

17th December 2013

Appointment of Interim Chairman and New Managing Director

Agua Resources Limited (ASX: AGR) is pleased to announce the appointment of Mr David Gower as interim Chairman and Mr Prakash Hariharan as Managing Director of the Company with immediate effect. Mr Hariharan was appointed a non-executive director on 12 March 2013, and has been providing additional consulting services to the Company since that time.

Prior to joining Agua, Mr Hariharan was a highly successful portfolio manager for Front Street Capital, a leading investment firm in Toronto, Canada which he joined in 2005. He has been an active manager in growth portfolios, particularly related to agriculture and technology and is well regarded in this space. He has been involved in a number of financings with a focus on junior agricultural exploration companies from Brazil that have been active in capital markets in recent times.

Prior to his career in investment management Mr. Hariharan worked as a process engineer with leading multinational - BASF in the Agrochemicals business involved in specialty chemicals for the agricultural sector. He was involved in turnkey projects synthesising and processing cypermethrin derivative products and plant growth regulants with phosphate and potash as key nutrients. He holds a financial engineering degree from York University, an MBA from the Schulich School of Business and an undergraduate degree in Chemical Engineering.

As part of his employment agreement, Mr Hariharan has agreed to commit 50% of his salary to the purchase of shares in the Company on-market, subject to those purchases being in accordance with the Company's share trading policy.

"We are delighted Prakash has agreed to accept the position of Managing Director, including his significant commitment to ongoing on-market share purchases", said David Gower, the Company's acting Chairman. "We are confident in his ability to lead the Company through our next stage of development, and look forward to his positive contribution towards the Company's growth."

Mr Gower's appointment as interim Chairman is expected to continue until a new Chairman of the Company is announced, expected to be in the first quarter of 2014.

The following sets out key terms of the Mr Hariharan's contract.

Summary of Key Terms of Employment Contract

1. Duration of Contract

The contract commences immediately and ends on 17 December 2016.

2. Remuneration

(a) Salary Package

An annual salary of A\$275,000. As Mr Hariharan is not a resident of Australia, he is not eligible for superannuation contributions. The annual salary will be reviewed by the board no later than 31 December each year during the term of the contract with the next review occurring by 31 December 2014. Mr Hariharan has agreed to commit 50% of his salary to the purchase of shares in the Company on-market, subject to those purchases being in accordance with the Company's share trading policy.

(b) Other Benefits

During the duration of the contract, Mr Hariharan may also become entitled to the following other benefits, namely:

- (a) An annual cash bonus payment; and
- (b) The annual issue of Options.

The entitlement to any payment of a cash bonus and/or the issue of any Options will be contingent upon the satisfaction of key performance indicators that are prescribed by the boards prior to 31 January 2014 and each anniversary of that date.

The amount of a cash bonus, the terms of payment of a cash bonus, the number of Options and/or the terms and conditions upon which those Options may be issued, will each be contingent upon the extent, if any, that the Board is of the view that the applicable KPIs have been exceeded and the degree to which Mr Hariharan is responsible for that outcome.

3. Termination of Employment

The employment may be terminated by Aguia:

- (a) Without cause or in the event of redundancy by giving Mr Hariharan written notice for the lesser of six months, of the balance of the term of contract; or
- (b) Immediately for serious misconduct.

Mr Hariharan may terminate the contract by giving three months' notice to Aguia.

On termination, any accrued remuneration and statutory leave entitlements are payable, together with reimbursement of properly incurred work-related expenses. On termination for serious misconduct no other payments apply. Additional payments may apply on termination for other reasons depending on the circumstances.

If employment is terminated in circumstances of redundancy or without cause the following additional payments apply:

- (a) If a payment is to be made in lieu of actual notice, an amount of the remuneration for the period equal to the lesser of:
 - (a) The unexpired balance of the term of the contract; or
 - (b) six months;

- Ends-

For further information, please contact:

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