

26 November 2014

## ASX GRANTS ASX LISTING RULE 6.18 WAIVER AND MAKES FAVOURABLE ASX LISTING RULE 10.1 DECISION

As announced on 20 October 2014, Agua Resources Limited (**ASX: AGR**) (**Company** or **Agua**) has secured a \$2,000,000 placement with Sulliden Mining Capital Inc. (**Sulliden**) comprising of 40,000,000 shares at an issue price of \$0.05 per share pursuant to a subscription agreement (**Subscription Agreement**).

As noted in the announcement on 20 October 2014, in addition to the shares being issued under the placement, Sulliden were granted (subject to the receipt of any necessary ASX relief from ASX Listing Rules 6.18 and 10.1):

- (1) a royalty equal to 1% of the net smelter returns (**NSR**) in respect of the Rio Grande project and all properties contingent to that project; and
- (2) the right to participate in any future equity financings in order to maintain its proportionate equity interest (**Top-Up Right**).

In respect of the NSR royalty, Agua has the right (subject to the receipt of any necessary ASX relief) to buy back the NSR royalty for a payment of US\$1,000,000 at any time for up to three years from the date of the issue of the 40,000,000 shares, with such consideration payable in either cash, Agua shares or any combination of cash and Agua shares (**Buy-Back Right**).

Agua is pleased to announce that ASX has now provided confirmation that ASX Listing Rule 10.1 does not apply to the exercise of its Buy-Back Right to buy back the NSR royalty for US\$1,000,000 from Sulliden, subject to the following conditions:

- (1) the terms of the Subscription Agreement are not varied; and
- (2) Agua releases the terms of the confirmation to the market immediately.

Agua is also pleased to announce that it has received a waiver from ASX in respect of ASX Listing Rule 6.18 as it applies to the Top-Up Right, to enable Sulliden (or its nominee) to maintain its ownership percentage in Agua (**ASX Waiver**).

The ASX Waiver provides that the Top-Up Right is subject to a number of conditions:

- The Top-Up Right lapses on the earlier of:
  - a) Sulliden's holding in the Company falling below 10%;
  - b) Sulliden's holding in the Company exceeding 25%; or
  - c) the strategic relationship between the Company and Sulliden ceasing or changing in such a way that it effectively ceases.
- The Top-Up Right may only be transferred to an entity in the wholly owned group of Sulliden.
- Any securities issued under the Top-Up Right are offered to Sulliden for cash consideration that is:
  - a) no more favourable than cash consideration paid by third parties (in the case of issues of securities to third parties for cash consideration); or

- b) equivalent in value to non-cash consideration offered by third parties (in the case of issues of securities to third parties for non-cash consideration).
- The number of securities that may be issued to Sulliden under the Top-Up Right in the case of any diluting event must not be greater than the number required in order for Sulliden to maintain its percentage holding in the issued share capital of the Company immediately before that diluting event.
- The Company discloses a summary of the Top-Up Right to persons who may subscribe for securities under a prospectus, and undertakes to include in each annual report a summary of the Top-Up Right.

– ENDS –

**For further information, please contact:**

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***About Aguia***

*Aguia is an emerging fertiliser development company focusing on phosphate and potash projects in Brazil. Brazil is Latin America's biggest economy and is heavily reliant on imports of up to 50 per cent of its phosphate and 90 per cent of its potash needs. Aguia is well positioned to capitalise on the growing demand for phosphorus and potash based fertilisers in the expanding agriculture sector in Brazil and controls four large projects, located close to existing infrastructure. The Company is committed to its existing projects whilst continuing to pursue other opportunities within the fertiliser sector.*