

31 October 2016

## SEPTEMBER 2016 QUARTERLY ACTIVITIES REPORT

Aguia Resources Limited (ASX: **AGR**) ("Aguia" or "Company") is pleased to report on its activities for the September 2016 Quarter:

### **Operational Highlights:**

- Project analysis by Millcreek Mining Group affirms potential to unlock value from Três Estradas phosphate deposit
- Updated Três Estradas pit-constrained resource of 74.7 million tonnes grading 4.13%  $P_2O_5$
- Key project development milestone with EIA submitted for flagship Três Estradas phosphate project

### **Corporate Highlights:**

- Aguia completes \$8.5 million placement to fund company through to completion of BFS
- Aguia appoints highly qualified Brazilian mining engineer Guilherme Jacome to lead the Três Estradas Bankable Feasibility Study

During the September Quarter, Aguia continued to focus on advancing the development of its Três Estradas phosphate asset located in the state of Rio Grande do Sul in Southern Brazil (Figure 1). In particular, the finalisation of a PEA optimisation study by Millcreek Mining Group which reinforced earlier results pointing to significant upside potential to be unlocked from the Três Estradas asset and lays the groundwork for the Bankable Feasibility Study. Shortly after the Quarter ended, Aguia successfully completed an \$8.5 million private placement which provides the funding necessary to complete Bankable Feasibility Study which will be the next major milestone in reaching production.

### **Resource Increase**

A report by Millcreek Mining Group to optimise the Três Estradas project resulted in an increase in the JORC Compliant Resource. The audited pit-constrained resource is now estimated to be 74.7 million tonnes with an average grade of 4.13%  $P_2O_5$ , comprising 745,000 tonnes of measured resource grading 4.42%  $P_2O_5$ , 15.07 million tonnes of indicated resource grading 4.75%  $P_2O_5$  and 58.89 million tonnes of inferred resource grading 3.97%  $P_2O_5$ .

The proposed project will also include a resource of 2.75 million tonnes grading 4.37%  $P_2O_5$  from the nearby Joca Tavares carbonatite, which includes 915,000 tonnes of measured resource grading 3.98%  $P_2O_5$ , 1.5 million tonnes of indicated resource grading 4.31%  $P_2O_5$  and 329,000 tonnes of inferred resource grading 5.74%  $P_2O_5$ .

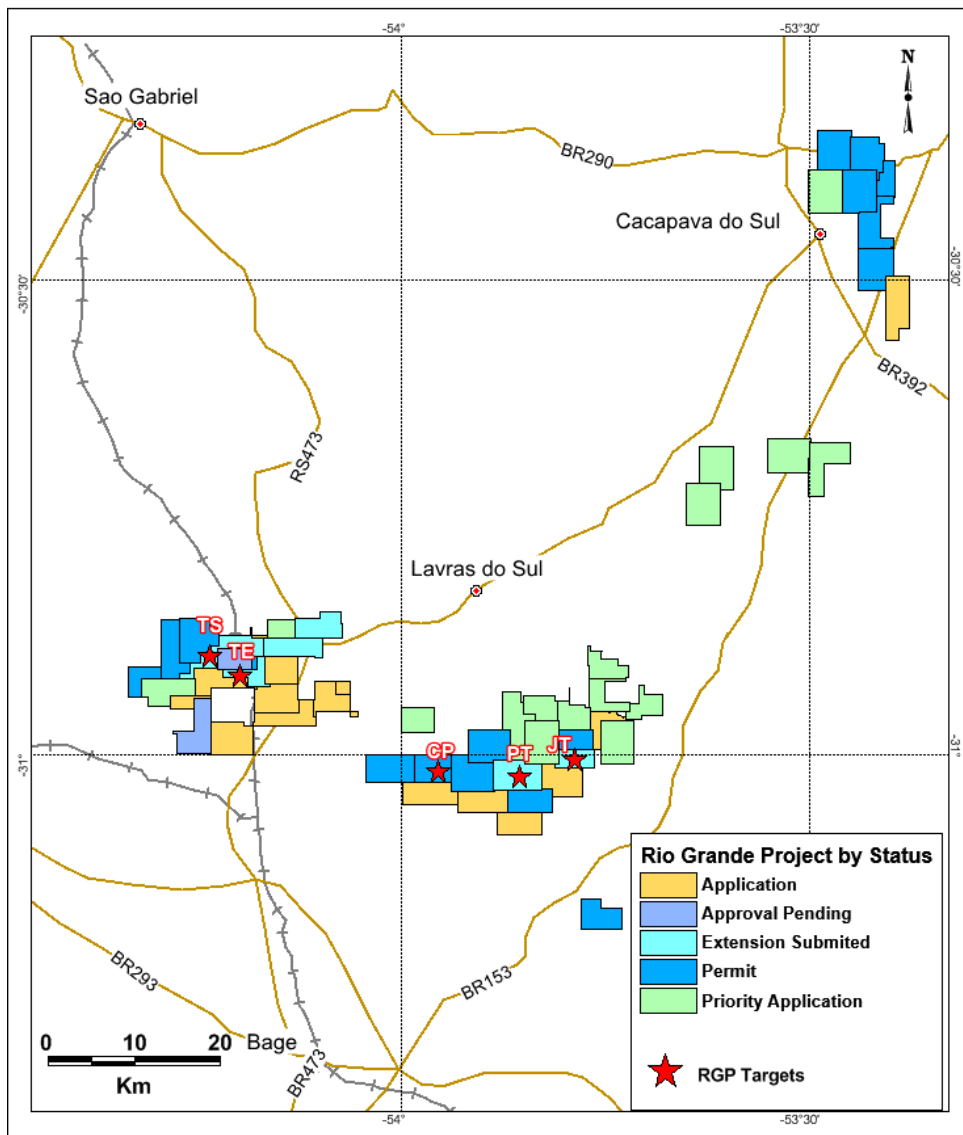


Figure 1: Rio Grande Tenement Map – Refer to Tenement Register for License Details

### Mining and Processing Improvements

Millcreek's report incorporated improvements to the processing facility compared to those previously considered. The processing plant will include a primary crusher, SAG mill and a sequence of rougher-cleaner-cleaner-scavenger column flotation to produce a 30 to 31%  $P_2O_5$  concentrate. The tailings of the phosphate rougher flotation will then be subject to magnetic separation and mica flotation to produce a high-quality calcite concentrate.

The introduction of column flotation was a definitive positive factor that supported the redesign to a more efficient and higher performing mill circuit. Demonstrating that the production of calcite is viable and that this by-product is of exceptionally high quality will create a secondary stream of revenue once in production. The decision to produce phosrock only instead of the more capital intense SSP production previously considered will result in project versatility and lower capital cost to construct.

### Submission of Environmental Impact Assessment for Três Estradas

Just after the end of the quarter, Agua completed the Environmental Impact Assessment (EIA) for its flagship Três Estradas Phosphate Project in southern Brazil. This extensive study was compiled in a final report that was filed and presented to the Rio Grande State Environmental Agency FEPAM. Next steps include further discussions with the Agency and public hearings in the Lavras do Sul area. Within 6 to 12 months, the Agency is expected to approve the EIA and issue the Preliminary License for the Project. The Preliminary License is considered the major milestone in the development of a mining project in Brazil and represents a substantial de-risking in the path to construction and production. This is the phase of permitting where all of the technical data relating to the environmental impact assessment is presented and the community consultations are completed to provide the social license to proceed to installation and operating permits.

### **Strengthening the Technical Team**

In late September, Aguia appointed Guilherme Jacome as head of engineering to lead the Bankable Feasibility Study. Mr. Jacome brings over 15 years of engineering experience to the Company, having worked on mining projects in Brazil, Chile, Australia, Canada, Zambia and Mozambique. In his most recent position, Mr. Jacome led a team that successfully completed the Bankable Feasibility Study for a \$2 billion potash project in Brazil in less than a year. Previously, Mr. Jacome was General Manager at Vale S.A. where he was responsible for overseeing investment projects including the commissioning and construction of mines and infrastructure in a number of countries with a total investment plan of USD50 billion over five years.

### **Balance Sheet Strength**

Subsequent to the end of the September Quarter, Aguia successfully completed an \$8.5 million Share Placement (Placement) through the issue of 85,000,000 new Fully Paid Ordinary Shares to institutional and sophisticated investors at \$0.10 per share. The new shares will rank equally with existing shares on issue.

The Placement, which was led by Patersons Securities Limited, was heavily oversubscribed and included a number of new shareholders, including Australian and international institutional investors, as well as participation from some existing shareholders.

Proceeds from funds raised and Aguia's existing cash reserves will be used as follows:

- Complete an Infill drilling program at Três Estradas to commence immediately in order to convert Inferred Mineral Resources to Measured and Indicated Mineral Resources for the Bankable Feasibility Study ("BFS");
- Fully commission all engineering and appoint a Lead Third Party to oversee the BFS completion;
- Commission a Column Flotation Pilot Plant Program at the Eriez Flotation Division in Pennsylvania;
- Conduct all Community Consultations and public outreach programs to complete permitting;
- Undertake exploration of recently optioned projects adjacent to Três Estradas;
- Lease maintenance and general working capital purposes.

During the quarter Aguia reached a settlement on a legal dispute dating from April 2013 relating to a former subsidiary Potassio do Atlantico Ltda. regarding the alleged breach of a drilling contract. Under the settlement Aguia, has agreed to pay the other party a total of A\$403,000 (R\$1 million) in three instalments between 30 September 2016 and 15 December 2016.

### **Lucena Phosphate Project**

The Lucena Phosphate Project, comprised of 48 tenements and applications for 345,5km<sup>2</sup>, contains an initial JORC compliant Inferred Mineral Resource of 55Mt grading 6.42% P<sub>2</sub>O<sub>5</sub> in the state of Paraiba in north eastern Brazil. A feature of the Lucena tenement is outcropping limestone, which is a potential commercialisation opportunity given the presence of a number of cement plants in the region. There was no activity during the June Quarter.

### **Mata da Corda Phosphate Project**

The Mata da Corda tenements are subject to an Option Agreement between Aguia and Vicenza Mineração e Participações S.A. ("Vicenza") which expires on December 6<sup>th</sup>, 2016. There was no activity during the quarter.

### **Plans for the December Quarter**

Based on the resource update and optimisation of its flagship Três Estradas phosphate deposit by Millcreek Mining Group and a successful private placement which makes the Company well-funded to execute on its plans, Aguia intends to move forward with the Bankable Feasibility Study for Três Estradas. Millcreek's report on Três Estradas confirmed that further development is warranted to unlock the potential value of the deposit.

Aguia's drill program will focus on converting the current Inferred Mineral Resource to Measured and Indicated Mineral Resources to be used as the basis of economic and production forecasts in the Bankable Feasibility Study. To date, the conversion of Inferred Resource to Indicated Resource has

been very high, which reflects the continuity of the carbonatite deposit.

Agua is selecting an engineering firm to oversee the upcoming BFS and will continue to analyse the mining and processing plan under the direction of recently appointed Head of Engineering, Guilherme Jacome, to identify further optimisations that will have the potential to reduce costs. Agua will also be examining logistics options to deliver phosrock to the SSP producers at the port.

While the Três Estradas deposit remains the main focus, the Company will also continue initial exploration on Terra Santa and Santa Clara, the two recently optioned adjacent properties that demonstrate similar geological properties.

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#### **About Agua:**

Agua 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. 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 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.

#### **JORC Code Competent Person Statements**

*The Três Estradas Phosphate Project has a current JORC compliant inferred and indicated mineral resource of 74.7 million tonnes with an average grade of 4.13% P<sub>2</sub>O<sub>5</sub>, comprising 745,000 tonnes of measured resource grading 4.42% P<sub>2</sub>O<sub>5</sub>, 15.07 million tonnes of indicated resource grading 4.75% P<sub>2</sub>O<sub>5</sub> and 58.89 million tonnes of inferred resource grading 3.97% P<sub>2</sub>O<sub>5</sub>*

*The Lucena Phosphate Project has a current JORC compliant inferred mineral resource of 55.1Mt grading 6.42% P<sub>2</sub>O<sub>5</sub>*

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

- 18 October 2016: Agua Closes \$8.5 million Private Placement
- 11 October 2016: Key Milestone Achieved with EIA Submitted for Três Estradas
- 29 September 2016: Agua Settles Legacy Drilling Contract Dispute
- 27 September 2016: Guilherme Jacome to Lead Três Estradas Feasibility
- 18 July 2016: Agua Provides Update on Path Ahead
- 12 July 2016: Optimised PEA Unlocks Significant New Value
- 5 July 2016: Metallurgical Tests Confirm High Quality Calcite By-Product from Três Estradas Phosphate Project
- 8 June 2016: Agua Signs Option Agreement on Property Adjacent to Três Estradas and Secures New Carbonatite Occurrence
- 6 June 2016: Agua Reports Positive New Column Flotation Results at its Flagship Três Estradas Phosphate Project

*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.*

**JORC Code Competent Person Statements:**

*The information in this report that relates to 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 Aguia Resources Limited. Dr Tallarico has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which he is undertaking to qualify as a Competent Person as defined in the 2004 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves' ("JORC Code"). Dr Tallarico consents to the inclusion in this report of the matters based on his information in the form and context in which it appears.*

## Agua Resources Limited Licenses

### RIO GRANDE PROJECT

ID	Claim Number (DNPM)	Submittal Date	Exploration License Number	Expiry date	Area (ha)	Status	Name
1	810.304/14	3/28/2014			51.68	Application	Água Fertilizantes S.A.
2	810.346/14	4/8/2014			1,275.66	Application	IAMGOLD Option
3	810.347/14	4/8/2014			1,702.56	Application	IAMGOLD Option
4	810.446/14	4/24/2014			1,528.46	Application	Água Fertilizantes S.A.
5	810.447/14	4/24/2014			1,495.07	Application	Água Fertilizantes S.A.
6	810.448/14	4/24/2014			1,605.12	Application	Água Fertilizantes S.A.
7	810.649/14	6/4/2014			1,240.36	Application	IAMGOLD Option
8	811.144/14	9/15/2014			1,286.15	Application	Água Fertilizantes S.A.
9	811.363/14	11/3/2014			699.35	Application	Água Fertilizantes S.A.
10	810.453/15	4/20/2015			1,399.23	Application	Água Fertilizantes S.A.
11	810.515/15	5/6/2015			1,845.58	Application	Água Fertilizantes S.A.
12	810.516/15	5/6/2015			1,412.79	Application	Água Fertilizantes S.A.
13	810.524/15	5/6/2015			454.74	Application	Água Fertilizantes S.A.
14	810.582/15	5/21/2015			239.33	Application	Água Fertilizantes S.A.
15	811.279/15	9/2/2015			1,873.30	Application	Água Fertilizantes S.A.
16	810.090/91	5/20/1991	2,947	8/16/2012	1,000.00	Approval Pending	CBC Option
17	810.344/04	6/3/2004	5,470	8/16/2013	1,816.36	Approval Pending	IAMGOLD Option
18	810.730/05	11/14/2005	8274	8/28/2016	1,476.43	Extension Submitted	Terra Santa Option
19	810.732/05	11/14/2005	8275	8/28/2016	1,520.62	Extension Submitted	Terra Santa Option
20	810.733/05	11/14/2005	8276	8/28/2016	1,505.94	Extension Submitted	Terra Santa Option
21	810.702/11	6/27/2011	5,433	10/9/2015	1,885.25	Extension Submitted	Falcon Petróleo S.A.
22	810.996/10	10/4/2010	4,099	4/29/2016	896.23	Extension Submitted	Água Fertilizantes S.A.
23	810.325/12	2/16/2012	4,101	4/29/2016	990.95	Extension Submitted	CBC Option
24	810.988/11	8/23/2011	2,232	4/15/2018	84.39	Permit	Falcon Petróleo S.A.
25	811.188/11	10/5/2011	6,382	7/21/2017	1,922.15	Permit	MENEGUZZO Option
26	811.189/11	10/5/2011	6,383	7/21/2017	1,631.70	Permit	MENEGUZZO Option
27	810.793/12	6/1/2012	4,672	6/9/2017	894.63	Permit	Água Fertilizantes S.A.
28	810.796/12	6/1/2012	4,673	6/9/2017	1,887.18	Permit	Água Fertilizantes S.A.
29	810.797/12	6/1/2012	4,674	6/9/2017	1,438.99	Permit	Água Fertilizantes S.A.
30	810.798/12	6/1/2012	4,675	6/9/2017	1,894.95	Permit	Água Fertilizantes S.A.
31	810.799/12	6/1/2012	4,676	6/9/2017	866.72	Permit	Água Fertilizantes S.A.
32	811.663/12	12/10/2012	4,677	6/9/2017	1,381.76	Permit	Água Fertilizantes S.A.
33	811.671/12	12/10/2012	4,678	6/9/2017	1,802.85	Permit	Água Fertilizantes S.A.
34	811.700/12	12/17/2012	4,679	6/9/2017	1,394.87	Permit	Água Fertilizantes S.A.
35	811.277/15	9/2/2015	5,125	5/27/2019	1,560.01	Permit	Água Fertilizantes S.A.
36	811.278/15	9/2/2015	1,464	2/23/2019	1,872.97	Permit	Água Fertilizantes S.A.
37	811.294/15	9/4/2015	14,856	12/8/2018	731.77	Permit	Água Fertilizantes S.A.
38	811.549/15	8/5/2015	14,857	12/8/2018	1,969.47	Permit	Água Fertilizantes S.A.
39	810.441/16	8/5/2015	8,771	9/1/2019	1,521.51	Permit	Água Fertilizantes S.A.
40	810.442/16	8/5/2015	8,772	9/1/2019	1,825.73	Permit	Água Fertilizantes S.A.
41	810.911/16	8/6/2015			1,936.85	Priority Application	Água Fertilizantes S.A.
42	810.912/16	8/5/2015			1,999.99	Priority Application	Água Fertilizantes S.A.
43	811.530/15	8/5/2015			2,000.00	Priority Application	Água Fertilizantes S.A.



44	811.572/15	8/5/2015			1,999.99	Priority Application	Água Fertilizantes S.A.
45	811.573/15	8/5/2015			1,807.68	Priority Application	Água Fertilizantes S.A.
46	811.586/15	8/5/2015			1,147.91	Priority Application	Água Fertilizantes S.A.
47	811.625/15	8/5/2015			1,835.91	Priority Application	Água Fertilizantes S.A.
48	811.640/15	8/5/2015			1,112.46	Priority Application	Água Fertilizantes S.A.
49	811.639/15	8/6/2015			1,034.21	Priority Application	Água Fertilizantes S.A.
50	811.588/15	8/6/2015			1,114.16	Priority Application	Água Fertilizantes S.A.
51	811.589/15	8/6/2015			1,119.44	Priority Application	Água Fertilizantes S.A.
52	811.583/15	8/6/2015			1,981.95	Priority Application	Água Fertilizantes S.A.
53	811.596/15	8/6/2015			1,945.63	Priority Application	Água Fertilizantes S.A.
54	811.508/15	8/6/2015			985.65	Priority Application	Água Fertilizantes S.A.
55	810.443/16	7/24/2015			671.35	Priority Application	Água Fertilizantes S.A.
56	810.444/16	7/24/2015			1,574.39	Priority Application	Água Fertilizantes S.A.
<b>TOTAL</b>					<b>78,150.38</b>		

#### NEW TENEMENTS ACQUIRED DURING THE SEPTEMBER QUARTER

Claim Number (DNPM)	Submittal Date	Exploration License Number	Expiry date	Area (ha)	Status	Name
846.160/16	7/29/2016			26.24	Application	Água Metais Ltda
846.161/16	7/29/2016			13.58	Application	Água Metais Ltda
846.162/16	7/29/2016			14.55	Application	Água Metais Ltda
846.501/08	7/4/2016			451.23	Application Public Tender	Água Metais Ltda
302.256/15	8/29/2016			364.95	Application Public Tender	Água Metais Ltda
302.866/15	8/29/2016			66.41	Priority Application	Água Metais Ltda
302.867/15	8/29/2016			443.18	Priority Application	Água Metais Ltda
840.282/14	8/29/2016			1,763.77	Priority Application	Água Metais Ltda
<b>TOTAL</b>				<b>3,143.91</b>		

#### LUCENA PROJECT

ID	Claim Number (DNPM)	Submittal Date	Exploration License Number	Expiry date	Area (ha)	Status	Name
1	846.013/16	2/4/2016			1,454.58	Application	Água Metais Ltda
2	846.160/16	7/29/2016			26.24	Application	Água Metais Ltda
3	846.161/16	7/29/2016			13.58	Application	Água Metais Ltda
4	846.162/16	7/29/2016			14.55	Application	Água Metais Ltda
5	846.501/08	7/4/2016			451.23	Application Public Tender	Água Metais Ltda
6	302.256/15	8/29/2016			364.95	Application Public Tender	Água Metais Ltda
7	846.036/09	3/17/2009	8,643	8/17/2012	98.00	Extension Submitted	Água Metais Ltda
8	846.105/09	6/23/2009	10,128	8/31/2012	1,772.99	Extension Submitted	Água Metais Ltda
9	846.107/09	6/23/2009	10,127	8/31/2012	1,146.40	Extension Submitted	Água Metais Ltda
10	846.575/11	10/19/2011	19,301	11/21/2014	953.33	Extension Submitted	Água Metais Ltda
11	846.578/11	10/19/2011	19,302	11/21/2014	989.89	Extension Submitted	Água Metais Ltda
12	846.579/11	10/19/2011	19,303	11/21/2014	989.99	Extension Submitted	Água Metais Ltda
13	846.580/11	10/19/2011	19,304	11/21/2014	841.60	Extension Submitted	Água Metais Ltda

14	846.582/11	10/19/2011	19,305	11/21/2014	251.96	Extension Submitted	Águia Metais Ltda
15	846.583/11	10/19/2011	19,306	11/21/2014	908.10	Extension Submitted	Águia Metais Ltda
16	846.585/11	10/19/2011	19,307	11/21/2014	300.00	Extension Submitted	Águia Metais Ltda
17	846.586/11	10/19/2011	19,308	11/21/2014	40.49	Extension Submitted	Águia Metais Ltda
18	846.587/11	10/19/2011	19,309	11/21/2014	142.71	Extension Submitted	Águia Metais Ltda
19	846.588/11	10/19/2011	19,310	11/21/2014	64.81	Extension Submitted	Águia Metais Ltda
20	846.343/12	7/16/2012	1,782	3/4/2016	472.35	Extension Submitted	Águia Metais Ltda
21	846.345/12	7/16/2012	1,783	3/4/2016	15.93	Extension Submitted	Águia Metais Ltda
22	846.346/12	7/16/2012	1,784	3/4/2016	714.48	Extension Submitted	Águia Metais Ltda
23	846.347/12	7/16/2012	1,785	3/4/2016	511.67	Extension Submitted	Águia Metais Ltda
24	846.150/13	4/25/2013	1,977	3/12/2016	31.19	Extension Submitted	Águia Metais Ltda
25	846.151/13	4/25/2013	1,978	3/12/2016	49.85	Extension Submitted	Águia Metais Ltda
26	846.152/13	4/25/2013	1,979	3/12/2016	105.45	Extension Submitted	Águia Metais Ltda
27	846.153/13	4/25/2013	1,980	3/12/2016	8.21	Extension Submitted	Águia Metais Ltda
28	846.154/13	4/25/2013	5,648	6/13/2016	31.68	Extension Submitted	Águia Metais Ltda
29	846.584/11	10/19/2011	5,662	6/13/2017	979.84	Permit	Águia Metais Ltda
30	846.132/15	6/25/2014	9,614	9/15/2018	999.88	Permit	Águia Metais Ltda
31	846.133/15	9/17/2014	9,615	9/15/2018	119.39	Permit	Águia Metais Ltda
32	846.134/15	9/17/2014	9,616	9/15/2018	265.71	Permit	Águia Metais Ltda
33	846.135/15	9/17/2014	9,617	9/15/2018	131.58	Permit	Águia Metais Ltda
34	846.309/14	7/23/2010	11,153	10/2/2018	800.22	Permit	Águia Metais Ltda
35	846.012/16	2/4/2016	5,048	5/24/2019	263.24	Permit	Águia Metais Ltda
36	846.458/08	10/28/2008	4,556	10/27/2017	1,927.43	Permit Extension	Águia Metais Ltda
37	846.460/08	10/28/2008	4,554	11/6/2017	1,927.28	Permit Extension	Águia Metais Ltda
38	846.462/08	10/28/2008	4,552	11/6/2017	1,924.15	Permit Extension	Águia Metais Ltda
39	846.464/08	10/28/2008	4,539	10/27/2017	1,879.92	Permit Extension	Águia Metais Ltda
40	846.466/08	10/28/2008	4,561	11/6/2017	1,904.78	Permit Extension	Águia Metais Ltda
41	846.472/08	10/28/2008	4,300	11/6/2017	1,441.26	Permit Extension	Águia Metais Ltda
42	846.473/08	10/28/2008	4,572	10/27/2017	933.10	Permit Extension	Águia Metais Ltda
43	846.474/08	10/28/2008	2,086	11/6/2017	946.28	Permit Extension	Águia Metais Ltda
44	846.475/08	10/28/2008	4,575	10/27/2017	1,169.81	Permit Extension	Águia Metais Ltda
45	846.476/08	10/28/2008	2,085	10/31/2017	768.51	Permit Extension	Águia Metais Ltda
46	846.477/08	10/28/2008	4,574	10/29/2017	203.87	Permit Extension	Águia Metais Ltda
47	846.478/08	10/28/2008	4,573	10/27/2017	339.09	Permit Extension	Águia Metais Ltda
48	846.479/08	10/28/2008	4,560	11/6/2017	1,438.88	Permit Extension	Águia Metais Ltda
49	846.480/08	10/28/2008	4,559	11/6/2017	1,926.80	Permit Extension	Águia Metais Ltda
50	846.106/09	6/23/2009	11,566	11/6/2017	1,538.93	Permit Extension	Águia Metais Ltda
51	846.108/09	6/25/2009	8,859	10/29/2017	188.17	Permit Extension	Águia Metais Ltda
52	846.289/09	12/15/2009	6,571	11/6/2017	134.50	Permit Extension	Águia Metais Ltda
53	846.020/10	2/8/2010	8,161	10/31/2017	27.97	Permit Extension	Águia Metais Ltda
54	846.117/10	5/27/2010	10,623	11/6/2017	70.64	Permit Extension	Águia Metais Ltda
55	846.182/11	4/26/2011	10,938	11/6/2017	120.12	Permit Extension	Águia Metais Ltda
56	302.866/15	8/29/2016			66.41	Priority Application	Águia Metais Ltda
57	302.867/15	8/29/2016			443.18	Priority Application	Águia Metais Ltda
58	840.282/14	8/29/2016			1,763.77	Priority Application	Águia Metais Ltda
TOTAL					39,410.92		



**MATA DA CORDA PROJECT**

ID	Claim Number (DNPM)	Submittal Date	Exploration License Number	Expiry date	Area (ha)	Status	Name
1	831.783/07	11/8/2010			2,000.00	Application Public Tender	Águia Metais Ltda
2	831.785/07	11/8/2010			2,000.00	Application Public Tender	Águia Metais Ltda
3	831.790/07	11/8/2010			2,000.00	Application Public Tender	Águia Metais Ltda
4	300.653/12	11/1/2012			71.91	Application Public Tender	Águia Metais Ltda
5	300.654/12	11/1/2012			201.09	Application Public Tender	Águia Metais Ltda
6	831.798/13	2/14/2014			1,775.56	Application Public Tender	Águia Metais Ltda
7	833.530/07	1/14/2013			1,199.87	Priority Application	Águia Metais Ltda
<b>TOTAL</b>					<b>9,248.43</b>		

**LAGAMAR PROJECT**

ID	Claim Number (DNPM)	Submittal Date	Exploration License Number	Issuing Date	Area (ha)	Status	Name
1	831.880/13	7/1/2015			1,408.55	Priority Application	Águia Metais Ltda
<b>TOTAL</b>					<b>1,408.55</b>		

TENEMENTS DISPOSED OF DURING QUARTER - NIL

## Appendix 5B

# Mining exploration entity and oil and gas exploration entity quarterly report

Introduced 01/07/96 Origin Appendix 8 Amended 01/07/97, 01/07/98, 30/09/01, 01/06/10, 17/12/10, 01/05/13, 01/09/16

### Name of entity

**AGUIA RESOURCES LIMITED**

### ABN

**94 128 256 888**

### Quarter ended ("current quarter")

**30 September 2016**

Consolidated statement of cash flows	Current quarter \$A'000	Year to date (3 months) \$A'000
<b>1. Cash flows from operating activities</b>		
1.1 Receipts from customers		
1.2 Payments for		
(a) exploration & evaluation	(844)	(844)
(b) development		
(c) production		
(d) staff costs	(325)	(325)
(e) administration and corporate costs	(113)	(113)
1.3 Dividends received (see note 3)		
1.4 Interest received		
1.5 Interest and other costs of finance paid	4	4
1.6 Income taxes paid		
1.7 Research and development refunds		
1.8 Other (Business development)	(191)	(191)
<b>1.9 Net cash from / (used in) operating activities</b>	<b>(1,469)</b>	<b>(1,469)</b>

<b>2. Cash flows from investing activities</b>		
2.1 Payments to acquire:		
(a) property, plant and equipment		
(b) tenements (see item 10)		
(c) investments		
(d) other non-current assets		

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (3 months) \$A'000
2.2	Proceeds from the disposal of:		
	(a) property, plant and equipment		
	(b) tenements (see item 10)		
	(c) investments		
	(d) other non-current assets		
2.3	Cash flows from loans to other entities		
2.4	Dividends received (see note 3)		
2.5	Other (provide details if material)		
<b>2.6</b>	<b>Net cash from / (used in) investing activities</b>		

<b>3.</b>	<b>Cash flows from financing activities</b>		
3.1	Proceeds from issues of shares		
3.2	Proceeds from issue of convertible notes		
3.3	Proceeds from exercise of share options		
3.4	Transaction costs related to issues of shares, convertible notes or options		
3.5	Proceeds from borrowings		
3.6	Repayment of borrowings	(214)	(214)
3.7	Transaction costs related to loans and borrowings		
3.8	Dividends paid		
3.9	Other (provide details if material)		
<b>3.10</b>	<b>Net cash from / (used in) financing activities</b>	<b>(214)</b>	<b>(214)</b>

<b>4.</b>	<b>Net increase / (decrease) in cash and cash equivalents for the period</b>		
4.1	Cash and cash equivalents at beginning of period	2,901	2,901
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(1,469)	(1,469)
4.3	Net cash from / (used in) investing activities (item 2.6 above)		
4.4	Net cash from / (used in) financing activities (item 3.10 above)	(214)	(214)
4.5	Effect of movement in exchange rates on cash held	(8)	(8)
<b>4.6</b>	<b>Cash and cash equivalents at end of period</b>	<b>1,210</b>	<b>1,210</b>

<b>5. Reconciliation of cash and cash equivalents</b> at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts	<b>Current quarter \$A'000</b>	<b>Previous quarter \$A'000</b>
5.1 Bank balances	1,210	2,901
5.2 Call deposits	-	-
5.3 Bank overdrafts	-	-
5.4 Other (provide details)	-	-
<b>5.5 Cash and cash equivalents at end of quarter (should equal item 4.6 above)</b>	<b>1,210</b>	<b>2,901</b>

**6. Payments to directors of the entity and their associates**

- 6.1 Aggregate amount of payments to these parties included in item 1.2
- 6.2 Aggregate amount of cash flow from loans to these parties included in item 2.3
- 6.3 Include below any explanation necessary to understand the transactions included in items 6.1 and 6.2

<b>Current quarter \$A'000</b>
170
-

**7. Payments to related entities of the entity and their associates**

- 7.1 Aggregate amount of payments to these parties included in item 1.2
- 7.2 Aggregate amount of cash flow from loans to these parties included in item 2.3
- 7.3 Include below any explanation necessary to understand the transactions included in items 7.1 and 7.2

<b>Current quarter \$A'000</b>
-
-

## Mining exploration entity and oil and gas exploration entity quarterly report

**8. Financing facilities available**

*Add notes as necessary for an understanding of the position*

8.1 Loan facilities

8.2 Credit standby arrangements

8.3 Other (please specify)

8.4 Include below a description of each facility above, including the lender, interest rate and whether it is secured or unsecured. If any additional facilities have been entered into or are proposed to be entered into after quarter end, include details of those facilities as well.

Total facility amount at quarter end \$A'000	Amount drawn at quarter end \$A'000
-	-
-	-
-	-

**9. Estimated cash outflows for next quarter**

**\$A'000**

9.1 Exploration and evaluation

9.2 Development

9.3 Production

9.4 Staff costs

9.5 Administration and corporate costs

9.6 Other (provide details if material)

**9.7 Total estimated cash outflows**

570

311

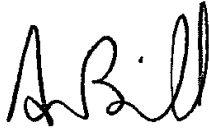
119

**1,000**

10.	Changes in tenements (items 2.1(b) and 2.2(b) above)	Tenement reference and location	Nature of interest	Interest at beginning of quarter	Interest at end of quarter
10.1	Interests in mining tenements and petroleum tenements lapsed, relinquished or reduced				
10.2	Interests in mining tenements and petroleum tenements acquired or increased				

**Compliance statement**

- 1 This statement has been prepared in accordance with accounting standards and policies which comply with Listing Rule 19.11A.
- 2 This statement gives a true and fair view of the matters disclosed.



Sign here: .....  
**Company secretary**

Date: **31 OCTOBER 2016**

Print name: **ANDREW BURSILL**

**Notes**

1. The quarterly report provides a basis for informing the market how the entity's activities have been financed for the past quarter and the effect on its cash position. An entity that wishes to disclose additional information is encouraged to do so, in a note or notes included in or attached to this report.
2. If this quarterly report has been prepared in accordance with Australian Accounting Standards, the definitions in, and provisions of, AASB 6: Exploration for and Evaluation of Mineral Resources and AASB 107: Statement of Cash Flows apply to this report. If this quarterly report has been prepared in accordance with other accounting standards agreed by ASX pursuant to Listing Rule 19.11A, the corresponding equivalent standards apply to this report.
3. Dividends received may be classified either as cash flows from operating activities or cash flows from investing activities, depending on the accounting policy of the entity.