



11 October 2018

3,000 metre Diamond Drilling Program Underway at Big Ranch Copper Prospect

Highlights:

- Initial drill program will take three months – scout drilling to define best area of focus
- Four target areas selected based on geological, geochemical and geophysical data
- Drilling designed to evaluate positive results from soil samples, trenching and ground geophysics
- Três Estradas permitting process in final stages with government site visits and public hearings



SYDNEY, Australia, October 11, 2018 - Aguia Resources Limited (ASX: AGR, TSXV:AGRL) (“Aguia” or the “Company”) is pleased to confirm that a 3,000 metre diamond drilling program at the Big Ranch copper prospect in Southern Brazil is now underway.

As previously announced, the Company has discovered a new zone of copper mineralisation on 23 tenements across 34,000 hectares on ground staked within the Rio Grande Copper Belt, in the State of Rio Grande do Sul, Brazil (Figure 1).

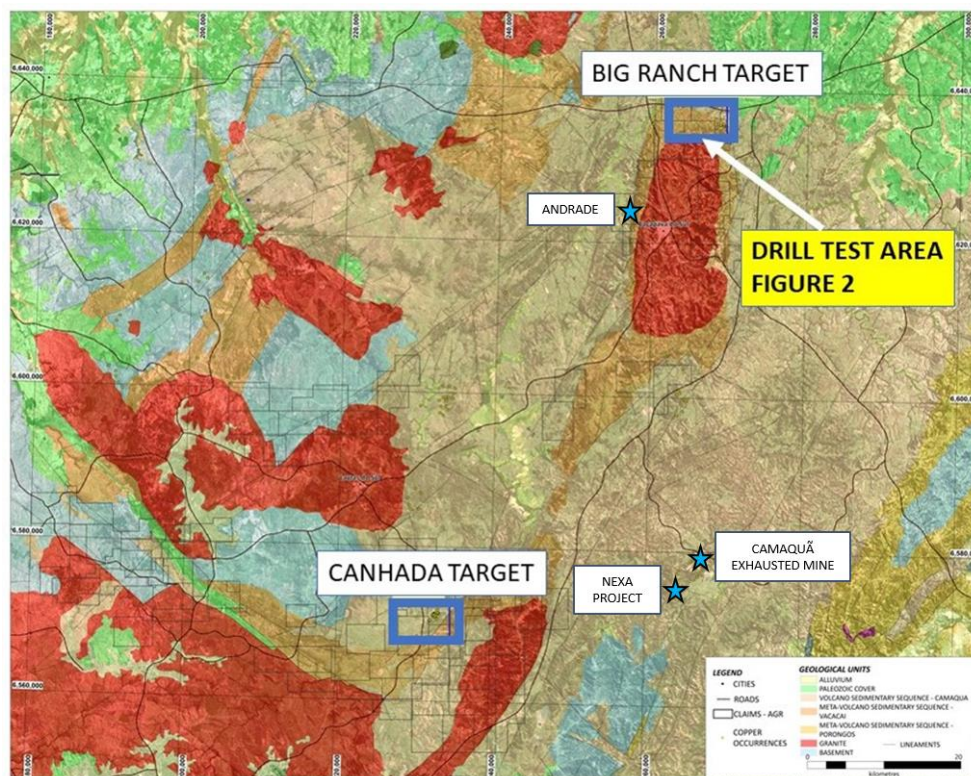


Figure 1. Geological map of the Rio Grande Copper Belt. The Big Ranch target inset is detailed in Figure 2.

The drilling program will be executed with one rig and is anticipated to take approximately three months. The main purpose of this campaign is to acquire more data on the geology and nature of the hydrothermally altered rocks at depth, which will provide the necessary information for a more accurate interpretation of the copper and base metals showings identified so far.

Using the data gathered in the last few months, Agua has identified four Target Areas to be tested in this drilling program (Figure 2). Target Areas 1 to 3 were selected from the geological, geochemical and geophysical data, while Target Area 4 is essentially a geophysical target.

In Target Area 1, multiple high-grade gold findings from gossan samples collected at surface provide an indication that there could be copper-bearing sulfide minerals at shallow depth, underneath the weathering profile. Over time as sulfide minerals weather, the base metals leach out, whereas gold commonly becomes relatively enriched in the oxidized zone near surface. Target Area 1 also demonstrated high chargeability and low resistivity, indicating the underlying material contains metallic minerals in sufficient concentrations to charge or store electricity – another characteristic of sulphide mineralization.

In Target Area 2, assays from trenching approximately one metre from surface revealed an intercept of 16 m averaging 0.20% copper and 2 m averaging 0.32% copper. The trenching sample showed 10x higher copper concentration than the soil sample collected at surface. Drilling will help determine if the enrichment continues to increase at depth. Soil geochemistry also indicates a lead (Pb) soil anomaly in an area of high chargeability and low resistivity. Drilling in Target Area 2 will seek to determine whether the copper identified in trenching extends deeper.

Target Area 3 is an area where gold, copper, zinc and lead were found in samples in an area of high chargeability and low resistivity.

Target Area 4 was selected based on the strong geophysical anomaly identified through the Induced Polarization which maps another significant area of high chargeability and low resistivity.

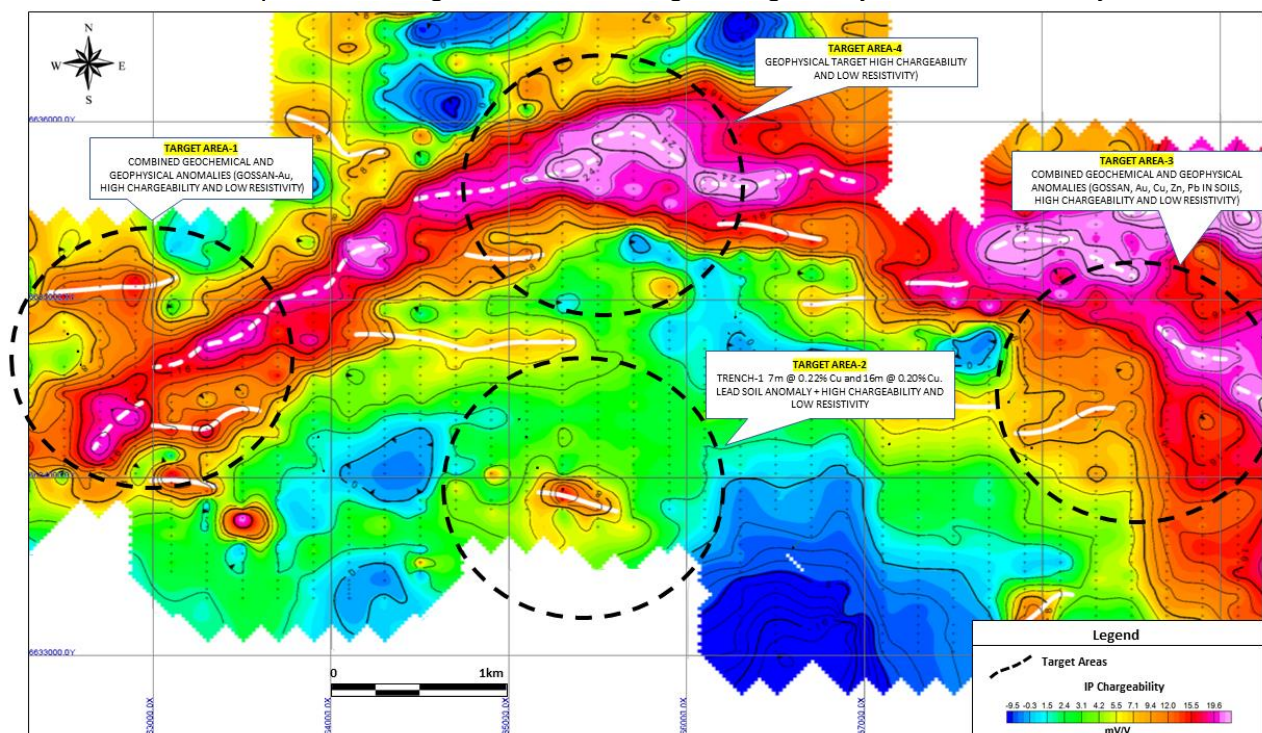


Figure 2. Induced Polarization Chargeability map of the Big Ranch Target highlighting the four Target Areas that will be drilled in the current campaign.

The Big Ranch target is located along the northern edge of the Caçapava Granite and consists of a 6 km-long zone that hosts significant copper-and-gold-in-soils anomalies. Anomalous trends of zinc and lead have also been mapped. These soil anomalies were followed-up using a combination of different ground geophysical exploration methods, including Induced Polarization (IP) with gradient and dipole-dipole arrays, magnetics and radiometric. By analyzing the data gathered from the ground geophysics, in combination with mapping, rock chip sampling and trench results, Agüia's technical team has identified a number of promising locations for exploratory drill holes.

The surrounding geological environment is highly prospective and includes the past producing Camaqua copper mine, a new Zn-Pb project currently being licensed by Nexa Resources (Votorantim Group), and the Andrade copper deposit owned by Brazilian-based Referencial.

Três Estradas Project

Meanwhile, Agüia is very focused on completing the final milestones for the Environmental Impact Assessment to be approved and the Preliminary License granted by the government regulator. The state regulator will be conducting a final site visit to be followed up by two public hearings. Timing of these hearings will be determined by the State government. Agüia's team in Lavras do Sul is fully engaged in preparations for the public hearings and support for the project locally is very positive.

Commentary

Technical Director Fernando Tallarico commented: "This initial scout drilling program across the Big Ranch Target will give us the first subsurface information on the potential source of soil anomalies we have mapped so far. We expect the campaign will help us to better understand the nature of the alteration system and allow further collaring as the program advances."

Managing Director Justin Reid added: “Our objective with the Big Ranch drill program is to make the most efficient use of resources and learn as much as we can about this very large target on this first pass drill program. Our team has done a great deal of analysis on the data gathered over the last few months to select optimal targets for the drill program and we are pleased to be on the ground now with the first drill turning.”

“Meanwhile, we are fully engaged with the local authorities in Rio Grande do Sul to complete the final steps of the environmental permitting for Três Estradas. On a recent trip to Rio Grande do Sul I was assured by local officials of their strong support for the project and Aguiá’s efforts in developing a large-scale agribusiness venture that will have very positive benefits for Southern Brazil and the local economy in which we are operating.”

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About Aguiá:

Aguiá Resources Limited, (“Aguiá”) is an ASX and TSX Venture listed company whose primary focus is on the exploration and development of mineral resource projects in Brazil. Aguiá has an established and highly experienced in-country team based in Belo Horizonte, Brazil with corporate offices in Sydney, Australia. Aguiá’s key projects are located in Rio Grande do Sul, a prime farming area which is 100% dependent on phosphate imports. The Rio Grande phosphate deposits exhibit high quality and low cost production characteristics, and are ideally located with proximity to road, rail, and port infrastructure. Aguiá’s experienced management team has a proven track record of advancing high quality mining assets to production in Brazil.

The information in this announcement that relates to Exploration Targets, 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 the company. Dr Tallarico has sufficient experience that is relevant to the style of mineralisation and type of deposit under consideration and to the activity being undertaken to qualify as a Competent Person as defined in the 2012 Edition of the ‘Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves’. Dr Tallarico consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.

Qualified Person

The technical information in this press release has been reviewed and approved by Dr. Fernando Tallarico, who is a member of the Association of Professional Geoscientists of Ontario, Technical Director for Aguiá and a Qualified Person as defined by National Instrument 43-101. Dr. Tallarico consents to the inclusion of his name in this release.

Cautionary Statement on Forward Looking Information

This press release contains “forward-looking information” within the meaning of applicable Canadian and Australian securities legislation. Forward-looking information includes, without limitation, statements regarding the results of exploration activities at the Canhada and Big Ranch Targets, soil and assay results, plans for future drilling and exploration programs, the mineral resource estimates, production targets, the anticipated timetable, permitting, forecast financial information, bankable feasibility study and ability to finance the project, and the prospectivity and potential of the Canhada and Big Ranch Targets.

Generally, forward-looking information can be identified by the use of forward-looking terminology such as "plans", "expects" or "does not expect", "is expected", "budget", "scheduled", "estimates", "forecasts", "intends", "anticipates" or "does not anticipate", or "believes", or variations of such words and phrases or state that certain actions, events or results "may", "could", "would", "might" or "will be taken", "occur" or "be achieved".

Forward-looking information is subject to known and unknown risks, uncertainties and other factors that may cause the actual results, level of activity, performance or achievements of the Company to be materially different from those expressed or implied by such forward-looking information, including risks inherent in the mining industry and risks described in the public disclosure of the Company which is available under the profile of the Company on SEDAR at www.sedar.com, on the ASX website at www.asx.com.au and on the Company's website at www.aguiaresources.com.au. These risks should be considered carefully.

Although the Company has attempted to identify important factors that could cause actual results to differ materially from those contained in forward-looking information, there may be other factors that cause results not to be as anticipated, estimated or intended. Persons reading this news release are cautioned that such statements are only predictions and there can be no assurance that such information will prove to be accurate, as actual results and future events could differ materially from those anticipated in such statements. Accordingly, readers should not place undue reliance on forward-looking information. The Company disclaims any intent or obligation to update or revise any forward looking statements whether as a result of new information, estimates, options, future events, results or otherwise and does not undertake to update any forward-looking information, except in accordance with applicable securities laws.

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