #1. Harvest 2019/2020. Capivari do Sul, RS, Brazil.**

The application of CBTSAP and AMPSAP was effective in improving the P rates in the soil after the soybean harvest and demonstrated good residual content which should increase through successive crop cycles.

## **6 – Processing Tests**

The First milling tests with hammer mills were conducted at Mecming do Brasil facilities in Vespasiano-MG. Two bulk samples of saprolite phosphate ore, of approximately 900 kg each, returned results completely within the expected granulometry for a Natural Phosphate product.

## **7 – Commercial & Marketing**

A study on the product brand was conducted by Nano Biztools. Two brands of the product were defined and the models regarding the marketing material are currently in the process of having both brands officially registered with the National Institute of Industrial Property (INPI).

## **8 – Community Relations**

Community relations work is being conducted with communications support from Nano Biztools. The conceptual changes in the project Phase 1 were initially presented to the community through the social media channels (the ProjetoFosfato website and the Facebook page @projetoFosfato) as well as through formal presentations. The second round of presentations, planned for late March 2020, was cancelled due to the Covid-19 pandemic.

### **Mato Grande Phosphate Project**

The Mato Grande Phosphate Project is strategically located in an agricultural region, 270 km to the west of Porto Alegre, the capital of Rio Grande do Sul State. The project consists of one granted exploration license covering a total area of 1,406.77 hectares.

There was no activity during the Quarter.

### **Lucena Phosphate Project**

The Lucena Phosphate Project comprises of 45 tenements and applications for 268.1km<sup>2</sup> and contains an initial JORC compliant Inferred Mineral Resource of 55Mt grading 6.42% P<sub>2</sub>O<sub>5</sub> in the state of Paraíba in north eastern Brazil. A feature of the Lucena tenement is outcropping limestone, which is a potential commercialisation opportunity given the presence of a number of cement plants in the region.

There was no activity during the Quarter.

### **Mata da Corda Phosphate Project**

There was no activity during the Quarter.

### **Andrade Copper Project**

There was no activity during the Quarter.

### **Carlota and Passo Feio Targets**

There was no activity during the Quarter.

## **Corporate Activity**

On 1<sup>st</sup> April 2020, Mr. Alan Nascimento was appointed General Manager of Finance and Administration, he has been working for the group since December 2019 leading the F&A in Brazil. Alan holds a bachelor's degree in accounting and is currently undertaking a master's degree in accounting and finance. Alan has worked as a Financial Controller and consultant on FP&A, restructuring, corporate governance, taxation, fundraising, and mergers and acquisitions. He is a fully licensed accountant by the CFC (Brazilian Accounting Council) and is an Associate Member of the IBGC (Brazilian Institute of Corporate Governance).

On 15<sup>th</sup> April 2020, Non-Executive Director Mr. Stephen Ross resigned from the board of the Company to pursue other business opportunities.

On 22<sup>nd</sup> April 2020, Agua closed a capital raise for gross proceeds of approximately A\$730,250.08. These funds were raised in connection with the issue of approximately 9,128,126 fully paid Ordinary Shares via a non-brokered private placement to sophisticated and institutional investors at a price of A\$0.08 per share. Under the terms of the placement, for each Ordinary Share subscribed, one half of one Unlisted Option was issued for nil additional financial consideration with an exercise price of A\$0.16 and an expiry date of 20<sup>th</sup> April 2022.

On 26<sup>th</sup> June 2020, the Company announced that the Renounceable Rights Issue ('Offer') announced on 1<sup>st</sup> June 2020 had closed oversubscribed and raised \$2.5 million. To accommodate some of the excess demand, the Company agreed to raise an additional \$350,000 on the same terms as the Offer ('Follow-on Placement'). The total amount raised under the Offer and the Follow-on Placement was \$2,807,865 (before costs) through the issue of 56,157,303 new fully paid ordinary shares at 5 cents per share (Shares) and 56,157,294 new options, exercisable at 10 cents and expiring on 30 June 2023 ('Options'). The Options are listed under the ASX code AGRO.

As a result of company restructuring, Agua has decreased cash outflows from operating activities when compared to the average of the previous three quarters by 56.6% (Table 02). Noting that expenditure during the Quarter totalling A\$288,000 comprises of A\$145,000 in termination and severance pay related to the restructuring of the Company, A\$131,000 of accruals from the previous quarter and A\$11,000 of investment on the LI, the monthly fixed costs of the Company are now below the A\$180,000 announced on 6<sup>th</sup> April 2020.

<b>Q1 2020</b>	<b>Q2 2020</b>	<b>Q3 2020</b>	<b>Q4 2020</b>
A\$2,313,000	A\$2,113,000	A\$1,162,000	A\$808,000

**Table 02 – Quarterly cash outflows from operating activities**

During the Quarter, A\$128,000 in payments were made to related parties of the Company. These payments were to Directors of the Company in the form of Director's fees and salary payments.

## **Plans for the September 2020 Quarter**

On the Três Estrade Phosphate Project, agronomic trials will continue in order to define the efficiency of the Direct Application Natural Fertiliser (DANF) product, environmental plans and programs will continue as well as detailed engineering with a focus on the granting of the Installation Licence (LI).

**AUTHORISED FOR ISSUE TO ASX BY THE BOARD OF AGUA RESOURCES LIMITED**

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**About Agua:**

Agua Resources Limited, (“Agua”) is an ASX listed company whose primary focus is on the exploration and development of mineral resource projects in Brazil including copper and phosphate. Agua has an established and highly experienced in-country team based in Rio Grande State, Southern Brazil. Agua has multiple copper targets. Agua is also in the pre-production stage of a low-cost natural phosphate fertiliser project which is expected to be operational in early 2022.

**JORC Code Competent Person Statements:**

The Três Estradas Phosphate Project has a current NI 43-101/JORC compliant Measured and Indicated Mineral Resource comprising 83.210 million tonnes grading 4.11% P<sub>2</sub>O<sub>5</sub> and 21.845 million tonnes of Inferred Mineral Resource grading 3.67% P<sub>2</sub>O<sub>5</sub>.

Information in this report is extracted from the following reports, which are available for viewing on the Company’s website:

- 6 April 2020 BRDE GIVES SUPPORT TO FUND 50% OF THE PHOSPHATE PROJECT CAPEX
- 7 April 2020 UPDATE ON THE INSTALLATION LICENSE FOR TE PHOSPHATE PROJECT
- 17 April 2020 NON-EXECUTIVE DIRECTOR RESIGNATION
- 22 April 2020 AGUIA RESOURCES PRIVATE PLACEMENT
- 15 June 2020 UPDATE ON ENVIRONMENTAL PERMITTING FOR TEPP
- 16 June 2020 SOYBEAN TESTS CONFIRM HIGH QUALITY TEPP NATURAL FERTILIZER
- 26 June 2020 RIGHTS ISSUE CLOSES OVERSUBSCRIBED

The company confirms that it is not aware of any new information or data that materially affects the information included in the original market announcements listed above and, in the case of estimates of Mineral Resources or Ore Reserves that all material assumptions and technical parameters underpinning the estimates in the relevant market announcement continue to apply and have not materially changed. The company confirms that the form and context in which the Competent Person’s findings are presented have not been materially modified from the original market announcement.

The information in this report that relates to Exploration Results, Mineral Resources or Ore Reserves is based on information compiled by Dr Fernando Tallarico, who is a member of the Association of Professional Geoscientists of Ontario. Dr Tallarico is a full-time employee of Agua Resources Limited. Dr Tallarico has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which he is undertaking to qualify as a Competent Person as defined in the 2012 Edition of the ‘Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves (“JORC Code”). Dr Tallarico consents to the inclusion in this report of the matters based on his information in the form and context in which it appears.



**Caution regarding forward-looking information:**

This press release contains "forward looking information" within the meaning of applicable Australian securities legislation. Forward looking information includes, without limitation, statements regarding the next steps for the project, timetable for development, production forecast, mineral resource estimate, exploration program, permit approvals, timetable and budget, property prospectivity, and the future financial or operating performance of the Company. Generally, forward looking information can be identified by the use of forward-looking terminology such as "plans", "expects" or "does not expect", "is expected", "budget", "scheduled", "estimates", "forecasts", "intends", "anticipates" or "does not anticipate", or "believes", or variations of such words and phrases or state that certain actions, events or results "may", "could", "would", "might" or "will be taken", "occur" or "be achieved". Forward-looking information is subject to known and unknown risks, uncertainties and other factors that may cause the actual results, level of activity, performance or achievements of the Company to be materially different from those expressed or implied by such forward-looking information, including, but not limited to: general business, economic, competitive, geopolitical and social uncertainties; the actual results of current exploration activities; other risks of the mining industry and the risks described in the Company's public disclosure. 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. 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 does not undertake to update any forward-looking information, except in accordance with applicable securities laws.

**Agua Resources Limited Permits (Tenements or Licenses)**

Rio Grande Phosphate Project								
#	Claim Number (ANM)	Submittal Date	Exploration License Number	Issuing Date	Expiry Date	Area (ha)	Status	Name
1	810.090/91	5/20/1991	2,947	8/16/2010	8/16/2012	1,000.00	Approval Pending	Água Fertilizantes S.A.
2	810.732/05	11/14/2005	8275	12/27/2016	12/27/2019	1,520.62	Extension Submitted	Mineração Fazenda Terra Santa (Mineração Terra Santa Option)
3	810.702/11	6/27/2011	5,433	10/9/2012	10/9/2015	1,885.25	Extension Submitted	Falcon Petróleo S.A.
4	810.988/11	8/23/2011	2,232	4/15/2015	4/15/2018	84.39	Extension Submitted	Falcon Petróleo S.A.
5	811.189/11	10/5/2011	6,383	7/21/2014	7/21/2017	1,631.70	Extension Submitted	Valmor Pedro Meneguzzo (Option Agreement)
6	810.346/14	4/8/2014	6,825	11/3/2017	11/3/2020	1,275.66	Permit	Água Fertilizantes S.A. (IAMGOLD Option)
7	810.448/14	4/24/2014	848	2/14/2018	2/14/2021	1,605.12	Permit	Água Fertilizantes S.A.
8	810.996/10	10/4/2010	4,099	1/4/2018	1/4/2021	896.23	Permit Extension	Água Fertilizantes S.A. (CBC Option)
9	810.325/12	2/16/2012	4,101	5/3/2017	5/3/2020	990.95	Permit Extension	Água Fertilizantes S.A. (CBC Option)
10	811.663/12	12/10/2012	4,677	8/11/2017	8/11/2020	1,381.76	Permit Extension	Água Fertilizantes S.A.
11	811.671/12	12/10/2012	4,678	8/11/2017	8/11/2020	1,802.85	Permit Extension	Água Fertilizantes S.A.
12	811.188/11	10/5/2011	6,382	7/17/2019	7/17/2022	1,922.15	Permit Extension	Valmor Pedro Meneguzzo (Option Agreement)
<b>Total</b>						<b>15,996.68</b>		

Rio Grande Copper Project								
#	Claim Number (DNPM)	Submittal Date	Exploration License Number	Issuing Date	Expiry Date	Area (ha)	Status	Name
1	811.625/15	8/5/2015				1,835.91	Application	Águia Fertilizantes S.A.
2	810.911/16	8/16/2016				1,936.15	Application	Águia Fertilizantes S.A.
3	811.092/17	12/6/2017				1,015.46	Application	Águia Fertilizantes S.A.
4	810.126/18	3/1/2018				936.38	Application	Águia Fertilizantes S.A.
5	810.134/18	3/5/2018				1,083.87	Application	Águia Fertilizantes S.A.
6	810.135/18	3/5/2018				1,970.04	Application	Águia Fertilizantes S.A.
7	810.136/18	3/5/2018				1,971.27	Application	Águia Fertilizantes S.A.
8	810.137/18	3/5/2018				1,921.48	Application	Águia Fertilizantes S.A.
9	810.138/18	3/5/2018				1,832.25	Application	Águia Fertilizantes S.A.
10	810.139/18	3/5/2018				1,656.77	Application	Águia Fertilizantes S.A.
11	810.140/18	3/5/2018				1,634.74	Application	Águia Fertilizantes S.A.
12	810.141/18	3/5/2018				1,126.67	Application	Águia Fertilizantes S.A.
13	810.142/18	3/5/2018				1,189.46	Application	Águia Fertilizantes S.A.
14	810.143/18	3/6/2018				1,095.42	Application	Águia Fertilizantes S.A.
15	810.144/18	3/6/2018				1,986.44	Application	Águia Fertilizantes S.A.
16	810.145/18	3/6/2018				1,745.06	Application	Águia Fertilizantes S.A.
17	810.146/18	3/6/2018				1,647.84	Application	Águia Fertilizantes S.A.
18	810.147/18	3/6/2018				1,486.79	Application	Águia Fertilizantes S.A.
19	810.148/18	3/6/2018				1,879.32	Application	Águia Fertilizantes S.A.
20	810.149/18	3/6/2018				872.50	Application	Águia Fertilizantes S.A.
21	810.150/18	3/6/2018				1,854.55	Application	Águia Fertilizantes S.A.
22	810.151/18	3/6/2018				977.39	Application	Águia Fertilizantes S.A.
23	810.152/18	3/6/2018				1,341.15	Application	Águia Fertilizantes S.A.
24	810.153/18	3/6/2018				1,683.30	Application	Águia Fertilizantes S.A.
25	810.154/18	3/6/2018				1,610.10	Application	Águia Fertilizantes S.A.
26	810.155/18	3/6/2018				1,986.76	Application	Águia Fertilizantes S.A.
27	810.156/18	3/6/2018				1,939.23	Application	Águia Fertilizantes S.A.
28	810.157/18	3/6/2018				1,961.94	Application	Águia Fertilizantes S.A.
29	810.187/18	3/16/2018				730.26	Application	Águia Fertilizantes S.A.
30	810.749/19	11/29/2019				1,950.99	Application	Águia Fertilizantes S.A.
31	810.750/19	11/29/2019				1,886.33	Application	Águia Fertilizantes S.A.
32	810.751/19	11/29/2019				1,971.69	Application	Águia Fertilizantes S.A.
33	810.752/19	11/29/2019				1,976.22	Application	Águia Fertilizantes S.A.
34	810.753/19	11/29/2019				1,989.84	Application	Águia Fertilizantes S.A.
35	810.754/19	11/29/2019				1,933.08	Application	Águia Fertilizantes S.A.
36	810.755/19	11/29/2019				1,027.00	Application	Águia Fertilizantes S.A.
37	810.756/19	11/29/2019				1,997.46	Application	Águia Fertilizantes S.A.
38	810.757/19	11/29/2019				1,903.75	Application	Águia Fertilizantes S.A.
39	810.758/19	11/29/2019				1,913.19	Application	Águia Fertilizantes S.A.
40	810.441/16	5/12/2016	8,771	9/1/2016	9/1/2019	1,521.51	Extension Submitted	Águia Fertilizantes S.A.
41	810.442/16	5/12/2016	8,772	9/1/2016	9/1/2019	1,825.73	Extension Submitted	Águia Fertilizantes S.A.
42	811.530/15	8/5/2015	11,584	10/26/2016	10/26/2019	2,000.00	Extension Submitted	Águia Fertilizantes S.A.
43	810.636/07	8/31/2007	5,604	4/20/2015	4/20/2018	1,046.54	Final Report Approved	Referencial Geologia Mineração e Meio Ambiente Ltda(OPTION AGREEMENT)
44	810.647/08	7/23/2008	11,604	10/7/2015	10/7/2017	1,971.49	Final Report Approved	Referencial Geologia Mineração e Meio Ambiente Ltda(OPTION AGREEMENT)
45	811.363/14	11/3/2014	851	2/14/2018	2/14/2021	699.35	Permit	Águia Fertilizantes S.A.
46	811.508/15	8/6/2015	856	2/14/2018	2/14/2021	985.65	Permit	Águia Fertilizantes S.A.
47	811.572/15	8/5/2015	857	2/14/2018	2/14/2021	1,999.99	Permit	Águia Fertilizantes S.A.
48	811.573/15	8/5/2015	858	2/14/2018	2/14/2021	1,807.68	Permit	Águia Fertilizantes S.A.
49	811.583/15	8/6/2015	859	2/14/2018	2/14/2021	1,981.95	Permit	Águia Fertilizantes S.A.
#	Claim Number (DNPM)	Submittal Date	Exploration License Number	Issuing Date	Expiry Date	Area (ha)	Status	Name

50	811.586/15	8/5/2015	860	2/14/2018	2/14/2021	1,147.91	Permit	Águia Fertilizantes S.A.
51	811.588/15	8/6/2015	861	2/14/2018	2/14/2021	1,114.16	Permit	Águia Fertilizantes S.A.
52	811.589/15	8/6/2015	862	2/14/2018	2/14/2021	1,119.44	Permit	Águia Fertilizantes S.A.
53	811.596/15	8/6/2015	863	2/14/2018	2/14/2021	1,945.63	Permit	Águia Fertilizantes S.A.
54	811.639/15	8/6/2015	864	2/14/2018	2/14/2021	1,034.21	Permit	Águia Fertilizantes S.A.
55	811.091/17	12/6/2017	454	2/7/2018	2/7/2021	473.62	Permit	Águia Fertilizantes S.A.
56	810.127/18	3/1/2018	7,905	10/16/2018	10/16/2021	537.17	Permit	Águia Fertilizantes S.A.
57	810.385/11	5/5/2011	659	3/14/2019	3/14/2022	1,791.05	Permit	Referencial Geologia Mineração e Meio Ambiente Ltda(Option Agreement)
58	810.386/11	5/5/2011	660	3/14/2019	3/14/2022	1,997.18	Permit	Referencial Geologia Mineração e Meio Ambiente Ltda(Option Agreement)
59	810.520/11	5/25/2011	661	3/14/2019	3/14/2022	1,365.94	Permit	Referencial Geologia Mineração e Meio Ambiente Ltda(Option Agreement)
60	810.912/16	8/16/2016	1,973	4/29/2019	4/29/2022	1,999.99	Permit	Águia Fertilizantes S.A.
61	810.081/19	3/11/2019	3,825	6/19/2019	6/19/2022	656.83	Permit	Águia Fertilizantes S.A.
62	811.294/15	9/4/2015	14,856	12/8/2015	12/8/2018	731.77	Permit Extension	Águia Fertilizantes S.A.
63	811.549/15	8/5/2015	14,857	12/8/2015	12/8/2018	1,969.47	Permit Extension	Águia Fertilizantes S.A.
64	810.808/08	9/1/2008	6,331	7/17/2019	7/17/2022	279.03	Permit Extension	Referencial Geologia Mineração e Meio Ambiente Ltda(Option Agreement)
65	810.345/09	5/19/2009	6,247	7/17/2019	7/17/2022	115.91	Permit Extension	Referencial Geologia Mineração e Meio Ambiente Ltda(Option Agreement)
66	810.215/10	3/11/2010	6,261	7/17/2019	7/17/2022	714.97	Permit Extension	Referencial Geologia Mineração e Meio Ambiente Ltda(Option Agreement)
67	811.278/15	9/2/2015	1,464	7/17/2019	7/17/2022	1,872.97	Permit Extension	Águia Fertilizantes S.A.
68	810.799/12	6/1/2012	4,676	7/24/2019	7/24/2022	866.72	Permit Extension	Águia Fertilizantes S.A.
69	811.277/15	9/2/2015	5,125	7/24/2019	7/24/2022	1,560.01	Permit Extension	Águia Fertilizantes S.A.
70	811.279/15	9/2/2015	10,888	10/6/2016	10/6/2019	1,406.77	Permit Extension	Águia Fertilizantes S.A.
<b>Total</b>						<b>103,998.69</b>		

Lucena Project								
#	Claim Number (ANM)	Submittal Date	Exploration License Number	Issuing Date	Expiry Date	Area (ha)	Status	Name
1	302.256/15	8/29/2016				364.95	Application for Public Tender	Águia Metais Ltda
2	846.460/08	10/28/2008	4,554	11/6/2014	11/6/2017	1,927.28	Approval Pending	Águia Metais Ltda
3	846.474/08	10/28/2008	2,086	11/6/2014	11/6/2017	946.28	Approval Pending	Águia Metais Ltda
4	846.475/08	10/28/2008	4,575	10/27/2014	10/27/2017	1,169.81	Approval Pending	Águia Metais Ltda
5	846.036/09	3/17/2009	8,643	8/17/2009	8/17/2012	98.00	Approval Pending	Águia Metais Ltda
6	846.105/09	6/23/2009	10,128	9/1/2009	8/31/2012	1,772.99	Approval Pending	Águia Metais Ltda
7	846.106/09	6/23/2009	11,566	11/6/2014	11/6/2017	1,538.93	Approval Pending	Águia Metais Ltda
8	846.107/09	6/23/2009	10,127	9/1/2009	8/31/2012	1,146.40	Approval Pending	Águia Metais Ltda
9	846.108/09	6/25/2009	8,859	10/29/2014	10/29/2017	188.17	Approval Pending	Águia Metais Ltda
10	846.575/11	10/19/2011	19,301	11/22/2011	11/21/2014	953.33	Approval Pending	Águia Metais Ltda
11	846.153/13	4/25/2013	1,980	3/12/2014	3/12/2016	8.21	Approval Pending	Águia Metais Ltda
12	846.154/13	4/25/2013	5,648	6/13/2014	6/13/2016	31.68	Approval Pending	Águia Metais Ltda
13	846.132/15	7/13/2015	9,614	9/15/2015	9/15/2018	999.88	Approval Pending	Águia Metais Ltda
14	846.133/15	7/13/2015	9,615	9/15/2015	9/15/2018	119.39	Approval Pending	Águia Metais Ltda
15	846.134/15	7/13/2015	9,616	9/15/2015	9/15/2018	265.71	Approval Pending	Águia Metais Ltda
16	846.135/15	7/13/2015	9,617	9/15/2015	9/15/2018	131.58	Approval Pending	Águia Metais Ltda
17	846.236/16	8/29/2016	13,781	1/5/2017	1/5/2020	443.18	Approval Pending	Águia Metais Ltda
18	846.012/16	2/4/2016	5,048	5/24/2016	5/24/2019	263.24	Extension Submitted	Águia Metais Ltda
19	846.160/16	7/29/2016	694	1/31/2017	1/31/2020	26.24	Extension Submitted	Águia Metais Ltda
20	846.161/16	7/29/2016	695	1/31/2017	1/31/2020	13.58	Extension Submitted	Águia Metais Ltda
21	846.237/16	8/29/2016	13,782	1/5/2017	1/5/2020	66.41	Extension Submitted	Águia Metais Ltda
22	846.346/12	7/16/2012	1,784	3/4/2013	3/4/2016	549.12	Permit	Águia Metais Ltda
23	846.162/16	7/29/2016	7,436	9/28/2017	9/28/2020	14.55	Permit	Águia Metais Ltda
24	846.084/17	6/6/2017	2,573	4/10/2018	4/10/2021	135.82	Permit	Águia Metais Ltda
25	846.155/17	9/21/2017	220	1/11/2018	1/11/2021	1,055.54	Permit	Águia Metais Ltda
26	846.156/17	9/21/2017	2,280	3/23/2018	8/23/2021	1,573.48	Permit	Águia Metais Ltda
27	846.578/11	10/19/2011	19,302	11/22/2011	11/21/2014	989.89	Permit Extension	Águia Metais Ltda
28	846.579/11	10/19/2011	19,303	11/22/2011	11/21/2014	989.99	Permit Extension	Águia Metais Ltda
29	846.580/11	10/19/2011	19,304	11/22/2011	11/21/2014	841.60	Permit Extension	Águia Metais Ltda
30	846.582/11	10/19/2011	19,305	11/22/2011	11/21/2014	251.96	Permit Extension	Águia Metais Ltda
31	846.583/11	10/19/2011	19,306	11/22/2011	11/21/2014	908.10	Permit Extension	Águia Metais Ltda
32	846.585/11	10/19/2011	19,307	11/22/2011	11/21/2014	300.00	Permit Extension	Águia Metais Ltda
33	846.586/11	10/19/2011	19,308	11/22/2011	11/21/2014	40.49	Permit Extension	Águia Metais Ltda
34	846.587/11	10/19/2011	19,309	11/22/2011	11/21/2014	142.71	Permit Extension	Águia Metais Ltda
35	846.588/11	10/19/2011	19,310	11/22/2011	11/21/2014	64.81	Permit Extension	Águia Metais Ltda
36	846.343/12	7/16/2012	1,782	3/4/2013	3/4/2016	472.35	Permit Extension	Águia Metais Ltda
37	846.345/12	7/16/2012	1,783	3/4/2013	3/4/2016	15.93	Permit Extension	Águia Metais Ltda
38	846.347/12	7/16/2012	1,785	3/4/2013	3/4/2016	511.67	Permit Extension	Águia Metais Ltda
39	846.150/13	4/25/2013	1,977	3/12/2014	3/12/2016	31.19	Permit Extension	Águia Metais Ltda
40	846.151/13	4/25/2013	1,978	3/12/2014	3/12/2016	49.85	Permit Extension	Águia Metais Ltda
41	846.152/13	4/25/2013	1,979	3/12/2014	3/12/2016	105.45	Permit Extension	Águia Metais Ltda
42	846.013/16	2/4/2016	11,810	10/26/2016	10/26/2019	1,454.58	Permit Extension	Águia Metais Ltda
43	840.282/14	8/29/2016				1,763.77	Priority granted due to Public Tender Application	Águia Metais Ltda
<b>Total</b>						<b>24.738,09</b>		

Mata Da Corda & Lagamar Project								
#	Claim Number (DNPM)	Submittal Date	Exploration License Number	Issuing Date	Expiry Date	Area (ha)	Status	Name
1	300.653/12	11/1/2012				71.91	Application for Public Tender	Águia Metais Ltda
2	300.654/12	11/1/2012				201.09	Application for Public Tender	Águia Metais Ltda
3	831.798/13	2/14/2014				1,775.56	Application for Public Tender	Águia Metais Ltda
<b>Total</b>						<b>2,048.56</b>		
4	832.036/17	7/1/2015	1,969	03/19/2018	3/19/2021	1,408.55	Permit	Águia Metais Ltda
<b>Total</b>						<b>1,408.55</b>		

Águia Metais SC								
#	Claim Number (DNPM)	Submittal Date	Exploration License Number	Issuing Date	Expiry Date	Area (ha)	Status	Name
1	815.625/08	1/25/2012				998.27	Application for Public Tender	Águia Metais Ltda
2	815.626/08	1/25/2012				995.89	Application for Public Tender	Águia Metais Ltda
<b>Total</b>						<b>1994.16</b>		

**New Tenements Acquired During the March 2020 Quarter**

No tenements were acquired during the July 2020 quarter.

**Tenements Relinquished During the March 2020 Quarter**

No tenements were relinquished during the July 2020 quarter.

**Três Estradas Phosphate Project**

**JORC Code, 2012 Edition – Table 1 report template**

Section 1 Sampling techniques and data  
(criteria in this group apply to all succeeding groups)

Criteria	JORC Code Explanation	Commentary																																
Sampling techniques	Nature and quality of sampling (e.g. 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"> <li>In the Três Estradas Project area procedures for soil sampling, rock chip samples, drilling samples (auger drilling, reverse circulation and diamond drilling) and bulk sample were compliant with mineral industry standards</li> <li>At Três Estradas Project a bulk sample was composed from auger samples, collected from 16 distinct auger holes positioned according with the block model for the pit and the sample grades were targeted as bellow to represent the CBTSAP lithotype <table border="1"> <thead> <tr> <th>Typology</th> <th>RockCode</th> <th>Sample Type</th> <th>P<sub>2</sub>O<sub>5</sub>%</th> <th>CaO%</th> <th>MgO%</th> <th>Fe<sub>2</sub>O<sub>3</sub>%</th> <th>SiO<sub>2</sub>%</th> <th>Al<sub>2</sub>O<sub>3</sub>%</th> </tr> </thead> <tbody> <tr> <td rowspan="3">CBTSAP</td> <td rowspan="3">110</td> <td>DH Core</td> <td>11.64</td> <td>18.73</td> <td>4.32</td> <td>19.68</td> <td>27.77</td> <td>4.75</td> </tr> <tr> <td>BLK Model-MR Pit</td> <td>10.97</td> <td>17.32</td> <td>4.78</td> <td>19.11</td> <td>29.83</td> <td>5.20</td> </tr> <tr> <td>Selection Target</td> <td>11.31</td> <td>18.03</td> <td>4.55</td> <td>19.40</td> <td>28.80</td> <td>4.98</td> </tr> </tbody> </table> </li> </ul>	Typology	RockCode	Sample Type	P <sub>2</sub> O <sub>5</sub> %	CaO%	MgO%	Fe <sub>2</sub> O <sub>3</sub> %	SiO <sub>2</sub> %	Al <sub>2</sub> O <sub>3</sub> %	CBTSAP	110	DH Core	11.64	18.73	4.32	19.68	27.77	4.75	BLK Model-MR Pit	10.97	17.32	4.78	19.11	29.83	5.20	Selection Target	11.31	18.03	4.55	19.40	28.80	4.98
Typology	RockCode	Sample Type	P <sub>2</sub> O <sub>5</sub> %	CaO%	MgO%	Fe <sub>2</sub> O <sub>3</sub> %	SiO <sub>2</sub> %	Al <sub>2</sub> O <sub>3</sub> %																										
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		Selection Target	11.31	18.03	4.55	19.40	28.80	4.98																										
	<ul style="list-style-type: none"> <li>Include reference to measures taken to ensure samples are representative and the appropriate calibration of any measurement tools or systems used. 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 (e.g. '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.</li> </ul>	<ul style="list-style-type: none"> <li>Agua has followed standard practices in their geochemical surveys and drilling programs. They have followed a set of standard procedures in collecting samples, logging and data acquisition for the project. Their procedures are well documented and meet generally recognized industry standards and practices.</li> <li>All logging is completed by Agua geologists and directly entered into a comprehensive database program. Digital and hard copies of all sampling and shipment documentation are stored in the project office at Lavras do Sul.</li> <li>The auger holes are twin to previous diamond drill holes with known coordinates and mineralized intersection</li> </ul>																																

Criteria	JORC Code Explanation	Commentary
	<p>Unusual commodities or mineralisation types (e.g. submarine nodules) may warrant disclosure of detailed information.</p>	
<p>Drilling techniques</p>	<ul style="list-style-type: none"> <li>• Drill type (e.g. core, reverse circulation, open-hole hammer, rotary air blast, auger, Bangka etc.) and details (e.g. 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.).</li> </ul>	<ul style="list-style-type: none"> <li>• Agua has completed five drilling campaigns on the Tres Estradas area between 2011 and 2017. Drilling has included 139 core holes (20,509.5m), 244 reverse circulation (RC) holes (7,800.0m) and 487 auger holes (2,481.65m).</li> <li>• All core holes were drilled using wireline coring methods. HQ size (63.5mm diameter core) core tools were used for drilling through weathered material and NQ size (47.6mm diameter core) tools were used for drilling through fresh rock. Core recovery has exceeded 90% in 97% of all core holes. RC drilling was used to complete 244 holes with a cumulative length of 7,800.0m. All RC holes were drilled vertically (-90°) using 140mm button hammer bit. Holes were primarily drilled dry.</li> </ul>
<p>Drill sample recovery</p>	<ul style="list-style-type: none"> <li>• Whether core and chip sample recoveries have been properly recorded and results assessed.</li> <li>• Measures taken to maximise sample recovery and ensure representative nature of the samples.</li> <li>• Whether a relationship exists between sample recovery and grade and whether sample bias may have occurred due to preferential loss/gain of fine/coarse material.</li> </ul>	<ul style="list-style-type: none"> <li>• Digital and hard copies of all sampling and shipment documentation are stored in the project office at Lavras do Sul. Documentation includes geological logs, photographs and recovery records.</li> <li>• Agua has followed standard practices in their core, RC, and auger drilling programs. They have followed a set of standard procedures in collecting cuttings and core samples, logging, and data acquisition for the project.</li> <li>• There was no investigation about relationship between sample recovery and grade.</li> </ul>
<p>Logging</p>	<ul style="list-style-type: none"> <li>• Whether core and chip samples have been logged to a level of detail to support appropriate Mineral Resource estimation, mining studies and metallurgical studies.</li> </ul>	<ul style="list-style-type: none"> <li>• Regarding the auger samples, digital and hard copies of all sampling and shipment documentation are stored in the project office at Lavras do Sul. Documentation includes geological logs, sample photographs and portable XRF readings. Detailed geological logs are completed for every auger hole using an appropriate logging form. Sampling intervals in the CBTSAP lithotype are typically targeted for a 1.0m length.</li> </ul>
	<ul style="list-style-type: none"> <li>• Whether logging is qualitative or quantitative in nature. Core (or costean, channel etc.) photography.</li> </ul>	<ul style="list-style-type: none"> <li>• The logging is qualitative in nature.</li> </ul>
	<ul style="list-style-type: none"> <li>• The total length and percentage of the relevant intersections logged.</li> </ul>	<ul style="list-style-type: none"> <li>• 100% of sampled material from auger was logged. The portable XRF was used in all samples collected from auger drilling for a preliminary grade control before composing the bulk sample</li> </ul>
<p>Sub-sampling techniques and</p>	<ul style="list-style-type: none"> <li>• If core, whether cut or sawn and whether quarter, half or all core taken.</li> </ul>	<ul style="list-style-type: none"> <li>• 100% of the sampled material from auger drill holes was used to compose a bul sample</li> </ul>



Criteria	JORC Code Explanation	Commentary
sample preparation		
	<ul style="list-style-type: none"> <li>If non-core, whether riffled, tube sampled, rotary split etc. and whether sampled wet or dry.</li> </ul>	<ul style="list-style-type: none"> <li>Dry RC samples are split using a Jones riffle splitter</li> </ul>
	<ul style="list-style-type: none"> <li>For all sample types, the nature, quality and appropriateness of the sample preparation technique.</li> </ul>	<ul style="list-style-type: none"> <li>The ALS laboratory in Vespasiano is primarily an intake and preparation facility. Samples are crushed and pulverized into rejects and pulps.</li> </ul>
	<ul style="list-style-type: none"> <li>Quality control procedures adopted for all sub-sampling stages to maximise representivity of samples.</li> </ul>	<ul style="list-style-type: none"> <li>Lab management system is consistent with ISO 9001:2008 requirements for sampling preparation.</li> </ul>
	<ul style="list-style-type: none"> <li>Measures taken to ensure that the sampling is representative of the in-situ material collected.</li> </ul>	<ul style="list-style-type: none"> <li>90% of all core samples falling within the range of 0.8m to 1.2m.</li> </ul>
Sub-sampling techniques and sample preparation	<ul style="list-style-type: none"> <li>Whether sample sizes are appropriate to the grainsize of the material being sampled.</li> </ul>	<ul style="list-style-type: none"> <li>Sampling intervals in the amphibolite and the carbonatite are typically targeted for a 1.0m length but may fall within a range of 0.50m to 1.50m. Samples in the unmineralized gneiss host rock may have considerably longer lengths of up to 6.2m</li> </ul>
Quality of assay data and laboratory tests	<ul style="list-style-type: none"> <li>The nature, quality and appropriateness of the assaying and laboratory procedures used and whether the technique is considered partial or total.</li> </ul>	<ul style="list-style-type: none"> <li>Chemical analyses were conducted in the laboratories ALS laboratory and SGS Geosol, both labs located in Vespasiano-MG. Sample pulps from the Reverse Circulation, auger drilling and Diamond Drill programs are assayed by X-Ray fluorescence. The assaying regime is the standard for the determination of phosphate mineralization's. The technique is considered to be total.</li> <li>The CBTSAP bulk sample was tested in ALS laboratory in Vespasiano-MG</li> <li>Regarding the P<sub>2</sub>O<sub>5</sub> solubility tests, the CBTSAP bulk sample was tested in the Agronomic Lab of the Instituto Brasileiro de Analises (IBRA) in accordance with Brazilian Ministry of Agriculture, Livestock and Supply (MAPA) guidelines for testing fertilisers</li> <li>Soil samples tested to demonstrate the residual "P" content in soil as part of the agronomic efficiency tests were prepared through Mehlich Extractant Technique for Sample Preparation and assayed by ICP in accordance with the accordance with MAPA guidelines for testing fertilisers and soil</li> </ul>
	<ul style="list-style-type: none"> <li>For geophysical tools, spectrometers, handheld XRF instruments, etc, the parameters used in determining the analysis including instrument make and model, reading times, calibrations factors applied and their derivation,</li> </ul>	<ul style="list-style-type: none"> <li>The portable XRF is used for drilling samples to screen samples for further testing at the analytical laboratory</li> <li>Regarding the auger samples collected for bulk sample composing, the portable XRF was used in all samples collected for a preliminary grade control before composing the bulk sample</li> </ul>

Criteria	JORC Code Explanation	Commentary
	etc.	
	<ul style="list-style-type: none"> <li>Nature of quality control procedures adopted (e.g. standards, blanks, duplicates, external laboratory checks) and whether acceptable levels of accuracy (i.e. lack of bias) and precision have been established.</li> </ul>	<ul style="list-style-type: none"> <li>For quality assurance and quality control of analyses (QA/QC), Agua uses a combination of reference samples, blanks, duplicate samples and umpire check assays. Agua follows a protocol for accepting/refusing each batch of assays returned from the analytical laboratory. Reference, blanks and duplicate samples were inserted into the stream of drill samples such that one in 20 samples was a reference sample, one in every 30 samples was a blank sample, and one in every 30 samples was a duplicate sample.</li> </ul>
Verification of sampling and assaying	<ul style="list-style-type: none"> <li>The verification of significant intersections by either independent or alternative company personnel.</li> <li>The use of twinned holes.</li> <li>Documentation of primary data, data entry procedures, data verification, data storage (physical and electronic) protocols.</li> <li>Discuss any adjustment to assay data.</li> </ul>	<ul style="list-style-type: none"> <li>In 2012, SRK Consulting (Canada) Inc., was engaged by Agua to prepare a geological model and mineral resource estimate for the project, in accordance with the JORC code. The results of additional drilling were incorporated in an updated resource estimate released by Agua in January 2013. In early 2016, Millcreek was engaged by Agua to complete a new PEA for the Tres Estradas Phosphate Project. In accordance with accepted standards and best practises for certification of resources, Millcreek personnel have completed two site visits to the Tres Estradas Phosphate Project. The first site visit took place between March 17, 2016 and March 19, 2016.</li> <li>Twin holes were not performed in Tres Estradas Project</li> <li>Digital and hard copies of all sampling and shipment documentation are stored in the project office at Lavras do Sul. Documentation includes geological logs, core photographs, core recovery records, portable XRF readings and down-hole surveys.</li> <li>There were no adjustments on assay data.</li> </ul>
Location of data points	<ul style="list-style-type: none"> <li>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.</li> </ul>	<ul style="list-style-type: none"> <li>All drill collars are surveyed using differential GPS both before and after drill hole completion. Três Estradas, down hole surveys were completed on core holes using a Maxibore II down-hole survey tool. Readings are collected on three-meter intervals.</li> </ul>
	<ul style="list-style-type: none"> <li>Specification of the grid system used.</li> </ul>	<ul style="list-style-type: none"> <li>Coordinates are recorded in Universal Transverse Mercator (UTM) using the SAD69 Datum, Zone 21S.</li> </ul>
	<ul style="list-style-type: none"> <li>Quality and adequacy of topographic control.</li> </ul>	<ul style="list-style-type: none"> <li>Differential GPS is considered a precise topographic survey methodology.</li> </ul>
Data spacing and distribution	<ul style="list-style-type: none"> <li>Data spacing for reporting of Exploration Results.</li> </ul>	<ul style="list-style-type: none"> <li>Diamonds drill holes and RC drill holes were arranged in a regular grid varying from 25 x 50m to 100 x 50m grid.</li> </ul>
Data spacing and distribution	<ul style="list-style-type: none"> <li>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</li> </ul>	<ul style="list-style-type: none"> <li>Millcreek considers the exploration data collected by Agua to be of sufficient quality to support mineral resource evaluation.</li> </ul>

Criteria	JORC Code Explanation	Commentary
	classifications applied.	
	<ul style="list-style-type: none"> <li>Whether sample compositing has been applied.</li> </ul>	<ul style="list-style-type: none"> <li>Sample compositing was applied.</li> </ul>
Orientation of data in relation to geological structure	<ul style="list-style-type: none"> <li>Whether the orientation of sampling achieves unbiased sampling of possible structures and the extent to which this is known, considering the deposit type.</li> </ul>	<ul style="list-style-type: none"> <li>In general terms, the geological unit contacts are sub-vertical, and the holes are dipping 60°. Intercepts were produced at 45° average angle which isn't the best condition, but it's considered acceptable for mineral resource estimate purpose.</li> </ul>
	<ul style="list-style-type: none"> <li>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.</li> </ul>	<ul style="list-style-type: none"> <li>The relationship between the drilling orientation and the orientation of key mineralized structures don't indicate necessarily sampling bias.</li> </ul>
Sample Security	<ul style="list-style-type: none"> <li>The measures taken to ensure sample security.</li> </ul>	<ul style="list-style-type: none"> <li>The core and chips were transported by the company's personnel from the drill site to the core storage facilities. Drill boxes are labelled with hole number and depth interval and the core is photographed prior to logging.</li> <li>Regarding the CBTSAP bulk sample, the company hired a shipping company to transport the sample from the company facilities at Lavras do Sul till the destination in laboratory. No damage or loss was identified when sample was received in the lab.</li> </ul>
Audits or reviews	<ul style="list-style-type: none"> <li>The results of any audits or reviews of sampling techniques and data.</li> </ul>	<ul style="list-style-type: none"> <li>In 2012, SRK Consulting (Canada) Inc., was engaged by Agua to prepare a geological model and mineral resource estimate for the project, in accordance with the JORC code. In early 2016, Millcreek was engaged by Agua to complete a new PEA for the Tres Estradas. Phosphate Project. Audits and reviews of sampling techniques were performed in these works.</li> </ul>

**Section 2 Reporting of Exploration Results**  
(criteria listed in the preceding group apply also to this group)

Criteria	JORC Code Explanation	Commentary																																								
<p>Mineral tenement and land tenure status</p>	<ul style="list-style-type: none"> <li>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.</li> <li>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.</li> </ul>	<ul style="list-style-type: none"> <li>The three mineral rights combined cover a total area of 2,075.34ha. Aguia holds 100% interest in the three mineral rights permits covering the Tres Estradas Phosphate Project area.</li> </ul> <table border="1" style="width: 100%; border-collapse: collapse; text-align: center;"> <thead> <tr> <th>ANM Permit</th> <th>Issuing Date</th> <th>Period</th> <th>Expiry Date</th> <th>Area (ha)</th> <th>Status</th> <th>Municipality/State</th> <th>Title Holder</th> </tr> </thead> <tbody> <tr> <td>810.090/1991</td> <td>8/16/2010</td> <td>2</td> <td>8/16/2012</td> <td>1,000.00</td> <td>Final Report Presented</td> <td>Lavras do Sul/RS</td> <td>Aguia Fertilizantes S.A.</td> </tr> <tr> <td>810.325/2012</td> <td>5/03/2017</td> <td>3</td> <td>5/03/2020</td> <td>900.95</td> <td>Final Report Presented</td> <td>Lavras do Sul/RS</td> <td>Aguia Fertilizantes S.A.</td> </tr> <tr> <td>810.988/2011</td> <td>4/15/2015</td> <td>3</td> <td>4/15/2018</td> <td>84.39</td> <td>Extension Submitted</td> <td>Lavras do Sul/RS</td> <td>Falcon Petr�leo S.A.</td> </tr> <tr> <td colspan="4"></td> <td><b>Total Area</b></td> <td><b>2,075.34</b></td> <td colspan="2"></td> </tr> </tbody> </table> <ul style="list-style-type: none"> <li>The permit 810.325/2012 is currently operating under a permit extension. Falcon has requested for an extension of the permit 810.988/2011 which is currently under ANM’s review. The Final Exploration Report regarding the permit 810.090/1991 was file with ANM on September 09<sup>th</sup>, 2012.</li> </ul>	ANM Permit	Issuing Date	Period	Expiry Date	Area (ha)	Status	Municipality/State	Title Holder	810.090/1991	8/16/2010	2	8/16/2012	1,000.00	Final Report Presented	Lavras do Sul/RS	Aguia Fertilizantes S.A.	810.325/2012	5/03/2017	3	5/03/2020	900.95	Final Report Presented	Lavras do Sul/RS	Aguia Fertilizantes S.A.	810.988/2011	4/15/2015	3	4/15/2018	84.39	Extension Submitted	Lavras do Sul/RS	Falcon Petr�leo S.A.					<b>Total Area</b>	<b>2,075.34</b>		
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<p>Exploration done by other parties</p>	<ul style="list-style-type: none"> <li>Acknowledgment and appraisal of exploration by other parties.</li> </ul>	<ul style="list-style-type: none"> <li>Lavras do Sul was originally developed in the 1880’s as a gold mining camp on the Camaqu� of Lavras River. In 1959, more detailed studies were organized by the ANM, which were followed in the 1970s by major survey and sampling programs of all mineral occurrences by the Companhia de Pesquisa e Recursos Minerais (CPRM – The Geological Survey of Brazil). In recent years there have been renewed exploration activities for gold and base metals in the region by Companhia Brasileira do Cobre (CBC), Amarillo Mining, Companhia Riograndense de Minera�o (CRM) and Votorantim Metais Zinco SA.</li> <li>Phosphate mineralization was first observed at Tr�s Estradas in a gold exploration program being conducted jointly by Santa Elina and CBC. Santa Elina was prospecting for gold in ANM #810.090/1991, conducting soil, stream sediment and rock geochemistry, ground geophysical surveys (magnetometry and induced polarization) and a limited drilling program.</li> <li>Exploration results for gold were not encouraging and Santa Elina pulled out of the joint venture with CBC. However, the phosphate chemical analysis from two core boreholes in the ANM #810.090/1991 area yielded results of 6.41% P<sub>2</sub>O<sub>5</sub> from soil and 6.64% P<sub>2</sub>O<sub>5</sub> from core. This information was communicated to CPRM.</li> <li>Following petrographic studies, apatite mineralization occurring in carbonatite was confirmed. In July 2011, CBC entered into a partnership with Aguia Metais Ltda, a subsidiary of Aguia Resources Ltd., to explore and develop phosphate deposits in Rio Grande do Sul State.</li> </ul>																																								

**Section 3 Estimation and reporting of Mineral Resources**  
(criteria listed in the first group, and where relevant in the second group, apply also to this group)

Criteria	JORC Code Explanation	Commentary																
Database integrity	<ul style="list-style-type: none"> <li>Measures taken to ensure that data has not been corrupted by, for example, transcription or keying errors, between its initial collection and its use for Mineral Resource estimation purposes.</li> </ul>	<ul style="list-style-type: none"> <li>The database used for mineral resource evaluation includes 139 core holes (20,509.5m) and 244 RC holes (7,800m) for the Tres Estradas deposit (table below). The database was provided to Millcreek in a digital format and represents the Tres Estradas Project exploration dataset as of August 8, 2017.</li> </ul> <table border="1" style="margin-left: auto; margin-right: auto;"> <thead> <tr> <th>Drilling</th> <th>Count</th> <th>Cumulative Meters</th> <th>Assay Intervals</th> </tr> </thead> <tbody> <tr> <td>Core Holes</td> <td style="text-align: center;">139</td> <td style="text-align: center;">20,509.5</td> <td style="text-align: center;">16,046</td> </tr> <tr> <td>RC Holes</td> <td style="text-align: center;">244</td> <td style="text-align: center;">7,800.0</td> <td style="text-align: center;">7,800</td> </tr> <tr> <td><b>Total</b></td> <td style="text-align: center;"><b>383</b></td> <td style="text-align: center;"><b>28,309.5</b></td> <td style="text-align: center;"><b>23,846</b></td> </tr> </tbody> </table>	Drilling	Count	Cumulative Meters	Assay Intervals	Core Holes	139	20,509.5	16,046	RC Holes	244	7,800.0	7,800	<b>Total</b>	<b>383</b>	<b>28,309.5</b>	<b>23,846</b>
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	<ul style="list-style-type: none"> <li>Data validation procedures used.</li> </ul>	<ul style="list-style-type: none"> <li>Millcreek checked about errors, as gaps or overlapping data, or other material inconsistencies in collar, survey and interval data tables.</li> </ul>																
Site Visits	<ul style="list-style-type: none"> <li>Comment on any site visits undertaken by the Competent Person and the outcome of those visits.</li> <li>If no site visits have been undertaken indicate why this is the case.</li> </ul>	<ul style="list-style-type: none"> <li>Millcreek has completed a thorough review and verification of the drilling database and found the database to be sufficient for resource modelling.</li> <li>The first site visit took place between March 17, 2016 and March 19, 2016. Millcreek's representatives included Mr. Steven Kerr (C.P.G.-10352) and Mr. Alister Horn (MMSAQP-01369), who are considered Qualified Persons (QPs) under the NI 43-101 Standards of Disclosure for Mineral Projects. Mr. Kerr made a second site visit to the project on March 8 and 9, 2017, during the most recent drilling program. No material work has been done on the property since Mr. Kerr's most recent visit, and the QPs consider their personal inspections to be considered current, for their respective fields.</li> </ul>																
Geological interpretation	<ul style="list-style-type: none"> <li>Confidence in (or conversely, the uncertainty of) the geological interpretation of the mineral deposit.</li> </ul>	<ul style="list-style-type: none"> <li>Agua has developed a geologic block model of the Três Estradas Property phosphate deposit using GEMSTM software. Modelling was constructed by developing a series of vertical sections spaced at 50m intervals. Three-dimensional shells were developed by linking the vertical sections together with tie lines. Mineralization has an approximate strike length of 2,400m and extends to a depth of 370m below surface. Confidence of geological model is directly associated to drill hole data adherence.</li> </ul>																
	<ul style="list-style-type: none"> <li>Nature of the data used and of any assumptions made.</li> </ul>	<ul style="list-style-type: none"> <li>The outer mineralized envelopes were modelled into wireframe solids using a 3.00% P2O5 cut-off grade.</li> </ul>																
	<ul style="list-style-type: none"> <li>The effect, if any, of alternative interpretations on Mineral Resource estimation.</li> </ul>	<ul style="list-style-type: none"> <li>Modelling was constructed by developing a series of interpreted vertical sections spaced at 50m intervals.</li> </ul>																

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	<ul style="list-style-type: none"> <li>The use of geology in guiding and controlling Mineral Resource estimation. The factors affecting continuity both of grade and geology.</li> </ul>	<ul style="list-style-type: none"> <li>The model recognizes five mineralized, lithologic domains and nine non-mineralized domains as listed in table below:                     <table border="1" data-bbox="943 233 2051 834"> <thead> <tr> <th>Typology</th> <th>Domain</th> <th>Average Ordinary Kriging Density</th> <th>Block Model Code</th> <th>Description</th> </tr> </thead> <tbody> <tr> <td rowspan="5" style="writing-mode: vertical-rl; transform: rotate(180deg);">MINERALIZED</td> <td>CBTSAP</td> <td>1.60</td> <td>120</td> <td>Saprolite of Carbonatite</td> </tr> <tr> <td>WMCBT</td> <td>2.80</td> <td>110</td> <td>Weathered Carbonatite</td> </tr> <tr> <td>MCBT</td> <td>2.85</td> <td>100</td> <td>Meta-Carbonatite</td> </tr> <tr> <td>AMPSAP</td> <td>1.65</td> <td>220</td> <td>Saprolite of Amphibolite</td> </tr> <tr> <td>MAMP</td> <td>2.87</td> <td>200</td> <td>Amphibolite</td> </tr> <tr> <td rowspan="8" style="writing-mode: vertical-rl; transform: rotate(180deg);">WASTE</td> <td>AMPSAP-WASTE</td> <td>1.77</td> <td>22</td> <td>Saprolite of Amphibolite Waste</td> </tr> <tr> <td>WMAMP-WASTE</td> <td>2.83</td> <td>21</td> <td>Weathered Amphibolite Waste</td> </tr> <tr> <td>MAMP-WASTE</td> <td>2.91</td> <td>20</td> <td>Amphibolite Waste</td> </tr> <tr> <td>W-SAP</td> <td>1.81</td> <td>32</td> <td>Saprolite Waste (Meta-Syenite, Gneiss)</td> </tr> <tr> <td>W-WEATH</td> <td>2.59</td> <td>31</td> <td>Weathered Waste (Meta-Syenite, Gneiss)</td> </tr> <tr> <td>W-ROCK</td> <td>2.68</td> <td>30</td> <td>Fresh Rock Waste (Meta-Syenite, Gneiss)</td> </tr> <tr> <td>CBTSAP-WASTE</td> <td>1.63</td> <td>42</td> <td>Saprolite of Carbonatite Waste</td> </tr> <tr> <td>WMCBT-WASTE</td> <td>2.76</td> <td>41</td> <td>Weathered Carbonatite Waste</td> </tr> <tr> <td>MCBT-WASTE</td> <td>2.80</td> <td>40</td> <td>Meta-Carbonatite Waste</td> </tr> </tbody> </table> </li> <li>Agua constructed wireframes of the meta-carbonatite and the amphibolite. Metacarbonatite is differentiated by weathering into three domains: saprolite, weathered carbonatite, and fresh meta-carbonatite. Amphibolite is separated into two domains: saprolite and fresh amphibolite.</li> </ul>	Typology	Domain	Average Ordinary Kriging Density	Block Model Code	Description	MINERALIZED	CBTSAP	1.60	120	Saprolite of Carbonatite	WMCBT	2.80	110	Weathered Carbonatite	MCBT	2.85	100	Meta-Carbonatite	AMPSAP	1.65	220	Saprolite of Amphibolite	MAMP	2.87	200	Amphibolite	WASTE	AMPSAP-WASTE	1.77	22	Saprolite of Amphibolite Waste	WMAMP-WASTE	2.83	21	Weathered Amphibolite Waste	MAMP-WASTE	2.91	20	Amphibolite Waste	W-SAP	1.81	32	Saprolite Waste (Meta-Syenite, Gneiss)	W-WEATH	2.59	31	Weathered Waste (Meta-Syenite, Gneiss)	W-ROCK	2.68	30	Fresh Rock Waste (Meta-Syenite, Gneiss)	CBTSAP-WASTE	1.63	42	Saprolite of Carbonatite Waste	WMCBT-WASTE	2.76	41	Weathered Carbonatite Waste	MCBT-WASTE	2.80	40	Meta-Carbonatite Waste
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Dimensions	<ul style="list-style-type: none"> <li>The extent and variability of the Mineral Resource expressed as length (along strike or otherwise), plan width, and depth below surface to the upper and lower limits of the Mineral Resource.</li> </ul>	<ul style="list-style-type: none"> <li>Three-dimensional shells were developed by linking the vertical sections together with tie lines. Mineralization has an approximate strike length of 2,400m and extends to a depth of 370m below surface. Mineralized zones range in thickness from 5m to 100m.</li> </ul>																																																															
Estimation and modelling techniques	<ul style="list-style-type: none"> <li>The nature and appropriateness of the estimation technique(s) applied and key assumptions, including treatment of extreme grade values, domaining, interpolation parameters, maximum distance of extrapolation from data points.</li> </ul>	<ul style="list-style-type: none"> <li>All assays were composited to 1.0m lengths. A high-grade limit was identified for each mineral domain and shows 9% P2O5 was selected as the high-grade limit. Therefore, in the grade estimation process of P2O5, when the composite grade reaches 9% or more the size of search ellipsoids reduces to half of its original size.</li> <li>Three estimation passes were used with progressively relaxed search ellipsoids and data requirements based on the Variography:                     <ul style="list-style-type: none"> <li><b>Pass 1:</b> Blocks estimated in the first pass using half the distance of variogram range and based on composites from a minimum of three boreholes.</li> </ul> </li> </ul>																																																															

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		<ul style="list-style-type: none"> <li>• <b>Pass 2:</b> Blocks estimated in the first two passes within the full range of the variogram and based on composites from a minimum of two boreholes; and</li> <li>• <b>Pass 3:</b> All remaining blocks within the wireframe limits in an unconfined search not classified in the first two estimation passes.</li> </ul>
	<ul style="list-style-type: none"> <li>• The availability of check estimates, previous estimates and/or mine production records and whether the Mineral Resource estimate takes appropriate account of such data.</li> </ul>	<ul style="list-style-type: none"> <li>• No checks with previous estimates or mine production records has been made.</li> </ul>
	<ul style="list-style-type: none"> <li>• The assumptions made regarding recovery of by-products.</li> </ul>	<ul style="list-style-type: none"> <li>• No estimation of recovery factors has been made.</li> </ul>
	<ul style="list-style-type: none"> <li>• Estimation of deleterious elements or other non-grade variables of economic significance (e.g. sulphur for acid mine drainage characterisation).</li> </ul>	<ul style="list-style-type: none"> <li>• The estimation for the six oxide variables (P<sub>2</sub>O<sub>5</sub>, CaO, Al<sub>2</sub>O<sub>3</sub>, Fe<sub>2</sub>O<sub>3</sub>, MgO, and SiO<sub>2</sub>) and specific gravity were done using ordinary kriging interpolation for all the domains: MCBT, WMCBT, MAMP, CBTSAP and AMPSAP.</li> </ul>
	<ul style="list-style-type: none"> <li>• In the case of block model interpolation, the block size in relation to the average sample spacing and the search employed.</li> </ul>	<ul style="list-style-type: none"> <li>• The block dimensions were defined as 12m x 6m x 10m, and drilling grid dimensions can be considered as 25m x 50m x 1m. Millcreek considers block sizes appropriate for mineral resource estimates.</li> </ul>
	<ul style="list-style-type: none"> <li>• Any assumptions behind modelling of selective mining units.</li> </ul>	<ul style="list-style-type: none"> <li>• None made.</li> </ul>
	<ul style="list-style-type: none"> <li>• Any assumptions about correlation between variables.</li> </ul>	<ul style="list-style-type: none"> <li>• No assumptions were made by Millcreek regarding the correlation between variables</li> </ul>
	<ul style="list-style-type: none"> <li>• Description of how the geological interpretation was used to control the resource estimates.</li> </ul>	<ul style="list-style-type: none"> <li>• Aguia performed a series of variograms and variogram maps in GEMS mining software to model the spatial continuity of the six oxides (P<sub>2</sub>O<sub>5</sub>, CaO, Al<sub>2</sub>O<sub>3</sub>, Fe<sub>2</sub>O<sub>3</sub>, MgO, and SiO<sub>2</sub>) and for specific gravity of MCBT and MAMP. Grade estimations were made using ordinary kriging interpolation for all the mineralized domains</li> </ul>
Estimation and modelling techniques (cont.)	<ul style="list-style-type: none"> <li>• Discussion of basis for using or not using grade cutting or capping.</li> </ul>	<ul style="list-style-type: none"> <li>• Under supervision of Millcreek, Aguia conducted a top-cut analysis. Through visual inspection of the gradual changes of the mean values, a high-grade limit was identified for each mineral domain. 9% P<sub>2</sub>O<sub>5</sub> was selected as the high-grade limit. Therefore, in the grade estimation process of P<sub>2</sub>O<sub>5</sub>, when the composite grade reaches 9% or more the size of search ellipsoids reduces to half of its original size.</li> </ul>
	<ul style="list-style-type: none"> <li>• The process of validation, the checking process used, the comparison of model data to drill hole data and use of reconciliation</li> </ul>	<ul style="list-style-type: none"> <li>• Millcreek has conducted an audit of the block model prepared by Aguia and of the resources estimated from the model. Millcreek loaded the Tres Estradas block model into the Maptek VulcanR software system, a geology and mine planning software that competes directly with GEMS. The Millcreek audit and validation of the Tres Estradas block model consisted of the</li> </ul>

Criteria	JORC Code Explanation	Commentary
	<p>data if available.</p>	<p>following steps:</p> <ul style="list-style-type: none"> <li>• 1. Visual Validation: The drill hole composited drilling data was loaded into Vulcan software to compare the grade estimation block/drill hole grade relationships in cross section view. A visual inspection of vertical cross sections spaced at 50m spacing along the strike of the mineralization showed strong correlation between drill hole assays and composited values in the model.</li> <li>• 2. Statistical Validation: Two types of statistical validations were carried out: general statistical comparisons and statistical structures: General statistics and comparison of histograms</li> <li>• 3. Spatial Validation (Swath plots): The block model was evaluated using a series of swath plots. A swath plot is a graphical display of the grade distribution derived from a series of bands, or swaths, generated as sections through the deposit.</li> <li>• 4. Specific Gravity (SG) Model Validation: The SG composited data was used to create a kriged model that represents the variability of SG in the deposit.</li> </ul>
Moisture	<ul style="list-style-type: none"> <li>• Whether the tonnages are estimated on a dry basis or with natural moisture, and the method of determination of the moisture content.</li> </ul>	<ul style="list-style-type: none"> <li>• Sample weighting and assay analysis were performed on dry basis.</li> </ul>
Cut-off parameters	<ul style="list-style-type: none"> <li>• The basis of the adopted cut-off grade(s) or quality parameters applied.</li> </ul>	<ul style="list-style-type: none"> <li>• Mineral resources are reported within a conceptual pit shell at a cut-off grade of 3% P2O5.</li> </ul>
Mining factors or assumptions.	<ul style="list-style-type: none"> <li>• Assumptions made regarding possible mining methods, minimum mining dimensions and internal (or, if applicable, external) mining dilution. It may not always be possible to make assumptions regarding mining methods and parameters when estimating Mineral Resources. may not always be rigorous. Where this is the case, this should be reported with an explanation of the basis of the mining assumptions made.</li> </ul>	<ul style="list-style-type: none"> <li>• Using the Lerchs-Grossman algorithm, Millcreek has developed a mineable pit shell using the above parameters. The pit shell captures the resources estimated in the block model that have reasonable prospects for economic extraction.</li> <li>• The pit optimization results are used solely for the purpose of testing the “reasonable prospects for economic extraction” and do not represent an attempt to estimate mineral reserves, simply what portion of the resource is considered ‘mineable’. Further work has been performed to propose the portion of the ‘mineable’ resource that is economically optimized.</li> </ul>



Criteria	JORC Code Explanation	Commentary
<p>Metallurgical factors or assumptions.</p>	<ul style="list-style-type: none"> <li>The basis for assumptions or predictions regarding metallurgical amenability. It may not always be possible to make assumptions regarding metallurgical treatment processes and parameters when reporting Mineral Resources may not always be rigorous. Where this is the case, this should be reported with an explanation of the basis of the metallurgical assumptions made.</li> </ul>	<ul style="list-style-type: none"> <li>The pit optimization also considers the recovery of calcite as a by-product to mining and processing of the meta-carbonatite. Calcite recovery through column flotation is further addressed in subsequent sections of the report.</li> </ul>
<ul style="list-style-type: none"> <li>Environmental factors or assumptions</li> </ul>	<ul style="list-style-type: none"> <li>Assumptions made regarding possible waste and process residue disposal options. It is always necessary as part of the process of determining reasonable prospects for eventual economic extraction to consider the potential environmental impacts of the mining and processing operation. While at this stage the determination of potential environmental impacts, particularly for a greenfields project, may not always be well advanced, the status of early consideration of these potential environmental impacts should be reported. Where these aspects have not been considered this should be reported with an explanation of the environmental assumptions made.</li> </ul>	<ul style="list-style-type: none"> <li>The environmental impact and permitting review rely on work completed by Golder Associates in 2015, 2016 and 2017. Golder Associates has been instrumental in collecting and analysing environmental field data to develop the necessary regulatory material submitted to the Rio Grande do Sul's Government.</li> <li>A comprehensive Environmental and Social Impact Assessment (EIA / RIMA), that meets national and international standards, was undertaken in 2015 and 2016 by Golder Associates based on over 14 months of field data collection and subsequent interpretation.</li> <li>The EIA/RIMA was submitted to State Government Agency (FEPAM) in October 7th, 2016. Agua produced an updated version of the EIA / RIMA in September 1st, 2017, which is currently under FEPAM analysis.</li> </ul>

Criteria	JORC Code Explanation	Commentary
Bulk density	<ul style="list-style-type: none"> <li>• Whether assumed or determined. If assumed, the basis for the assumptions. If determined, the method used, whether wet or dry, the frequency of the measurements, the nature, size and representativeness of the samples.</li> <li>• The bulk density for bulk material must have been measured by methods that adequately account for void spaces (vugs, porosity, etc), moisture and differences between rock and alteration zones within the deposit.</li> <li>• Discuss assumptions for bulk density estimates used in the evaluation process of the different materials.</li> </ul>	<ul style="list-style-type: none"> <li>• During the first drilling campaign in 2011, the specific gravity of 48 core samples were measured by SGS Geosol using a standard weight in water and weight in air methodology.</li> <li>• Uncut core segments of approximately 15 to 20-centimeter lengths were wrapped in PVC film and submerged in water. Agua took over this testing with all subsequent drilling following the same procedures used by SGS Geosol. To date, 4,216 specific gravity measurements have been determined for Três Estradas.</li> <li>• Density values were estimated on block model by ordinary kriging interpolation for each mineralization domain separately.</li> </ul>
	<ul style="list-style-type: none"> <li>•</li> </ul>	<ul style="list-style-type: none"> <li>•</li> </ul>

Criteria	JORC Code Explanation	Commentary
<p>Classification</p>	<ul style="list-style-type: none"> <li>The basis for the classification of the Mineral Resources into varying confidence categories.</li> <li>Whether appropriate account has been taken of all relevant factors. i.e. relative confidence in tonnage/grade computations, confidence in continuity of geology and metal values, quality, quantity and distribution of the data.</li> <li>Whether the result appropriately reflects the Competent Person(s)' view of the deposit.</li> </ul>	<ul style="list-style-type: none"> <li>The resource classification involved a two-stage process.</li> <li>Stage 1: Relevant mathematical parameters were saved in the block model and the blocks. These variables are: Interpolation pass; Distance of the closest sample from the block; Average distance of samples used in estimating any; Number of drill holes used for estimating any; The kriging variance of grade estimation.</li> <li>Stage 2: The above variables were used as supporting mathematical variables for finalization of the resource classification process. At this stage, the resource blocks</li> <li>were coded manually.</li> <li>The two-stage process of classifying resources follows a 'best practices' approach allowing the QP to ensure that unreasonable conditions of: 1) measured blocks and inferred category blocks occurring side-by-side and 2) the measured and indicated blocks are not dominated by blocks with low sample support.</li> </ul> <div data-bbox="904 651 2060 1308" style="text-align: center;"> <p><b>Example of Stage 2 Resource Coding</b></p> <p>BLOCK : CLASS</p> <p>0.100 &lt;= &lt; 1.100</p> <p>1.100 &lt;= &lt; 2.100</p> <p>2.100 &lt;= &lt; 3.100</p> <p>Original</p> <p>Final</p> </div>

Criteria	JORC Code Explanation	Commentary							
Classification (cont.)	<b>Audited Mineral Resource Estimate Table *, Trés Estradas Phosphate Project, Millcreek Mining Group, September 8, 2017</b>								
	<b>Resource Classification</b>	<b>Domain</b>	<b>Volume (m<sup>3</sup> X 1000)</b>	<b>Tonnage (T X 1000)</b>	<b>Density (T/m<sup>3</sup>)</b>	<b>P<sub>2</sub>O<sub>5</sub>%</b>	<b>CaO%</b>	<b>P<sub>2</sub>O<sub>5</sub> as Apatite (%)</b>	<b>CaO as Calcite (%)</b>
	<b>Measured</b>	AMSAP	36	55	1.54	6.63	10.75	15.70	19.19
		CBTSAP	491	796	1.63	10.18	18.20	24.11	32.49
		WMCBT	602	1,686	2.81	4.24	34.07	10.03	60.82
		MCBT	11,619	33,004	2.85	3.85	34.26	9.12	61.15
		MAMP	227	655	2.89	3.72	19.09	8.81	34.08
	<b>Total Measured</b>		<b>12,975</b>	<b>36,196</b>	<b>2.82</b>	<b>4.01</b>	<b>33.59</b>	9.50	59.95
	<b>Indicated</b>	AMSAP	400	653	1.65	5.00	11.49	11.85	20.50
		CBTSAP	2,330	3,834	1.66	9.21	16.24	21.82	28.99
		WMCBT	370	1,026	2.78	4.38	34.57	10.39	61.71
		MCBT	13,000	36,984	2.85	3.67	35.08	8.69	62.62
		MAMP	1,571	4,517	2.88	3.98	19.63	9.43	35.04
	<b>Total Indicated</b>		<b>17,671</b>	<b>47,014</b>	<b>2.74</b>	<b>4.18</b>	<b>31.72</b>	9.91	56.63
	<b>Total Measured + Indicated Resources</b>		<b>30,646</b>	<b>83,210</b>	<b>2.77</b>	<b>4.11</b>	<b>32.53</b>	<b>9.73</b>	<b>58.07</b>
<b>Inferred</b>	CBTSAP	27	45	1.64	5.41	20.17	12.82	36.01	
	WMCBT	16	45	2.83	3.93	33.86	9.32	60.44	
	MCBT	7,034	20,247	2.88	3.65	34.72	8.64	61.98	
	MAMP	528	1,508	2.87	3.89	19.21	9.22	34.30	
<b>Total Inferred</b>		<b>7,605</b>	<b>21,845</b>	<b>2.88</b>	<b>3.67</b>	<b>33.62</b>	<b>8.69</b>	<b>60.01</b>	
* Mineral resources are not mineral reserves and do not have demonstrated economic viability. All numbers have been rounded to reflect relative accuracy of the estimates. Mineral resources are reported within a conceptual pit shell at a cut-off grade of 3% P2O5.									
Audits or reviews	<ul style="list-style-type: none"> <li>The results of any audits or reviews of Mineral Resource estimates.</li> </ul>	<ul style="list-style-type: none"> <li>No additional audits were performed.</li> </ul>							

Criteria	JORC Code Explanation	Commentary
Discussion of relative accuracy/confidence	<ul style="list-style-type: none"> <li>Where appropriate a statement of the relative accuracy and/or confidence in the Mineral Resource estimate using an approach or procedure deemed appropriate by the Competent Person. For example, the application of statistical or geostatistical procedures to quantify the relative accuracy of the resource within stated confidence limits, or, if such an approach is not deemed appropriate, a qualitative discussion of the factors which could affect the relative accuracy and confidence of the estimate.</li> <li>The statement should specify whether it relates to global or local estimates, and, if local, state the relevant tonnages or volumes, which should be relevant to technical and economic evaluation. Documentation should include assumptions made and the procedures used.</li> </ul>	<ul style="list-style-type: none"> <li>The Geology QP is not aware of or perceives any environmental, permitting, legal, title, taxation, socio-economic, marketing, political, or other relevant factors having any material impact on the resource estimates other than what has already been discussed in this report.</li> <li>The accuracy of resource and reserve estimates is, in part, a function of the quality and quantity of available data and of engineering and geological interpretation and judgment. Given the data available at the time this report was prepared, the estimates presented herein are considered reasonable. However, they should be accepted with the understanding that additional data and analysis available subsequent to the date of the estimates may necessitate revision. These revisions may be material. There is no guarantee that all or any part of the estimated resources or reserves will be recoverable.</li> </ul>
	<ul style="list-style-type: none"> <li>These statements of relative accuracy and confidence of the estimate should be compared with production data, where available</li> </ul>	<ul style="list-style-type: none"> <li>No production data comparison was performed.</li> </ul>

**TRES ESTRADAS PROJET – AGUIA RESOURCES – RESERVES UPDATE**

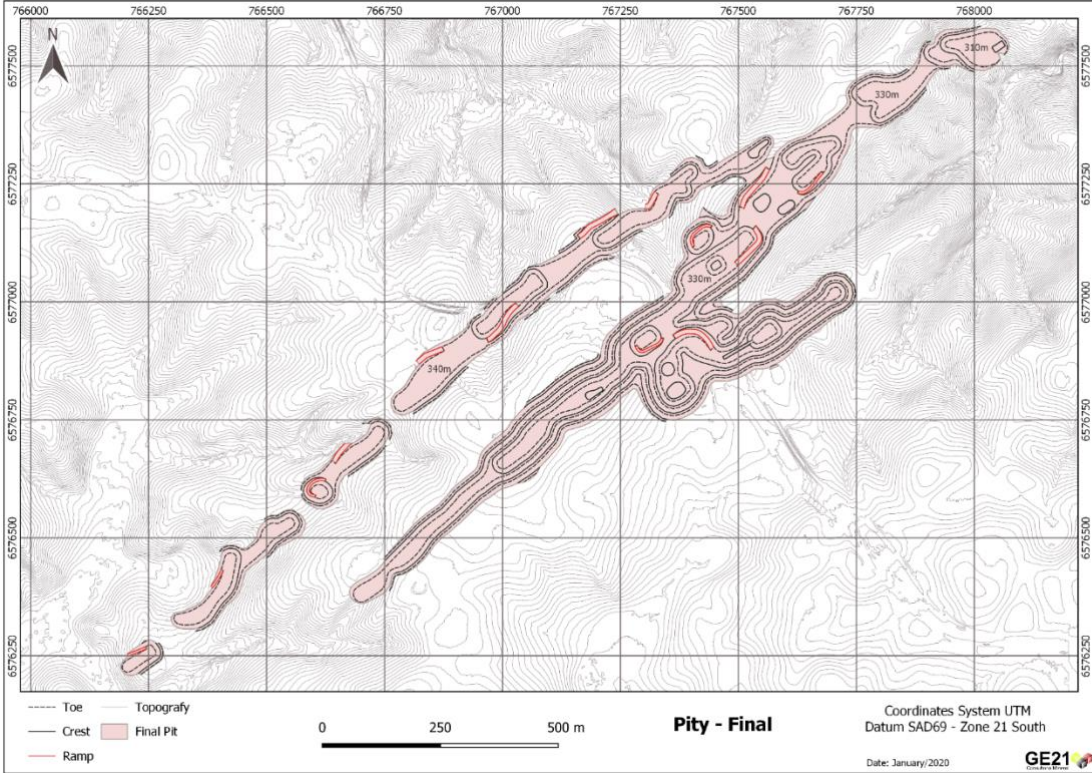
Section 4 Estimation and Reporting of Ore Reserves

Criteria	JORC Code explanation	Commentary
Mineral Resource estimate for conversion to Ore Reserves	<ul style="list-style-type: none"> <li>Description of the Mineral Resource estimate used as a basis for the conversion to an Ore Reserve.</li> <li>Clear statement as to whether the Mineral Resources are reported additional to, or inclusive of, the Ore Reserves.</li> </ul>	<ul style="list-style-type: none"> <li>GE21 received from Aguia Resources the Resource database certified by the Millcreek Mining Group. GE21 performed the import and validated the database information. For this Scoping Study, GE21 is not responsible for the estimation and certification of the Mineral Resource.</li> </ul>
Site visits	<ul style="list-style-type: none"> <li>Comment on any site visits undertaken by the Competent Person and the outcome of those visits.</li> <li>If no site visits have been undertaken indicate why this is the case.</li> </ul>	<ul style="list-style-type: none"> <li>The Competent Persons, Competent Persons, Porfirio Cabaleiro Rodriguez, and Bernardo Horta Cerqueira Viana undertaken a site visit in December 2019, for three days, when was possible to check fields works, and local infrastructure</li> </ul>
Study status	<ul style="list-style-type: none"> <li>The type and level of study undertaken to enable Mineral Resources to be converted to Ore Reserves.</li> <li>The Code requires that a study to at least Pre-Feasibility Study level has been undertaken to convert Mineral Resources to Ore Reserves. Such studies will have been carried out and will have determined a mine plan that is technically achievable and economically viable, and that material Modifying Factors have been considered.</li> </ul>	<ul style="list-style-type: none"> <li>A scoping study comprising mining studies, pit optimisation, fleet sizing and mining Capex and Opex was developed, considering AACE Class 5 cost level</li> <li>The Scoping Study referred to in this report is based on low-level technical and economic assessments, and is insufficient to support estimation of Ore Reserves or to provide assurance of an economic development case at this stage, or to provide certainty that the conclusions of the Scoping Study will be realised</li> </ul>

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Cut-off parameters	<ul style="list-style-type: none"> <li>The basis of the cut-off grade(s) or quality parameters applied.</li> </ul>	<ul style="list-style-type: none"> <li>3% P2O5 based on BFS report: Três Estradas Phosphate Project, Rio Grande do Sul, Brazil</li> </ul>																																																																																															
Mining factors or assumptions	<ul style="list-style-type: none"> <li>The method and assumptions used as reported in the Pre-Feasibility or Feasibility Study to convert the Mineral Resource to an Ore Reserve (i.e. either by application of appropriate factors by optimisation or by preliminary or detailed design).</li> <li>A conventional choice, nature and appropriateness of the selected mining method(s) and other mining parameters including associated design issues such as pre-strip, access, etc.</li> <li>The assumptions made regarding geotechnical parameters (e.g. pit slopes, stope sizes, etc), grade control and pre-production drilling.</li> <li>The major assumptions made, and Mineral Resource model used for pit and stope optimisation (if appropriate).</li> <li>The mining dilution factors used.</li> <li>The mining recovery factors used.</li> <li>Any minimum mining widths used.</li> <li>The way Inferred Mineral Resources are utilised in mining studies and the sensitivity of the outcome to their inclusion.</li> </ul>	<ul style="list-style-type: none"> <li>GE21 assumed the following parameters for Pit optimization</li> </ul> <table border="1"> <thead> <tr> <th colspan="2">Item</th> <th>Unit</th> <th>Value</th> </tr> </thead> <tbody> <tr> <td colspan="2"></td> <td>Exchange rate (Australian Dollar)</td> <td>2.85</td> </tr> <tr> <td rowspan="3">Economic Parameters</td> <td rowspan="3">Sell Price</td> <td>AUD \$/t com P2O5 carb</td> <td>72.0</td> </tr> <tr> <td>AUD \$/t com P2O5 Anf</td> <td>43.2</td> </tr> <tr> <td>Measured</td> <td></td> </tr> <tr> <td rowspan="2">Resources</td> <td rowspan="2">Class</td> <td>Indicated</td> <td></td> </tr> <tr> <td>Inferred</td> <td></td> </tr> <tr> <td rowspan="2">ROM</td> <td>Density</td> <td>g/cm<sup>3</sup></td> <td>model</td> </tr> <tr> <td>Grade</td> <td>%</td> <td>model</td> </tr> <tr> <td rowspan="2">Mining</td> <td>Recovery</td> <td>%</td> <td>98</td> </tr> <tr> <td>Dilution</td> <td></td> <td>2</td> </tr> <tr> <td rowspan="4">Physical</td> <td rowspan="3">Block Model</td> <td></td> <td><b>Unit</b></td> </tr> <tr> <td>X</td> <td></td> </tr> <tr> <td>Y</td> <td>m</td> </tr> <tr> <td>Z</td> <td></td> </tr> <tr> <td>Slope Angle</td> <td>Degree</td> <td>°</td> <td>34</td> </tr> <tr> <td>Mass Recovery</td> <td></td> <td>%</td> <td>95</td> </tr> <tr> <td rowspan="4">Cut-off Grade</td> <td rowspan="4">Grade</td> <td colspan="2"><b>Unit</b></td> </tr> <tr> <td>P2O5</td> <td>%</td> </tr> <tr> <td>Ore</td> <td>AUD \$/t mov.</td> </tr> <tr> <td>Waste</td> <td></td> </tr> <tr> <td rowspan="3">Costs</td> <td rowspan="3">Process</td> <td colspan="2">AUD \$/t.fed</td> </tr> <tr> <td colspan="2">4.81</td> </tr> <tr> <td colspan="2">Selling Cost G&amp;A</td> </tr> <tr> <td colspan="2"></td> <td colspan="2">AUD\$/t DANF</td> </tr> <tr> <td colspan="2"></td> <td colspan="2">3.34</td> </tr> </tbody> </table> <ul style="list-style-type: none"> <li>The ore will be mined at a conventional open pit operation, with excavators with a bucket capacity of 2.0 m3 and trucks with a volume capacity of 10m3.</li> <li>A Geotechnical study recommended the following geometry for final slopes angles</li> </ul> <table border="1"> <thead> <tr> <th>Lithotype</th> <th>Face angle (°)</th> <th>Bench width (m)</th> <th>Bench height (m)</th> <th>Inter-ramp general slope (°)</th> </tr> </thead> <tbody> <tr> <td>Soil/Saprolite</td> <td>45</td> <td>7.2</td> <td>15</td> <td>34</td> </tr> <tr> <td>Others</td> <td>75</td> <td>13.5</td> <td>30</td> <td>55</td> </tr> </tbody> </table>	Item		Unit	Value			Exchange rate (Australian Dollar)	2.85	Economic Parameters	Sell Price	AUD \$/t com P2O5 carb	72.0	AUD \$/t com P2O5 Anf	43.2	Measured		Resources	Class	Indicated		Inferred		ROM	Density	g/cm <sup>3</sup>	model	Grade	%	model	Mining	Recovery	%	98	Dilution		2	Physical	Block Model		<b>Unit</b>	X		Y	m	Z		Slope Angle	Degree	°	34	Mass Recovery		%	95	Cut-off Grade	Grade	<b>Unit</b>		P2O5	%	Ore	AUD \$/t mov.	Waste		Costs	Process	AUD \$/t.fed		4.81		Selling Cost G&A				AUD\$/t DANF				3.34		Lithotype	Face angle (°)	Bench width (m)	Bench height (m)	Inter-ramp general slope (°)	Soil/Saprolite	45	7.2	15	34	Others	75	13.5	30	55
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	<ul style="list-style-type: none"> <li>The infrastructure requirements of the selected mining methods.</li> </ul>	<ul style="list-style-type: none"> <li>The following below the operational design parameters.                             <table border="1" data-bbox="920 300 2054 628"> <thead> <tr> <th><i>Description</i></th> <th><i>Units</i></th> <th><i>Value</i></th> </tr> </thead> <tbody> <tr> <td><i>Two Lane Ramp Width</i></td> <td><i>m</i></td> <td><i>10</i></td> </tr> <tr> <td><i>Ramp Grade</i></td> <td><i>%</i></td> <td><i>10</i></td> </tr> <tr> <td><i>Bench Face Angle</i></td> <td><i>Degrees</i></td> <td><i>45</i></td> </tr> <tr> <td><i>Pit Slope</i></td> <td><i>Degrees</i></td> <td><i>34</i></td> </tr> <tr> <td><i>Final Wall Bench Height</i></td> <td><i>m</i></td> <td><i>10</i></td> </tr> <tr> <td><i>Berm Width</i></td> <td><i>m</i></td> <td><i>5</i></td> </tr> </tbody> </table> </li> <li>The final pit design is presented below</li> </ul>	<i>Description</i>	<i>Units</i>	<i>Value</i>	<i>Two Lane Ramp Width</i>	<i>m</i>	<i>10</i>	<i>Ramp Grade</i>	<i>%</i>	<i>10</i>	<i>Bench Face Angle</i>	<i>Degrees</i>	<i>45</i>	<i>Pit Slope</i>	<i>Degrees</i>	<i>34</i>	<i>Final Wall Bench Height</i>	<i>m</i>	<i>10</i>	<i>Berm Width</i>	<i>m</i>	<i>5</i>
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<p>Metallurgical factors or assumptions</p>	<ul style="list-style-type: none"> <li>The metallurgical process proposed and the appropriateness of that process to the style of mineralization.</li> <li>Whether the metallurgical process is well-tested technology or novel in nature.</li> <li>The nature, amount and representativeness of metallurgical test work undertaken, the nature of the metallurgical domaining applied</li> </ul>	<ul style="list-style-type: none"> <li>ROM will be transported by 10m<sup>3</sup> trucks from the mine to the stockpile area. The ROM will be reclaimed from the stockpile with a front-end loader and a truck to feed the processing plant.</li> <li>Considering the production of a DANF product during the Project Phase 1 the facility will consist of simple processing plant with the following flow:</li> <li>The transported material is dumped into a vibrating feeder with capacity of 120 tph</li> <li>Crushing circuit – Consisting of a primary impact crusher, hopper, and conveyance to mills</li> <li>Milling circuit – Consisting of 4 hammer mills in parallel, hoppers and conveyance to the warehouse</li> </ul>

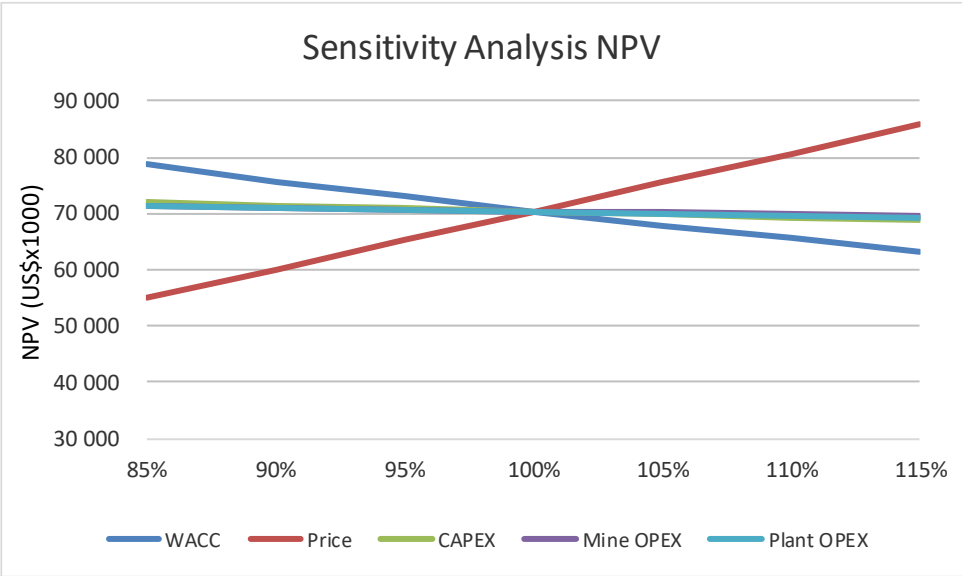
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	<p>and the corresponding metallurgical recovery factors applied.</p> <ul style="list-style-type: none"> <li>Any assumptions or allowances made for deleterious elements.</li> <li>The existence of any bulk sample or pilot scale test work and the degree to which such samples are considered representative of the orebody as a whole.</li> <li>For minerals that are defined by a specification, has the ore reserve estimation been based on the appropriate mineralogy to meet the specifications?</li> </ul>	
Environmental	<ul style="list-style-type: none"> <li>The status of studies of potential environmental impacts of the mining and processing operation. Details of waste rock characterisation and the consideration of potential sites, status of design options considered and, where applicable, the status of approvals for process residue storage and waste dumps should be reported.</li> </ul>	<ul style="list-style-type: none"> <li>A comprehensive Environmental and Social Impact Assessment (EIA/RIMA), that meets national and international standards, was undertaken in 2015 and 2016 by Golder Associates based on over 14 months of field data collection and subsequent interpretation. The EIA/RIMA was submitted to State Government Agency (FEPAM) in October/2016. Agua produced an updated version of the EIA / RIMA in September/2017. FEPAM requested additional information regarding the EIA/RIMA in October/2018, April/2019 and July/2019, which were respectively answered by Agua in December/2018, May/2019 and August/2019. The Public consultation for the Três Estradas Phosphate Project held in Lavras do Sul in March 20th ,2019. The EIA/RIMA was approved with the Preliminary License (LP) grating by FEPAM in October 15th, 2019.</li> <li>Currently Agua is developing works aiming to obtain the Installation Permit (LI), which provides the necessary authorisation to initiate construction and start developing the mine site. The LI is granted by fulfillment of the LP conditions, approval of the mine development plan (PAE) by the National Mining Agency and it demonstrates economic feasibility and approval of an environmental control plan called the Basic Environmental Plan (PBA). The PBA outlines compensatory measures and pollution control plans, which have been defined in the LP.</li> </ul>
Infrastructure	<ul style="list-style-type: none"> <li>The existence of appropriate infrastructure: availability of land for plant development, power,</li> </ul>	<ul style="list-style-type: none"> <li>The project site has good road access to within 9 km, and municipal road access to the site. It is nearby (27km) to Lavras do Sul city which will provide as well as house employees and provide basic services. The region has several other mines, and a well-established local coal</li> </ul>

Criteria	JORC Code explanation	Commentary																						
	<p>water, transportation (particularly for bulk commodities), labour, accommodation; or the ease with which the infrastructure can be provided or accessed.</p>	<p>industry, so equipment vendors and contractors are available to support the operations, as needed. Water will be impounded from a river at the property, and line power is available from transmission line 9 km away. A system of well-maintained roads links the mine to Porto Alegre (the capital city of the state) as well as to the markets in the north, east and west of the Rio Grande do Sul (RS) state.</p> <ul style="list-style-type: none"> <li>The terrain at the project site is reasonably level and has been shown by geotechnical analysis to provide competent foundations for the process plant, mine infrastructure, waste dumps, tailings storage, dykes, etc.</li> </ul>																						
<p><b>Costs</b></p>	<ul style="list-style-type: none"> <li>The derivation of, or assumptions made, regarding projected capital costs in the study.</li> <li>The methodology used to estimate operating costs.</li> <li>Allowances made for the content of deleterious elements.</li> <li>The source of exchange rates used in the study.</li> <li>Derivation of transportation charges.</li> <li>The basis for forecasting or source of treatment and refining charges, penalties for failure to meet specification, etc.</li> <li>The allowances made for royalties payable, both Government and private.</li> </ul>	<ul style="list-style-type: none"> <li>The ROM (Run of Mine) loaded, transported by trucks and discharged directly into the receiving hopper of ROM at an average feed rate of 120 tons per hour. A mining fleet was dimensioned to allow estimate possible mining Capex an Opex.</li> <li>In the first 3 years the mining equipment will be rental, after 3 years the equipment's will be owned.</li> <li>CAPEX and OPEX information were estimated based on similar projects and GE21 data base.</li> <li>The table below presents the mining costs</li> </ul> <p>Summarized Project CAPEX</p> <table border="1" data-bbox="996 898 1977 1203"> <thead> <tr> <th>Item</th> <th>AUD\$(Mi)</th> </tr> </thead> <tbody> <tr> <td>Mine Equipment (year 3)</td> <td>1.26</td> </tr> <tr> <td>Infrastructure (buildings, security facilities, power),</td> <td>3.89</td> </tr> <tr> <td>Processing Plant</td> <td>1.88</td> </tr> <tr> <td>Environmental and permits</td> <td>0.26</td> </tr> <tr> <td>Others</td> <td>2.43</td> </tr> <tr> <td>Contingency (9%)</td> <td>0.85</td> </tr> <tr> <td><b>Total</b></td> <td><b>10.57</b></td> </tr> </tbody> </table> <ul style="list-style-type: none"> <li>The table below presents the mining costs</li> </ul> <p>Summarized Project OPEX</p> <table border="1" data-bbox="996 1321 1977 1436"> <thead> <tr> <th>Item</th> <th>Value</th> </tr> </thead> <tbody> <tr> <td>Mine (Loading and transportation) AUD\$/t mined</td> <td>2.32</td> </tr> <tr> <td>Plant – AUD\$/t ROM</td> <td>4.81</td> </tr> </tbody> </table>	Item	AUD\$(Mi)	Mine Equipment (year 3)	1.26	Infrastructure (buildings, security facilities, power),	3.89	Processing Plant	1.88	Environmental and permits	0.26	Others	2.43	Contingency (9%)	0.85	<b>Total</b>	<b>10.57</b>	Item	Value	Mine (Loading and transportation) AUD\$/t mined	2.32	Plant – AUD\$/t ROM	4.81
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		Sales Costs	3.34
Revenue factors	<ul style="list-style-type: none"> <li>The derivation of, or assumptions made regarding revenue factors including head grade, metal or commodity price(s) exchange rates, transportation and treatment charges, penalties, net smelter returns, etc.</li> <li>The derivation of assumptions made of metal or commodity price(s), for the principal metals, minerals and co-products.</li> </ul>	<ul style="list-style-type: none"> <li>Long term prices and exchange rate assumptions adopted in the Scoping Study for Mineable Resource are:</li> <li>Exchange rate: AUD\$1.00 =R\$ 2.85</li> <li>Process are AUD\$70/t conc 9.5%P2O5</li> </ul>	
Market assessment	<ul style="list-style-type: none"> <li>The demand, supply and stock situation for the particular commodity, consumption trends and factors likely to affect supply and demand into the future.</li> <li>A customer and competitor analysis along with the identification of likely market windows for the product.</li> <li>Price and volume forecasts and the basis for these forecasts.</li> <li>For industrial minerals the customer specification, testing and acceptance requirements prior to a supply contract.</li> </ul>	<ul style="list-style-type: none"> <li>Phosphate is the primary nutrient for agriculture and a fundamental ingredient in many fertilizer products. Brazil has evolved into one of the world's major exporters of food, and that position looks to strengthen given the projected increases in world population, in meat consumption by the growing middle-class, and in the use of biofuels. There is no local phosphate producer in the RS state which is currently 100% reliant on phosphate imports.</li> <li>Aguia intends to use its logistical competitive position to capture a market share in the RS state by supplying initially 50 ktpy and reaching a production rate of approximately 300 ktpy of DANF product from year 4 to year 18 of the Três Estradas Phosphate Project – Phase I.</li> <li>Lab results confirm that the DANF product it's suitability to meet customer's product specifications. Currently specific agronomic trials are in course to define the agronomic efficiency regarding distinct crops and types of soil.</li> <li>The Selling prices was based on the similar projects.</li> </ul>	

Criteria	JORC Code explanation	Commentary												
Economic		<ul style="list-style-type: none"> <li>The below summarizes the taxes that are considered in this project economic evaluation.</li> <li>Taxes                             <table border="1" data-bbox="902 360 1883 547"> <thead> <tr> <th>Tax Rates</th> <th>%</th> </tr> </thead> <tbody> <tr> <td>Item</td> <td></td> </tr> <tr> <td>IRPJ (15% until R\$ 240.000,00 of</td> <td>15</td> </tr> <tr> <td>IRPJ (25% over R\$ 240.000,00 of</td> <td>25</td> </tr> <tr> <td>CSLL (9% of EBITDA)</td> <td>9</td> </tr> <tr> <td>CFEM (2% of gross revenue)</td> <td>2</td> </tr> </tbody> </table> </li> <li>The Project estimates a Net Present Value of AUD\$ 69.3 million, at a Discount Rate of 8% per year post tax, as presented in below</li> </ul>	Tax Rates	%	Item		IRPJ (15% until R\$ 240.000,00 of	15	IRPJ (25% over R\$ 240.000,00 of	25	CSLL (9% of EBITDA)	9	CFEM (2% of gross revenue)	2
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		<ul style="list-style-type: none"> <li>The inputs to the economic analysis to produce the net present value (NPV) in the study, the source and confidence of these economic inputs including estimated inflation, discount rate, etc.</li> <li>NPV ranges and sensitivity to variations in the significant assumptions and inputs.</li> </ul>												
		<ul style="list-style-type: none"> <li>A sensitivity analysis was undertaken to evaluate the impact of the resulting economic indicators for the following attributes, within the cash flow:                             <ul style="list-style-type: none"> <li>WACC</li> <li>Sell price</li> <li>Mine OPEX</li> </ul> </li> </ul>												

		Discounted Cash Flow																		
Period	-1	0	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	Total
Year	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035	2036	2037	2038	
Mine	-	79.6	219	370	541	454	480	442	503	521	514	483	483	483	483	483	431	431	461	7 783
ROM (Kt)	-	50.0	96.0	200.3	303.9	304.4	318.7	279.5	302.2	331.3	335.6	333.4	333.4	333.4	333.4	333.4	313.0	313.0	287.3	5 102
ROM Grade (%)	-	9.50	9.50	9.29	10.10	9.58	9.65	9.47	9.69	9.90	9.76	9.41	9.41	9.41	9.41	9.41	9.04	9.04	5.04	8.76
Stock Formation(Kt)	-	-	59.3	78.8	82.0	-	-	-	-	-	-	-	-	-	-	-	-	-	-	250.4
Stock Recovery (Kt)	-	-	-	59.3	62.6	-	-	-	-	-	-	-	-	-	-	-	-	-	-	128.5
Waste(t)	-	20.1	63.3	90.8	155.4	149.3	161.5	162.8	170.8	190.1	178.7	149.5	149.5	149.5	149.5	149.5	118.1	118.1	174.1	2 500
Fees Plant (Kt)	-	50.0	96.0	200.3	303.9	304.4	318.7	279.5	302.2	331.3	335.6	333.4	333.4	333.4	333.4	333.4	313.0	313.0	287.3	5 102
Mass Recovery (%)	-	95.0	95.0	95.0	95.0	95.0	95.0	95.0	95.0	95.0	95.0	95.0	95.0	95.0	95.0	95.0	95.0	95.0	95.0	
P2O5 DANF, @9% (Kt)	-	47.5	91.2	190.3	288.7	289.2	302.8	265.5	287.1	314.8	318.8	316.7	316.7	316.7	316.7	316.7	297.4	297.4	281.5	4 855.4
P2O5 DANF Sell Price (AUD/t conc)	-	72.0	72.0	72.0	72.0	72.0	72.0	72.0	72.0	72.0	72.0	72.0	72.0	72.0	72.0	72.0	72.0	72.0	72.0	43.2
OPEX (AUD\$ x1000)	-	(571.6)	(1 237)	(2 255)	(3 337)	(3 546)	(3 476)	(3 339)	(3 410)	(3 741)	(3 855)	(3 831)	(3 829)	(3 829)	(3 829)	(3 829)	(3 213)	(3 151)	(2 941)	(57 613)
Mine	-	(227.6)	(576)	(877)	(941)	(1 089)	(1 103)	(1 100)	(1 069)	(1 074)	(1 144)	(1 138)	(1 136)	(1 136)	(1 136)	(1 136)	(1 112)	(1 050)	(994)	(18 036)
Loading and transportation - Total AUD\$ x1000	-	(227.6)	(532)	(774)	(833)	(1 089)	(1 103)	(1 100)	(1 074)	(1 074)	(1 144)	(1 138)	(1 136)	(1 136)	(1 136)	(1 136)	(1 112)	(1 050)	(897)	(17 660)
Stock Formation AUD\$	-	-	(44)	(59)	(61)	-	-	-	(23)	-	-	-	-	-	-	-	-	-	-	(188)
Stock Recovery AUD\$	-	-	-	(44)	(67)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	(96)
Process	-	(173)	(332)	(693)	(1 416)	(1 418)	(1 485)	(1 303)	(1 544)	(1 564)	(1 553)	(1 553)	(1 553)	(1 553)	(1 553)	(1 553)	(1 459)	(1 339)	(1 339)	(23 360)
Process Cost- Phosphate Rock AUD\$ x1000	-	(173.0)	(332.2)	(693.0)	(1 416.0)	(1 418.0)	(1 485.2)	(1 302.5)	(1 544.0)	(1 563.7)	(1 553.5)	(1 553.5)	(1 553.5)	(1 553.5)	(1 553.5)	(1 553.5)	(1 458.6)	(1 338.9)	(1 338.9)	(23 360)
GEAR (AUD\$ x1000)	-	(171)	(328)	(685)	(1 039)	(1 041)	(1 090)	(956)	(1 033)	(1 133)	(1 148)	(1 140)	(1 140)	(1 140)	(1 140)	(1 140)	(642)	(642)	(68)	(16 216)
Gross Revenue (AUD\$ x1000)	-	3 420	6 568	13 699	20 794	29 820	21 800	19 119	20 669	22 662	22 953	22 802	22 802	22 802	22 802	22 802	12 846	12 846	12 161	324 356
EBITDA (AUD\$ x1000)	-	2 848	5 331	11 444	17 387	17 271	18 121	15 760	17 159	18 912	19 097	18 971	18 973	18 973	18 973	18 973	9 633	9 633	9 220	286 743
Depreciation (AUD\$ x1000)	-	(1 154)	(1 154)	(1 154)	(1 353)	(239)	(239)	(239)	(239)	(239)	(108)	(108)	(108)	(108)	(108)	(108)	(108)	(108)	(108)	(7 833)
EBIT (AUD\$ x1000)	-	1 694	4 177	10 290	15 984	15 878	17 882	15 521	16 919	18 912	18 989	18 863	18 865	18 865	18 865	18 865	18 973	18 973	18 973	258 910
IRPJ (15% de R\$ 240 000/ano do EBIT)	-	(13)	(13)	(13)	(13)	(13)	(13)	(13)	(13)	(13)	(13)	(13)	(13)	(13)	(13)	(13)	(13)	(13)	(13)	(227)
AIR (25% sobre Exc R\$ 0.24 mil/ano do EBIT)	-	(403)	(1 023)	(2 551)	(3 977)	(3 948)	(4 449)	(3 859)	(4 209)	(4 707)	(4 726)	(4 695)	(4 695)	(4 695)	(4 695)	(4 695)	(4 722)	(2 360)	(2 376)	(64 349)
CSLL (9% do EBIT)	-	(152)	(376)	(926)	(1 439)	(1 429)	(1 609)	(1 397)	(1 523)	(1 702)	(1 709)	(1 698)	(1 698)	(1 698)	(1 698)	(1 698)	(857)	(857)	(820)	(23 302)
CFEM (2% sobre Receita Bruta)	-	(68)	(131)	(274)	(416)	(416)	(436)	(382)	(413)	(453)	(459)	(456)	(456)	(456)	(456)	(456)	(257)	(257)	(243)	(6 487)
Free Operating Cash Flow (AUD\$ x1000)	-	1 058	2 634	6 526	10 149	10 071	11 375	9 970	10 762	12 037	12 082	12 002	12 003	12 003	12 003	12 075	6 038	6 079	5 779	164 545
Free Operating Cash Flow (AUD\$ x1000)	-	1 058	2 634	6 526	10 149	10 071	11 375	9 970	10 762	12 037	12 082	12 002	12 003	12 003	12 075	6 038	6 079	5 779	164 545	
CAPEX (AUD\$ x1000)	(9 300)	(40)	-	(1 260)	-	-	-	-	-	(570)	-	-	-	-	-	(570)	-	-	-	(11 740)
Mine	-	-	-	(1 260)	-	-	-	-	-	(570)	-	-	-	-	-	(570)	-	-	-	(12 400)
Plant	(1 880)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	(1 880)
Environment	(260)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	(260)
Infra	(3 980)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	(3 980)
Others	(2 430)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	(2 430)
Working Capital	(840)	(40)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	(40)
Contingency	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Cash Flow (AUD\$ x1000)	(9 306)	1 018	2 634	5 266	10 149	10 071	11 375	9 970	10 762	11 467	12 082	12 002	12 003	12 003	12 003	11 505	6 038	6 079	5 779	152 799
NPV (AUD\$ x1000)	69 355	WACC (%)	8%																	

Criteria	JORC Code explanation	Commentary
		<ul style="list-style-type: none"> <li>Plant OPEX.</li> <li>The WACC, OPEX, NPV, was evaluated by varying its value from -15% to +15%. Figure below shows the sensitivity analysis developed by GE21.</li> </ul>  <p>The chart, titled 'Sensitivity Analysis NPV', plots NPV (US\$ x 1000) on the y-axis (ranging from 30,000 to 90,000) against percentage change on the x-axis (ranging from 85% to 115%). Five lines represent different variables: WACC (blue), Price (red), CAPEX (green), Mine OPEX (purple), and Plant OPEX (cyan). WACC and Price show the most significant impact, with WACC decreasing and Price increasing as the percentage change moves away from 100%. CAPEX, Mine OPEX, and Plant OPEX show minimal impact, with their lines remaining relatively flat and clustered around the 70,000 NPV mark.</p>
Social	<ul style="list-style-type: none"> <li>The status of agreements with key stakeholders and matters leading to social licence to operate.</li> </ul>	<ul style="list-style-type: none"> <li>As part of the baseline work, impacts on the social-economic and cultural components were identified in the area in which the Tres Estradas Phosphate Project will be implemented. Each of these impacts have been ranked in significance and environmental plans and programs have been identified and proposed in the EIA approved by FEPAM in October 15th, 2019.</li> </ul>
Other	<ul style="list-style-type: none"> <li>To the extent relevant, the impact of the following on the project and/or on</li> </ul>	<ul style="list-style-type: none"> <li>There are no known naturally occurring risks to which the project would be subject that have been identified. The region is seismically stabled and not known to be subject to usually inclement weather. Any identified material naturally occurring risks.</li> <li>Agua holds 100% interest in the three mineral rights permits covering the Tres Estradas Phosphate Project.</li> </ul>

Criteria	JORC Code explanation	Commentary
	<p>the estimation and classification of the Ore Reserves:</p> <ul style="list-style-type: none"> <li>• Any identified material naturally occurring risks.</li> <li>• The status of material legal agreements and marketing arrangements.</li> <li>• The status of governmental agreements and approvals critical to the viability of the project, such as mineral tenement status, and government and statutory approvals. There must be <i>reasonable grounds to expect that all necessary Government approvals will be received within the timeframes anticipated in the Pre-Feasibility or Feasibility study. Highlight and discuss the materiality of any</i></li> </ul>	<ul style="list-style-type: none"> <li>• Agua has not yet begun the process of land acquisition.</li> <li>• Agua is currently in the phase of requirement for Installation Permit (LI). According to Brazilian law the LI is granted under the fulfillment of the LP conditions, approval of the mine development plan (PAE) by the National Mining Agency and it demonstrates economic feasibility and approval of an environmental control plan called the Basic Environmental Plan (PBA).</li> </ul>

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	<p><i>unresolved matter that is dependent on a third party on which extraction of the reserve is contingent.</i></p>																																																																																	
<p>Classification</p>	<ul style="list-style-type: none"> <li>The basis for the classification of the Ore Reserves into varying confidence categories.</li> <li>Whether the result appropriately reflects the Competent Person's view of the deposit.</li> <li>The proportion of Probable Ore Reserves that have been derived from Measured Mineral Resources (if any).</li> </ul>	<ul style="list-style-type: none"> <li>The Scoping Study referred to in this report is based on low-level technical and economic assessments, and is insufficient to support estimation of Ore Reserves or to provide assurance of an economic development case at this stage, or to provide certainty that the conclusions of the Scoping Study will be realized.</li> </ul> <p>Mineable Resources</p> <table border="1" data-bbox="703 603 2029 991"> <thead> <tr> <th colspan="10" style="text-align: center;"><b>Block dimensions 12x6x10 (m) Mine Recovery 98%, Dilution 2% (Effective date 09/082017)</b></th> </tr> <tr> <th></th> <th><b>Mt</b></th> <th><b>P<sub>2</sub>O<sub>5</sub></b></th> <th><b>Cao</b></th> <th><b>Mgo</b></th> <th><b>SiO<sub>2</sub></b></th> <th><b>K<sub>2</sub>O</b></th> <th><b>Fe<sub>2</sub>O<sub>3</sub></b></th> <th><b>MnO<sub>2</sub></b></th> <th><b>Al<sub>2</sub>O<sub>3</sub></b></th> </tr> </thead> <tbody> <tr> <td>Mea</td> <td>0.7</td> <td>10.6</td> <td>18.8</td> <td>5.9</td> <td>30.9</td> <td>0.5</td> <td>19.9</td> <td>0.9</td> <td>5.1</td> </tr> <tr> <td>Ind</td> <td>4.4</td> <td>8.5</td> <td>15.5</td> <td>5.1</td> <td>33.1</td> <td>0.5</td> <td>17.9</td> <td>0.8</td> <td>6.3</td> </tr> <tr> <td>Inf</td> <td>0.04</td> <td>5.3</td> <td>20.0</td> <td>5.4</td> <td>28.9</td> <td>0.5</td> <td>12.0</td> <td>0.5</td> <td>6.6</td> </tr> <tr> <td><b>Total ROM</b></td> <td><b>5.1</b></td> <td><b>8.79</b></td> <td><b>15.94</b></td> <td><b>5.17</b></td> <td><b>32.77</b></td> <td><b>0.50</b></td> <td><b>18.15</b></td> <td><b>0.82</b></td> <td><b>6.17</b></td> </tr> <tr> <td><b>Waste</b></td> <td><b>2.5</b></td> <td colspan="8"></td> </tr> <tr> <td>REM</td> <td><b>0.49</b></td> <td colspan="8"></td> </tr> </tbody> </table> <p>Mineable Resources were estimated following the parameters: Sell price for DANF= AUD\$ 72.00 and for Amphibolite Phosphate Concentrated -AUD\$ 43.20  Mining costs: AUD\$ 2.32 /t mined, processing costs: AUD\$ 4.81 /t milled and AUD\$ 3.34 /t DANF, Dilution 2% and Recovery 98%  Final slope angle: 34°  The Competent Person for the estimate is Guilherme Gomides Ferreira, BSc. (MEng), MAIG, an employee of GE21</p>	<b>Block dimensions 12x6x10 (m) Mine Recovery 98%, Dilution 2% (Effective date 09/082017)</b>											<b>Mt</b>	<b>P<sub>2</sub>O<sub>5</sub></b>	<b>Cao</b>	<b>Mgo</b>	<b>SiO<sub>2</sub></b>	<b>K<sub>2</sub>O</b>	<b>Fe<sub>2</sub>O<sub>3</sub></b>	<b>MnO<sub>2</sub></b>	<b>Al<sub>2</sub>O<sub>3</sub></b>	Mea	0.7	10.6	18.8	5.9	30.9	0.5	19.9	0.9	5.1	Ind	4.4	8.5	15.5	5.1	33.1	0.5	17.9	0.8	6.3	Inf	0.04	5.3	20.0	5.4	28.9	0.5	12.0	0.5	6.6	<b>Total ROM</b>	<b>5.1</b>	<b>8.79</b>	<b>15.94</b>	<b>5.17</b>	<b>32.77</b>	<b>0.50</b>	<b>18.15</b>	<b>0.82</b>	<b>6.17</b>	<b>Waste</b>	<b>2.5</b>									REM	<b>0.49</b>								
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<p>Audits or reviews</p>	<ul style="list-style-type: none"> <li>The results of any audits or reviews of Ore Reserve estimates.</li> </ul>	<p>The Scoping Study have been independently reviewed by</p> <ul style="list-style-type: none"> <li>Porfirio Cabaleiro Rodriguez – Mining Engineer MAIG of GE21 Mining Consulting and</li> <li>Bernardo H. C. Viana – Geologist MAIG of GE21 Mining Consulting</li> </ul>																																																																																



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<p>Discussion of relative accuracy/ confidence</p>	<ul style="list-style-type: none"> <li>• Where appropriate a statement of the relative accuracy and confidence level in the Ore Reserve estimate using an approach or procedure deemed appropriate by the Competent Person. For example, the application of statistical or geostatistical procedures to quantify the relative accuracy of the reserve within stated confidence limits, or, if such an approach is not deemed appropriate, a qualitative discussion of the factors which could affect the relative accuracy and confidence of the estimate.</li> <li>• The statement should specify whether it relates to global or local</li> </ul>	<ul style="list-style-type: none"> <li>• The Scoping Study referred to in this report is based on low-level technical and economic assessments and is insufficient to support estimation of Ore Reserves or to provide assurance of an economic development case at this stage, or to provide certainty that the conclusions of the Scoping Study will be realized.</li> </ul>

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	<p>estimates, and, if local, state the relevant tonnages, which should be relevant to technical and economic evaluation. Documentation should include assumptions made and the procedures used.</p> <ul style="list-style-type: none"> <li>• Accuracy and confidence discussions should extend to specific discussions of any applied Modifying Factors that may have a material impact on Ore Reserve viability, or for which there are remaining areas of uncertainty at the current study stage.</li> <li>• It is recognised that this may not be possible or appropriate in all circumstances. These statements of relative accuracy and</li> </ul>	

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	<p>confidence of the estimate should be compared with production data, where available.</p>	