AN EMERGING POTASH AND PHOSPHATE COMPANY IN BRAZIL

AGUIA

March 2012

AGUIA Resources Limited

ASX Code: AGR

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Some of the statements contained in this release are forward-looking statements. Forward looking statements include but are not limited to, statements concerning estimates of tonnages, expected costs, statements relating to the continued advancement of the Company's projects and other statements which are not historical facts. When used in this document, and on other published information of the Company, the words such as "aim", "could", "estimate", "expect", "intend", "may", "potential", "should" and similar expressions are forward-looking statements.

Although the company believes that its expectations reflected in the forward-looking statements are reasonable, such statements involve risk and uncertainties and no assurance can be given that actual results will be consistent with these forward-looking statements. Various factors could cause actual results to differ from these forward-looking statements include the potential that the Company's projects may experience technical, geological, metallurgical and mechanical problems, changes in product prices and other risks not anticipated by the Company or disclosed in the Company's published material.

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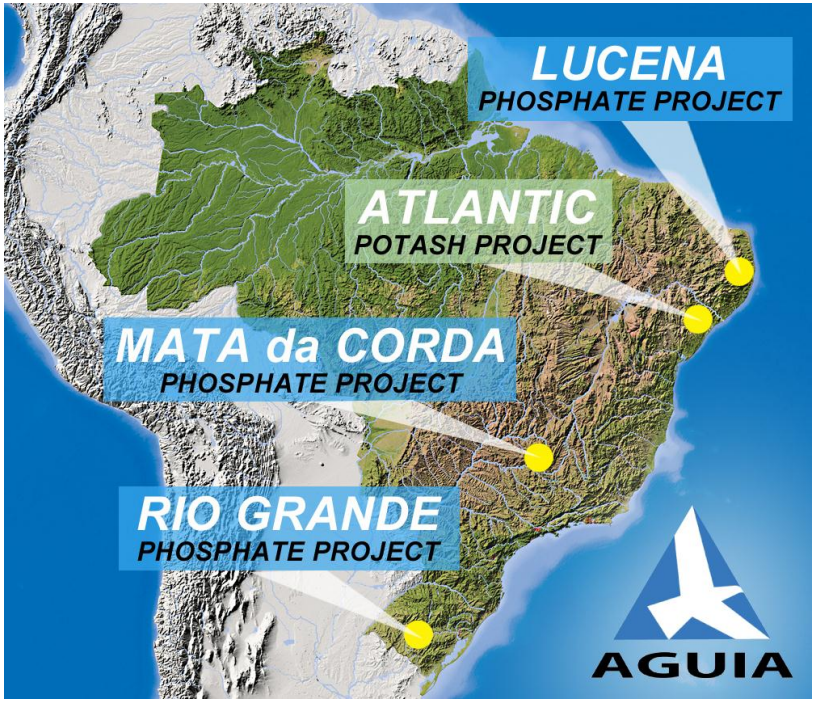
Competent Persons Statement

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 Ontario. Dr Tallarico is a full-time employee of Aquia 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.

COMPANY OVERVIEW

- **PHOSPHATE AND POTASH PROJECTS IN BRAZIL**
- **BUSINESS MODEL = Explore, Develop and sell into Brazilian Domestic Market**
- **BRAZIL IS AN AGRICULTURAL POWERHOUSE**
  - ✔ **Excellent infrastructure**
  - ✔ **Primary fertiliser markets**
  - ✔ **Heavily reliant on imports**

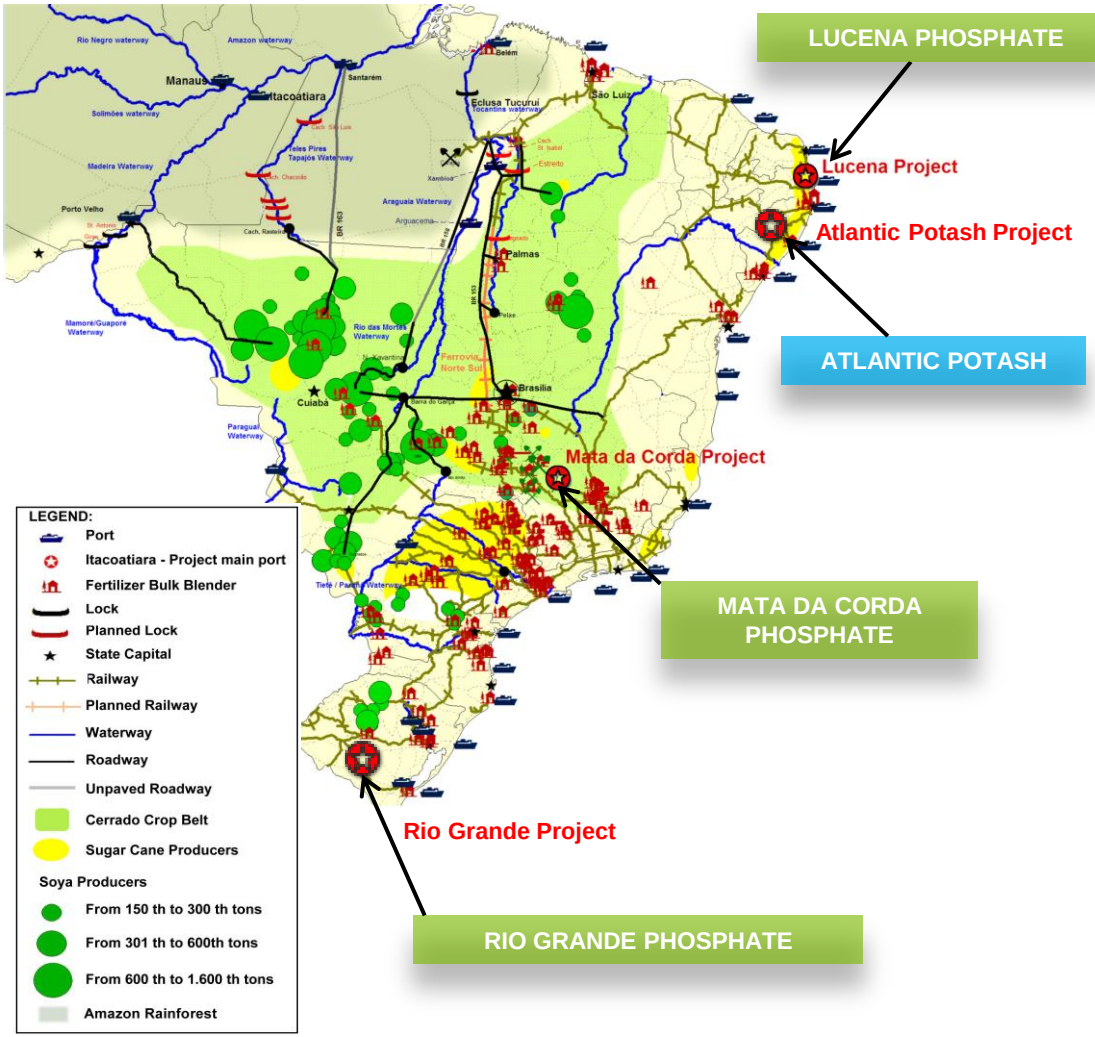


- **Atlantic Potash Project – *World class potential***
  - ✔ Adjacent to Brazil's only operating potash mine
  - ✔ Drilling Now, Targeting JORC /NI43-101Resource
- **Phosphate Projects – *Near Term Production***
  - ✔ Rio Grande, new discovery
    - ✔ JORC/NI43-101 Resource mid 2012
    - ✔ Beneficiation test work underway
    - ✔ New province, potential for large long life resources
  - ✔ Lucena, drilling results up to 23.3% P_2O_5
  - ✔ Mata da Corda – JV, 10,000 metres drilling

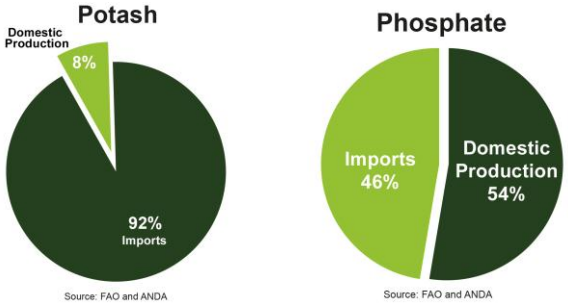
- **STRONG BOARD, INDUSTRY FERTILISER EXPERTS, TECH TEAM BASED IN BRAZIL**

THE OPPORTUNITY – WHY BRAZIL? IMPORT DEPENDENT, CUSTOMERS

AN AGRICULTURAL POWERHOUSE



- 4th largest consumer of fertilizer but only 4% of global fertilizer production.
- In 2011, accounted for 9.3% (3.6Mt) of world's phosphate (P_2O_5) and 13.4% (7.7Mt) of world's potash (KCl) consumption and growing.
- Agricultural Exports >$94 billion per annum, 24% increase in 2011
- 48% of new & available arable land in the world is in the Cerrado (~90 million ha)



- Brazil is an advanced economy, 11th largest exchange globally (by market capitalisation - Australia 10th)

THE TEAM & CAPITAL STRUCTURE

Directors

Graham Ascough - Non-Executive Chairman

- Over 21 years management and exploration experience evaluating resource projects globally, including Falconbridge and on-ground experience in Brazil.

Simon Taylor - Managing Director & CEO

- Geologist and founding Director of Aguia with 20 years exploration, development and operational experience in the resources sector.
- Corporate experience as a resource analyst with a major focus on the phosphate sector.

Dr. Fernando Tallarico - Technical Director

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

Allan Pickett - Non-Executive Director

- Highly regarded Fertilizer Professional with 14 years experience with British Sulphur Consultants, the fertilizer and chemical division of CRU International Ltd.

Top 5 Shareholders

1.	Potash Atlantico Corp	19.66%
2.	Bond Street Custodians Limited	6.16%
3.	Nefco Nominees Pty Ltd	5.29%
4.	Citicorp Nominees Pty Ltd	3.22%
5.	Arredo Pty Ltd	2.95%
	Top 20 Shareholders	**57.83%**

Potash & Phosphate Experts

Paulo Souza - General Manager - Potash

- Key engineer involved in the design and development of Vale's **Carnallite Project and Pilot Plant** and an experienced Mining Engineer with 26 years in mine planning and operation, with Vale, Rio Tinto and others.

Alfredo Nunes - Exploration Manager - Phosphate

- 20 years exploration and resources evaluation in Brazil and globally, including 13 years with Brazilian major Vale in various commodities, from exploration to mine production.

John Sinden - Phosphate Processing Engineer

- Renowned consultant engineer with more than 45 years in the field of phosphate processing, leading phosphate rock to acid specialist.

Capital Structure

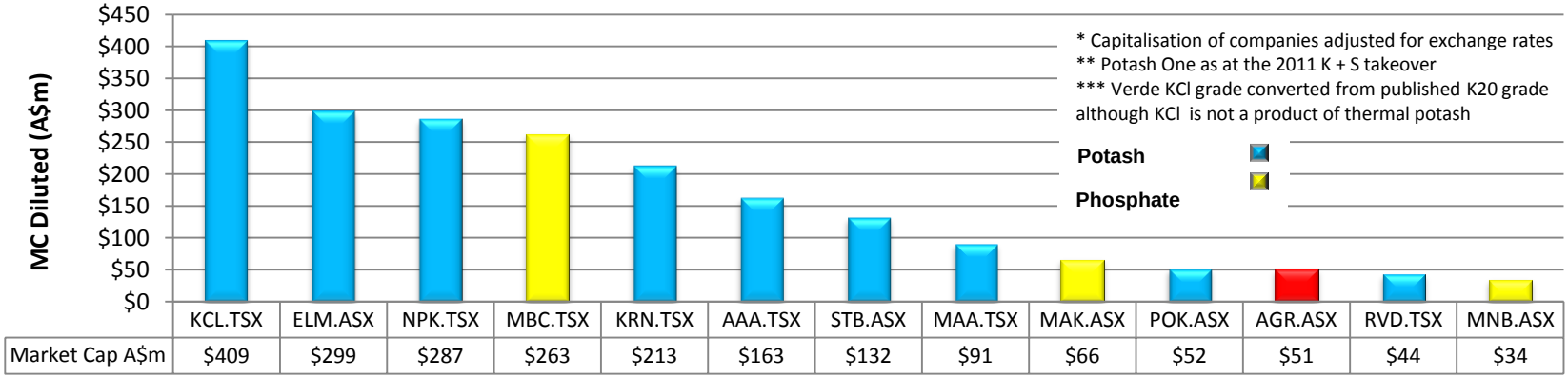
Market Cap @$0.50/Share	**$52.9M**
Ordinary Shares	**105.7M**
Cash (February 2012)	**$11.0M**
Unlisted Options	**8.7M**
Phosphate Performance Shares*	**40.0M**
Potash Performance Shares**	**80.0M**

*Conversion milestones: 30Mt, 70Mt @10% P_2O_5 JORC. Lucena and Mata da Corda Projects Peer Comp example MBAC (TSX)– 116MT @7.17% P_20_5 -**Mcap = $263mill = $1.83/share**

**Conversion milestones: proof concept 100Mt, 200Mt @10% KCl JORC.

PEER COMPARISON
POTASH & PHOSPHATE

Company	Code	Location	Market Cap Diluted (A$M)*	Status	Global Resource (mt)	Potash Grade KCl (%)	Phosphate Grade P_2O_5 (%)
Potash One**	KCL:TSX	Saskatchewan	$409	Developer	3,961	27.10	
Elemental	ELM:ASX	ROC	$299	Developer	804	31.00	
Verde Potash	NPK:TSX	Brazil	$287	Explorer	1,250	15.00***	
MBAC Fertiliser Corp	MBC:TSX	Brazil	$263	Developer	116		7.17
Karnalyte Resources	KRN:TSX	Saskatchewan	$213	Developer	2,406	16.16	
Allana Potash	AAA:TSX	Ethiopia	$163	Explorer	1,269	19.30	
South Boulder Mines	STB:ASX	Eritrea	$132	Expl/Devel	564	18.60	
Mag Industries	MAA:TSX	ROC	$91	Developer	1,407	17.22	
Minemakers	MAK:ASX	Australia/ Namibia	$66	Explorer	2,210		14.60
Potash Minerals Ltd	POK:ASX	USA	$52	Explorer	N/A	N/A	
Aguia Resources	**AGR:ASX**	**Brazil**	**$51**	**Explorer**	**N/A**	**N/A**	**N/A**
Rio Verde	RVD:TSX	Brazil	$44	Explorer	2		19.00
Minbos	MNB:ASX	Angola	$34	Explorer	304		11.50



ATLANTIC POTASH PROJECT HIGHLIGHTS

ATLANTIC POTASH PROJECT

- Adjacent to Brazil's only operating potash mine
- Taquari-Vassouras Mine (Vale) produces <10% of country's consumption, with reserves in place until 2019.
- Concurrently Vale is developing a 1.2Mt KCl per year carnallite solution mine
  - ✔ environmental licenses in place
  - ✔ start-up is scheduled for 2015

DEVELOPMENT OF A CARNALLITE SOLUTION MINE

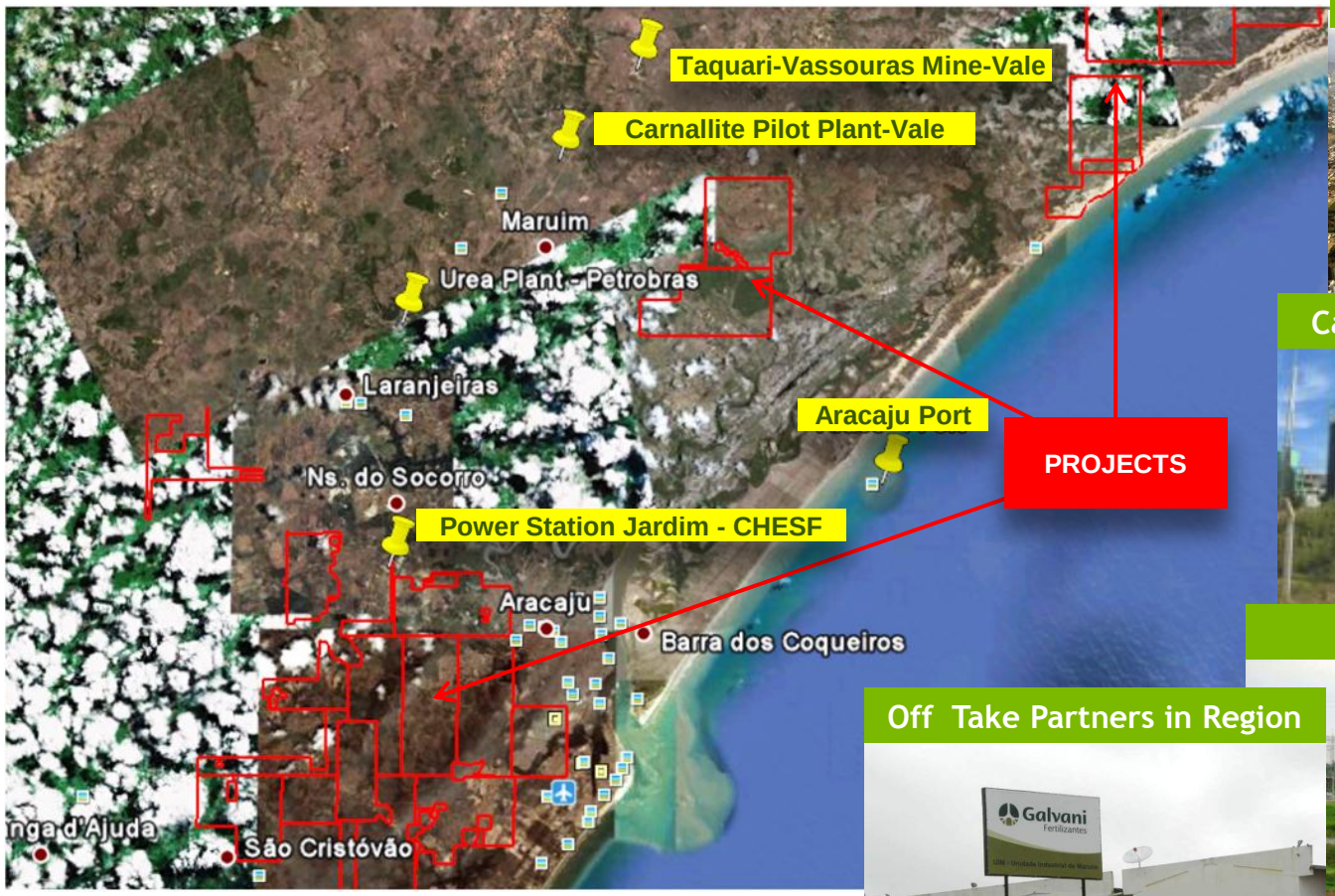
- Initial target resource potential of 0.7-1.5 billion tonnes of carnallite at ~12% KCl grade[1]
- Resource to support production of 1.0Mt KCl per year over a 15-30 year mine life
- Project substantially de-risked
  - ✔ Potash intersections in historical drilling by Petrobras
  - ✔ Key management designed and developed Vale's Carnallite Project and Pilot Plant nearby
  - ✔ Close to infrastructure – power, gas, road, port facilities AND FERTILISER CUSTOMERS
  - ✔ It will use proven technology - solution mining, supported by ERCOSPLAN

GOING FORWARD

- Drilling of first 4 holes commenced
- Targeting a NI 43-101/JORC Resource 2012.
- Gas contract and off-take agreements are being developed

1. This is a conceptual resource estimate and will need exploration drilling to confirm potential size, the estimate is based on suitable size to enable commercial project economics and historical data obtained from historical drilling by CPRM including over 300 drill holes and 32,000 km of 2D seismic data. The potential tonnage range and average grade is conceptual in nature and insufficient work has been completed to report a Mineral Resource in accordance with the JORC Code (2004). It is uncertain if further exploration work will result in the determination of a Mineral Resource.

INFRASTRUCTURE IN PLACE



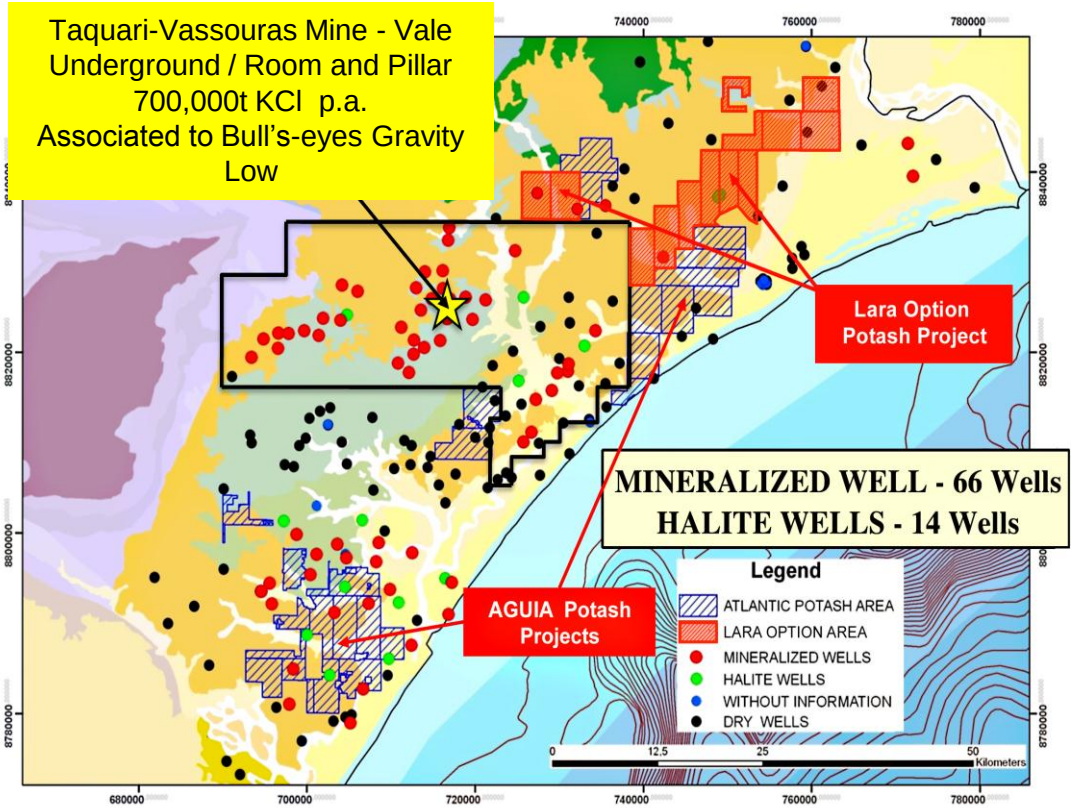
Aracaju Aerial View

Carnallite Pilot Plant - Vale

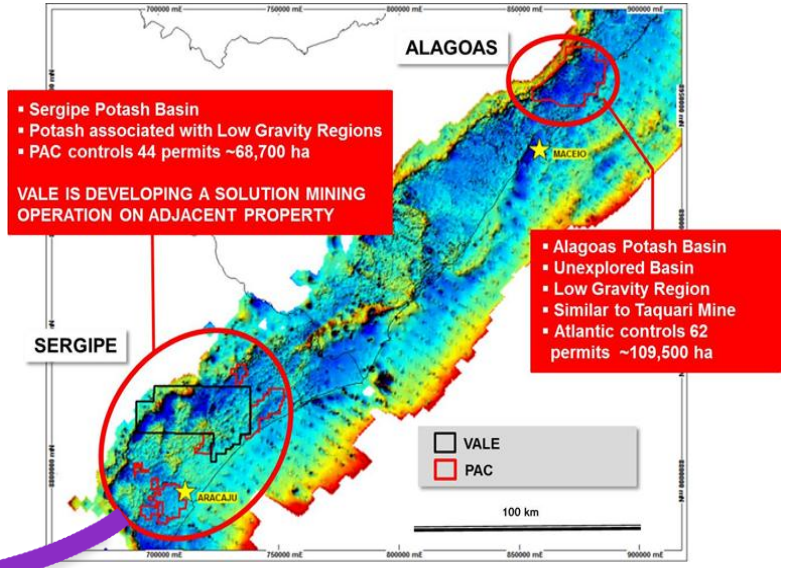
Power Sub-Station

Off Take Partners in Region

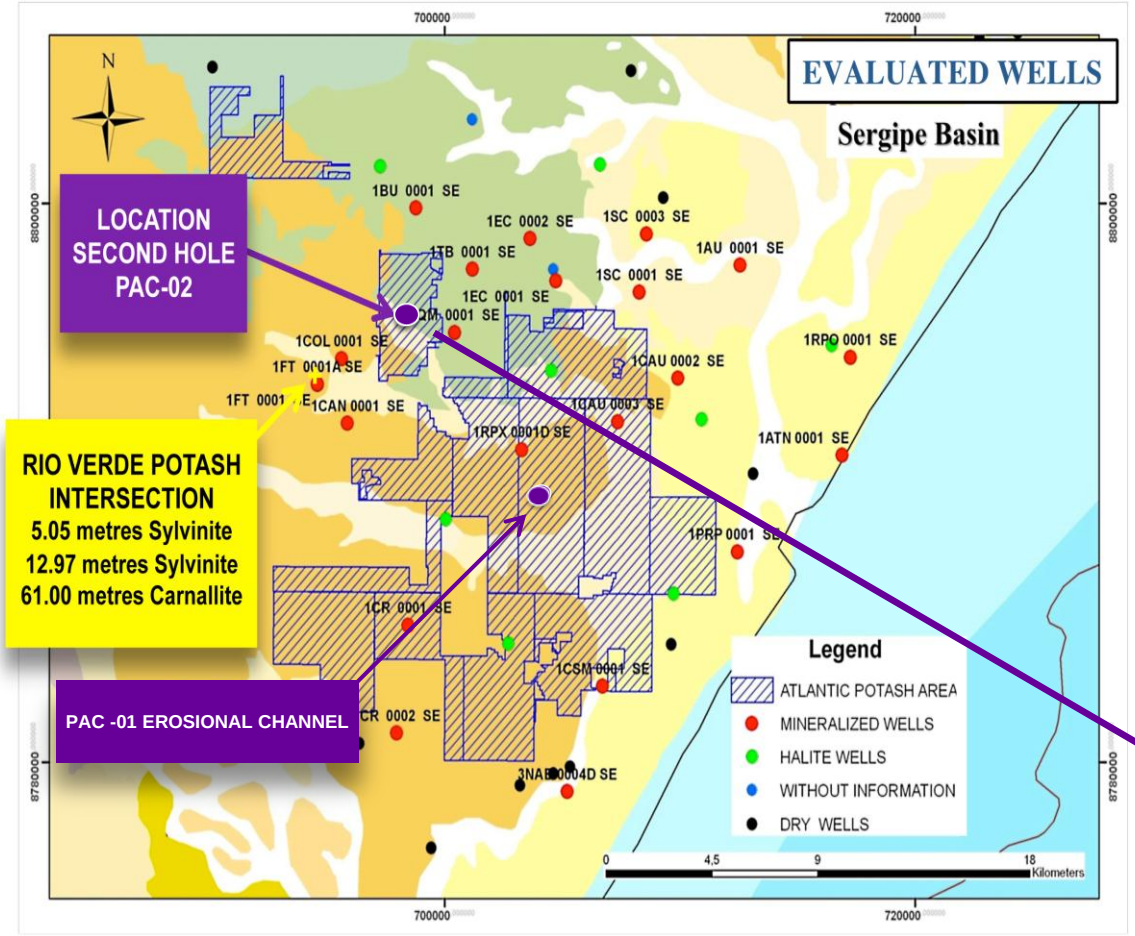
EXCEPTIONAL DISCOVERY POTENTIAL



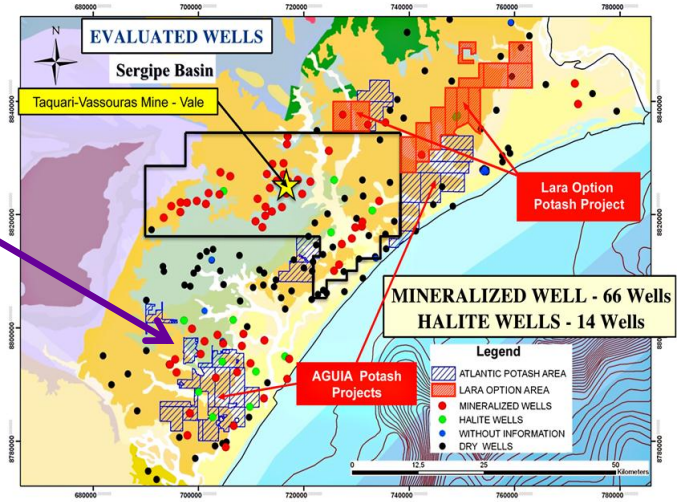
- Large land holding, ~ 200,000 hectares
- Added Lara Ground ~ 21,000 hectares
- Historical exploration data obtained from Brazilian Geological Survey
- Petroleum exploration and production data – more than 300 wells analyzed
- Seismic data – basin well covered with public 2D seismic (2D lines - 32,000 km)



DRILLHOLE PAC-02 UNDERWAY



- Drill hole PAC-02 underway
- Targeting Potash bearing Ibura Member ~ 1,250 metres depth
- Adjacent to significant Rio Verde Intersection – returned combined thickness of 79 metres potash
- Includes sylvinite intersection 16.73 metres @ 25.01% KCl grades up to 54.02% KCl



DRILLHOLE PAC-03
EXCEPTIONAL DISCOVERY POTENTIAL

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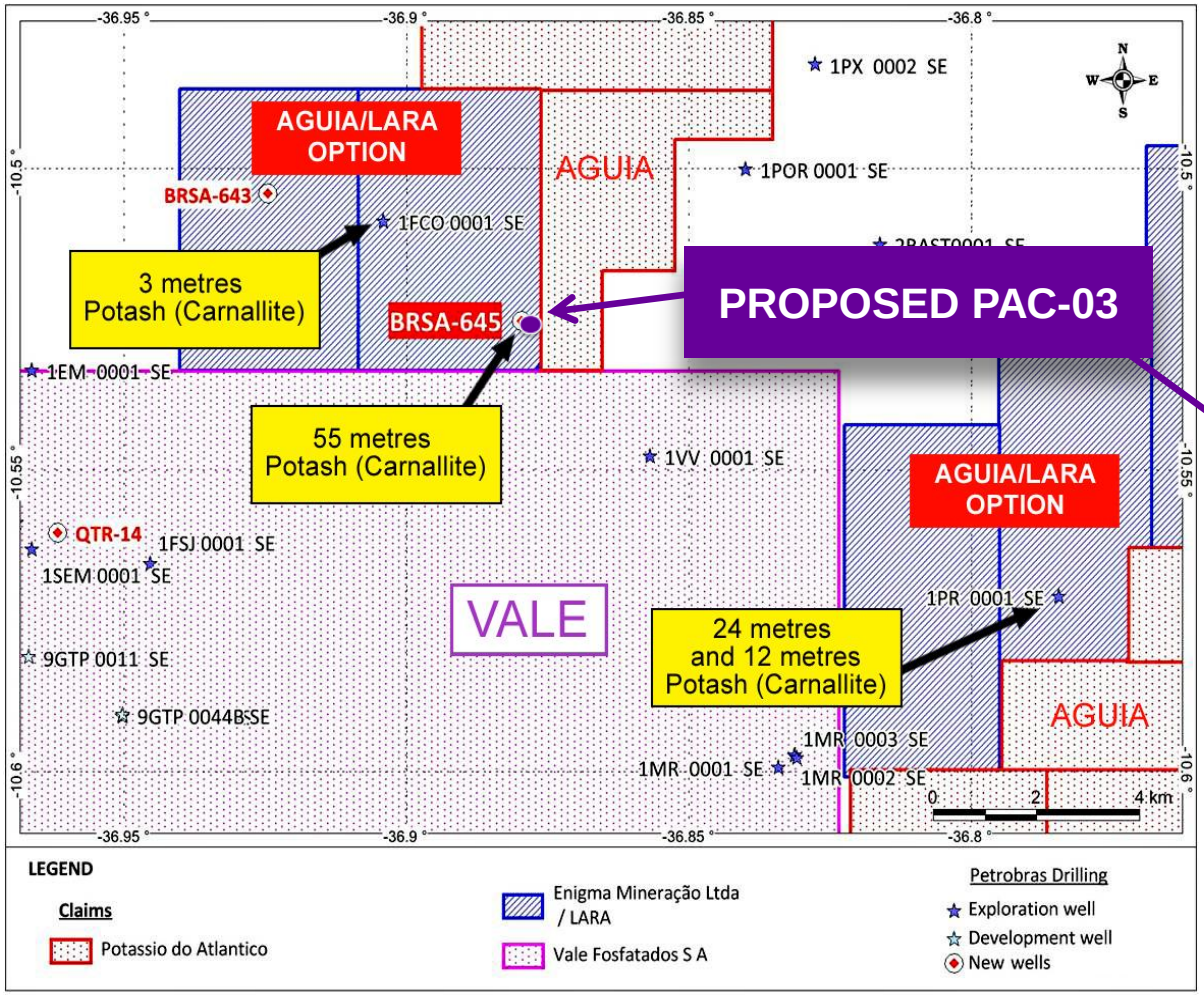
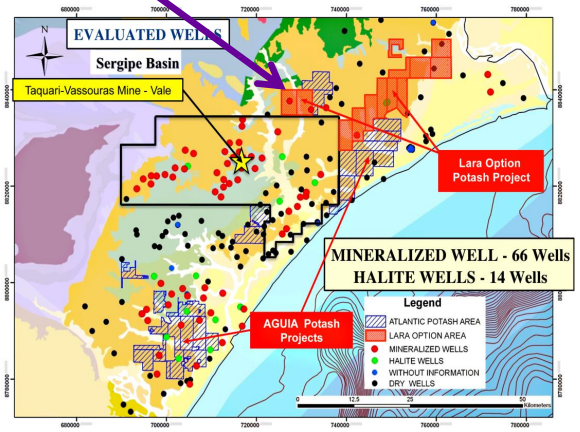


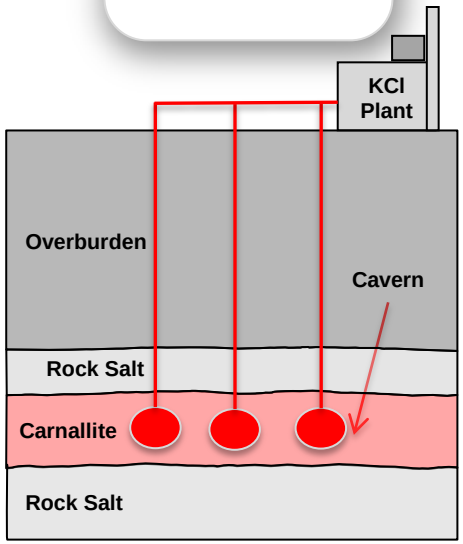
- PAC–03 located 120m east of historical hole BRSA-645 that intersected 55metres potash.
- Target Depth ~ 1,300m



SOLUTION MINING PROCESS

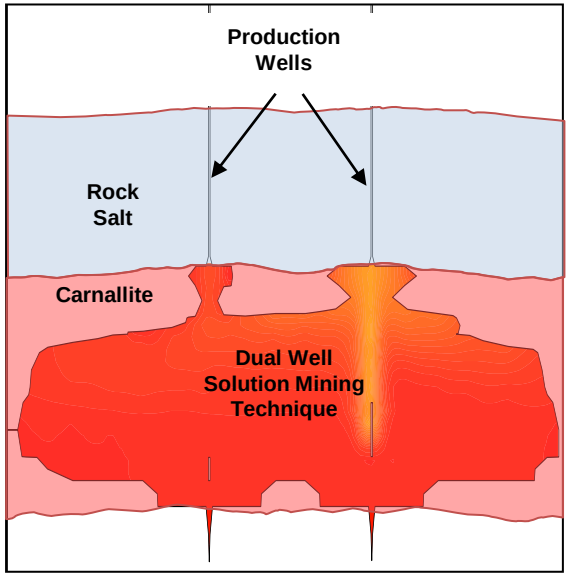
Solution Mining Process for Carnallite

- Two wells ~ 70metres apart are drilled to salt layer.
- Hot water (85°c) pumped into salt layer, to dissolve salt into brine.
- Brine extracted, and two caverns develop.
- Caverns merge into one large cavern.
- Water then pumped down through one well, and brine extracted from the second well.
- Each cavern lasts between 2 and 3 years.
- Multiple wells connected on the surface to the processing plant.
- Carnallite brine separated into KCl and $MgCl_2$ using established technology.



SERGIPE Key Project Metrics

- Target steady state production of ~1,000,000 tpa KCl
- Proven technology for brine production and processing
  - ✔Engineering studies supplied by Ercosplan
- Main consumables locally available – natural gas and electric power
- Reduced time to production – < 6 years including exploration
  - ✔Project substantially de-risked by Vale's Carnalitta Project
- Allows extraction of deeper potash deposits
  - ✔KCl horizons in Sergipe are between 1,500 and 1,800m
- Well positioned to dispose of residual brine off-shore
  - ✔Vale already permitted



PROJECT ECONOMICS ILLUSTRATIVE ANALYSIS

Assumptions – For illustrative purposes only, not based on actual project studies[2], assumes 1.25 Bt resource = 25 year mine life

Investment (US$ million)	900
Brine Field OPEX (US$ / t)	35.0
Beneficiation Plant OPEX (US$ / t)	93.0
Annual Production (t)	1,000,000
Commodity Price Assumption	
Sales Price (US$ / t)	515[1]
Illustrative NPV Calculation	
NPV @10.0% discount rate (US$ million)	925

Notes:

1. A key feature of this project is that, in addition to the savings in freight and port handling costs versus producers outside Brazil, **consumers are currently prepared to pay a premium** for the convenience of having the service associated with a local supplier. Any future prices are speculative, however Aguia believes a long-term real price of $515 to be realistic based annual price range given by CRU in its forecast for potash delivered to major markets for 2011 to 2020 – source CRU.

2. Due to the highly prospective nature of the Brazilian exploration opportunity and the absence of any detailed technical studies, assessments of the value of the Brazilian opportunity are highly speculative and unreliable. The analysis above relies on assumptions that are not based on any detailed technical or economic evaluations of the project and are provided for illustrative purposes only.

PHOSPHATE PROJECTS
RIGHT LOCATION, RIGHT MARKET

- Key parameters
  - ✔ Location
  - ✔ Infrastructure
  - ✔ Markets
  - ✔ Mineralogy = beneficiation
- Initial resource targets[1] of 30-80Mt
- Average grade of Brazilian producing mines = 9% P_2O_5
- Scoping to produce 500 ktpa of concentrated rock.
- Ball-Park numbers
  - ✔ CAPEX = $150m
  - ✔ Cash Costs = $50-60/t
  - ✔ Sale Price = $180-220/t

1. This is a conceptual resource estimate and will need exploration drilling to confirm potential size, the estimate is based on a suitable size to enable commercial project economics. The potential tonnage range and average grade is conceptual in nature and insufficient work has been completed to report a Mineral Resource in accordance with the JORC Code (2004). It is uncertain if further exploration work will result in the determination of a Mineral Resource.

RIO GRANDE DO SUL PROJECTS
NEW PHOSPHATE PROVINCE

THE PROJECTS

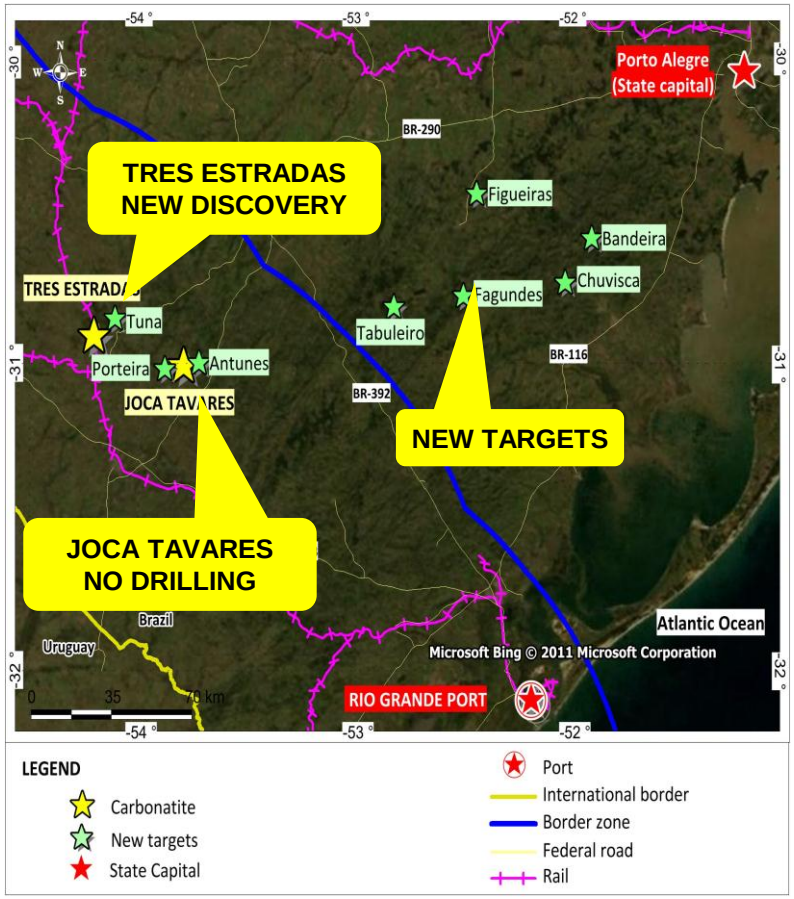
- Early stage signs similar to carbonatite style phosphate deposits mined by Vale in Brazil, examples including Araxá (Reserve: 88.7 Mt @ 11.12% P_2O_5) and Cajati (Reserve: 85.1 Mt @ 5.45% P_2O_5)

- Two projects under evaluation:
  - **Três Estradas** – drill tested 2011, new discovery
  - **Joca Tavares** – rock chips to 11% P_2O_5,

- Based on recent discovery AGR has applied for a further 8 areas comprising 30,186 hectares

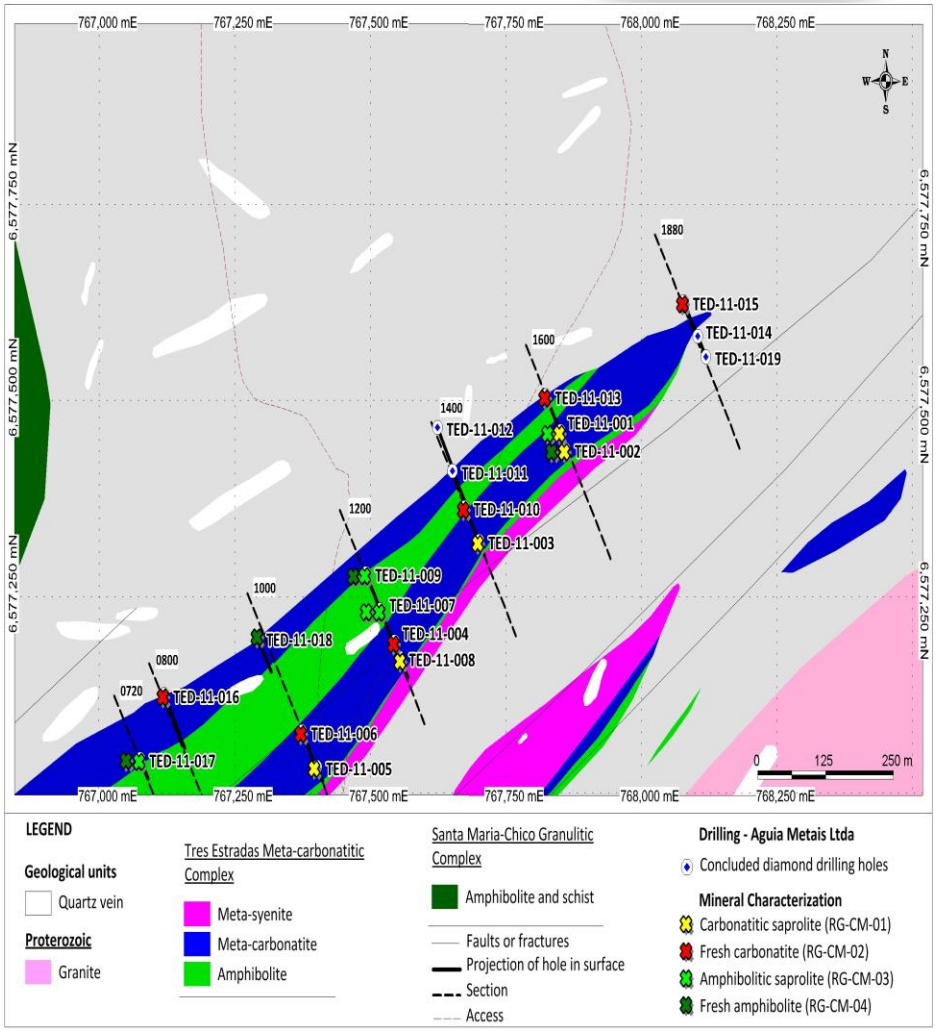
- Well developed local infrastructure with good road, rail, power, port and services

Diamond Drilling 2011 - Tres Estradas Project



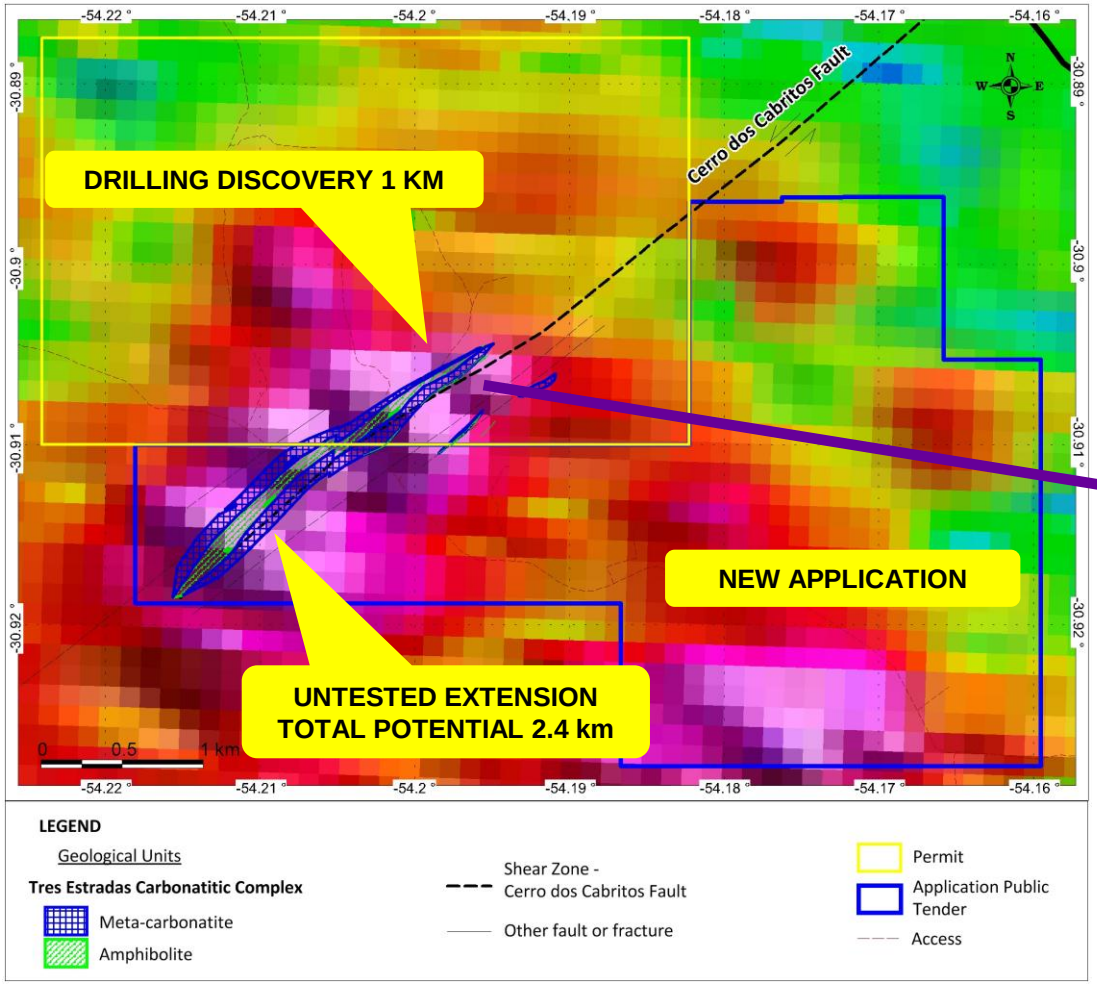
TRES ESTRADAS DRILLING PROGRAM AND RESULTS

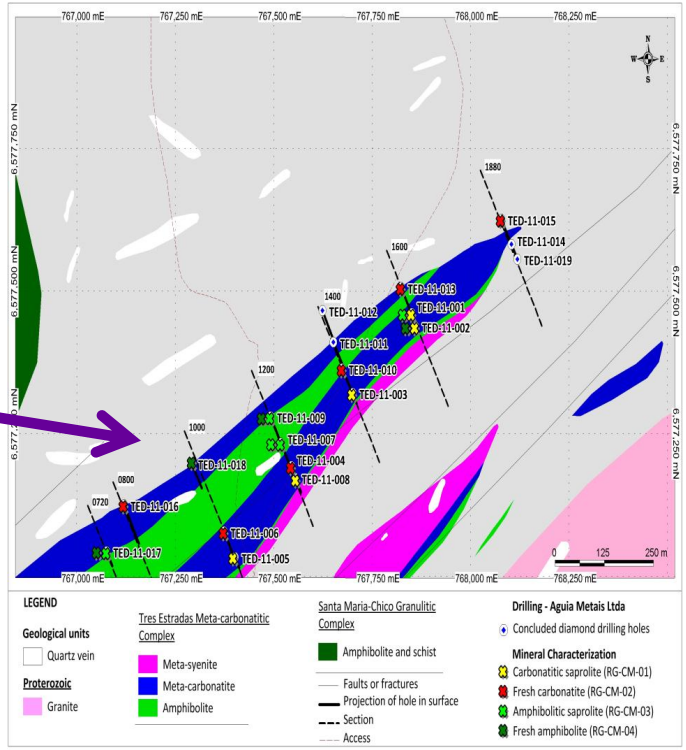
- New Discovery - Nov 2011, diamond drilling returned excellent results.
- Drilling is spaced over 1 kilometre and up to 200 metres across strike, open in all directions.
- Initial results from surface include:
  - **27.00 metres @ 17.75% P_2O_5**
  - Includes. **12.30 metres @ 24.60% P_2O_5**
  - **34.00 metres @ 10.91% P_2O_5**
  - Includes. **18.85 metres @ 15.58% P_2O_5**
  - **40.35 metres @ 8.90% P_2O_5**
  - Includes. **19.97 metres @ 13.52% P_2O_5**
- Beneficiation test work commenced.
- Targeting a JORC/NI 43-101 resource June quarter.



TRES ESTRADAS UPSIDE
LARGE RESOURCE POTENTIAL

Application lodged over southern extension for potential 2.4 kilometre strike length.

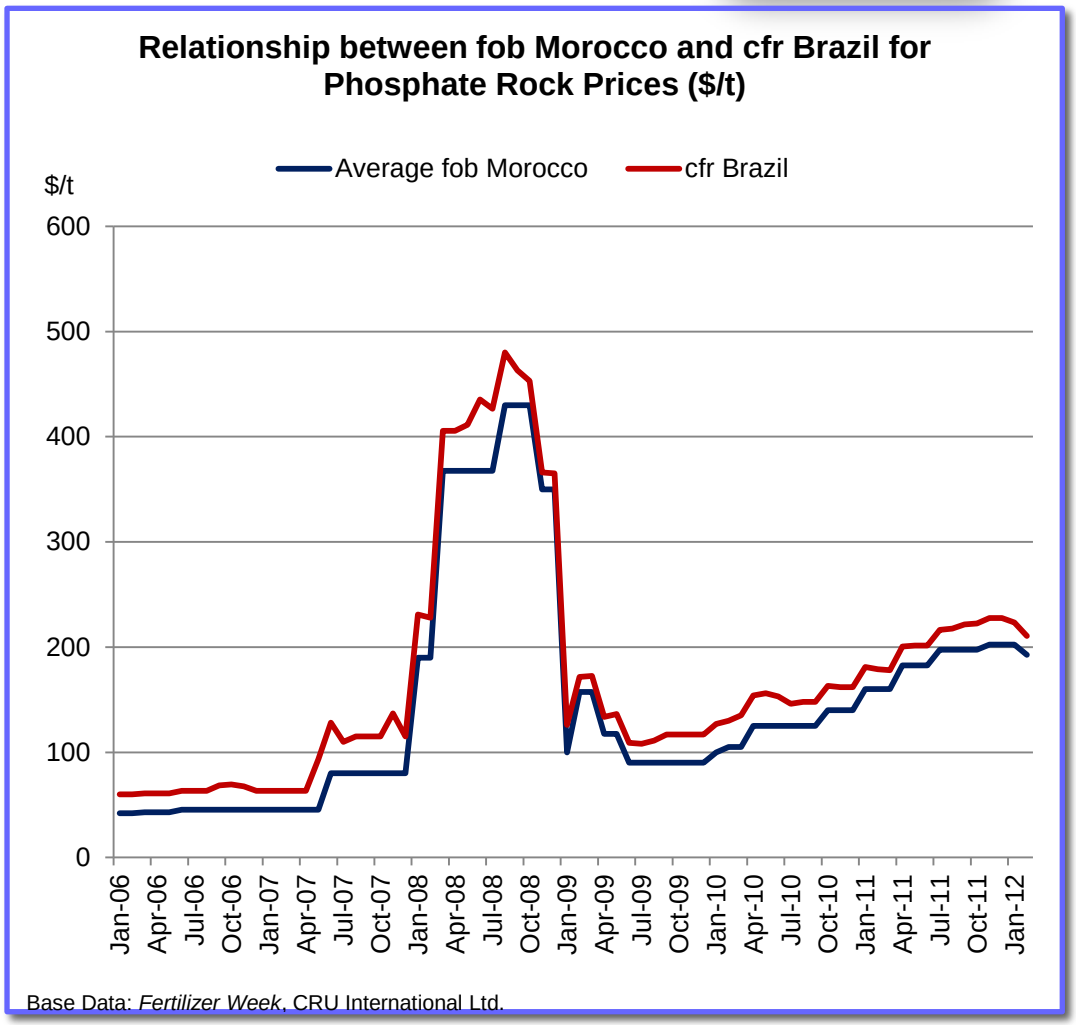




RIO GRANDE DO SUL, LOGISTICAL ADVANTAGES, MARKETS AND PRICING

- The three southern States of Rio Grande do Sul, Santa Catarina and Paraná consume ~1.0 mt P_2O_5[1] or around 30% of Brazilian consumption, with no currently active phosphate mines in the States.
- Projects will be logistically advantaged to supply into this region, compared with either phosphate mined in Minas Gerais and Goias or imports.

Railway within 2 kilometres of project



Saleable product to receive premium prices versus imports.

1 = Data Source: ANDA, 2010 consumption data.

BRAZILIAN PHOSPHATE PLAYERS DATA

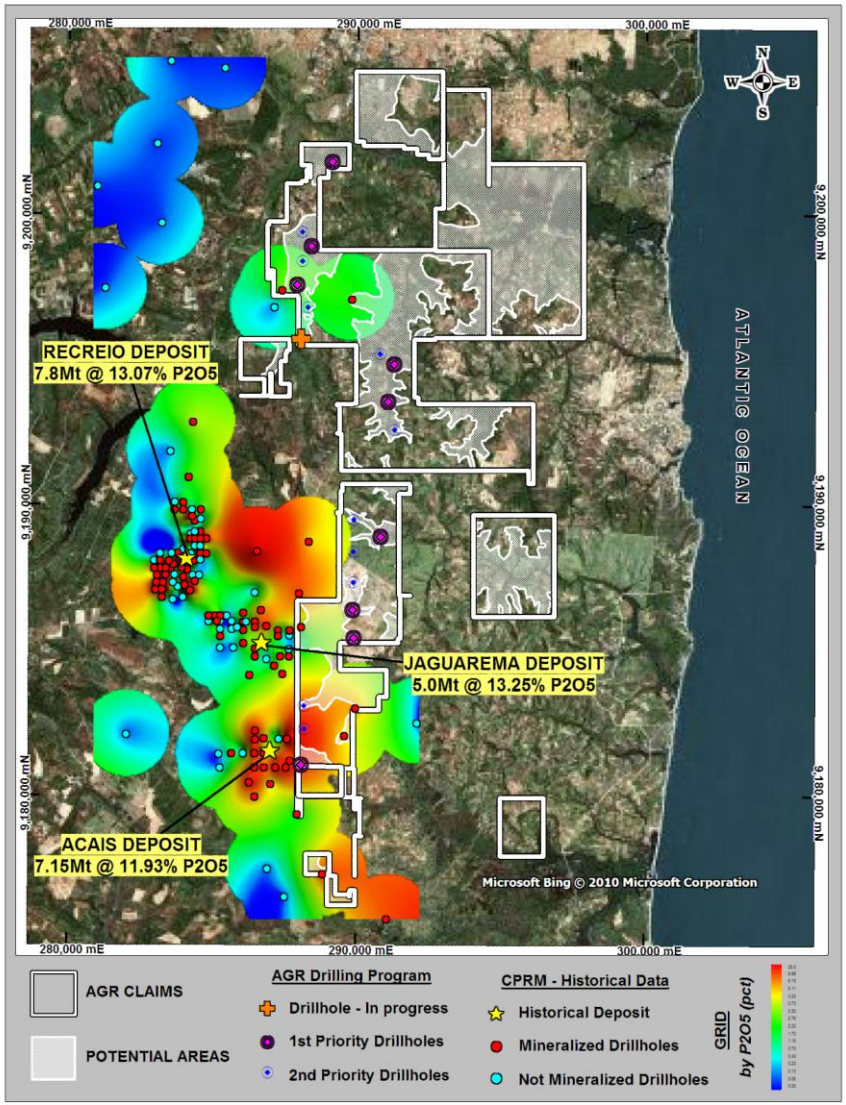
Company	Project	Status	Type	Reserve (Mt)	Av. Grade P_2O_5(%)	Conc. Grade P_2O_5(%)	Prod. Capacity (ktpa)	
				(A) (B)		(C)	(D)	
Vale	Tapira	Operating	Carbonatite	1,309.20	7.69	35.5	2,030	
Copebrás/ Anglo	Ouvidor	Operating	Carbonatite	256.7	7.63	38	1,300	
Vale	Araxá	Operating	Carbonatite	88.7	11.12	35/ 33	910	
Vale	Catalao	Operating	Carbonatite	223.6	8.96	36/ 34	1,209	
Vale	Cajati	Operating	Carbonatite	85.1	5.45	36	528	
Vale	Patos	Operating	Metasediments	304.6	12.36	24	150	
Vale	Salitre	Development	Carbonatite	852.0*	10.74	-	1,600 forecast	
Vale	Anitápolis	Development	Carbonatite	54.0*	9.01	-	300 forecast	
MBAC	Itafós	Operating	Metasediments	116*	7.17	30?		<(E)
Average Grade Brazilian P_2O_5 Deposits 9.0%								
Yara	Siiliinjarvi-Finland	Operating	Carbonatite	470	4.5	36	850	

** Denotes resource figures*

Sources:

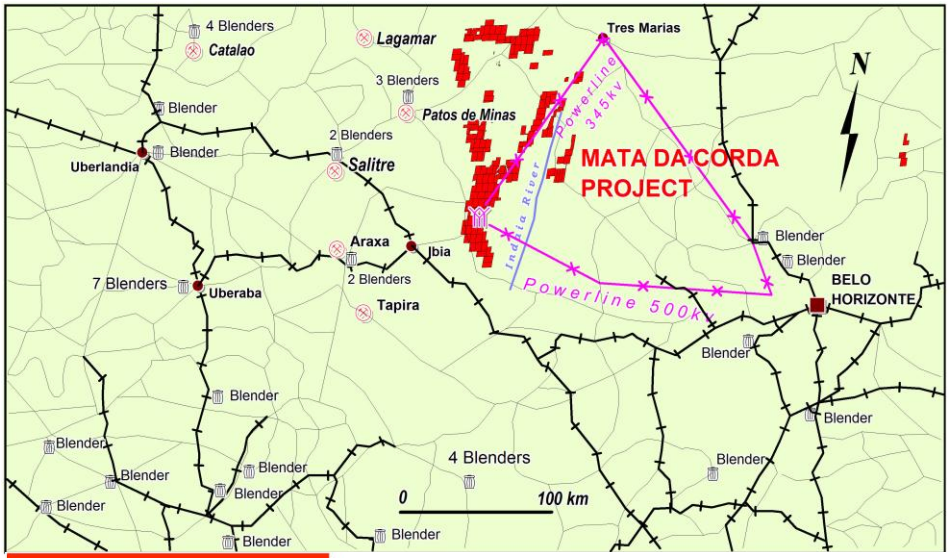
(A) > Resource and Grades: Salitre – DNPM 1975 / Anitápolis: DOU 1980 (DOU = Official Diary of Brazil)
(B) > Reserve and Grades: DNPM 2006 Mineral Annuary
(C) > Concentratio / Production: ANDA Annuary 2008
(D) > Major phosphate rock producer by Bete, Inc for Cargill Fertilizer, Inc 1988. Values updated to 2010 including exchange variation and inflation.
(E) > BMO – MBAC Report Figures April 2010 and Website info Sep/2010

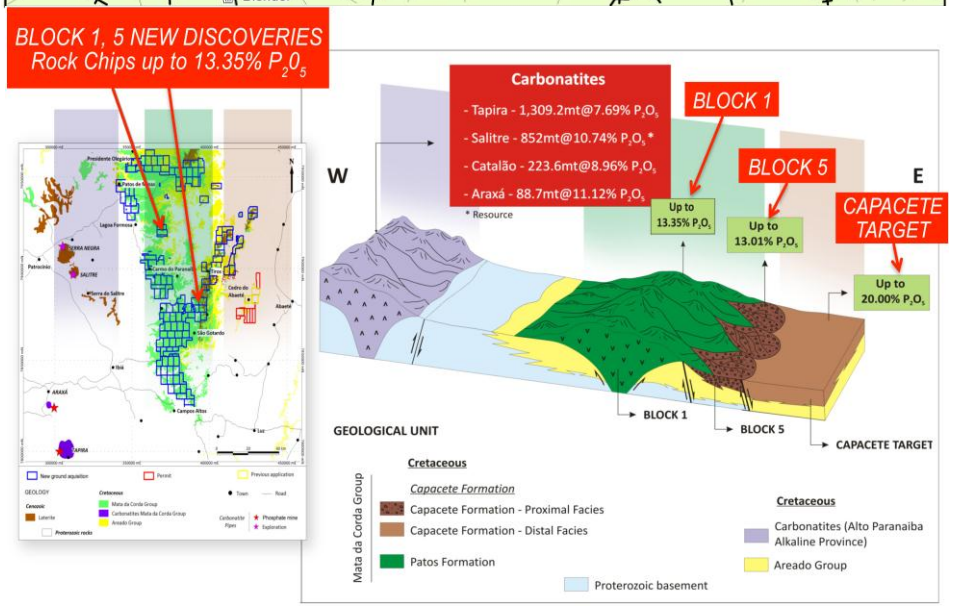
LUCENA SOUTH PROJECT DRILLING TARGETS RESOURCE POTENTIAL



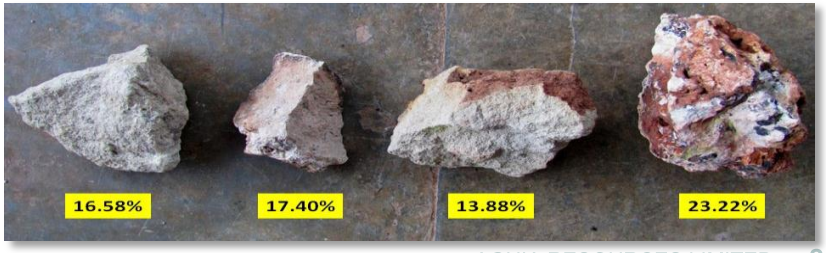
- CPRM discovered shallow phosphate mineralisation up to 22% P_2O_5 in several deposits to the west
- Phosphate mineralisation is hosted by a limestone unit (Gramame Formation) that extends through project towards the east.
- Desktop modelling outlines large areas for shallow drill testing.
- 2,000 metre first pass Diamond Drilling completed
- Initial drilling results include up to 23.25% P_2O_5

MATA DA CORDA OPTION AGREEMENT INFRASTRUCTURE & NEW DISCOVERIES





- Located within 100km of the three largest phosphate mines in Brazil and near 32 major bulk blenders
- Option to Vicenza to acquire 70% of the MCPP over a three year period through a combination of;
  - ✓ cash totalling R$1 million (A$0.56 million);
  - ✓ a minimum exploration spend of R$7 million (A$3.9 million) and a minimum of at least 10,000 metres of drilling
- Excellent infrastructure, roads, power, water on main transportation route for expanding agricultural districts of Mato Grasso Brazil



ENQUIRIES:

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