

25 June 2015

STRIKE-LENGTH OF AGUIA'S CERRO PRETO PHOSPHATE EXTENDS OVER 10 KM

Highlights:

- Two main phosphorite beds extend over 10 km with widths between 50 and 200 metres
- Channel sampling results include:
 - o CH-02: 17.5 meters grading 10.30% P_2O_5
 - o CH-28: 55.0 meters grading 6.99% P_2O_5
- Rock samples collected at surface returned up to 20.4% P_2O_5
- Cerro Preto demonstrates a number of similarities to the prolific Western Phosphate Field in the United States
- Agua intends to undertake a comprehensive drilling campaign of Cerro Preto targeted to commence in the final quarter of 2015
- Company's priority is completing and releasing Tres Estradas PEA by the end of July followed by commencement of a full Bankable Feasibility Study.

Brazilian fertiliser developer Agua Resources Limited (ASX: **AGR**) ("Agua" or "Company") is pleased to report that, following further analysis of the data from the recent mapping and scouting program, as reported on 23 January 2015, it has extended the strike-length of the Cerro Preto sedimentary-hosted phosphate discovery located in the Rio Grande region, Southern Brazil.

The main phosphorite beds now extend over approximately 10 km. The discovery includes four layers of marine phosphorite with thicknesses up to 200 metres. The area is continuously mineralised with outcropping phosphorite grading up to 20.4% P_2O_5 .

The Cerro Preto discovery consists of a sedimentary phosphate mineralisation hosted by black phosphorites of the Arroio Marmeleiro Formation, a Proterozoic shelf sequence that extends over an area of about 30 km along strike and 5 km wide.

These types of sequences host several giant phosphate deposits around the world, including Morocco and Northern Africa, Florida, South Carolina, Idaho and Utah, and account for over 80% of the global phosrock production.

Since the discovery of this highly prospective sedimentary target in the Rio Grande region, Aguia has expanded its land holding to 35,150 hectares in the Rio Grande region of which Cerro Preto makes up 19,367 hectares.

As previously stated by the Company on 8 October 2014 and 23 January 2015, the Cerro Preto phosphorites have returned high grades and apparent thicknesses at surface. Weathering tends to remove phosphate and only the primary unweathered rock samples return the highest results. This initial program included 28 wide spaced channels that covered a strike length of about 3 km and returned some very encouraging results:

CH-AM-02: 17.5m @ 10.30% P_2O_5
CH-AM-11: 15.0m @ 9.34% P_2O_5
CH-AM-12: 10.0m @ 7.44% P_2O_5 and 19.0m @ 8.96% P_2O_5
CH-AM-14: 12.0m @ 9.11% P_2O_5
CH-AM-17: 10.0m @ 10.62% P_2O_5
CH-AM-22: 15.0m @ 8.97% P_2O_5
CH-AM-23: 23.0m @ 8.61% P_2O_5
CH-AM-24: 14.0m @ 9.02% P_2O_5
CH-AM-28: 54.0m @ 6.99% P_2O_5

These initial results indicate strong similarities between Cerro Preto and the deposits of the Western Phosphate Field in the United States. The district has a long mining history with the first mine opened in Idaho in 1889, Wyoming in 1906, Utah in 1907, and Montana in 1921. Total production from marketable phosphate in the district since 1911 has been 230 Mt, representing 12% of the US's cumulative production. Current production is 5.5 million tons per year of phosrock. Idaho mines produce up to 14% of the phosphate in this country, and bring more income to Idaho than any other mineral. Total reserves in the Western Phosphate Field are 1.6 Billion tons grading 24% P_2O_5 (+1.5 meters thickness), representing 3% of World Reserves and 30% of US reserves.

Aguia's Executive Chairman, Justin Reid, commented: "Cerro Preto is rapidly developing into a truly world class asset for Aguia and we now plan to fast-track exploration activities at the project. Sampling and trenching is ongoing and we plan to aggressively drill the discovery later in the year.

"Management's immediate priority is to finalise the Preliminary Economic Assessment (PEA) for our most advanced project, Tres Estradas, and we expect to release the PEA towards the end of next month. This will be immediately followed by the commencement of a Bankable Feasibility Study for Tres Estradas.

"Given the change in the potential scale of Cerro Preto, it is important that Aguia places significant emphasis and investment in advancing this project which we will do concurrently with development activities at Tres Estradas.

"Aguia is developing what could become one of the most substantial and strategically important phosphate asset bases in Brazil. We look forward to unlocking the value of these assets for shareholders."

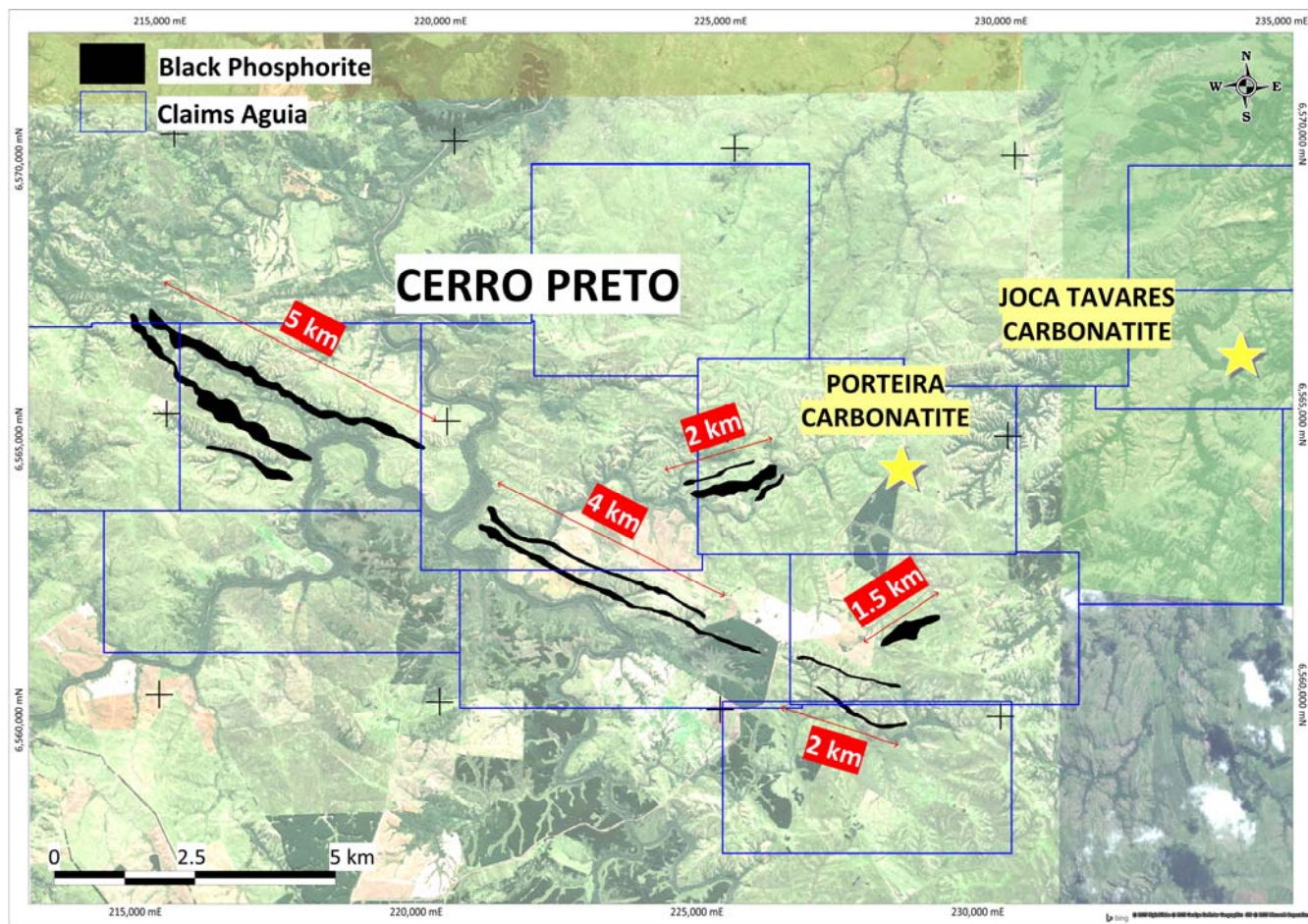


Figure 1 - Map of Cerro Preto Target highlighting the black phosphorite beds and Agua's land holdings.

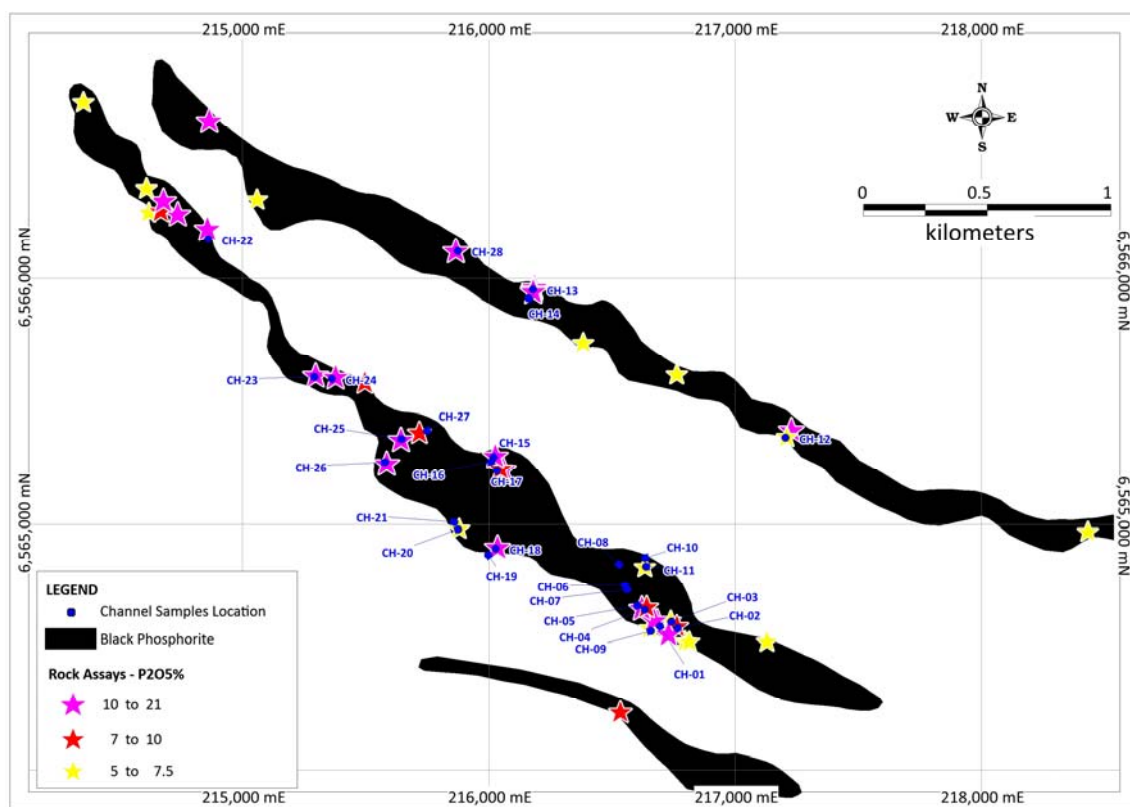


Figure 2 – Detail map of the northwest sector of the Cerro Preto Target showing the distribution of channel and rock samples with assay ranges.

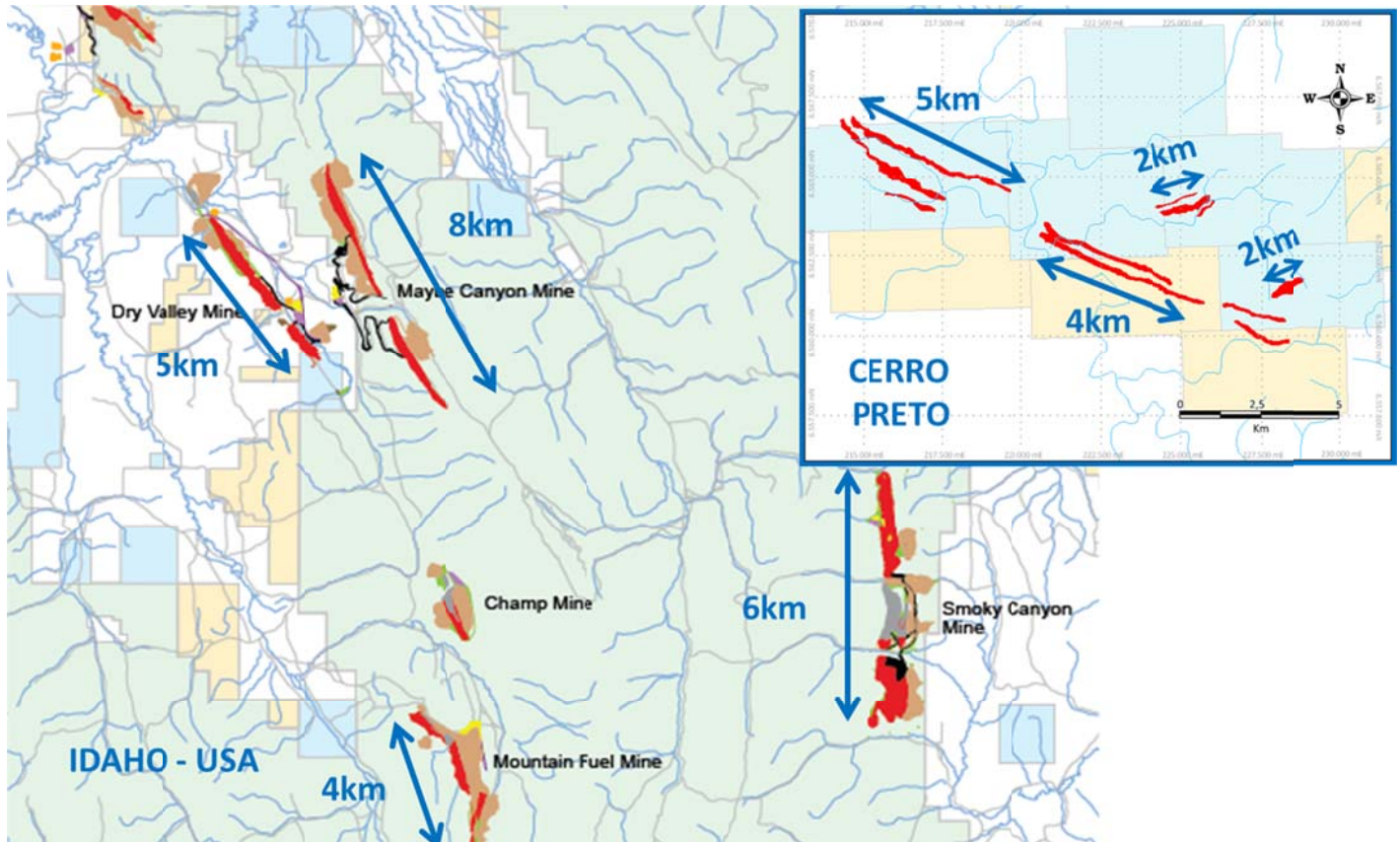


Figure 3 – Map highlighting the distribution and scale of the mines of the Western Phosphate Field in Idaho. Inset shows Cerro Preto with similar scale and distribution of the phosphorite beds. (Source: U.S. DEPARTMENT OF THE INTERIOR / U.S. GEOLOGICAL SURVEY).

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About Agua

Agua 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. Agua 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.

The information is extracted from the reports entitled New High Grade Phosphate Mineralisation at Rio Grande dated 8 October 2014 and Positive Exploration Results from Rio Grande Project dated 23 January 2015, which are available to view on www.aguiaresources.com.au. 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 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.