



# BUILDING A BRAZILIAN FERTILIZER COMPANY

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## **Competent Persons Statement**

The information is extracted from the report entitled Diamond and Reverse Circulation Drilling released on 13 November 2014, Quarterly Report and Appendix 5B released on 31 Oct 2014, Aguia Secures \$2m Placement released on 20 Oct 2014, the Três Estradas Phosphate Project released on 29 May 2014, the Mining Study – Três Estradas Phosphate Deposit released on 16 September 2014, the New High Grade Phosphate Mineralization released on 8 October 2014 and the Funding Update released on 25 September 2014, which are available to view on [www.aguiaresources.com.au](http://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.

As previously announced in the March 2014 Quarterly Report to the ASX, the Três Estradas Phosphate Project has a current JORC compliant inferred and indicated mineral resource of 30.5 @ 4.24% P<sub>2</sub>O<sub>5</sub> (total initial contained phosphate of 1.23Mt P<sub>2</sub>O<sub>5</sub>). This includes indicated resources of 9.9Mt @ 5.03% P<sub>2</sub>O<sub>5</sub> and inferred resources of 20.6Mt @ 3.93% P<sub>2</sub>O<sub>5</sub>. The Company has also identified (and as also announced in the March 2014 Quarterly Report to the ASX) an exploration target of between 13 and 27 million tonnes, grading at between 3.56 and 4.84% P<sub>2</sub>O<sub>5</sub> for the Três Estradas South tenement.

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.

The information in this report that relates to Exploration Targets is based on information compiled by Dr Fernando Tallarico, a Competent Person, who is a Member of the Association of Professional Geoscientists Ontario, a 'Recognised Professional Organisation' (RPO) included in a list that is posted on the ASX website from time to time.

# INVESTMENT HIGHLIGHTS



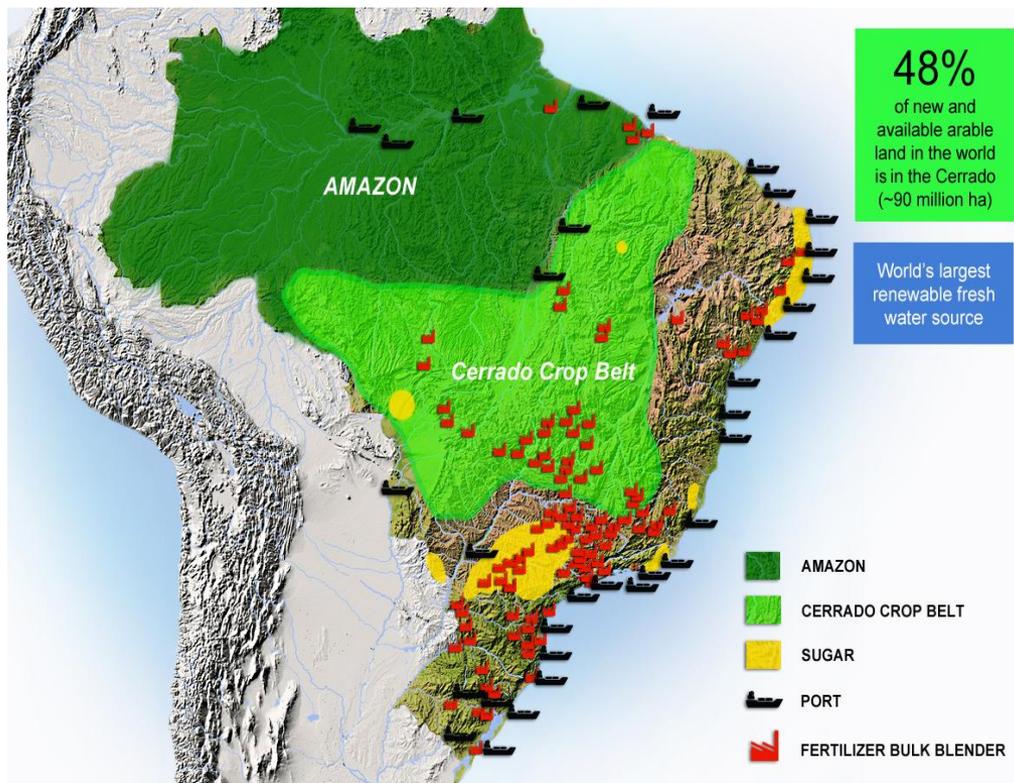
## Building a Brazilian fertilizer company: Developing world class phosphate and potash assets for an agricultural powerhouse dependent on fertilizer imports

- Flagship Rio Grande phosphate deposits in southern Brazil exhibit high quality & low cost characteristics
  - Three new igneous phosphate discoveries in landholding over 390 km<sup>2</sup>
  - High grade oxide material at surface = low cost production
- Ideal location with **proximity to local infrastructure** (road, rail, power, port) & a willing market currently dependent on 100% imports
- Significant logistics advantage for local producers **>\$50/t vs imports**
- Longer term growth fuelled by additional potash & phosphate assets in eastern Brazil
- Experienced management team with solid track record of identifying high quality mining assets and advancing them successfully to production

# BRAZIL: NEAR-TERM INVESTMENT THESIS FOR FERTILIZER

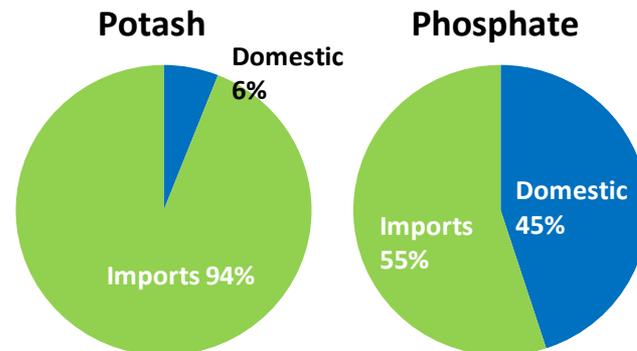


## Brazil: An agricultural powerhouse dependent on fertilizer imports



- World's fastest growing fertilizer market
- Third largest global agricultural exporter
- Large renewable water resource, available arable land

- Brazil is 4<sup>th</sup> largest consumer of fertilizer but only has 4% of global production
- 3<sup>rd</sup> largest consumer of P<sub>2</sub>O<sub>5</sub> (behind China/India), 2<sup>nd</sup> largest importer of DAP and MAP
- 2<sup>nd</sup> largest consumer of potash, largest importer in the world



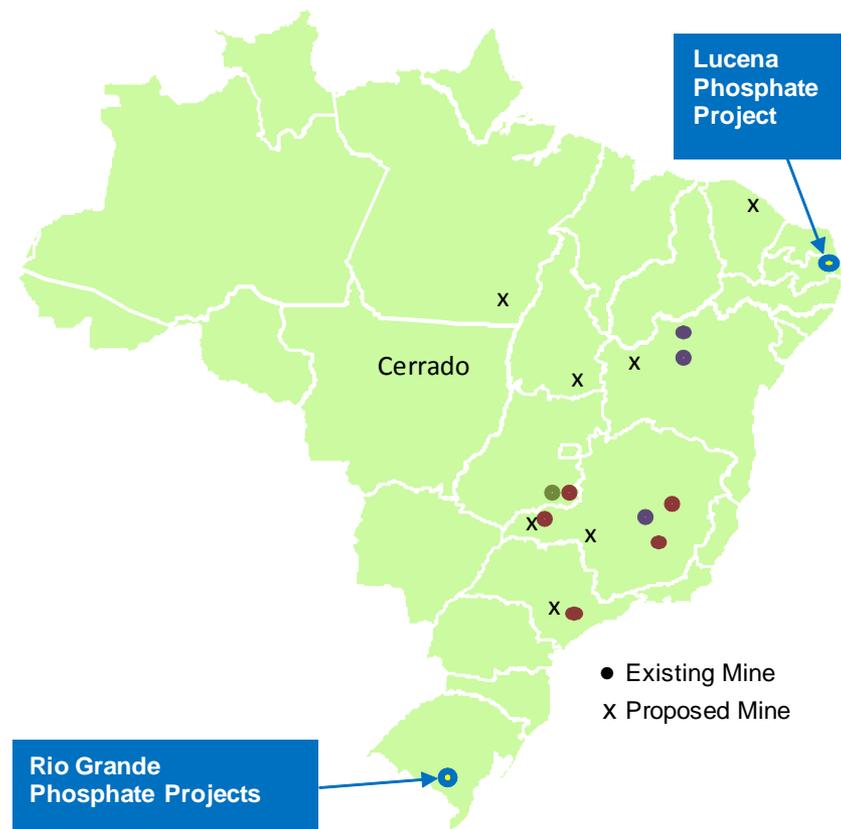
Source: ANDA 2013 annual report

# RIO GRANDE: FLAGSHIP PHOSPHATE ASSET IN SOUTHERN BRAZIL



Agua is first mover in the southern farming region which has strong local demand and currently imports 100% of its fertilizer

- Three new igneous carbonatite-hosted phosphate discoveries in landholding over 390 km<sup>2</sup>
  - Três Estradas (Nov 2011); Joca Tavares (June 2013); Porteira (future)
- 10MT Indicated and 21MT Inferred JORC Resource at **Três Estradas** (TE) with 55% of mineralized deposit still to be drilled;
- Second discovery at **Joca Tavares** (JT);
- Untested target ready for drill testing (Porteira)
- Ideally located in area dependent on imports;
- Excellent infrastructure;
- Potential for early cash flow

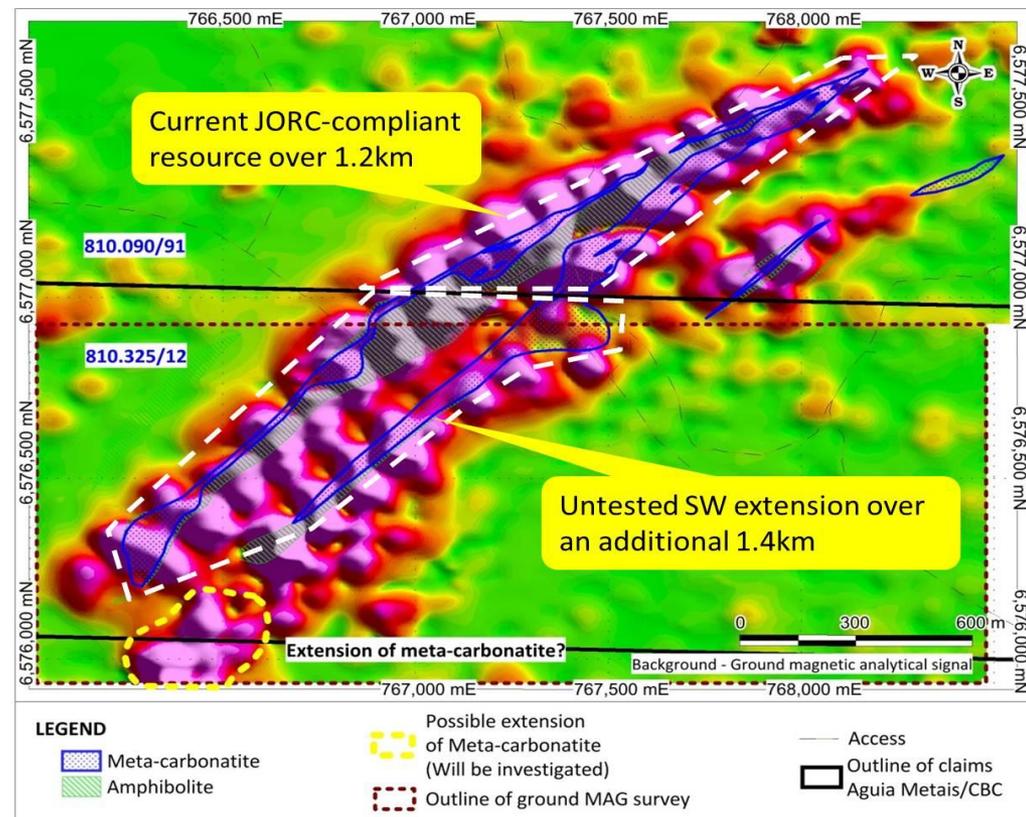
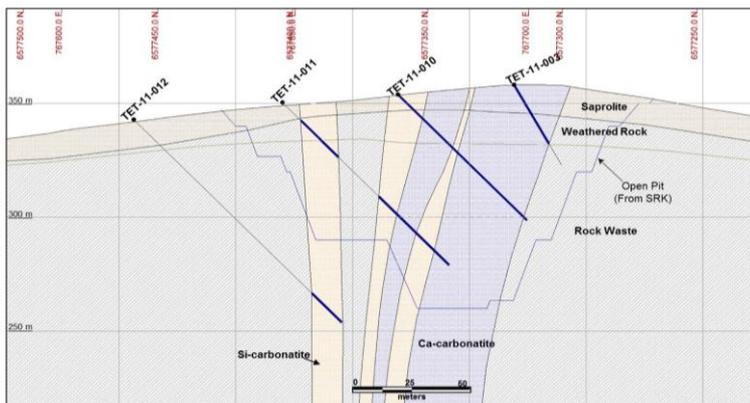


# RIO GRANDE DO SUL PHOSPHATE: TRÊS ESTRADAS



The Company's primary focus is the Três Estradas deposit, which has significant low-cost growth potential

- Total JORC compliant mineral resource estimate for Três Estradas: 9.9Mt @ 5.03% P<sub>2</sub>O<sub>5</sub> (indicated) and 20.6Mt @ 3.94% P<sub>2</sub>O<sub>5</sub> (inferred)<sup>(1)</sup>, and a higher-grade oxide zone from surface of 1.81Mt @ 10.8% P<sub>2</sub>O<sub>5</sub><sup>(2)</sup>
- Mineral Resource only covers 45%, or 1.2 km of potential 2.6 km of total mineralized strike
- 75% of higher-grade oxide resource in Indicated category



1 SRK Consulting: cut-off grade of 3.0% P<sub>2</sub>O<sub>5</sub>

2 See ASX Release of 30<sup>th</sup> April 2014

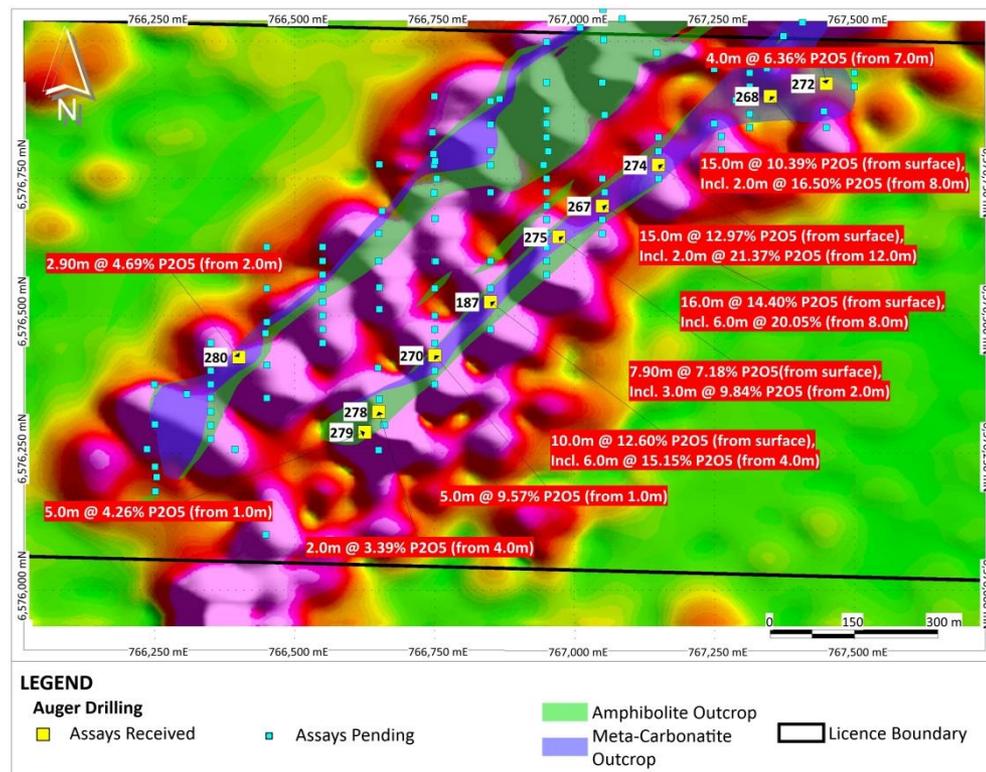
# RIO GRANDE DO SUL PHOSPHATE: TRÊS ESTRADAS



## Potential resource expansion to the South

Initial shallow auger drilling from Três Estradas South has returned excellent results with grades up to +20%  $P_2O_5$ . All holes in carbonatite have ended in mineralization.

- 16.0 m @ 14.4%  $P_2O_5$  from surface, including 6.0 m @ 20.1%  $P_2O_5$
- 10.0 m @ 12.6%  $P_2O_5$  from surface, including 6.0 m @ 15.5%  $P_2O_5$
- 15.0 m @ 13.0%  $P_2O_5$  from surface, including 2.0 m @ 21.4%  $P_2O_5$
- 15.0 m @ 10.4%  $P_2O_5$  from surface

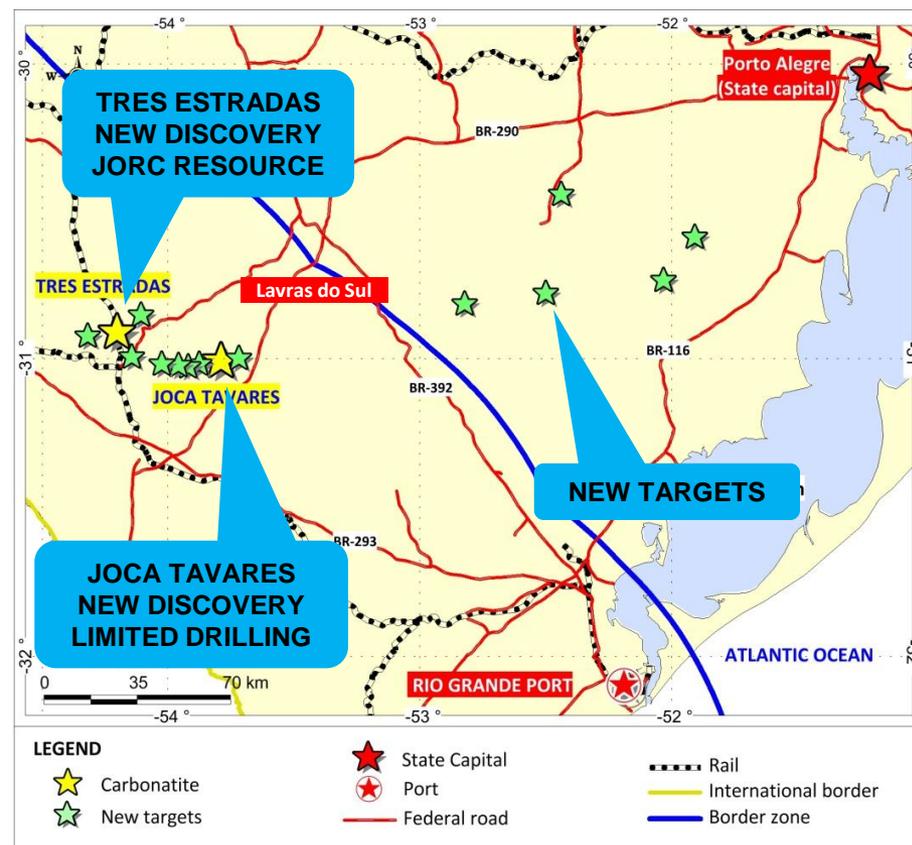


# RIO GRANDE DO SUL PHOSPHATE: TRÊS ESTRADAS



## Low Cost Production, Existing Infrastructure, Local Market Access

- Tres Estradas currently has defined capacity to support 350,000 tonnes of single superphosphate (SPP) annually<sup>1</sup>
- Estimated OPEX of US\$177/t of SPP make it a top quartile low cost producer to one of the largest fertilizer markets in the world<sup>2</sup>
- Access to existing local infrastructure (road, rail, power) reduces project build costs
- TE located less than 1km from rail line with access to existing acid terminal at Rio Grande port
- 3 southern states of Brazil consume ~1.1 Mt of P<sub>2</sub>O<sub>5</sub> annually with no phosphate mines in the region
- Well established farming region imports 100% of its phosphate requirements



Similar in style to Vale's Cajati / Jacupiranga mine

# RIO GRANDE DO SUL PHOSPHATE: TRÊS ESTRADAS



Railway line

Railway and easy access

Três Estradas is in rolling open countryside, mostly scrub, with some light grazing

Phosphate mineralization at surface

# RIO GRANDE DO SUL PHOSPHATE: NO LOCAL PRODUCTION/COMPETITION



## Announced Phosphate Projects under Development in Brazil

| 2014E  | 2015E | 2016E                                     | 2017E  | 2018E  | 2019E   |
|--|-------|---|--|--|---|
| MBAC Itafos<br>(Minas Gerais)<br>685,000 tpa |       | Anglo Catalao<br>(Goias)<br>1,400,000 tpa | Galvani Angico<br>Dias (Bahia)<br>145,000tpa       | Galvani Santa<br>Quiteria (Ceara)<br>800,000 tpa | Vale Salitre<br>(Minas Gerais)<br>1,100,000 tpa |
|  |       | MBAC Santana<br>(Para)<br>900,000 tpa     | Galvani Salitre<br>(Minas Gerais)<br>1,200,000 tpa |  |   |

Note: Projects are proposed; expect 1-3 years to ramp up from start date with potential for unforeseen delays

- None of the proposed new production is being built in Southern Brazil
- Southern Brazil accounts for 30% of Brazil's fertilizer consumption, 100% of which is imported

### Phosphate Imports to Southern Brazil, 2013<sup>1</sup> ('000t product)

|                | Rio Grande | Porto Alegre | Imbituba | Paranaguá | Total South |
|----------------|------------|--------------|----------|-----------|-------------|
| Phosphate Rock | 399        | 0            | 50       | 466       | 1,048       |

Notes: 1 = Data Source – SIACESP; some Paranaguá imports go to SP state



Rio Grande  
Phosphate  
Projects

# RIO GRANDE DO SUL PHOSPHATE: TRÊS ESTRADAS



## Encouraging preliminary beneficiation results

- Results indicate the potential to produce a commercial concentrate using standard methods and reagents available in the market
- Metallurgical recoveries up to 58.4% and concentrate grades up to 30.8% P<sub>2</sub>O<sub>5</sub><sup>1</sup>
- Further optimization test work 2<sup>nd</sup> half 2014

| Sample Number & Description<br>(100 kg samples) | Head Grade                    |          | Overall Metallurgical Results |                  |                                |
|---|-------------------------------|----------|-------------------------------|------------------|--------------------------------|
|   | P <sub>2</sub> O <sub>5</sub> | Recovery | P <sub>2</sub> O <sub>5</sub> | SiO <sub>2</sub> | Fe <sub>2</sub> O <sub>3</sub> |
| <b>EB-06, Oxidised Carbonatite</b>              | <b>16.2%</b>                  | 58.4%    | <b>30.8%</b>                  | 9.5%             | 10.1%                          |
| <b>EB-07, Fresh Carbonatite</b>                 | <b>4.2%</b>                   | 58.1%    | <b>27.0%</b>                  | 3.3%             | 1.5%                           |

| Name of Deposit                       | Location      | Tonnage (Mt)          | Head Grade  | Recovery   | Concentration Grade       | Stage                            |
|---------------------------------------|---------------|-----------------------|-------------|------------|---------------------------|----------------------------------|
| <b>Siilinjärvi (Yara)<sup>2</sup></b> | Finland       | 465                   | 4.2%/4.3%   | 84%        | 36%/36.5%                 | Production                       |
| <b>Cajati (Vale)<sup>2</sup></b>      | Brazil        | 100                   | 4.6%/4.7%   | 78%        | 35.5%/36%                 | Production                       |
| <b>Três Estradas (Aguia)</b>          | <b>Brazil</b> | <b>31<sup>3</sup></b> | <b>4.4%</b> | <b>58%</b> | <b>27-31%<sup>4</sup></b> | <b>Exploration / Development</b> |

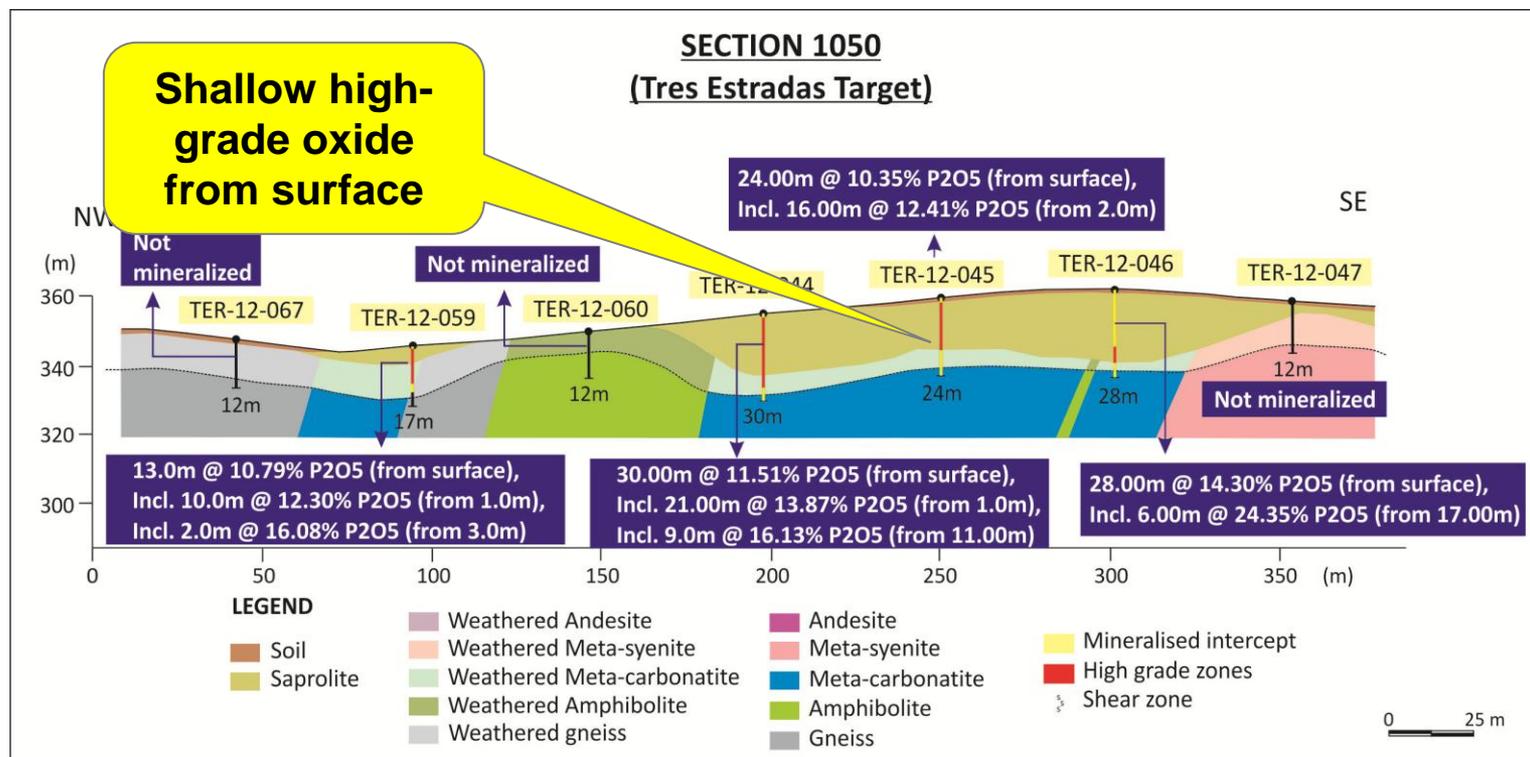
<sup>1</sup> See ASX Release of 29<sup>th</sup> May 2014 <sup>2</sup>JSA Consultoria e Assessoria Técnica, Company data <sup>3</sup> Indicated and inferred resource calculated from 40% of potential target length and to 100 metres depth <sup>4</sup> Based on optimised locked-cycle testwork using mechanical flotation cells. The introduction of column flotation (as used in operating mines) to float the fine grained apatite is the next stage of the testwork programme, and will require pilot scale testing.

# RIO GRANDE DO SUL PHOSPHATE: TRÊS ESTRADAS



## High-grade oxide ore at surface – Potential to increase grade over life of mine

- High-grade oxide material at surface
- Aguia is considering mining and stockpiling upfront and blending with fresh rock over LOM
- Mining method from surface is low-cost and simple: open cut with low strip ratio

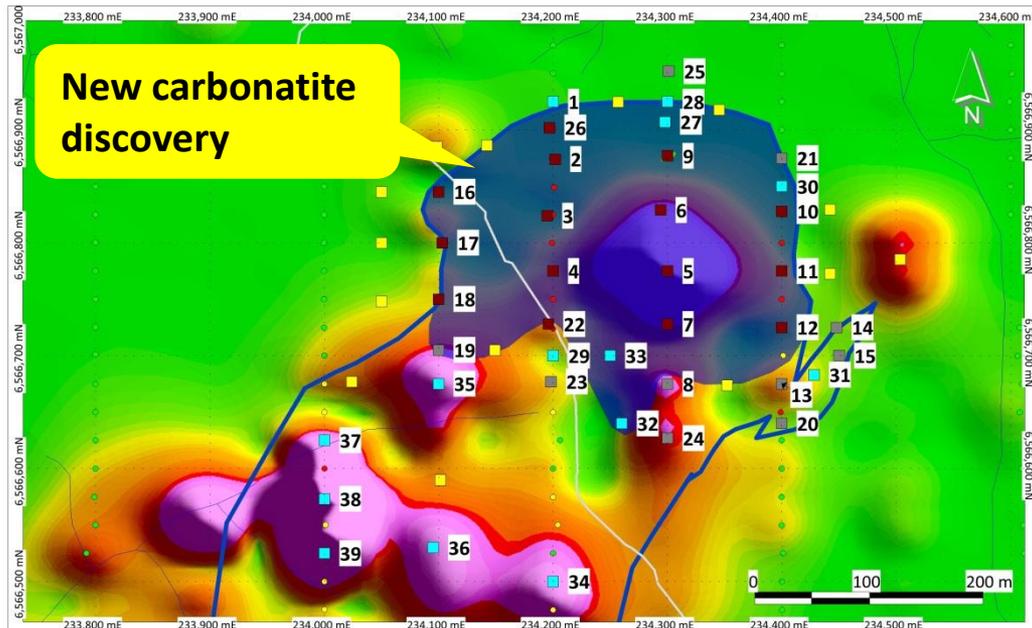


# RIO GRANDE DO SUL PHOSPHATE: JOCA TAVARES



## New discovery 40 km from Três Estradas

Initial scout auger drilling has returned excellent results in carbonatite from surface with grades up to +13%  $P_2O_5$ . All holes in carbonatite have ended in mineralization.



### LEGEND

#### Auger drilling

- Mineralised
- Not Mineralised

#### P2O5 in soil

- 0.0 to 0.49%
- 0.5 to 1.19%
- 1.20 to 13.70%

○ Outline of soil anomaly (P2O5 wt%)

● Main carbonatite zone

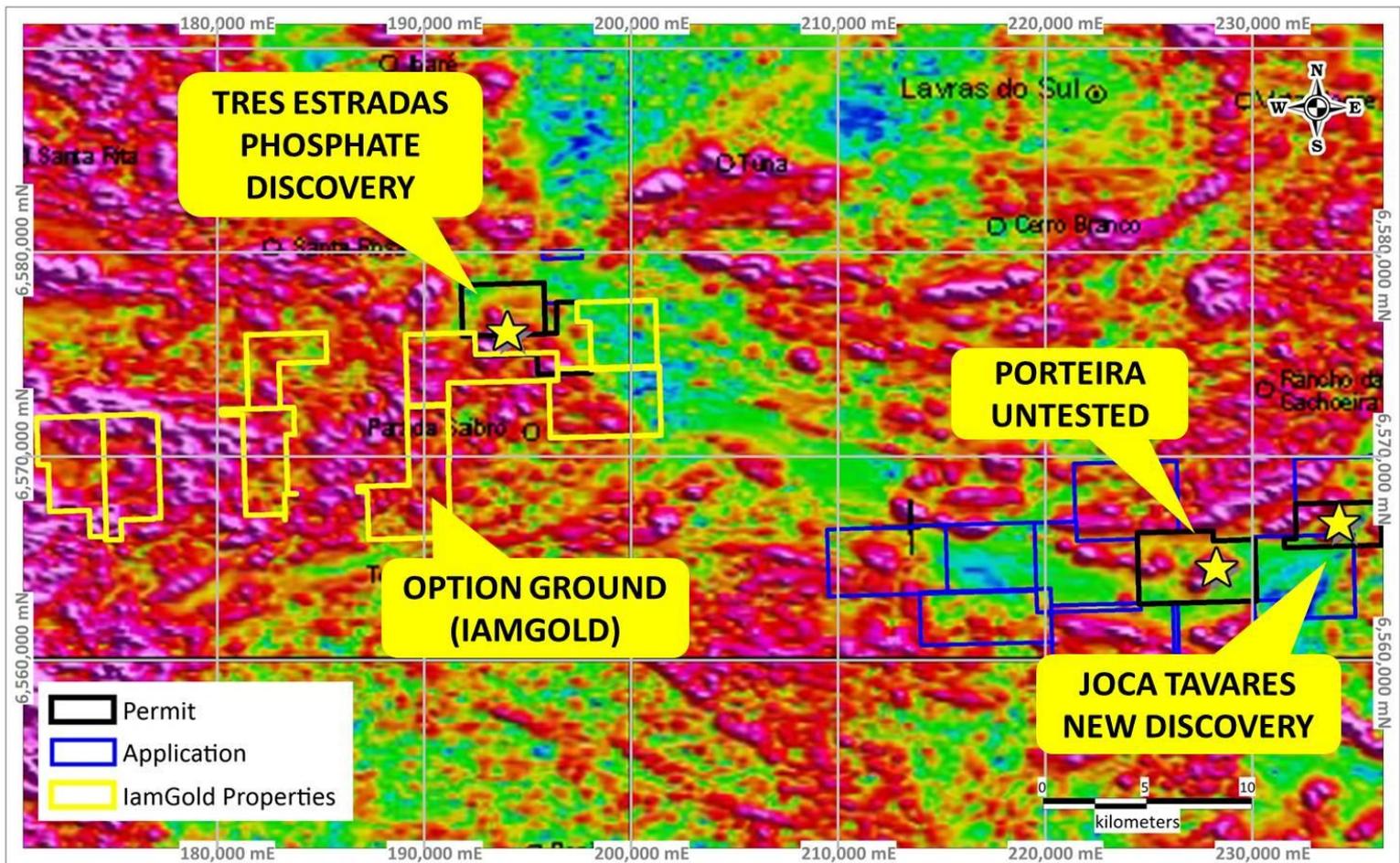
— Drainage — Access

- 14.7 m @ 10.8%  $P_2O_5$  from surface
- 9.0 m @ 11.5%  $P_2O_5$  from surface
- 3.8 m @ 13.7%  $P_2O_5$  from surface
- 3.5 m @ 12.1%  $P_2O_5$  from surface
- 4.6 m @ 8.2%  $P_2O_5$  from surface
- Carbonatite dimension delineated by drilling 350 m x 350 m and growing
- Follow up RC drilling planned for 2<sup>nd</sup> half 2014 targeting an initial JORC resource

# RIO GRANDE DO SUL PHOSPHATE: LARGE EXPLORATION UPSIDE



More discoveries – Potential for a world class carbonatite province



# RIO GRANDE DO SUL PHOSPHATE: SIGNIFICANT LOGISTICS ADVANTAGE



## Southern Brazil: Logistics cost advantage for local producers

### Suppliers of Phosphate Rock to Brazil



- Most imported rock to Brazil is from North Africa with typical logistics costs of between \$50 - \$70/t

***Sustained logistics advantage for local producers of > \$50/t***

### Estimated Logistics Costs of Rock Suppliers to Brazil (US\$/t)

|         | Volume 2011 (kt) | Plant to Port | Ocean Freight | Brazil Port Handling <sup>1</sup> | Total Logistics |
|---------|------------------|---------------|---------------|-----------------------------------|-----------------|
| Algeria | 213              | 15            | 20            | 24                                | 59              |
| Israel  | 113              | 12            | 30            | 27                                | 69              |
| Morocco | 607              | 11            | 19            | 24                                | 54              |
| Peru    | 456              | 8             | 37            | 29                                | 74              |
| Togo    | 42               | 8             | 20            | 24                                | 52              |
| Tunisia | 29               | 13            | 22            | 25                                | 60              |

<sup>1</sup> Includes Port Handling, AFMM (Brazilian Freight Tax @25% of freight and handling, and demurrage (at \$0.50/t/day, estimated at \$10/t)

# LEADERSHIP: EXPERIENCED OPERATORS



## **David Gower – Interim Chairman**

- Over 25 years experience in the minerals industry including senior positions with Falconbridge Limited and Noranda Inc.

## **Prakash Hariharan – Managing Director**

- Chemical engineer with experience in Agrochemicals and a highly successful fund manager focused on the phosphate and potash sectors on both the ASX and TSX capital markets

## **Dr. Fernando Tallarico - Technical Director**

- Over 20 years experience in Brazil in exploration and project generation for Noranda, Falconbridge and BHP Diamond South America.

## **Brian Moller- Non-Executive Director**

- Lawyer, specializing in capital markets, mergers and acquisitions and corporate governance, and has been a partner of the legal firm HopgoodGanim for 30 years.

## **Alec Pismiris - Non-Executive Director**

- Over 25 years experience in the securities, finance and mining and industries. Currently a director of Capital Investment Partners, a company that provides corporate advisory services.

# RIO GRANDE DO SUL PHOSPHATE: 2015 IMPLEMENTATION TIMELINE



|  | Q4 2014 | Q1 2015 | Q2 2015 | Q3 2015 | Q4 2015 |
|--|---------|---------|---------|---------|---------|
| <b>Phase 1</b>                             |         |         |         |         |         |
| Drilling (Tres Estrada & Joca Tavares)     | ■       |         |         |         |         |
| Beneficiation – Column Flotation Test Work | ■       | ■       |         |         |         |
| Resource Report & PEA Updates              |         | ■       |         |         |         |
| <b>Phase 2</b>                             |         |         |         |         |         |
| Infill Drilling (Tres Estrada)             |         |         | ■       |         |         |
| Resource Update & Pre-Feasibility Study    |         |         |         | ■       |         |
| Baseline Studies for EIA                   |         |         | ■       | ■       | ■       |
| <b>Phase 3</b>                             |         |         |         |         |         |
| Engineering Studies                        |         |         |         | ■       |         |
| Environmental Permitting                   |         |         |         | ■       | ■       |
| BFS Report                                 |         |         |         | ■       | ■       |

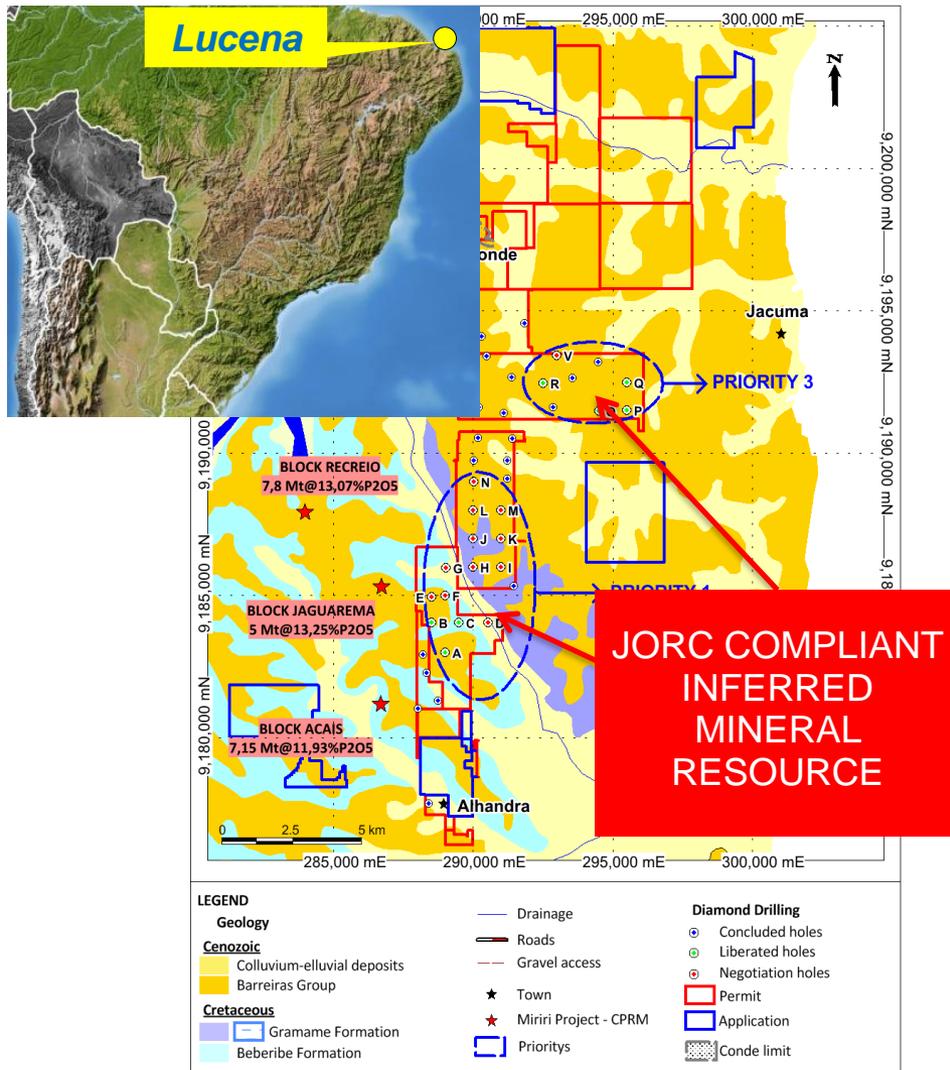
# FUTURE GROWTH: ATLANTIC POTASH PROJECT



- Adjacent to Brazil's only operating potash mine – Taquari-Vassouras Mine (Vale), which produces <10% of Brazil's consumption, with reserves until 2019.
- Concurrently, Vale is developing its Carnallita Potash Project for 1.2Mt solution-mined KCl from carnallite and has cancelled its Rio Colorado potash project in Argentina
- AGR controls a large landholding of ~130,000 hectares
- Excellent infrastructure in place
- Basin consolidation opportunity
- Recently renegotiated option agreement with Lara Exploration (drill by June 30, 2015)



# FUTURE GROWTH: LUCENA PHOSPHATE PROJECT



## Potential for resource increase

- JORC compliant inferred mineral resource of 55.1Mt @ 6.42% P<sub>2</sub>O<sub>5</sub><sup>1</sup>
- The mineral resource only covers a portion of the project area with room to expand
- Extensive land position, close to existing infrastructure including roads, water, power and ports.
- CPRM discovered shallow phosphate mineralization up to 22% P<sub>2</sub>O<sub>5</sub> in several deposits to the west
- Further work under review

# AGUIA: CAPITAL STRUCTURE

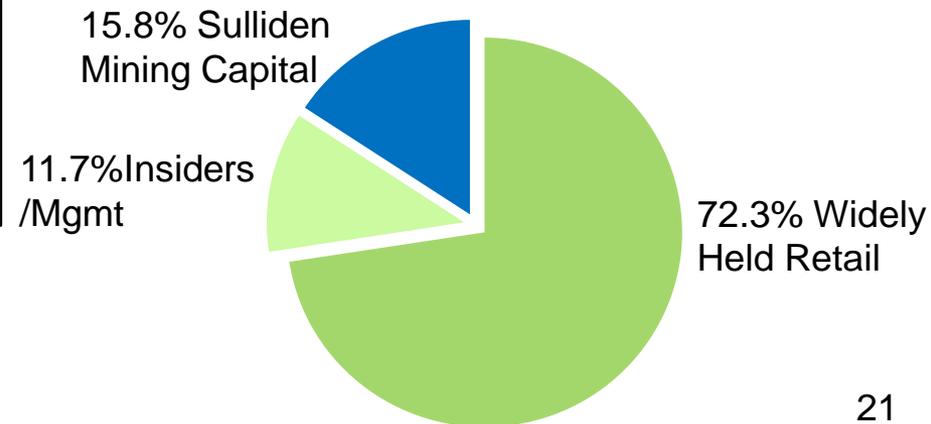


## AGUIA CAPITAL STRUCTURE

|  |           |
|--|-----------|
| Ticker – ASX                             | AGR       |
| Shares Outstanding (24 October 2014)     | 253.9M    |
| Market Cap at A\$0.045/share             | A\$11.65M |
| Cash Balance                             | A\$2M     |
| Unlisted Options (average price A\$0.27) | 22.5M     |
| Performance Shares (expire July 2016)    | 1.5M      |

AGR shares are widely held with a diversified shareholder base. Insiders/Mgmt & Sulliden Mining Capital (SMC) Control over 27% of the outstanding shares. SMC to maintain pro-rated ownership

## Aguia Shareholders



# OPPORTUNITY SUMMARY



- Flagship Rio Grande phosphate deposits in southern Brazil exhibit high quality & low cost characteristics to become top quartile producer
- Ideal location with proximity to local infrastructure and consumers
- Significant logistics advantage for local producers >\$50/t vs imports
- Secondary potash & phosphate assets in eastern Brazil fuel future growth
- Experienced management team with solid track record of identifying high quality mining assets and advancing them successfully to production





ENQUIRIES:

**PRAKASH HARIHARAN**– Managing Director

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ASX Code: AGR



# APPENDIX

# RIO GRANDE DO SUL PHOSPHATE: TRÊS ESTRADAS DEVELOPMENT



## Evaluating three development options

Três Estradas is located close enough to railway infrastructure that it can transport phosphate rock to port and acid terminal rather than build an acid storage facility on site



### Option 1

- Oxide: strip and stockpile
- Fresh rock: mine and blend with stockpiled oxide
- Produce 250kt-300kt per year => sell rock concentrate



### Option 2

- Send rock concentrate to the Rio Grande Port and produce SSP without having to build a sulphuric acid plant
- Import acid and use existing acid terminal at the Rio Grande Port
- Granulation done by third party



### Option 3

- Option 2 + build the granulation plant at the port

# RIO GRANDE DO SUL PHOSPHATE: NEAR-TERM FOCUS IN SOUTH BRAZIL



## Infrastructure and market access

- Road, rail, power, and port in close proximity
- Railway goes from project area throughout Brazil, and to Argentina and Uruguay
- Railway links to Rio Grande – port with acid terminal (300 km East)

## Ready market with local producers

- The three southern states consume ~1.1 Mt P<sub>2</sub>O<sub>5</sub> per year, with no phosphate mines in this region

## Markets for rock concentrate

- SSP plants in southern Brazil have a capacity of 1.79 Mt tonnes of phosphate rock.

## Markets for SSP

- SSP processing capacity is being considered by current producers > 600 kt.
- Current capacity for SSP in southern Brazil, Uruguay and Argentina is 2.79Mt

## SSP Capacity in Brazil, Uruguay and Argentina

Total Capacity = 9.0 M t



# BRAZILIAN BORDER ZONE RIO GRANDE TE AND JT PROJECTS



**The Option:** Aguia has an option to acquire the Rio Grande Projects TE and JT 100% for 5 million shares.

**The Issue:** An historical throw-back to defence issues that concerned the former military government (1964 – '85) is that legally any mine located within 150km of the Brazilian border has to be majority owned by Brazilians. Recent governments have pushed back on the law: it was 300km, and there are moves to reduce it from 150km to 50km. ***TE and JT are within the 150km zone but outside the 50km zone.***

**The Solution:** Should the option be exercised to acquire the tenements 100% for 5m shares, the Company will be required to enter into a joint venture with a Brazilian owned company to develop the tenements. Accordingly the Company has set up **Aguia Fertilizers**, in which Aguia Resources owns 49%, and Brazilian interests 51%, and with shareholder agreements which channel all economic benefits back to Aguia resources.

**Precedents Exist.** There are currently 5 producing mines in the border zone with foreign ownership using similar strategies and a further 7 companies (including Aguia) in the exploration phase

## Explorer

Anglo Gold

Yamana Gold

Lara Exploration

Magellan Minerals

Amarillo Gold Corp.

IamGold

Agua Resources Ltd.

## Current Producing Mines in the Border Zone

| Producer       | Brazilian Entity                   | Mine Name     | Product  |
|----------------|------------------------------------|---------------|----------|
| Aura Minerals  | Mineração Apoena                   | São Vincente  | Gold     |
| Aura Minerals  | Mineração Apoena                   | São Francisco | Gold     |
| Anglo American | Anglo Ferrous Amapá Mineração      | Mine 66       | Iron Ore |
| Eldorado Gold  | Unamgen Mineração e Metalurgia     | Vila Nova     | Iron Ore |
| Rio Tinto      | Mineração Corumbaense Reunida S.A. | Corumba       | Iron Ore |

# RIO GRANDE DO SUL PHOSPHATE: TRÊS ESTRADAS



## Preliminary JORC Resource (Indicated and Inferred)

Table 1: Audited Mineral Resource Statement\*, Três Estradas Phosphate Project, Rio Grande do State, Brazil, SRK Consulting (Canada) Inc., May 17, 2013

| Lithotype                          | Tonnage<br>T x 1000 | P <sub>2</sub> O <sub>5</sub><br>(%) | CaO<br>(%)   | MgO<br>(%)  | Fe <sub>2</sub> O <sub>3</sub><br>(%) | SiO <sub>2</sub><br>(%) | Al <sub>2</sub> O <sub>3</sub><br>(%) | RCP <sup>†</sup> | P <sub>2</sub> O <sub>5</sub> AP <sup>‡</sup><br>(%) |
|------------------------------------|---------------------|--------------------------------------|--------------|-------------|---------------------------------------|-------------------------|---------------------------------------|------------------|--|
| <b>Indicated Mineral Resources</b> |                     |                                      |              |             |                                       |                         |                                       |                  |  |
| <b>Saprolite</b>                   |                     |                                      |              |             |                                       |                         |                                       |                  |  |
| AMPSAP (amphibolite)               | 123                 | 5.29                                 | 10.85        | 6.90        | 15.84                                 | 39.88                   | 8.49                                  | 2.14             | 5.29   |
| CBTSAP (carbonatite)               | 1,242               | 11.50                                | 19.92        | 3.56        | 20.53                                 | 25.45                   | 4.88                                  | 2.10             | 11.41  |
| <b>Weathered</b>                   |                     |                                      |              |             |                                       |                         |                                       |                  |  |
| WMCBT (carbonatite)                | 1,226               | 5.83                                 | 34.78        | 5.50        | 10.54                                 | 13.04                   | 2.07                                  | 6.96             | 5.83   |
| <b>Fresh Rock</b>                  |                     |                                      |              |             |                                       |                         |                                       |                  |  |
| MCBT (carbonatite)                 | 7,301               | 3.80                                 | 35.34        | 7.17        | 7.96                                  | 10.72                   | 1.90                                  | 9.49             | 3.80   |
| <b>Total Indicated</b>             | <b>9,891</b>        | <b>5.03</b>                          | <b>33.03</b> | <b>6.51</b> | <b>9.96</b>                           | <b>13.22</b>            | <b>2.38</b>                           | <b>8.16</b>      | <b>5.02</b>  |
| <b>Inferred Mineral Resources</b>  |                     |                                      |              |             |                                       |                         |                                       |                  |  |
| <b>Saprolite</b>                   |                     |                                      |              |             |                                       |                         |                                       |                  |  |
| AMPSAP (amphibolite)               | 81                  | 5.80                                 | 11.40        | 6.62        | 16.70                                 | 39.02                   | 8.35                                  | 2.12             | 5.77   |
| CBTSAP (carbonatite)               | 363                 | 11.38                                | 17.61        | 3.43        | 21.05                                 | 27.83                   | 5.56                                  | 1.75             | 11.28  |
| <b>Weathered</b>                   |                     |                                      |              |             |                                       |                         |                                       |                  |  |
| WMCBT (carbonatite)                | 254                 | 4.80                                 | 36.61        | 5.96        | 8.92                                  | 10.89                   | 1.88                                  | 8.45             | 4.80   |
| <b>Fresh Rock</b>                  |                     |                                      |              |             |                                       |                         |                                       |                  |  |
| MCBT (carbonatite)                 | 19,894              | 3.79                                 | 35.78        | 7.30        | 7.74                                  | 9.91                    | 1.76                                  | 9.60             | 3.79   |
| <b>Total Inferred</b>              | <b>20,591</b>       | <b>3.94</b>                          | <b>35.38</b> | <b>7.21</b> | <b>8.02</b>                           | <b>10.36</b>            | <b>1.85</b>                           | <b>9.42</b>      | <b>3.94</b>  |

\* Mineral resources are not mineral reserves and do not have a 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<sub>2</sub>O<sub>5</sub> for saprolite, weathered, and fresh rock mineralization. Optimization parameters include selling price of US\$200.00 per tonne of concentrate at 32 percent of P<sub>2</sub>O<sub>5</sub>, a metallurgic recovery of 70 percent of P<sub>2</sub>O<sub>5</sub>, 100 percent for mining recovery and 0 percent dilution, and overall pit slopes of 38 and 60 degrees.

† CaO/ P<sub>2</sub>O<sub>5</sub> ratio.

‡ P<sub>2</sub>O<sub>5</sub> contained in apatite.

# PEER COMPARISON: PHOSPHATES



| Company<br>(By Development Stage) | Ticker  | Crncy | Location      | Deposit<br>Type | Stage  | Last<br>Price | 52 wk<br>High | 52 wk<br>Low | Shares<br>O/S<br>Mln | Market<br>Cap<br>(CAD)<br>Mln | Gross<br>In-Situ<br>Tonnes<br>M+I | P2O5 %<br>M+I | Gross<br>In-Situ<br>Tonnes<br>Inferred | P2O5 %<br>Inferred |
|-----------------------------------|---------|-------|---------------|-----------------|--------|---------------|---------------|--------------|----------------------|-------------------------------|-----------------------------------|---------------|--|--------------------|
| <b>Construction/Production</b>    |         |       |               |                 |        |               |               |              |                      |                               |                                   |               |  |                    |
| MBAC Fertilizer Corp.             | MBC-T   | CAD   | Brazil        | Sedimentary     | Const. | 0.09          | 1.72          | 0.06         | 181.6                | 15.4                          | 145.0                             | 8.2%          | 39.3                                   | 5.0%               |
| <b>Advanced</b>                   |         |       |               |                 |        |               |               |              |                      |                               |                                   |               |  |                    |
| GB Minerals                       | GBL-V   | CAD   | Guinea Bissau | Sedimentary     | Const. | 0.05          | 0.16          | 0.05         | 212.8                | 9.6                           | 92.6                              | 28.7%         | 18.3                                   | 28.7%              |
| Stonegate Agricom                 | ST-T    | CAD   | Idaho         | Sedimentary     | Perm.  | 0.05          | 0.28          | 0.05         | 194.2                | 9.7                           | 29.8                              | 30.0%         | 4.6                                    | 29.9%              |
| Arianne Phosphate                 | DAN-V   | CAD   | Quebec        | Igneous         | Perm.  | 0.67          | 1.58          | 0.67         | 92.9                 | 62.2                          | 832.0                             | 6.8%          | 102.0                                  | 5.1%               |
| UCL Resources Ltd.                | Private | n.a.  | Namibia       | Sedimentary     | Perm.  | n.a.          | n.a.          | n.a.         | n.a.                 | n.a.                          | 226.9                             | 20.2%         | 1608.0                                 | 18.9%              |
| Legend International Hldgs        | LGD-AU  | AUD   | Australia     | Sedimentary     | Perm.  | 0.26          | 0.40          | 0.21         | 444.1                | 110.3                         | 202.8                             | 14.9%         | 313.3                                  | 15.2%              |
| <b>Intermediate</b>               |         |       |               |                 |        |               |               |              |                      |                               |                                   |               |  |                    |
| Celamin Holdings                  | CNL-AU  | AUD   | Tunisia       | Sedimentary     | DFS    | 0.02          | 0.06          | 0.02         | 235.7                | 5.3                           | n.a.                              | n.a.          | 130.0                                  | 20.5%              |
| Minbos Resouces Limited           | MNB-AU  | AUD   | Angola        | Sedimentary     | DFS    | 0.00          | 0.01          | 0.00         | 944.1                | 2.8                           | 46.5                              | 16.9%         | 344.8                                  | 8.2%               |
| Minemakers Limited                | MAK-AU  | AUD   | Australia     | Sedimentary     | DFS    | 0.08          | 0.17          | 0.07         | 247.5                | 18.1                          | 300.0                             | 18.2%         | 542.0                                  | 18.0%              |
| Great Quest Metals                | GQ-V    | CAD   | Mali          | Sedimentary     | PFS    | 0.96          | 2.54          | 0.53         | 48.9                 | 46.9                          | n.a.                              | n.a.          | 50.0                                   | 24.3%              |
| Cominco Resources                 | Private | n.a.  | ROC           | Sedimentary     | PFS    | n.a.          | n.a.          | n.a.         | n.a.                 | n.a.                          | 483.7                             | 11.3%         | 50.0                                   | 9.0%               |
| <b>Early</b>                      |         |       |               |                 |        |               |               |              |                      |                               |                                   |               |  |                    |
| Phoscan Chemical                  | FOS-T   | CAD   | Ontario       | Igneous         | PEA    | 0.29          | 0.34          | 0.25         | 156.8                | 45.5                          | 62.2                              | 23.5%         | 55.7                                   | 21.9%              |
| Rum Jungle Resources              | RUM-AU  | AUD   | Australia     | Sedimentary     | PFS    | 0.07          | 0.17          | 0.07         | 385.5                | 25.5                          | 178.0                             | 15.5%         | 370.0                                  | 14.9%              |
| Agua Resources Limited            | AGR-AU  | AUD   | Brazil        | Igneous/Sed     | PEA    | 0.04          | 0.08          | 0.04         | 253.9                | 9.9                           | 9.9                               | 5.0%          | 75.6                                   | 5.7%               |
| DuSolo Fertilizer                 | DSF-V   | CAD   | Brazil        | Sedimentary     | PEA    | 0.27          | 0.36          | 0.12         | 104.5                | 28.2                          | 0.3                               | 15.1%         | 4.1                                    | 14.4%              |
| Chatham Rock Phosphate            | CRP-NZ  | NZD   | New Zealand   | Sedimentary     | Res.   | 0.19          | 0.33          | 0.08         | 158.8                | 26.7                          | n.a.                              | n.a.          | 80M m3                                 | 290kg/m3           |
| Focus Ventures                    | FCV-V   | CAD   | Peru          | Sedimentary     | PEA    | 0.20          | 0.35          | 0.13         | 76.9                 | 15.4                          | 115.0                             | 12.4%         | 73.4                                   | 12.4%              |
| Strata Minerals                   | SMP-V   | CAD   | Utah          | Sedimentary     | PEA    | 0.06          | 0.23          | 0.04         | 21.4                 | 1.2                           | 33.9                              | 19.8%         | 27.1                                   | 19.7%              |

# PEER COMPARISON: PHOSPHATES



| Company   | Deposit             | Type        | Mine Type | Location      | Engineering |        | Product & Processing |                 |                          |                     |                  | Cost Metrics         |                           |                         |
|---|---------------------|-------------|-----------|---------------|-------------|--------|----------------------|-----------------|--------------------------|---------------------|------------------|----------------------|---------------------------|-------------------------|
|   |                     |             |           |               | Last Study  | Stage  | Strip Ratio          | Mine Life Years | Phosrock Product Mln tpa | Product Grade P2O5% | Recovery Ratio % | Init. CapEx US\$ mln | Sustaining Capex US\$ mln | OpEx (ex. Trans) US\$/t |
| <b>Phosrock Producing Projects</b>  |                     |             |           |               |             |        |                      |                 |                          |                     |                  |                      |                           |                         |
| <b>Sedimentary Deposits</b>   |                     |             |           |               |             |        |                      |                 |                          |                     |                  |                      |                           |                         |
| Stonegate   | Paris Hills (LPZ)   | Sedimentary | UG        | Idaho         | DFS         | Perm.  | 0.0                  | 19              | 0.9                      | 29.50%              | 100%             | 121                  | 134                       | 69                      |
| UCL Resources Limited   | Sandpiper Marine    | Sedimentary | DR        | Namibia       | DFS         | Perm.  | 0.0                  | 20              | 3.0                      | 28.00%              | n.a.             | 355                  | 86                        | 60                      |
| GB Minerals   | Farim (BPRC)        | Sedimentary | OP        | Guinea Bissau | DFS         | Const. | 7.4                  | 25              | 1.0                      | 32.00%              | 76%              | 166                  | 138                       | 69                      |
| Celamin Holdings  | Chaketma            | Sedimentary | OP        | Tunisia       | PEA         | DFS    | 5.4                  | 53              | 1.5                      | 30.00%              | 70%              | 364                  | n.a.                      | 55                      |
| Minbos  | Cabinda             | Sedimentary | OP        | Angola        | PEA         | DFS    | 2                    | 10              | 0.8                      | 33.00%              | 77%              | 157                  | n.a.                      | 40                      |
| Cominco Resources   | Hinda               | Sedimentary | OP        | ROC           | PEA         | PFS    | 1.45:1               | 20+             | 4.0                      | 32.00%              | 63%              | 616                  | n.a.                      | 35                      |
| New Agribusiness & Chemical   | Korella             | Sedimentary | OP        | Australia     | PEA         | PFS    | n.a.                 | 6               | 0.6                      | 30.00%              | n.a.             | 42                   | n.a.                      | 60                      |
| Rum Jungle Resources  | Ammaroo             | Sedimentary | OP        | Australia     | Res.        | PFS    | n.a.                 | n.a.            | n.a.                     | n.a.                | n.a.             | n.a.                 | n.a.                      | n.a.                    |
| Phosphate Australia   | Highland Plains     | Sedimentary | OP        | Australia     | Res.        | DFS    | n.a.                 | n.a.            | 3.0*                     | 32.00%*             | 76%*             | 422*                 | n.a.                      | 56*                     |
| Central Australian Phosphate  | Arganara            | Sedimentary | OP        | Australia     | Res.        | PEA    | n.a.                 | n.a.            | 0.2*                     | 25%-30%*            | n.a.             | n.a.                 | n.a.                      | 80*                     |
| Chatham Rock Phosphate  | Chatham Rise        | Sedimentary | DR        | New Zealand   | n.a.        | Res.   | n.a.                 | 15*             | 1.5*                     | n.a.                | n.a.             | n.a.                 | n.a.                      | n.a.                    |
| DuSolo Fertilizer   | Bomfim              | Sedimentary | OP        | Brazil        | Res.        | PEA    | n.a.                 | n.a.            | n.a.                     | n.a.                | n.a.             | n.a.                 | n.a.                      | n.a.                    |
| Focus Ventures  | Bayovar 12          | Sedimentary | OP        | Peru          | Res.        | PEA    | n.a.                 | n.a.            | n.a.                     | n.a.                | n.a.             | n.a.                 | n.a.                      | n.a.                    |
| Strata Minerals   | Diamond Mtn         | Sedimentary | UG        | Utah          | Res.        | PEA    | n.a.                 | n.a.            | n.a.                     | n.a.                | n.a.             | n.a.                 | n.a.                      | n.a.                    |
| <b>Average</b>  |                     |             |           |               |             |        | <b>3.0</b>           | <b>21</b>       | <b>1.7</b>               | <b>30.81%</b>       | <b>77%</b>       | <b>280</b>           | <b>119</b>                | <b>58</b>               |
| <b>Igneous Deposits</b>   |                     |             |           |               |             |        |                      |                 |                          |                     |                  |                      |                           |                         |
| Arianne Phosphate   | Lac à Paul          | Igneous     | OP        | Quebec        | DFS         | Perm.  | 0.8                  | 26              | 3.0                      | 38.9%               | 90%              | 1215                 | 385                       | 80                      |
| PhosCan   | Martison            | Igneous     | OP        | Ontario       | Old PFS     | PEA    | 2.8                  | n.a.            | 2.0*                     | 36%-37%*            | 70%*             | n.a.                 | n.a.                      | n.a.                    |
| <b>Average</b>  |                     |             |           |               |             |        | <b>1.8</b>           | <b>26</b>       | <b>2.5</b>               | <b>38.90%</b>       | <b>80%</b>       | <b>1215</b>          | <b>385</b>                | <b>80</b>               |
| <b>Phosphate Upgraded Product Projects (not necessarily comparable due to varying product and levels of processing)</b> |                     |             |           |               |             |        |                      |                 |                          |                     |                  |                      |                           |                         |
| <b>Sedimentary Deposits</b>   |                     |             |           |               |             |        |                      |                 |                          |                     |                  |                      |                           |                         |
| MBAC Fertilizers  | ItaFos (SSP)        | Sedimentary | OP        | Brazil        | DFS         | Const. | 2.9                  | 19              | 0.3                      | 28.00%              | 53%              | 323                  | n.a.                      | 162                     |
|   | Santana (SSP)       | Igneous     | OP        | Brazil        | PFS         | DFS    | 2.8                  | 32              | 0.3                      | 34.00%              | 55%              | 427                  | 209                       | 113                     |
| Agua Resources  | Tres Estradas (SSP) | Igneous     | OP        | Brazil        | Res.        | PEA    | 2.3                  | 12              | 0.2                      | 28.00%              | 60%              | 218                  | n.a.                      | 177                     |
| Legend International  | Paradise (MAP/DAP)  | Sedimentary | OP        | Australia     | DFS         | Perm.  | n.a.                 | 30              | 2.0                      | 32.50%              | n.a.             | 830                  | n.a.                      | 262                     |
| Minemakers  | Wonarah (SPA)       | Sedimentary | OP        | Australia     | PEA         | DFS    | 4.5                  | 20              | 1.0                      | 20.00%              | n.a.             | 1,606                | n.a.                      | 278                     |
| Great Quest Metals  | Tilemsi (NPK, DAPR) | Sedimentary | OP        | Mali          | PEA         | PFS    | 6.8                  | 20              | 1.0                      | 33.24%              | n.a.             | 156                  | 135                       | 79                      |
| <b>Average</b>  |                     |             |           |               |             |        | <b>3.9</b>           | <b>22</b>       | <b>0.8</b>               | <b>29.29%</b>       | <b>56%</b>       | <b>593</b>           | <b>172</b>                | <b>179</b>              |

\* - Based on company estimates from company presentations and website