

26 August 2015

SUCCESSFUL A\$9.5 MILLION PRIVATE PLACEMENT FULLY FUNDS AGUIA FOR NEXT STAGE OF GROWTH

- **New capital raised fully funds Agua for up to two years**
- **Agua welcomes well recognised institutional investors to its register**
- **Significant value to be added through ongoing Project Development and Exploration Work**
- **Environmental permitting work at Tres Estradas to commence immediately**
- **Aggressive drilling at Joca Tavares and Cerro Preto to commence in September**

Brazilian fertiliser developer Agua Resources Limited (ASX: **AGR**) (“Agua” or “Company”) is pleased to announce that it has completed a A\$9.5 million capital raising through the Placement of 55.88 million new Fully Paid Ordinary Shares to institutional and sophisticated investors at \$0.17 per share. The placement price of \$0.17 is an excellent outcome and reflects the strong support the company has received from existing and new investors. It is also a solid endorsement of Agua’s growth strategy and its unlocked value.

The Company intends to use the proceeds from the Placement as follows:

- Commence environmental baseline studies and a Bankable Feasibility Study (“BFS”) at its flagship Tres Estradas Project in Rio Grande do Sul, Brazil. A recently published Preliminary Economic Assessment on Três Estradas by SRK Consulting (Canada) Inc. confirmed the technical and economic viability of project as a low cost producer of SSP in Southern Brazil. The preliminary financial model indicates pre-tax NPV_{5%} of US\$273 million (A\$372 million) and IRR of 25%;
- Infill drilling program at Três Estradas to convert Inferred Mineral Resources to Indicated Mineral Resources for the BFS;
- Aggressive drill programs at adjacent targets of Joca Tavares and Cerro Preto. Joca Tavares has the potential to extend the high-grade oxide resource production and substantially enhance the economics of the industrial project at Três Estradas, while the sediment hosted phosphate at Cerro Preto bears striking similarities to the highly productive phosphate deposits in Idaho.
- Lease maintenance and general working capital purposes.

Each new Ordinary Share issued will rank equally with existing Ordinary Shares. All Ordinary Shares issued pursuant to the Placement are to be fully tradeable and listed on the ASX, subject to the necessary approvals of the ASX.

The issue of the Ordinary Shares will be completed in accordance with the Company’s existing placement capacity pursuant to the ASX Listing Rules. Agua may, subject to regulatory approval, pay usual placement fees and commissions in respect of the Placement.

Aguia's Managing Director Justin Reid commented: "Aguia is very encouraged by the support we have received for this placement. We have had strong participation from many of our existing shareholders and we are pleased to welcome some highly regarded institutional investors to the register. Their support validates our strategy and further reinforces the fact that Aguia's assets have significant unlocked value.

The Company now has the financial flexibility to concurrently fast-track both project development work and exploration activities across the portfolio.

We expect to commence drilling programs at both Joca Tavares and Cerro Preto in the coming weeks, while at the same time progressing baseline studies and the BFS for Três Estradas. These activities are expected to add considerable value to the company and we expect to report a steady flow of news on our progress between now and the end of the calendar year."

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About Aguia:

Aguia is a fertiliser company focused on the exploration and development of phosphate and potash projects in Brazil to supply the Brazilian agriculture sector. 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 three 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.

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

- *19 August 2015: Positive Preliminary Economic Assessment Demonstrates Robust Economics for Tres Estradas*

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

Forward Looking Statements:

This news release contains forward looking statements, which relate to future events or future performance, including, but not limited to, the completion of the size of the Placement, receipt of regulatory approvals and timing thereof, the Company's business strategies and plans for the use of such Placement proceeds, capital

expenditure programs and estimates relating to timing and costs, and reflect management's current expectations and assumptions, including, but not limited to the timing and receipt of necessary regulatory approvals and completion of the Placement and stability of general economic and financial market conditions. The use of any of the words "anticipate", "continue", "estimate", "expect", "may", "will", "project", "should", "believe", and similar expressions is intended to identify forward looking statements. Such forward looking statements reflect management's current beliefs and are based on assumptions made by and information currently available to the Company. Readers are cautioned that these forward looking statements are neither promises nor guarantees, and are subject to risks and uncertainties, including imprecision in estimate capital expenditures and operating expenses, stock market volatility, general economic and business conditions, risks associated with liquidity and capital resource requirements, that may cause future results to differ materially from those expected and the forward looking statements included in this news release should not be unduly relied upon. These forward looking statements are made as of the date hereof and the Company does not assume any obligation to update or revise them to reflect new events or circumstances save as required under applicable securities legislation. This news release does not constitute an offer to sell securities and the Company is not soliciting an offer to buy securities in any jurisdiction in which such offer, solicitation or sale would be unlawful prior to registration or qualification under the securities laws of such jurisdiction.