ASX RELEASE ASX: AGR

27 April 2015

AGUIA SIGNIFICANTLY INCREASES TRÊS ESTRADAS PHOSPHATE RESOURCE BY 130% TO 70.1 MILLION TONNES

Highlights:

- **Total JORC compliant Indicated and Inferred resources increase 130% from 30.5 Mt to 70.1 Mt (comprising 15.2 Mt Indicated and 54.9 MT Inferred) with an average grade of 4.20% P_2O_5**
- **Higher grade oxide zone from surface more than doubled, with combined Indicated and Inferred resource of 3.9 Mt @ 10.25% P_2O_5**
- **Strike-length of Três Estradas deposit extended by 1.3 km to a total of 2.5 km of mineralisation**
- **Três Estradas project now moves into development phase:**
  - **Bench scale beneficiation tests to improve P_2O_5 process recovery now in final stages with results expected next month**
  - **Preliminary Economic Assessment by SRK Consulting expected to be completed by end of July**

Brazilian fertilizer developer Aguia Resources Limited (ASX: **AGR**) ("Aguia" or "Company") is pleased to announce a significant expansion of the JORC compliant Mineral Resource estimate at its flagship Três Estradas ("TE") phosphate project in southern Brazil.

The audited Mineral Resource Statement (Table 1) of 70.1 Mt (comprising 54.9 Mt Inferred Resource and 15.2 Mt Indicated Resource) at an average grade of 4.20% P_2O_5 represents a 130% increase compared to previous results announced in late 2013 of 30.5 Mt grading 4.30% P_2O_5.

The higher grade oxide from surface has doubled and now totals 3.9 Mt Indicated and Inferred resource with an average grade of 10.25% P_2O_5.

Aguia commissioned leading independent global consulting company SRK Consulting to prepare the JORC compliant audited Mineral Resource Statement (see Table 1). The mineral resources are reported within a conceptual pit shell at a cut-off grade of 3% P_2O_5. A competent person's statement follows.

Aguia also reports that the strike-length of the Três Estradas project has increased considerably following completion of reverse circulation (1,153 metres) and core drilling (3,273 metres) programs in February 2015. An additional 1.3 km of strike-length of the deposit was discovered, resulting in a total strike-length of 2.5 km of mineralisation.

Table 1: Audited Mineral Resource Statement*, Três Estradas Phosphate Poject, Rio Grande do Sul State, Brazil, SRK Consulting (Canada) Inc., April 25, 2015

Lithotype	Tonnage	P_2O_5	CaO	MgO	Fe_2O_3	SiO_2	Al_2O_3	P_2O_5AP[‡]	RCP[†]
	T x 1000	%	%	%	%	%	%	%	%
Indicated Mineral Resources									
Saprolite									
SAMM (amphibolite)	415	6.30	11.44	6.64	17.12	36.87	7.36	6.27	1.97
SCBT (carbonatite)	2,017	10.74	18.06	4.79	18.99	28.88	5.11	10.69	1.94
Weathered									
WCBT (carbonatite)	1,713	4.99	34.26	6.34	9.54	13.85	2.21	4.99	7.58
Fresh Rock									
MCBT (carbonatite)	11,055	3.94	33.94	7.77	8.35	12.26	2.09	3.94	8.84
Total Indicated Resources	**15,200**	**5.02**	**31.25**	**7.18**	**10.14**	**15.32**	**2.65**	**5.02**	**7.59**
Inferred Mineral Resources									
Saprolite									
SAMM (amphibolite)	302	5.35	11.14	6.88	16.91	38.34	8.09	5.33	2.32
SCBT (carbonatite)	1,205	12.03	18.10	4.04	20.69	27.92	4.96	11.96	1.72
Weathered									
WCBT (carbonatite)	866	4.40	35.79	6.41	8.50	12.11	2.01	4.40	8.82
Fresh Rock									
MCBT (carbonatite)	52,489	3.78	35.35	7.69	7.81	10.55	1.82	3.78	9.49
Total Inferred Resources	**54,862**	**3.98**	**34.84**	**7.59**	**8.15**	**11.11**	**1.92**	**3.97**	**9.27**

* Mineral resources are not mineral reserves and have not demonstrated economic viability. All figures are rounded to reflect the relative accuracy of the estimates. The mineral resources are reported within a conceptual pit shell at a cut-off grade of 3.00 percent of P_2O_5 for saprolite, weathered and fresh rock mineralization. Optimization parameters include selling price of US$330.00 per tonne of SSP, a metallurgic recovery of 65 and 80 percent of P_2O_5 in fresh and oxide rock, 100 percent for mining recovery, 0 percent dilution, and overall pit slopes of 38 and 60 degrees for saprolite and fresh rock, respectively.

† CaO/ P_2O_5 ratio

‡ P_2O_5 contained in apatite

Table 2: Comparison Between May 2013 and April 2015 Mineral Resource Statements

Classification	Quantity ('000 tonnes)	Grade					
		P_2O_5	CaO	MgO	Fe_2O_3	SiO_2	Al_2O_3
		(%)	(%)	(%)	(%)	(%)	(%)
May 2013							
Indicated	9,891	5.03	33.03	6.51	9.96	13.22	2.38
Inferred	20,591	3.94	35.38	7.21	8.02	10.36	1.85
April 2015							
Indicated	15,200	5.02	31.25	7.18	10.14	15.32	2.65
Inferred	54,862	3.98	34.84	7.59	8.15	11.11	1.92
Percentage Difference April 2015 to May 2013							
Indicated	54%	0%	-5%	10%	2%	16%	11%
Inferred	166%	1%	-2%	5%	2%	7%	4%

Três Estradas now moves to a development phase with the focus of work moving to beneficiation test work and completion of a Scoping Study/Preliminary Economic Assessment. Both work programs are well advanced:

- Bench scale beneficiation tests at SGS Canada to improve the current P_2O_5 process recovery of 60% are in the final stages and results of this program are expected to be announced next month.

- Aguia has engaged SRK Consulting to complete a Scoping Study/Preliminary Economic Assessment (PEA) by July this year which consolidates the updated mineral resource model, the upcoming beneficiation results, and the data from the September 2014 Conceptual Mining Study.

Aguia's Executive Chairman, Justin Reid, commented: "The expanded resource at TE has surpassed our expectations and sets the stage for a long-life, expandable and strategically important source of phosphate for Brazil and feed for the already established local and national infrastructure."

"In short order, our goal is to deliver a robust economic analysis to our shareholders, a critical component of our de-risking strategy, while accessing other opportunities within our asset portfolio which also hold considerable value. Congratulations to our technical team for delivering such an outstanding result and unlocking further value at TE."

"We look forward to updating shareholders on the outcome of the beneficiation tests next month and the findings of the PEA in July. Aguia is well on its way to creating a leading Brazilian fertilizer company."

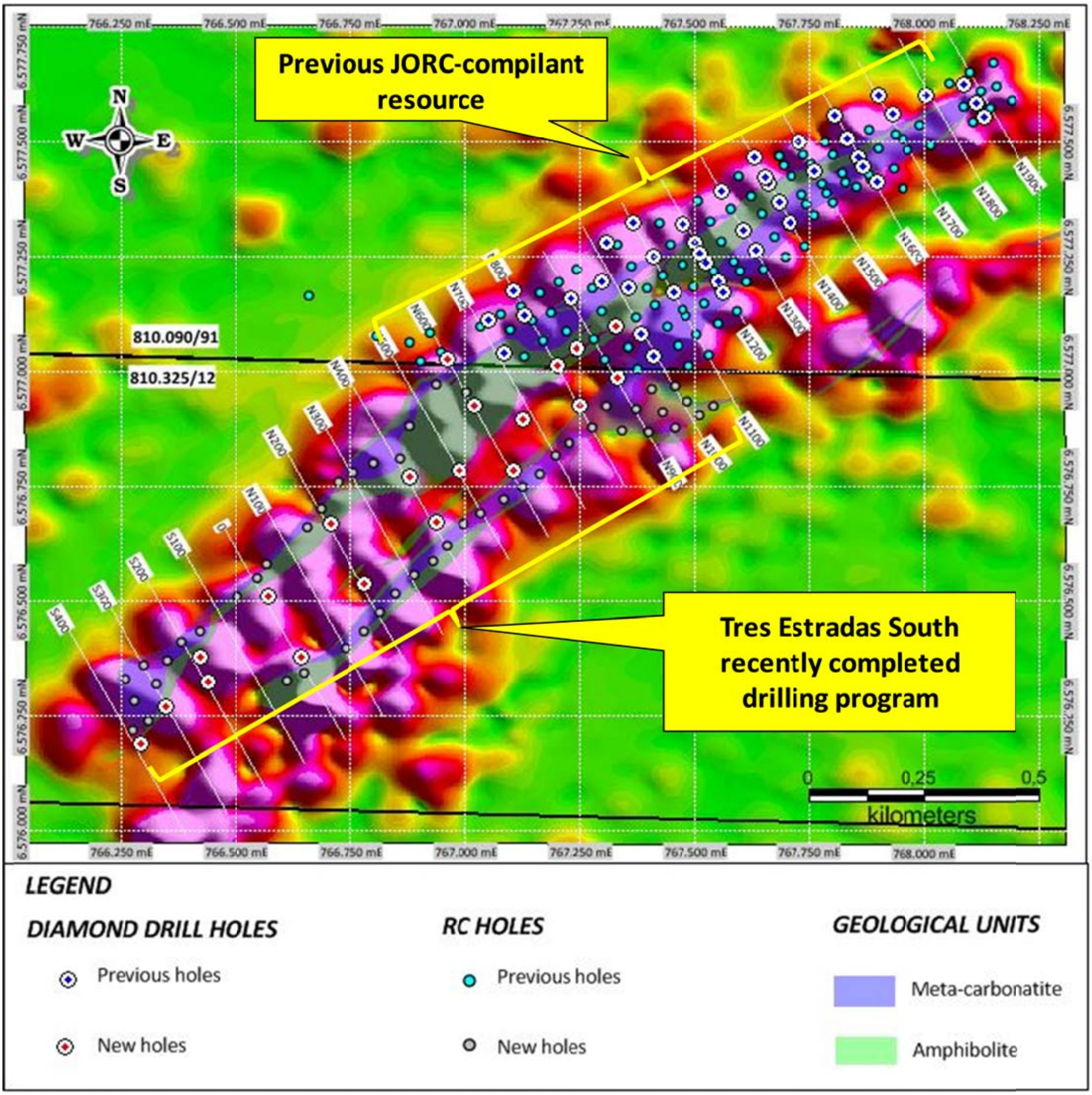

Figure 1 – Map highlighting the recently completed drilling program along the southwest extension of Três Estradas relative to the previous 2013 Mineral Resource Model. Background: ground magnetic survey.

– ENDS –

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About Aguia

Aguia Resources is a Brazilian fertiliser company developing phosphate and potash projects. 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.

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.

The information in this report that relates to a Technical Memorandum prepared by SRK Consulting (Canada) Inc. and entitled Audited Mineral Resource Statement, Três Estradas Phosphate Project, Rio Grande do Sul State, Brazil. This document is dated April 25, 2015 and has been reviewed by and signed off by Ms. Camila Passos, PGeo, Dr Oy Leuangthong, PEng, and Dr Jean-Francois Couture, PGeo. Ms. Passos is a full-time employee of SRK Consultores do Brasil Ltda, and Drs Leuangthong and Couture are full-time employees of SRK Consulting (Canada) Inc., all of whom were retained by Aguia Resources Limited to prepare the audited mineral resource statement. Dr Couture supervised the SRK team and is a member of the Association of Professional Geoscientists of Ontario (APGO#0197). Ms. Passos audited the geology model and the resource database and model, and is a member of the Association of Professional Geoscientists of Ontario (APGO#2431). Dr Leuangthong reviewed the geostatistics and supervised the resource audit, and is registered as a professional engineer with Professional Engineers Ontario (PEO Licence # 90563867). Ms. Passos, Dr Leuangthong and Dr Couture have sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity undertaken in this study 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"). Ms. Passos, Dr Leuangthong and Dr Couture consent to the inclusion in this report of the matters based on SRK study in the form and context in which it appears.

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Memo

To:	Fernando Tallarico	**Date:**	April 25, 2015
Company:	Aguia Resources Limited	**From:**	O. Leuangthong, C. Passos, and J.F. Couture
Copy to:	T. Bonas	**Project #:**	3CA038.005
Subject:	Audited Mineral Resource Statement, Três Estradas Phosphate Project, Rio Grande do Sul State, Brazil		

Aguia Resources Limited (Aguia) commissioned SRK Consulting (Canada) Inc. (SRK Toronto) and SRK Consultores do Brasil Ltda. (SRK Brazil) to audit an updated mineral resource model prepared by Aguia for its Três Estradas phosphate project located in Rio Grande do Sul State, Brazil. The Três Estradas project is a phosphate deposit located in the Sul-rio-grandense Shield. This memorandum summarizes the work completed by SRK Toronto and SRK Brazil to prepare an audited Mineral Resource Statement, which represents the third mineral resource evaluation prepared for this project. A summary of key project parameters pursuant to the Joint Ore Reserves Committee (JORC) code (2012) is presented in the JORC TABLE 1 (Appendix A) with corresponding figures provided in Appendix B.

SRK completed previous audits of the Três Estradas phosphate project in June 2012 and February 2013. Both audits were in compliance with the *Australasian Code for Reporting Mineral resources and Ore Reserves* (2004), published by the Joint Ore Reserves Committee of the Australasian Institute of Mining and Metallurgy, Australian Institute of Geoscientists and the Minerals Council of Australia (the JORC Code).

The original mineral resource model considered 19 core boreholes and 25 auger holes. The resulting Mineral Resource Statement was disclosed by Aguia in a news release dated June 15, 2012. From February 2012 to October 2012, Aguia drilled an additional 21 core boreholes, 105 reverse circulation boreholes, and 135 auger holes. Incorporating the new data, Aguia constructed a second mineral resource model, which was then audited by SRK. The corresponding audited Mineral Resource Statement was disclosed on February13, 2013. All previous Mineral Resource Statements were based solely on a drilling information from the North tenement(#810.090/1991). Exploration permits for the South tenement (#810.325/2012) of the Três Estradas property were granted to Aguia in April 2013.

In 2014, SRK conducted a conceptual mining study for the Três Estradas phosphate deposit. The mining study showed that the upgrading of phosphate concentrate to super simplified phosphate (SSP) was the most economic option for the project, given the mineral resources available and that the potential economic viability of the project would be positively impacted by an increase in mineral resources. These results were disclosed in September 2014.

From December 2014 to February 2015, Aguia drilled an additional 20 core boreholes (3,273 metres) and 49 reverse circulation boreholes (1,153 metres) to delineate the extensions of the phosphate mineralization in the South tenement. Aguia chose to estimate the mineral resources using only core and reverse circulation borehole data.

A GEMS block model was provided to SRK on April 1, 2015 for audit. After review, SRK classified the block model to delineate regular resource categories in accordance with the JORC Code. SRK considers that the phosphate mineralization at Três Estradas is amenable for open pit extraction. To assist with the preparation of the audited Mineral Resource Statement and the selection of appropriate reporting assumptions, SRK used a pit optimizer to identify which portions of the block model can be reasonably expected to be extracted from an open pit. After review, SRK considers that it is appropriate to report open pit mineral resources at a cut-off grade of 3.0 percent P_2O_5. The audited Mineral Resource Statement prepared by SRK is presented in Table 1. Mineral resources are not mineral reserves and have not demonstrated economic viability. There is no certainty that all or any part of the mineral resources will be converted into mineral reserves. SRK is unaware of any environmental, permitting, legal, title, taxation, socio-economic, marketing, political, or other relevant issues that may materially affect the mineral resources. The audited Mineral Resource Statement was prepared by Ms. Camila Passos, Dr. Oy Leuangthong, and Dr. Jean-Francois Couture, all of whom are competent persons pursuant to the JORC Code and independent from Aguia.

Table 1: Audited Mineral Resource Statement*, Três Estradas Phosphate Poject, Rio Grande do Sul State, Brazil, SRK Consulting (Canada) Inc., April 25, 2015

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Total Indicated Resources	**15,200**	**5.02**	**31.25**	**7.18**	**10.14**	**15.32**	**2.65**	**5.02**	**7.59**
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† CaO/ P_2O_5 ratio

‡ P_2O_5 contained in apatite

The mineral resource audit process was a collaborative effort between SRK staff from the Belo Horizonte and Toronto offices. A new site visit was conducted on November 25 to 28, 2014 by Ms. Passos, PGeo (APGO#2431) from SRK's Belo Horizonte office. The data review, geological modelling, estimation sensitivity analyses, and resource classification was performed by Ms. Passos, under the supervision of Dr. Leuangthong, PEng (PEO#90563867), a Principal Consultant (Geostatistics) from the Toronto office. Geostatistical review was performed by Dr. Leuangthong. Pit optimization review was conducted by Mr. Italo Koyama, a mining engineer in the Belo Horizonte office. The overall audit was reviewed by Dr. Couture, PGeo (APGO#0196), a Corporate Consultant (Geology) from the Toronto office.

1.0 Introduction

The database used to evaluate the mineral resources includes 60 core boreholes (8,607 metres) and 154 reverse circulation (3,304 metres). Aguia core drilling utilized HQ equipment in weathered material and NQ in unweathered rock.

All borehole collars were surveyed according to UTM coordinates (SAD69 datum, Zone 21S). Down-hole surveys were not executed for the first 19 core boreholes. For most of the recent core boreholes, down-hole surveys were completed at 3-metre intervals using a Maxibore down-hole survey tool. Core recovery exceeds 90 percent in 90 percent of all core boreholes samples.

Based on a site visit completed from November 25 to 28, 2014, SRK believes that drilling, logging, core handling, core storage, and analytical quality control protocols used by Aguia meet generally accepted industry best practices. As a result, SRK considers that the exploration data collected by Aguia are of sufficient quality to support mineral resource evaluation and classification pursuant to the JORC Code.

2.0 Geological Interpretation and Modelling

Phosphate mineralization at the Três Estradas project occurs mainly as apatite in fresh carbonatite rock and in saprolitic rock of carbonatitic and amphibolitic origin. Saprolitic mineralization directly overlies the fresh rock. The carbonatite intrusion is hosted within a sinistral shear zone striking northeast-southwest and extending approximately 2.5 kilometres. The apatite mineralization was tested from surface to a depth of approximately 400 metres. Its true thickness reaches up to 100 metres, with a plan width of up to 250 metres.

Aguia used a lithological-assay based approach to define the boundaries of the phosphate mineralization and the following criteria:

- Minimum average grade of composite interval (hanging wall to footwall contact) is 3 percent P_2O_5 for saprolite and fresh rock.
- Three weathering zones (saprolite, weathered and fresh rock) defined by two weathering surfaces modelled according to core logging data.
- Maximum length of internal dilution within mineralized interval is 4 metres. There are eigth intervals (1.7 percent of internal dilution intervals) that are longer than 4 metres.

Using this approach, Aguia modelled the carbonatite and the amphibolite zones on vertical sections at 50-metre intervals (see Figure 1) and horizontal sections at 10-metre intervals. Aguia linked the horizontal sections using tielines.

Upon receipt of the geological model, SRK verified it against borehole data. At the same time, SRK also verified that stated model parameters such as maximum waste inclusion in the wireframes were adhered to. SRK identified discrepancies between borehole and wireframe intersections of the same boreholes as well as waste intersections greater than 4 metres in some phosphate mineralization wireframes. However, in the latter cases, the average grade of the borehole intersections was greater than the cut-off grade used for the creation of the domains. The differences between borehole and wireframe intersections that are greater than 0.1 metre amount to around 5 percent of all intersections. SRK is of the opinion that this difference is immaterial and that the wireframes generally are well-constructed and are an adequate representation of the boundaries of the phosphate mineralization.

In the northern limb of the south extension of the deposit (within DNPM 810325/2012), there is a gap in the metacarbonatite (MCBT), where breccia was intersected in drilling. Aguia chose to be volumetrically conservative by leaving the metacarbonatite mineralization discontinuous along strike. SRK believes this interpretation is reasonable until more drilling information can be obtained.

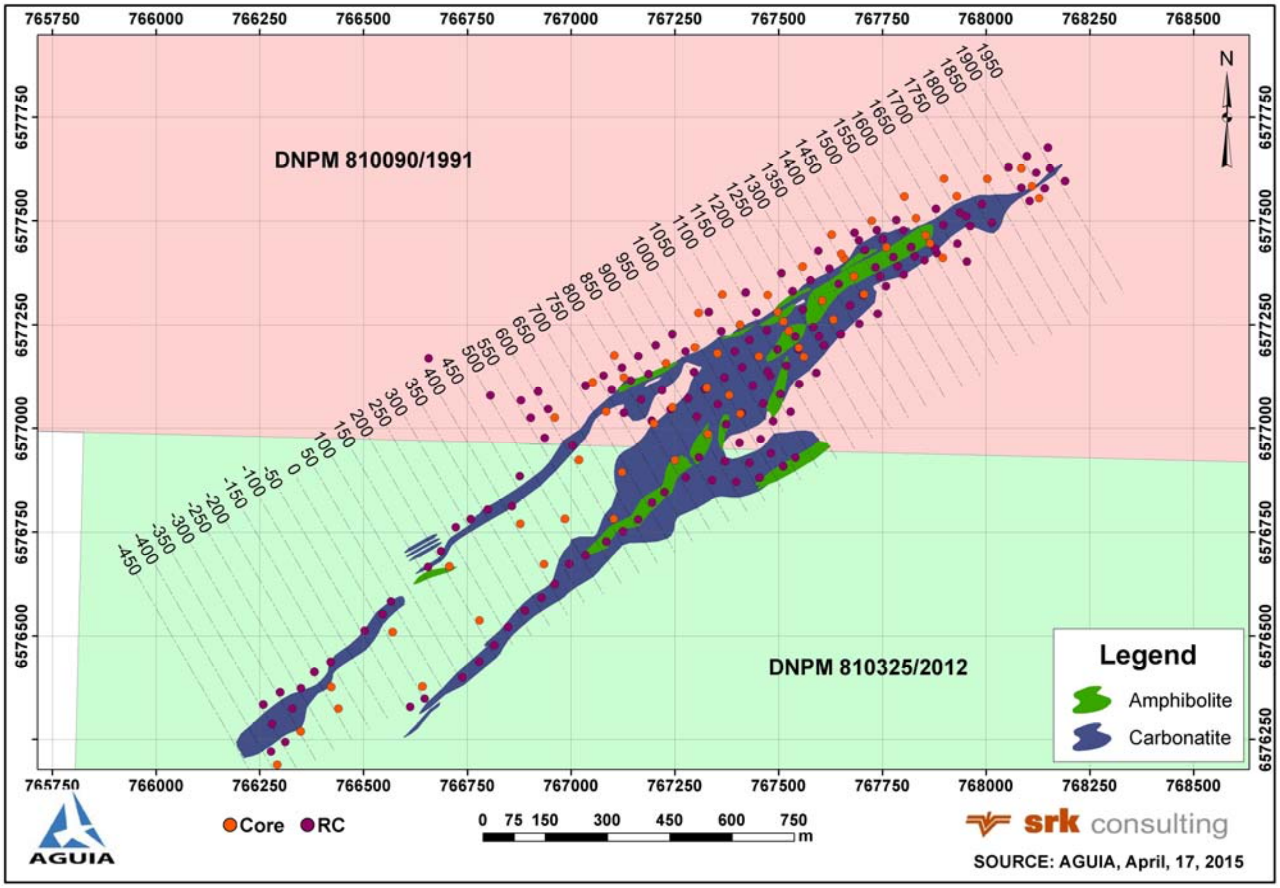

Figure 1: Três Estradas Wireframe Solids

SRK recommends that Aguia should fix the minor inconsistencies noted in the geological model. Future drilling programs should include additional core boreholes in the discontinuous region in the south extension of the deposit to confirm if there is greater continuity in this area.

2.1 Specific Gravity

Specific gravity was measured by Aguia using a standard weight in water/weight in air methodology on core from complete sample intervals. The specific gravity database contains 2,800 measurements for on mineralized and waste intervals.

Table 2 shows a comparison of the Aguia versus SRK specific gravity for each rock type. There is a slight discrepancy in the specific gravity for MCBT. After discussions with Aguia, this minor difference is attributed to a typographical error in the specific gravity database. Differences in specific gravity for the saprolitic waste (WSAP) and weathered waste (WWEATH) rock types were also noted. Aguia's smaller values for WSAP and larger values for WWEATH are due to the mistaken inclusion of specific gravity values from mineralized carbonatite samples. This accounts for the larger number of samples tallied in Aguia's calculations relative to those used for SRK's calculations. SRK communicated these differences to Aguia, and Aguia made corrections to the specific gravity averages.

Table 2: Specific Gravity for All Material from Três Estradas Deposit

Rock Type	Description	Rock Code	SRK No. Samples	Aguia No. Samples	Specific Gravity SRK	Specific Gravity Aguia
CBTSAP	Saprolitic carbonatite	110	45	45	1.48	1.48
AMPSAP	Saprolitic amphibolite	210	72	72	1.79	1.79
WMCBT	Weathered carbonatite	120	72	72	2.72	2.72
MCBT	Metacarbonatite	100	912	912	2.83	2.82
WSAP	Saprolitic waste	3	102	219	1.92	1.78
WWEATH	Weathered waste	2	99	171	2.65	2.68
WROCK	Rock waste	1	1,498	1,498	2.82	2.82
Total			**2,800**	**2,989**		

In the 2013 audit, SRK recommended that Aguia take additional specific gravity measurements in the saprolitic amphibolite (AMPSAP) and WSAP to obtain more reliable average values for use in tonnage conversion. Aguia increased the number of specific gravity measurements in AMPSAP by 63% and in WSAP by 60%. While SRK recognizes the majority of the tonnage resides in the carbonatite material, SRK observes that the highest grades of P_2O_5 are found in saprolite material. As such, SRK recommends that future measurements of specific gravity should focus mainly in the mineralized saprolitic material (CBTSAP and AMPSAP).

After this review of specific gravity and subsequent corrections made by Aguia, SRK confirms that the average specific gravity used is generally appropriate to convert volumes into tonnages for this deposit.

3.0 Mineral Resource Audit

SRK audited the mineral resource model prepared by Aguia through audits of statistical and geostatistical data, block model checks, and a review of classification parameters.

3.1 Resource Database

The borehole database considered for mineral resource estimation consists of 60 core boreholes and 154 reverse circulation boreholes. Table 3 provides a summary of available borehole data. The effective date of the resource database is February 3, 2015.

Table 3: Summary of Available Data for Três Estradas

	Count	Length (metres)	Assay Intervals
Core boreholes	60	8,606.80	7,393
Reverse circulation boreholes	154	3,304.00	3,304
Total	**214**	**11,910.80**	**10,697**

3.2 Compositing, Statistics and Capping

A total of 4,522 assay intervals reside within the metacarbonatite and amphibolite resource domains. Figure 2 shows the cumulative frequency distribution of sample length. Approximately 90 percent of all sample mineralized intervals in the Três Estradas deposit are 1.0 metre or less. Aguia composited all assay intervals within the resource domains to a length of 1.0 metre. This composite length is appropriate.

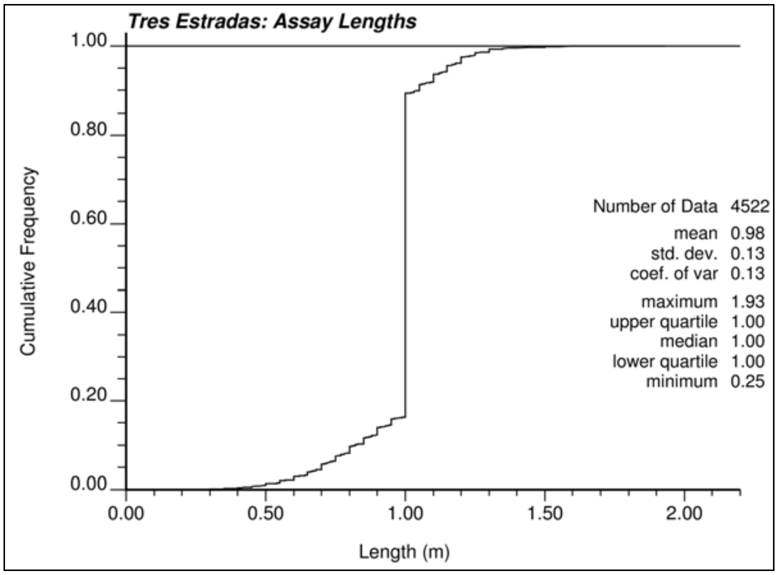

Figure 2: Sample Length Distribution

SRK notes that Aguia did not cap high grade outliers to limit their influence. SRK checked the probability plots for six elements: P_2O_5, CaO, MgO, Fe_2O_3, SiO_2, and Al_2O_3. This was calculated and analysed in each domain.

SRK also analysed the sensitivity of the mean grade of each of these oxides to capping levels. The impact of not capping was assessed by SRK and is discussed in Section 3.6.

SRK audited assay and composite data through a comparison of assays and composite statistics for data generated independently by Aguia and SRK. No differences were found between the two data sets. Summary assay statistics are provided in Table 4. Composite statistics are provided in Table 5.

Based on the assay and composite database checks, SRK concludes that the data are reasonable and appropriate to inform mineral resources.

Table 4: Summary Assay Statistics for Três Estradas Project (length weighted)

Lithotype	Rockcode	Stats	P_2O_5 (%)	CaO (%)	SiO_2 (%)	MgO (%)	Al_2O_3 (%)	Fe_2O_3 (%)
AMPSAP	210	Mean	5.90	11.24	38.26	6.73	7.65	16.69
		Standard Deviation	3.24	4.89	8.18	3.46	2.84	4.32
		Minimum	0.00	0.00	0.00	0.00	0.00	0.00
		Maximum	19.89	40.10	96.00	14.10	14.50	36.30
		Count	360					
CBTSAP	110	Mean	11.26	18.09	28.77	4.43	5.03	19.45
		Standard Deviation	5.24	7.94	10.71	3.48	2.70	7.15
		Minimum	0.00	0.00	0.00	0.00	0.00	0.00
		Maximum	36.90	49.30	92.20	15.50	17.00	58.30
		Count	905					
MCBT	100	Mean	3.94	35.38	11.35	7.15	1.94	8.01
		Standard Deviation	1.65	7.45	7.58	2.99	1.71	3.03
		Minimum	0.00	0.00	0.00	0.00	0.00	0.00
		Maximum	25.00	52.40	98.50	16.90	16.75	32.10
		Count	3,257					

Table 5: Summary Statistics for Composites (length weighted)

Lithotype	Rockcode	Stats	P_2O_5 (%)	CaO (%)	SiO_2 (%)	MgO (%)	Al_2O_3 (%)	Fe_2O_3 (%)
AMPSAP	210	Mean	5.90	11.26	38.25	6.72	7.65	16.68
		Standard Deviation	3.14	4.68	7.92	3.42	2.79	4.21
		Minimum	0.89	0.73	2.79	0.51	0.19	1.45
		Maximum	17.93	32.74	79.20	14.10	14.50	36.30
		Count	358					
CBTSAP	110	Mean	11.26	18.09	28.78	4.42	5.03	19.45
		Standard Deviation	5.18	7.84	10.53	3.46	2.68	7.08
		Minimum	0.38	0.38	3.35	0.16	0.63	3.74
		Maximum	30.12	49.30	87.10	15.50	17.00	58.30
		Count	899					
MCBT	100	Mean	3.94	35.38	11.35	7.15	1.94	8.01
		Standard Deviation	1.59	6.90	6.83	2.86	1.55	2.85
		Minimum	0.45	4.47	1.01	1.40	0.01	1.68
		Maximum	25.00	49.98	83.47	16.90	15.60	29.60
		Count	3,201					

3.3 Variography

Aguia used GEMS to model the spatial continuity of P_2O_5, CaO, Fe_2O_3, MgO, SiO_2, and Al_2O_3 oxides in the MCBT (metacarbonatite) domain. Aguia modelled the variogram using one spherical structure for MgO and Al_2O_3, and two spherical structures for all other elements (Table 6).

SRK audited the Aguia variogram models by reviewing the GEMS parameters used to generate the variograms, and independently calculated variograms for the MCBT domain using the Geostatistical Software Library (GSLib, Deutsch and Journel, 1998).

For each of oxides, SRK assessed three different spatial metrics: (1) traditional semivariogram, (2) correlogram, and (3) traditional semivariogram of normal scores of the element. For CaO, MgO, and Fe_2O_3, Aguia's fitted model appears to fit reasonably the experimental values based on these three spatial metrics.

For P_2O_5, SRK found that the major and semi-major directions were reasonably fit given the experimental values; however, SRK could not match Aguia's longer range interpretation in the minor direction. SRK found that the minor axis was shorter ranged than that fitted by Aguia. The impact of this fit was assessed during the estimation sensitivity analysis (see Section 3.6). SRK notes, however, that the ranges fitted by Aguia appear consistent with other similar phosphate deposits.

Overall, SRK considers that Aguia's calculation parameters, orientation, and fitted variogram models are appropriate and reasonable given the available data and geological interpretation.

Table 6: Summary of Aguia Variogram Model Parameters in MCBT

	GEMS Rotation (ADA)			Variogram Model						
								Range (metre)		
Variable	Azimuth	Dip	Azimuth	Nugget*	Number of Structure	Type	CC*	Y	X	Z
P_2O_5%	65	0	155	0.1	1	Spherical	0.4	65	80	4
	65	0	155		2	Spherical	0.5	65	155	40
CaO%	65	0	155	0.2	1	Spherical	0.4	40	120	3
	65	0	155		2	Spherical	0.4	40	210	12
MgO%	65	0	155	0.35	1	Spherical	0.65	145	225	65
Fe_2O_3%	65	0	155	0.2	1	Spherical	0.4	70	75	4
	65	0	155		2	Spherical	0.4	70	120	8
SiO_2%	65	0	155	0.2	1	Spherical	0.5	105	45	3
	65	0	155		2	Spherical	0.3	105	100	15
Al_2O_3%	65	0	155	0.1	1	Spherical	0.9	115	106	3.5

3.4 Block Model Parameters

A rotated homogeneous block model was generated using GEMS (Table 7). The block model coordinates are based on the local UTM grid (SAD 69 datum, Zone 21S). The block size is 25 by 5 by 10 metres. The model is rotated using GEMS convention at 40 degrees.

Table 7: Três Estradas GEMS Block Model Definition

	Block Size (metre)	Origin* (metre)	No. Blocks	Percent Model	Rotation
X	25	766, 351	125	No	40
Y	5	6,575,545	210		
Z	10	400	50		

* (SAD 69 datum, Zone 21S)

3.5 Estimation

Aguia estimated P_2O_5, CaO, Fe_2O_3, MgO, SiO_2, and Al_2O_3 grades in the metacarbonatite using ordinary kriging, while an inverse distance (power of two) function was used for these same oxides in saprolite. For all elements, three estimations passes were used with progressively relaxed search ellipsoids and data requirements (see Table 8). In all cases, the estimation ellipse ranges and orientations are based on the variogram model for P_2O_5 in the metacarbonatite. The search neighbourhood sizes for the first estimation pass is based on half the variogram range, while those for the second estimation run was adjusted to the full variogram range. The third and final estimation run searched was twice the variogram range with the intent to fill the mineralized wireframes. In all passes, the number of composites per borehole was unconstrained.

The block model estimates were verified by Aguia using a visual comparison of block estimates to informing composites; statistical comparisons between composites and block model distributions; and statistical comparisons between the estimates performed using ordinary kriging and nearest neighbour estimation.

Table 8: Summary of Estimation Parameters

Pass	No. Composites		GEMS Rotation (ADA)			Range (metre)			Search
	Minimum	Maximum	Azimuth	Dip	Azimuth	X	Y	Z	type
MCBT/WCBT									
1	8	15	65	0	155	78	33	20	Ellipsoid
2	6	16	65	0	155	155	65	40	Ellipsoid
3	2	16	65	0	155	310	130	80	Ellipsoid
CBTSAP/AMPSAP									
1	8	15	65	0	155	78	33	20	Ellipsoid
2	6	24	65	0	155	155	65	40	Ellipsoid
3	2	24	65	0	155	310	130	80	Ellipsoid

3.6 SRK Audit Work

The SRK audit was conducted in three parts. First, SRK estimated P_2O_5 in metacarbonatite using the same estimation parameters as Aguia. Results show no difference between the SRK and Aguia estimates; SRK was able to reproduce the Aguia block model for the metacarbonatite domain tested.

Secondly, SRK assessed the sensitivity of the estimates to the estimation strategy by varying some parameters. In the 2013 audit, SRK assessed the impact of: (1) the size of the search ellipsoid for CaO, MgO and Fe_2O_3, as Aguia chose to set the search ellipsoid based solely on the variogram for P_2O_5; (2) limiting the influence of high-grade composites within a localized region; and, (3) changing the estimation method to an inverse distance to a power of two. In all instances, a comparison of quantity and average grade show less than 1% difference from Aguia's model. In light of these findings from 2013, SRK did not assess these factors in the 2015 audit.

In 2015, SRK specifically, assessed the impact of:

- Varying the minimum and maximum number of composites
- Capping extreme values P_2O_5, CaO, MgO, and Fe_2O_3
- Varying the maximum number of composites per borehole for a block estimate for the first pass
- Different variogram fit for P_2O_5 and the corresponding search radii, particularly a shorter range in the vertical direction than that modelled by Aguia
- Slight variation on primary orientation interpretation of variogram and search radii orientation, to be more consistent with the modelled solid for metacarbonatite
- Refinement of orientations for search radii orientation, domain and sub-domain boundary treatment within metacarbonatite

With the exception of grade capping, all sensitivities were performed for P_2O_5. Details of specific parameters assessed and sensitivity results are provided in Appendix C.

This parallel estimation was undertaken by SRK only for the metacarbonatite domain, the largest and most informed domain. SRK observed only slight differences in the grade-tonnage curve due to varying the parameters above. Differences in tonnage at zero cut-off grade were less than 5 percent overall, suggesting that the Aguia resource model is unbiased and robust. Grade capping is immaterial to the overall average grade in all cases. Slight differences in primary orientation and greater definition in orientation via subdomains and soft-boundary estimation also show minimal impact, with less than 2 percent difference in quantity and less than 1 percent difference in average grade. In general, grade-tonnage comparisons show that the estimates are generally insensitive to these slight changes in estimation parameters.

Based on the results of this analysis within the metacarbonatite domain, SRK concludes that there is minimal sensitivity to changes in estimation parameters. All elements performed within expectations for the various cases considered. SRK considers that Aguias's estimation parameters are reasonable and that the resultant block model is generally insensitive to the chosen parameters.

Finally, SRK performed a visual validation of the block model by comparing block and borehole grades on a section by section basis. The resultant block estimates appear to be reasonable given the informing composite grades and estimation parameters.

3.7 Mineral Resource Classification

Mineral resources were classified according to the *Australasian Code for Reporting Mineral resources and Ore Reserves* (2004) by Camila Passos, PGeo (APGO#2431) and Dr. Oy Leuangthong, PEng (PEO#90563867), appropriate independent Competent Persons for the purpose of the JORC Code. The mineral resources are classified primarily based on the basis of block distance from the nearest informing composites and on variography results. Classification is based on phosphate estimation data alone:

- Indicated: Blocks estimated in the first two estimation passes (within the variogram range) and based on composites from a minimum of two boreholes
- Inferred: All blocks not classified as Indicated in the first two estimation passes and all blocks estimated in the third estimation run

Block classification was manually smoothed to define regular areas of Indicated category.

SRK concludes that the parameters used to define material classified as Indicated reflect estimates made with a moderate level of confidence, and all other material is estimated at a lower confidence level. Additional infill drilling and sampling is required to support a higher classification. It cannot be assumed that all or any part of an Inferred mineral resource will be upgraded to an Indicated or Measured mineral resource as a result of continued exploration.

4.0 Mineral Resource Statement

The JORC Code (December 2012) defines a mineral resource as:

> *"[A] concentration or occurrence of solid material of economic interest in or on the Earth's crust in such form, grade (or quality), and quantity that there are reasonable prospects for eventual economic extraction. The location, quantity, grade (or quality), continuity and other geological characteristics of a Mineral Resource are known, estimated or interpreted from specific geological evidence and knowledge, including sampling. Mineral Resources are sub-divided, in order of increasing geological confidence, into Inferred, Indicated and Measured categories."*

The “reasonable prospects for eventual economic extraction” requirement generally implies that the quantity and grade estimates meet certain economic thresholds, and that the mineral resources are reported at an appropriate cut-off grade taking into account extraction scenarios and processing recoveries. SRK considers that the phosphate mineralization of the Três Estradas project is amenable for open pit extraction.

In order to determine the quantities of material offering “reasonable prospects for eventual economic extraction” by an open pit, the Lerchs-Grossman optimizing algorithm was used to evaluate the profitability of each resource block based on its value. Optimization parameters, summarized in Table 9, are largely based on optimization parameters used in the conceptual mining study completed in September 2014, and through discussions with Aguia. SRK notes that previous audited Mineral Resource Statements were based on selling an apatite concentrate, whereas the current audited Mineral Resource Statement is based on selling a single superphospate (SSP) product. The difference impacts the size of the conceptual pit shell used to constrain the mineral resources. It should be noted that the pit optimization results are used solely for the purpose of testing the “reasonable prospects for eventual economic extraction” and do not represent an attempt to estimate mineral reserves. Mineral reserves can only be estimated with an economic study. There are no mineral reserves at the Três Estradas project. The results are used to assist with the preparation of a Mineral Resource Statement.

Table 9: Assumptions Considered for Conceptual Open Pit Optimization

Parameters	Value
Mining recovery / mining dilution (%)	100 / 0
Process recovery for fresh / oxide (%)	65 / 80
Overall pit slope angle soil-saprolite / fresh rock (°)	35 / 50
Mining cost (US$/tonne mined)	2.00
Plant cost (US$ per tonne of feed)	4.00
G&A (US$ per tonne of feed)	2.00
Process cost (US$ per tonne of feed) – plant + G&A	6.00
Cost of transportation (US$ per tonne of concentrate)	16.00
Moisture ROM / concentrate (%)	6 / 10
Concentrate to SSP conversion factor	1.65
SSP plant cost (US$ per tonne of SSP)	78.60
SSP selling price (US$ per tonne of SSP)	330
Revenue factor	1

The conceptual pit optimization parameters were deliberately selected to yield an optimistic conceptual pit shell considered for the preparation of the Mineral Resource Statement. SRK believes this approach is appropriate for the reporting of mineral resources. After review of optimization results, SRK considers that it is appropriate to report as a mineral resource those model blocks located within the conceptual pit envelope and above a cut-off grade of 3.00 percent P_2O_5 (see Figure 3). The phosphate mineralization modelled is entirely located within the Três Estradas property.

SRK is satisfied that Aguia estimated the mineral resources in compliance with the *Australasian Code for Reporting Mineral resources and Ore Reserves* (2012), published by the Joint Ore Reserves Committee of the Australasian Institute of Mining and Metallurgy, Australian Institute of Geoscientists and the Minerals Council of Australia (the JORC Code). The mineral resources may be affected by further infill and exploration drilling that may result in increases or decreases in subsequent mineral resource estimates. The mineral resources may also be affected by subsequent assessments of mining, environmental, processing, permitting, taxation, socio-economic, and other factors. The audited Mineral Resource Statement for the Três Estradas project is given in Table 10 with an effective date of April 25, 2015. The audited Mineral Resource Statement was prepared by Ms. Camila Passos, PGeo (APGO#2431), Dr. Oy Leuangthong, PEng (PEO#90563867) and Dr. Jean-Francois Couture, PGeo (APGO#0196), all of whom are Competent Persons pursuant to the JORC Code and independent from Aguia.

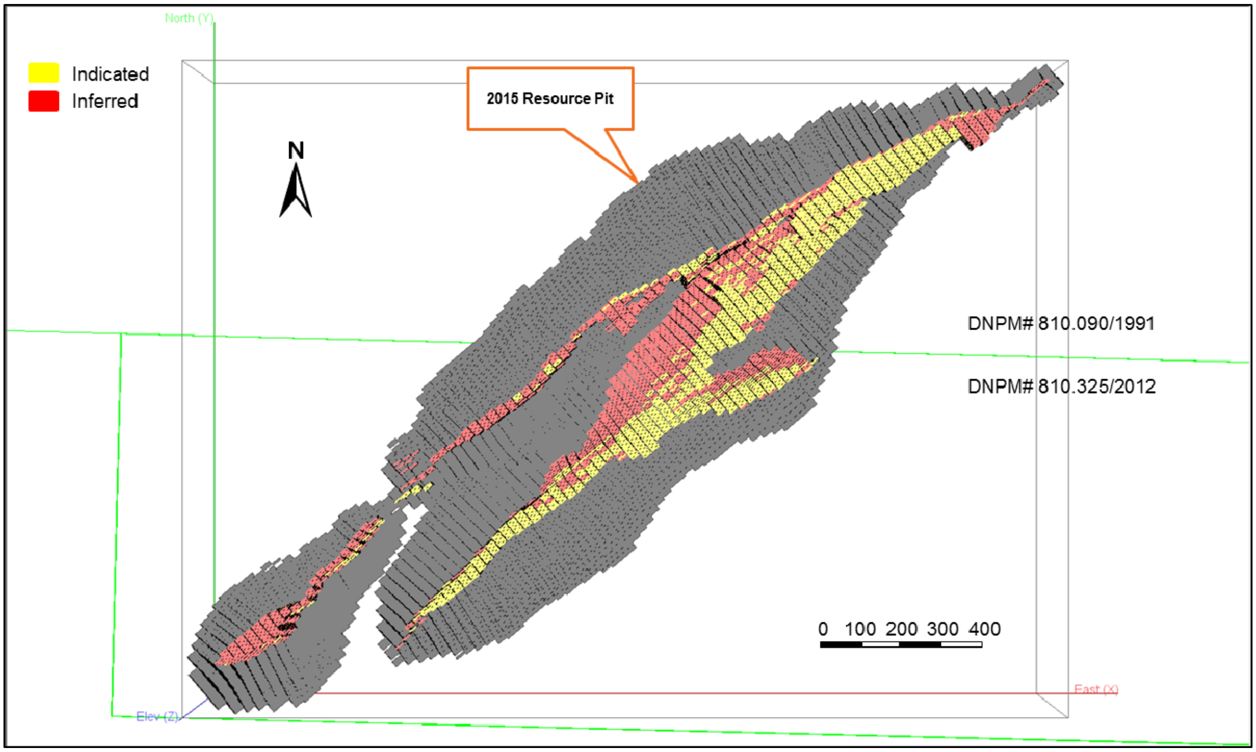

Figure 3: Três Estradas Phosphate Mineral Resources Relative to the Conceptual Pit

Table 10: Audited Mineral Resource Statement*, Aguia Phosphate Project, Rio Grande do Sul State, Brazil, SRK Consulting (Canada) Inc., April 25, 2015

Lithotype	Tonnage	P_2O_5	CaO	MgO	Fe_2O_3	SiO_2	Al_2O_3	P_2O_5AP‡	RCP†
	T x 1000	%	%	%	%	%	%	%	%
Indicated Mineral Resources									
Saprolite									
SAMM (amphibolite)	415	6.30	11.44	6.64	17.12	36.87	7.36	6.27	1.97
SCBT (carbonatite)	2,017	10.74	18.06	4.79	18.99	28.88	5.11	10.69	1.94
Weathered									
WCBT (carbonatite)	1,713	4.99	34.26	6.34	9.54	13.85	2.21	4.99	7.58
Fresh Rock									
MCBT (carbonatite)	11,055	3.94	33.94	7.77	8.35	12.26	2.09	3.94	8.84
Total Indicated Resources	**15,200**	**5.02**	**31.25**	**7.18**	**10.14**	**15.32**	**2.65**	**5.02**	**7.59**
Inferred Mineral Resources									
Saprolite									
SAMM (amphibolite)	302	5.35	11.14	6.88	16.91	38.34	8.09	5.33	2.32
SCBT (carbonatite)	1,205	12.03	18.10	4.04	20.69	27.92	4.96	11.96	1.72
Weathered									
WCBT (carbonatite)	866	4.40	35.79	6.41	8.50	12.11	2.01	4.40	8.82
Fresh Rock									
MCBT (carbonatite)	52,489	3.78	35.35	7.69	7.81	10.55	1.82	3.78	9.49
Total Inferred Resources	**54,862**	**3.98**	**34.84**	**7.59**	**8.15**	**11.11**	**1.92**	**3.97**	**9.27**

* Mineral resources are not mineral reserves and have not demonstrated economic viability. All figures are rounded to reflect the relative accuracy of the estimates. The mineral resources are reported within a conceptual pit shell at a cut-off grade of 3.00 percent of P_2O_5 for saprolite, weathered and fresh rock mineralization. Optimization parameters include selling price of US$330.00 per tonne of SSP, a metallurgic recovery of 65 and 80 percent of P_2O_5 in fresh and oxide rock, 100 percent for mining recovery, 0 percent dilution, and overall pit slopes of 38 and 60 degrees for saprolite and fresh rock, respectively.

† CaO/ P_2O_5 ratio

‡ P_2O_5 contained in apatite

4.1 Reconciliation and Sensitivity

Table 11 shows the comparison between the May 2013 and April 2015 audited Mineral Resource Statements. The additional 20 core boreholes and 49 reverse circulation boreholes drilled from December 2014 to February 2015 have resulted in an overall increase of 54 percent in reported tonnage in the Indicated category, and an increase of 166 percent in reported tonnage in the Inferred category. The combined impact is an increase of 130 percent in reported tonnage in both Inferred and Indicated categories. This is largely due to the focus of the drilling campaign on delineation of the phosphate mineralization in the South tenement, and confirmation of the continuity of the metacarbonatite from the North tenement. Relative to quantity, the average grades of all oxides are only slightly changed from 2013.

Table 11: Comparison Between May 2013 and April 2015 Mineral Resource Statements

Classification	Quantity ('000 tonnes)	Grade					
		P_2O_5 (%)	CaO (%)	MgO (%)	Fe_2O_3 (%)	SiO_2 (%)	Al_2O_3 (%)
May 2013							
Indicated	9,891	5.03	33.03	6.51	9.96	13.22	2.38
Inferred	20,591	3.94	35.38	7.21	8.02	10.36	1.85
April 2015							
Indicated	15,200	5.02	31.25	7.18	10.14	15.32	2.65
Inferred	54,862	3.98	34.84	7.59	8.15	11.11	1.92
Percentage Difference April 2015 to May 2013							
Indicated	54%	0%	-5%	10%	2%	16%	11%
Inferred	166%	1%	-2%	5%	2%	7%	4%

The mineral resources are sensitive to the selection of reporting cut-off grade. Table 12 shows the global quantities and grade estimates at various cut-off grade, while Figure 4 shows the sensitivity as grade tonnage curves. The reader is cautioned that the grade tonnage data presented should not be misconstrued with a Mineral Resource Statement. The figures are only presented to show the sensitivity of the block model estimates to the selection of a cut-off grade.

Table 12 Global Block Model Quantities and Grade Estimates* at Various Cut-Off Grades

	Indicated		Inferred	
Cut-off P_2O_5 (%)	Quantity (x1000 tonnes)	Grade P_2O_5 (%)	Quantity (x1000 tonnes)	Grade P_2O_5 (%)
0.01	15,657	4.96	63,302	3.89
2.0	15,654	4.96	63,294	3.89
3.0	15,229	5.02	60,487	3.94
3.5	12,102	5.47	42,281	4.22
4.0	7,606	6.49	17,530	4.94
4.5	4,795	7.81	6,109	6.31
5.0	3,297	9.23	1,980	9.70
6.0	2,541	10.37	1,309	11.96
7.0	2,205	10.96	1,211	12.41
8.0	1,869	11.59	1,131	12.76
9.0	1,553	12.21	1,055	13.06
10.0	1,285	12.79	869	13.82

* The reader is cautioned that the figures in this table should not be misconstrued with a Mineral Resource Statement. The figures are only presented to show the sensitivity of the block model estimates to the selection of a cut-off grade.

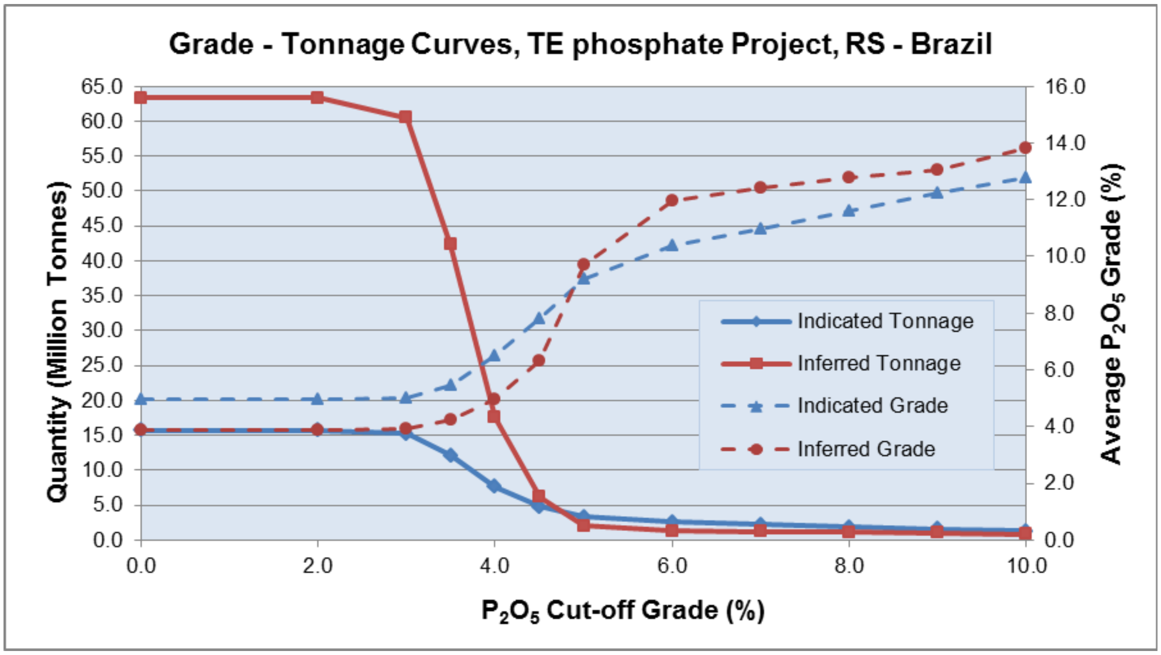

Figure 4: Três Estradas Grade Tonnage Curves

4.0 Conclusions

SRK is satisfied that the mineral resource model for the Três Estradas phosphate deposit is a reasonable representation of the geology and distribution of the phosphate mineralization at the current level of sampling. The mineral resources have been appropriately classified in accordance with the JORC Code.

The drilling campaign completed in late 2014 and early 2015 was successful in confirming the extension of the phosphate mineralization in the South tenement, where in 2013, SRK defined an exploration target estimated at between 13 and 27 million tonnes ranging in grade between 3.56 and 4.84 percent P_2O_5. Review of the new mineral resoruce model shows that the exploration target defined in 2013 was conservative. The new drilling information extended the strike length of the phosphate mineralization by approximately 1.3 kilometres containing 7 million tonnes at an average grade of 5.14 percent P2O3 in the Indicated Category and 32 million tonnes at an average grade of 3.99 percent P_2O_5 in the P_2O_5 Inferred category.

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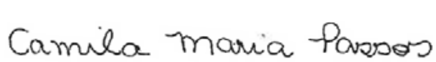

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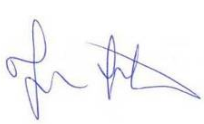

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APPENDIX A

JORC Table 1

Table 1: Section 1 Sampling Techniques Data

Criteria	Commentary
	Soil samples were collected every 25 metres along lines spaced 100 metres apart, for a total of 52 soil samples. 77 rock samples were collected from within the DNPM 810.090/91 area. One historical trench exists on the tenement, Aguia sampled three vertical channels; in each channel, two samples were collected. Drilling comprised 60 core boreholes (8,606.80 metres), 136 auger boreholes (770 metres), and 154 reverse circulation boreholes (10,697 metres). Auger - Drilling was completed up to a depth of 15 metres within the saprolite unit.
Sampling technique	Auger - borehole collars were surveyed according to the local UTM coordinate system (SAD 69, Zone 21S) using a handheld GPS receiver before drilling started. No downhole surveys were performed. N.B. Auger data were not used for resource estimation purposes. Reverse Circulation Drilling - All borehole collars were surveyed according to the local UTM coordinate system (SAD 69, Zone 21S), using a differential GPS receiver before drilling started, and once drilling had been completed. No downhole surveys were performed. Core Drilling - All borehole collars were surveyed according to the local UTM coordinate system (SAD 69, Zone 21S), using a differential GPS receiver before drilling started, and once drilling had been completed. Downhole surveys were completed for the second exploration program using a Maxibore down-hole survey tool.
	Auger - 1 metre samples collected, 2 kilograms of material collected for each field sample. Samples were taken at 1-metre intervals. These samples were analyzed for phosphorus, calcium, and aluminium content with a portable x-ray fluorescence (XRF) analyzer. If any sample yielded greater than 1.31 % phosphorus (3% P_2O_5), all samples from that auger borehole were shipped to the laboratory for assaying. Reverse Circulation Drilling - Every metre drilled produced two aliquots with a minimum weight of 500 grams and a maximum of 2 kilograms. Core Drilling - The majority of sample intervals range between 0.5 and 1.5 metres, averaging 1.0 metre and honour geological contacts. Samples consisted of half core and were collected fromcore cut lengthwise using a diamond saw. Three readings per metre were performed with a portable XRF device. Samples from the first and second exploration program were sent to the ALS laboratory in Vespiano, Brazil for preparation. Prepared samples were sent to Lima, Peru or Vancouver, Canada for assaying. Samples from the third exploration program were prepared and analyzed at SGS Geosol laboratories in Vespasiano, Brazil.

Table 1: Section 1 Sampling Techniques Data Continued

Criteria	Commentary
Drilling techniques	Auger - tipper scarifier motorized augers were used to drill the auger boreholes. Reverse Circulation – Drilling utilized a face sampling Hard Formation Bit with Tungsten buttons and a diameter of 5 ½ inches. No downhole surveys were completed. Core Drilling - Drilling utilized HQ equipment for weathered material and NQ for fresh rock. Down hole surveys were not performed on 19 core boreholes completed during the first drilling program. Downhole surveys were performed on 3-metre intervals using a Maxibore down-hole tool on all boreholes completed during the second and third drilling program. No core orientation has been carried out.
Drill sample recovery	Auger - Auger recovery was not monitored. Reverse Circulation Drilling – recovery was monitored by sample weight. The minimum recovery was 85 percent. Core Drilling - Recovery by sample and by drill run was recorded; core recovery exceeded 90 percent in 90 percent of all core borehole samples.
	Auger - Sample material was homogenized before collecting a 2 kilogram sample; large competent material was broken up prior to homogenization. Reverse Circulation Drilling - Dry samples were collected via a cyclone and riffle splitter, ensuring homogenization and representative sampling. Wet samples were dried, homogenized, and sampled by hand. Core Drilling - Due to the coherent nature of the fresh rock and homogenous nature of the mineralization, sample recovery was very good. In saprolite, recovery was maximized by using short drill runs and best drilling practices.
	There is no detectable relationship between sample recovery and grade in all samples collected (auger, reverse circulation and core).
Logging	Auger - data were not considered for resource estimation. Reverse Circulation Drilling - Drilling chips were logged to record geological information; this information was considered for resource estimation. Core Drilling - Detailed geological logs in appropriate logging form were completed, and assay data were considered for resource estimation.
	Reverse Circulation Drilling – Logging includes description of lithology and weathering. Core Drilling - Detailed geological logs in appropriate logging form were completed. All core has been photographed dry before sampling.
	All of the relevant intersections were logged.

Table 1: Section 1 Sampling Techniques Data Continued

Criteria	Commentary
Sub-sampling techniques and sample preparation	Core was sawn in half, with one half sent for assaying and one half being retained for reference. Friable core was split down the centerline using a spatula or similar tool, with half being retained and half sent for assaying.
	Auger - One metre auger samples were placed on a plastic sheet; large pieces were broken down manually. The sample was then homogenized by shaking the sheet with a rolling motion. Reverse Circulation Drilling - Dry and moist samples were split using a riffle splitter; wet samples were dried prior to homogenization and sampling. All samples were dried, crushed, and s milled to 75 percent passing 80 mesh.
	The sample preparation techniques meet industry standards and are considered appropriate for the mineralization being investigated.
	Industry standard procedures are employed, including ensuring non-core samples are adequately homogenized before. Archive samples are collected.
	No field duplicate samples or second half sampling was done. The target mineralization is quite homogeneous.
	Auger, reverse circulation and core sample sizes are adequate for the target mineralization sampled.
Quality of assay data and laboratory tests	For the first two drilling program sample preparation was completed at ALS Vespasiano's laboratory in Brazil using standard crushing and pulverization techniques; sample analysis was carried out by ALS Peru S.A. in Lima or ALS Minerals in North Vancouver, Canada. The prepared pulps were fused with lithium metaborate and analyzed by XRF spectroscopy for major oxide elements (P_2O_5, Al_2O_3, CaO, Fe_2O_3, K_2O, MgO, MnO_2, SiO_2, and TiO_2 (Method code XRF12pt/XRF24). Samples were also analyzed for a suite of 31 elements using an aqua regia digestion and inductively coupled plasma - mass spectrometry (Method code ME-MS81). For the third drilling program sample preparation and analysis was completed at SGS Geosol laboratory in Vespasiano, Brazil using standard crushing and pulverization techniques. The prepared pulps were fused with lithium metaborate and analyzed by XRF spectroscopy for major oxide elements (P_2O_5, Al_2O_3, CaO, Fe_2O_3, K_2O, MgO, MnO, SiO_2, and TiO_2, - Method code XRF79C). They were also analysed for loss on ignition for calcination (method code PHY01E). Umpire testing was performed at ALS Chemex laboratory in Lima, Peru, where samples were analyzed for a suite of nine elements. The preparation and analytical procedures are appropriate for the type of mineralization sampled and are reliable to deliver the total content of the analyzed compounds.
	Not applicable.

Table 1: Section 1 Sampling Techniques Data Continued

Criteria	Commentary
Quality of assay data and laboratory tests	During the first and second drilling programs, control samples were inserted approximately every 12 samples; analyses of replicate pulp assays of mineralized rock were also completed. In addition, umpire laboratory testing was performed on approximately 5% of the samples. At ALS Minerals, North Vancouver, Canada, second pulp splits were analyzed for a suite of 31 elements including rare earth and trace elements, by inductively coupled plasma mass spectroscopy (Method code ME-MS81). Ten blank samples were sent for preparation to ALS laboratory in Vespasiano, Brazil and for analysis to ALS Minerals in Lima, Peru. Aguia used two certified phosphate reference materials (standards) sourced from Geostats Pty Ltd. (Geostats) in Perth, Australia. Umpire check assays were conducted by SGS Geosol in Belo Horizonte, MG, Brazil using XRF spectroscopy (Method codes XRF79C and PHY01E). Additionally, Aguia relied on the analytical quality control measured implemented by the ISO accredited laboratory used. During the third drilling program, Aguia used two certified standard reference materials (standards), supplied by the Instituto de Tecnologia Austust Kekulé (ITAK). ITAK 911 is a high grade standard, while ITAK 910 is a mid-grade standard. The standards were prepared by ITAK for Aguia from mineralized material sourced from Aguia's Três Estradas project. The standards were certified using a standard round-robin testing protocol. The control samples are considered appropriate to the grade and style of mineralization being tested. In addition, fine and coarse blank were prepared from barren quartz veins. One company supplied control sample and a pulp duplicate were included in each batch of 48 samples. One batch of 48 samples was sent monthly for umpire laboratory testing. Umpire testing was performed at ALS Chemex laboratory in Lima, Peru, where samples were analyzed for a suite of elements (method code XRF12pt/XRF24). In addition, Aguia relied on the analytical quality control measured implemented by the ISO accredited laboratories used for analysis.
Verification of sampling and assaying	During a site visit on April 24 to 26, 2012,SRK personnel relogged seven core boreholes. During an additional site visit, on November 25 to November 27, 2014, SRK relogged three core boreholes.
	No twin boreholes were completed.
	All core was logged by Aguia geologists; data were entered digitally into a comprehensive database program. Electronic data were verified by SRK.
	Assay data were not adjusted.
Location of data points	All borehole collars were surveyed according to the local UTM coordinate system (South American Datum 1969 – SAD69, Zone 21S), using differential GPS equipment before drilling started, and once drilling had been completed.
	UTM system (Zone 21S), South American Datum 1969.
	A topographic survey of the project area was completed using differential GPS technology. The survey comprised 35.35 line kilometres, consisting of survey lines spaced 25 metres apart, and control lines spaced 100 metres apart. The topographic survey generated contour lines at 1-metre intervals in the meta-carbonatite area. Contour lines at 5-metre intervals were obtained for the remaining area using shuttle radar topography mission (SRTM) and orthorectified Geoeye images with 0.5 metre resolution.

Table 1: Section 1 Sampling Techniques Data Continued

Criteria	Commentary
Data spacing and distribution	Reverse circulation drilling was completed on sections spaced 50 metres apart. Core boreholes were drilled on sections, spaced 100 metres apart in the north tenement (DNPM#810.090/1991) and spaced 200 metres apart in the south tenement (DNPM#810.325/2012).
	The boreholes are spaced sufficiently close to interpret the boundaries of the phosphate mineralization with a confidence sufficient to establish continuity at support classification at an Indicated and Inferred category.
	Assay data were composited to one metre length prior to resource estimation.
Orientation of data in relation to geological structure	The sampling patterns used did not introduce an apparent sampling bias.
	The sampling patterns used did not introduce an apparent sampling bias.
Sample security	Chain of custody of all sample material was maintained by Aguia. Samples were stored in secured areas on site until dispatch to the preparation laboratory by freight express.
Audits or reviews	SRK audited the project in early 2013 and concluded that exploration work completed by Aguia used procedures consistent with generally accepted industry best practices. The audit found no issues with the project data.

Table 1: Section 2 Reporting of Exploration Results

Criteria	Commentary (SRK Report)
Mineral tenement and land tenure status	Permit 810.090/91, irrevocable right to 100% under an exercised option agreement with Companhia Brasiliera do Cobre (CBC). On July 1, 2011, CBC and Aguia Metais Ltda., a subsidiary of Aguia in Brazil, executed an option agreement providing the irrevocable purchase option of these mineral rights by Aguia Metais (or its affiliate or subsidiaries). On May 30, 2012 Aguia Metais exercised the purchase option concerning these mineral rights by means of its affiliate Aguia Fertilizantes S/A (Aguia Fertilizantes). On July 10, 2012, CBC and Aguia Fertilizantes executed an irrevocable agreement providing the assignment of these mineral rights to Aguia Fertilizantes. On July 20, 2012 CBC filed a request before the DNPM applying for the transfer of these mineral rights to Aguia Fertilizantes. The 2nd two year term expired on August 16, 2012, with the Final Exploration Report now under review by the Government, approval of which will allow the Company a further year (from the date of approval) to submit an Economic Exploitation Plan. Permit 810.325/12, irrevocable right to 100% under an exercised option agreement with Companhia Brasiliera de Cobre. Granted April 29, 2013, initial 3 year term expiry April 29, 2016.
Exploration done by other parties	Phosphate rich rocks at Três Estradas were discovered during a gold exploration program under a joint venture agreement between Companhia Brasileira do Cobre and Santa Elina in 2007/2008. Exploration activities comprised an integrated geochemical/geological/geophysical and drilling program. The gold results were disappointing, causing Santa Elina to withdraw from the joint venture; however, P_2O_5 values in excess of 6% were noted in assays of soils and drill core.
Geology	Três Estradas phosphate project is a carbonatite complex containing apatite as the phosphate bearing mineral. The carbonatite strikes northeast and dips steeply to subvertically to the southwest. Rocks in the area have been affected by Neo-Proterozoic shearing and metamorphism. The carbonatite and its host rocks are part of the Santa Maria Chico Granulite Complex, within the Taquarembó Domain of the Achaean to Proterozoic Sul-rio-grandense Shield.
Drill hole Information	Mineral resources are informed from 60 core boreholes (8,606.80 metres) and 154 reverse circulation boreholes (3,304 metres), completed in 2011, 2012, 2014 and 2015. Information from auger boreholes was not considered for resource estimation. Boreholes generally were completed on sections 50 metres apart. Borehole spacing along section is typically 50 metres. The complete dataset was used in the estimate. The large dataset precludes listing of individual results as would be the case for limited data when reporting Exploration Results.
Data aggregation methods	No exploration data were altered. Sample intervals were length weighted. A nominal 3 percent P_2O_5 lower cutoff was used. High grade outliers were not capped prior to block grade estimation.
	Not applicable.
	Not applicable.

Table 1: Section 2 Reporting of Exploration Results Continued

Criteria	Commentary (SRK Report)
Relationship between mineralisation widths and intercept lengths	Reverse circulation drilling was designed to intercept the flat lying upper oxide mineralization, and was occasionally terminated once fresh rock was intercepted at depth. Core drilling was designed to intersect the full width of the target apatite mineralization at a high angle.
	Reverse circulation drilling was typically oriented perpendicular to the sub-horizontal oxide layer, and therefore downhole lengths generally approximate true widths. Core drilling was performed at an acute angle to the steeply to vertically dipping carbonatite bodies, hence downhole widths were greater than true widths. For boreholes drilled with a dip of 60 degrees, true mineralization widths were generally in the order of 40 to 60 percent of downhole intersection lengths.
	Down hole lengths were reported. Relationships between true lengths and true thickness are shown in cross sections within the report.
Diagrams	Borehole collar map and representative sections included in Appendix B.
Balanced reporting	All relevant drilling information was incorporated in the preparation of the mineral resource estimate.
Other substantive exploration data	None.
Further work	Future drilling will aim at infilling the deposit to improve the confidence in the geological and geostatistical continuity of the mineralization. Step out drilling will also test the lateral continuity of the apatite mineralization to the south.
	See map in Appendix B.

Table 1: Section 3 Estimation and Reporting of Mineral Resources

Criteria	Commentary (SRK Report)
Database integrity	The database was provided to SRK in digital form. SRK conducted a series of routine verifications to ensure the reliability of the electronic data provided by Aguia. Rare and minor input errors were detected in the Aguia database. These errors are considered not material.
Site visits	Site visits were undertaken by Dr. Weiershäuser (SRK Toronto) on April 24 to 26, 2012 and on October 17, 2012, an appropriate independent Competent Person for the purpose of JORC. An additional SRK site visit was undertaken by Camila Passos (SRK Brazil) on November 25 to 27, 2014, an appropriate independent Competent Person for the purpose of JORC. SRK was given full access to relevant data and conducted interviews of Aguia personnel to obtain information on the past exploration work, to understand procedures used to collect, record, store, and analyze historical and current exploration data.
Geological interpretation	SRK is confident that Aguia's geological and mineralization model used for the mineral resource estimation is adequate to support geological modelling and evaluation and classification of mineral resources pursuant to the JORC 2012 Code. Aguia used a lithological-assay based approach to define the boundaries of the phosphate mineralization and the following criteria: Minimum average grade of composite interval (hanging wall to footwall contact) is 3.0% P_2O_5 for saprolite and fresh rock. Three weathering zones (saprolite, weathered, and fresh rock) defined by two weathering surfaces modelled according to core logging data. Maximum length of internal dilution within a mineralized interval is 4.0 metres. There are eight intervals (1.7% of internal dilution intervals) that are longer than 4 metres.
Dimensions	The minimum and maximum extents of the mineral resource are given below: Min* / Max* X: 766,125 / 768,210 Y: 6,576,130 / 6,577,675 Z: -10 / 370 * SAD 69 Zone 21S

Table 1: Section 3 Estimation and Reporting of Mineral Resources Continued

Criteria	Commentary (SRK Report)
Estimation and modelling techniques	Four estimation domains were modelled, defined by rock type and weathering: Two in the carbonatite rock and two in the saprolite rock. Aguia used Geovia's GEMS software to model geology and estimate grades into a 3D block model, constrained by mineralization wireframes. Aguia composited all assay intervals to a length of 1.0 metre. No capping was used. Variography was undertaken on 1 metre composites for P_2O_5, CaO, Fe_2O_3 and MgO in the meta-carbonatite domain. See report for table of results. SRK considers that Aguia's calculation parameters, orientation, and fitted variogram models are appropriate and reasonable given the available data and geological interpretation. P_2O_5, CaO, Fe_2O_3, SiO_2, Al_2O_3 and MgO were estimated into the block model using ordinary kriging within the fresh and weathered metacarbonatite, and using inverse distance to a power of two within saprolite rock. For all elements, For all elements, three estimations passes were used with progressively relaxed search ellipsoids and data requirements. The estimation ellipse ranges and orientations are based on the variogram model for P_2O_5 in the meta-carbonatite The block size of 25m (along strike) by 5m (perpendicular to strike) by 10m (vertical) used is appropriate for the density of data and the search radii used to interpolate grade into the model. An SRK audit of the methodology and parameters considered by Aguia found that there is minimal sensitivity to changes in estimation parameters. In particular, SRK investigated the impact of capping the data and found that grade capping is immaterial to the overall average grade. SRK performed a visual validation of the block model by comparing block and borehole grades on a section by section basis. The resultant block estimates appear to be reasonable given the informing composite grades and estimation parameters.
Moisture	Tonnages are estimated on a dry basis.
Cut-off parameters	The mineral resources are reported within a conceptual pit shell at a cut-off grade of 3.00% of P_2O_5 which takes into account extraction scenarios and processing recovery.
Mining factors or assumptions	The following assumptions were considered for Conceptual Open Pit Optimization to assist with the preparation of the mineral resource statement:

Parameters	Value
Mining recovery / mining dilution (%)	100 / 0
Process recovery for fresh / oxide (%)	65 / 80
Overall pit slope angle soil-saprolite / fresh rock (°)	35 / 50
Mining cost (US$/tonne mined)	2.00
Plant cost (US$ per tonne of feed)	4.00
G&A (US$ per tonne of feed)	2.00
Process cost (US$ per tonne of feed) – plant + G&A	6.00
Cost of transportation (US$ per tonne of concentrate)	16.00
Moisture ROM / concentrate (%)	6 / 10
Concentrate to SSP conversion factor	1.65
SSP plant cost (US$ per tonne of SSP)	78.60
SSP selling price (US$ per tonne of SSP)	330
Revenue factor	1

Table 1: Section 3 Estimation and Reporting of Mineral Resources Continued

Criteria	Commentary (SRK Report)
Metallurgical factors or assumptions	Metallurgical testwork has been completed on a number of samples of different mineralization types. Testwork included grinding, magnetic separation and froth flotation of deslimed feed to recover a P2O5 concentrate. Two main mineralization types tested were Fresh Carbonatite and Oxide/Saprolite. Significant losses of apatite were associated with slimes removal following grinding. Recent testwork investigated options for recovering phosphate from the slimes fraction. Overall P2O5 recovery is estimated to be 65% for Fresh material from the combination of separate deslimed feed and slimes-only. The higher grade Oxide material achieved 80% combined P2O5 recovery. Expected deslimed phosrock concentrate grade is 27% to 30% P2O5 with Fe2O3 within specification from magnetic separation being included in the process flowsheet. Slimes-only concentrate will be lower in apatite content, at around 15% to 19% P2O5. Phosphate concentrate (phosrock) will be shipped from the mine site to the port in Rio Grande for acidulation and granulation to single superphosphate (SSP), a more valuable product. To date, SSP conversion testing has not been conducted, with acid consumption estimated from concentrate quality/impurity levels. Conceptual operating and capital costs have been benchmarked to similar phosphate operations with consideration of acidulation/granulation being done at Rio Grande.
Environmental factors or assumptions	An internal Environmental Assessment study was carried out by WALM Engenharia e Tecnologia Ambiental Ltda (qualified local Brazilian consultants) to assess various aspects of environment issues which are likely to impact a proposed mining project at the Três Estradas project. SRK has not studied the environmental aspects of the project at the current project stage. SRK anticipates there are unlikely to be any foreseeable environmental issues should mining operations occur.
Bulk density	Specific gravity was measured by Aguia on uncoated core samples using a standard weight in water/weight in air methodology. The specific gravity database contains 2,800 measurements. Aguia calculated and assigned weighted averages of specific gravity to each of the four mineralized domains relevant to resource estimation. Measurements were performed on core samples air-dried between extraction and measurement. Core is considered representative of the rock hosting the mineralization.
Classification	Indicated: Blocks estimated in the first two estimation passes (within the variogram range) and based on composites from a minimum of two boreholes. Inferred: All blocks not classified as Indicated in the first two estimation passes and all blocks estimated in the third estimation run. The quantity and grade estimates meet certain economic thresholds, and that the mineral resources are reported at an appropriate cut-off grade that takes into account extraction scenarios and processing recoveries. Block model quantities and grade estimates for the Três Estradas phosphate project were classified according to the JORC Code by Ms. Camila Passos, PGeo (APGO#2431) and Dr. Oy Leuangthong, PEng (PEO#90563867), appropriate independent Competent Persons for the purpose of JORC.

Table 1: Section 3 Estimation and Reporting of Mineral Resources Continued

Criteria	Commentary (SRK Report)
Audits or reviews	SRK audited the mineral resource model constructed by Aguia in 2013 and 2015. The results of this audit were summarized in a memorandum dated February 19, 2013 and April 25, 2015. SRK was able to reproduce the Aguia estimates using the same estimation parameters. The robustness of the Aguia block model was also tested by varying certain estimation parameters and comparing estimates for the main carbonatite resource domain. The results show that Aguia's estimation parameters are reasonable. SRK concludes that the resultant block model is unbiased, robust, and generally insensitive to the parameters varied by SRK.
Discussion of relative accuracy/ confidence	SRK is satisfied that the geological modelling honours the current geological information and knowledge. The location of the samples and the assay data are sufficiently reliable to support resource evaluation. Mineral resources were classified as Indicated or Inferred. No block is classified in the Measured category for three reasons. First, approximately one-quarter of the database consists of reverse circulation boreholes, data from which are of inferior quality to data from core boreholes. Second, modelled weathering surfaces are based on a limited number of core boreholes, and the surfaces are closely linked to the definition of the four main resource domains. Finally, the search criteria for the estimation passes are based on the variograms for P_2O_5, that SRK found challenging to reproduce, although, they are comparable to other similar deposits. While individually these deficiencies are not significant, taken together SRK believes that they undermine the confidence required to support a Measured classification.

Table 1: Section 4 Estimation and Reporting of Ore Reserves

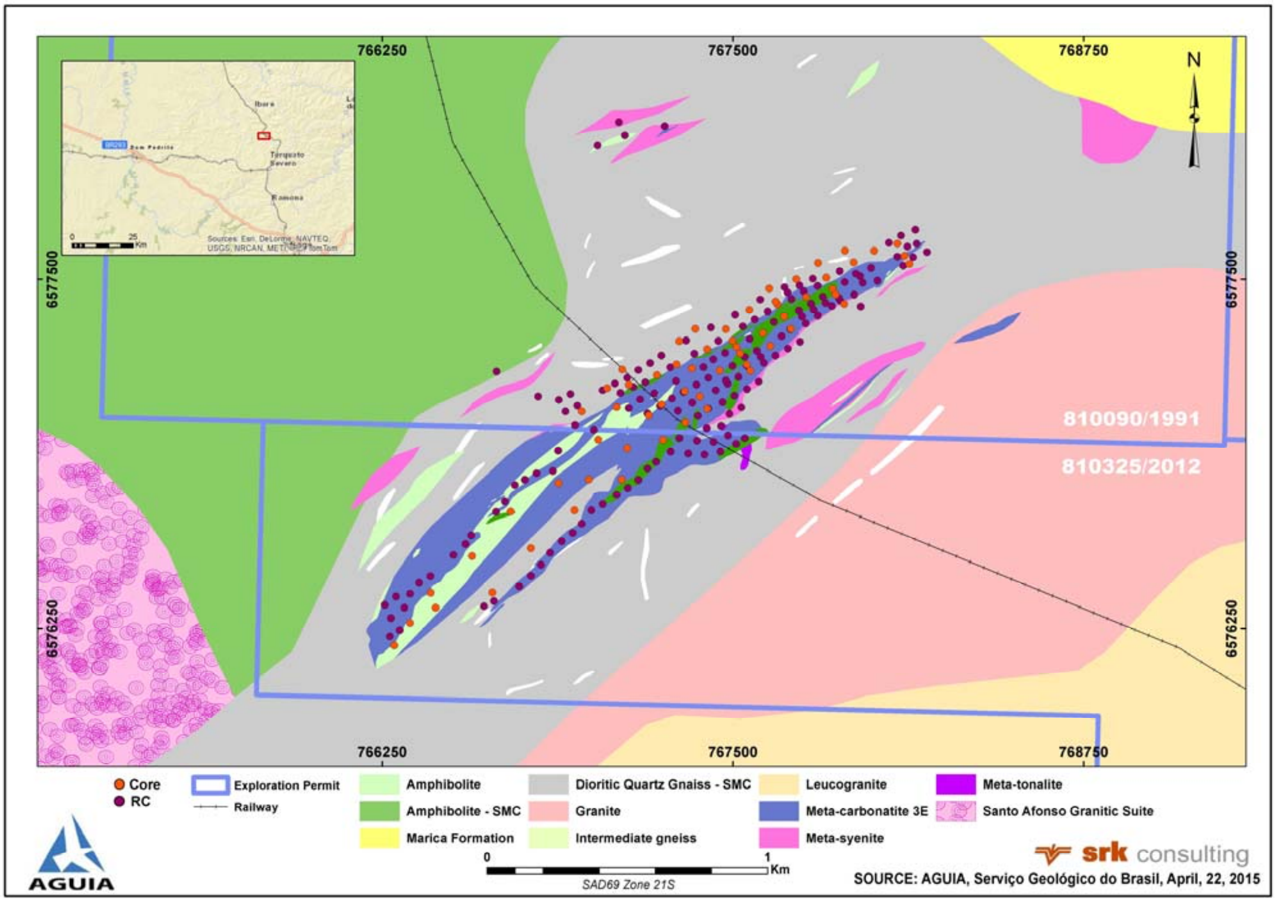
Not applicable – no reserves are reported.

Table 1: Section 5 Estimation and Reporting of Diamonds and Other Gemstones

Not applicable – no diamonds or other gemstones are reported.

APPENDIX B

Borehole Collar Map and Sections



Drilling on the Três Estradas Phosphate Project

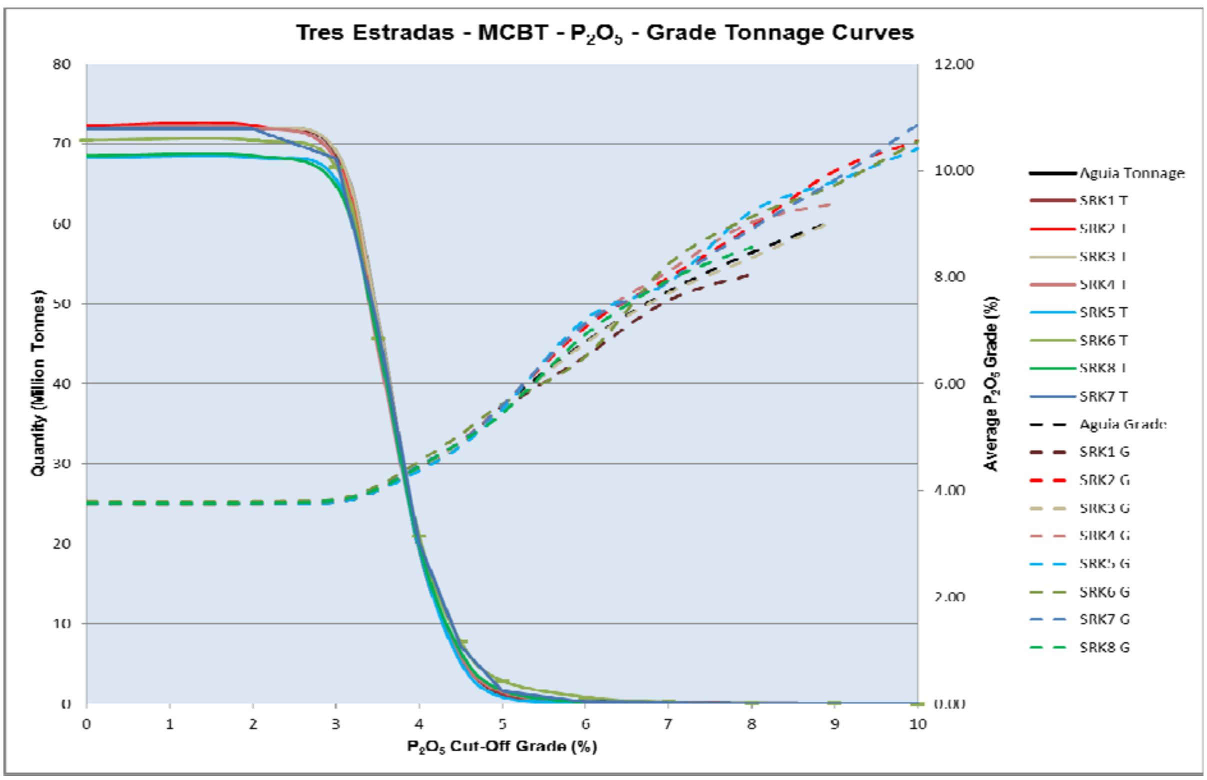
APPENDIX C

Sensitivity Analysis for MCBT due to Estimation Parameters

The table below summarizes the sensitivity analyses performed by SRK for the metacarbonatite (MCBT) domain for P_2O_5. The figure below illustrates the results from these sensitivities in the form of grade-tonnage curve comparisons.

Case	Data	Max Per Hole	Estimation Pass 1			Estimation Pass 2			Estimation Pass 3		
			Min.	Max.	Search Type	Min.	Max.	Search Type	Min.	Max.	Search Type
Base Case	Uncapped		8	15	Elliptical	6	16	Elliptical	2	16	Elliptical
SRK1	Capped		8	15	Elliptical	6	16	Elliptical	2	16	Elliptical
SRK2	Uncapped	5	6	10	Elliptical	5	12	Elliptical	2	16	Elliptical
SRK3	Uncapped		10	15	Elliptical	5	16	Elliptical	2	20	Elliptical
SRK4*	Uncapped		8	15	Elliptical	6	16	Elliptical	2	16	Elliptical
SRK5**	Uncapped		8	15	Elliptical	6	16	Elliptical	2	16	Elliptical
SRK6***	Uncapped		8	15	Elliptical	6	16	Elliptical	2	16	Elliptical
SRK7†	Uncapped		8	15	Elliptical	6	16	Elliptical	2	16	Elliptical
SRK8†, ‡	Capped	5	6	10	Elliptical	5	12	Elliptical	2	16	Elliptical

* 2013 Aguia variogram and search ellipse
** SRK fit of Aguia variogram and search ellipse ranges reflecting the SRK fit
*** Alternate directions of continuity, and associated variogram and search ranges
† Four subdomains identified, search ellipse and variogram re-oriented aligned with subdomains
‡ SRK modelled variogram and SRK chosen capping values used, with search ellipse ranges reflecting the SRK variogram model



Estimation Sensitivity Analysis for P_2O_5 (top) and CaO (bottom) in MCBT Domain