

AGUIA

1 September 2022

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

UPDATE ON LEGAL PROCEEDINGS

Sydney, Australia - Aguia Resources Limited ABN 94 128 256 888 (ASX: AGR) ('**Aguia**' or the '**Company**') wishes to advise the market of a development in the Public Civil Action regarding the environmental licensing for the Tres Estradas Phosphate Project ('**TEPP**' or the '**Phosphate Project**').

As previously disclosed, the initial Federal Trial Court decision found that the Federal Public Prosecutor (FPP) had no standing to sue in the Federal Court because the Federal Court lacked jurisdiction to hear the case and consequently referred the case to the State Court of Lavras do Sul.

The FPP appealed against this decision.

The appeal has now been decided by the Federal Court of Appeals, which, following the vote of the reporting Justice that had previously granted a staying effect to such appeal, has decided to overturn the initial Federal Trial Court decision, thus keeping the case in the federal court.

The grounds for the Federal Court of Appeals decision were that:

- the mineral (phosphate) belongs to the Federal Government as it has jurisdiction in relation to mining; and that
- the Federal Government has an interest in the case.

The Federal Government's interest in the case stems from it having declared phosphate fertiliser to be a strategic mineral' of upmost importance to the economy of Brazil and for food production. The Brazilian Federal Government has declared that it plans to reduce Brazil's dependence on imported phosphate fertilisers by encouraging local phosphate fertiliser production. As announced on 13 October 2021, Aguia's TEPP Phosphate Project has been recognised as being of strategic importance by the Brazilian Government in accordance with this policy.

This means that the Public Civil Action will now once again be tried before the Federal Trial Court and the Federal Government has now been granted the right to join the case as an interested party. Five associations allegedly representing the traditional communities have also been granted the right to join the case in support of the FPP.

Subsequently, the Federal Trial Court has ordered (i) that the associations comment on the injunctive relief request presented by the FPP, and (ii) that the defendants, the FPP and the Federal Government provide updated information on the issuance of the Installation Licence (LI) in 30 days.

We will provide further updates in due course.

**AUTHORISED FOR ISSUE TO ASX BY FERNANDO TALLARICO, MANAGING
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About Agua:

Agua Resources Limited, ("Agua") is an ASX listed multi-commodity company (AGR:ASX) with preproduction phosphate and metallic copper projects located in Rio Grande do Sul, the southernmost state of Brazil. Agua has an established and highly experienced in-country team based in Porto Alegre, the capital of Rio Grande do Sul. Agua is committed to advancing its existing projects into production whilst continuing to pursue other opportunities within the sector.

JORC Code Competent Person Statements:

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

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 law.