



7 May 2025

ASX Market Announcements
Level 6, Exchange Centre
20 Bridge Street
Sydney NSW 2000

Santa Barbara Gold Project – Development Update 5 May 2025

Agua Resources Limited (AGR) is pleased to report continuing strong progress that has been made at the Santa Barbara Gold Project since the previous Update on Operations, released on 23 April 2025 ⁽¹⁾.

Mining and Processing Operations

Agua is pleased to report that the underground workings are now consistently delivering 15 tonnes per day (tpd) to the processing plant. The previously reported 20 gpt gold from the trial mining operation conducted by Boyateca ⁽²⁾ ⁽³⁾ appears to be a reliable guide as to the average grade that Agua is able to recover. The exact grade recovered will be available upon a reconciliation being completed.

The processing plant is capable of treating material at the rate of 30 tpd. It is the intention of the Company to be able to deliver a matching tonnage of high-grade vein material in the second half of May.

The main operational improvements that will occur over the next two weeks to enable the higher processing rate are;

1. the commissioning of the new 5.5 km water pipeline to the processing plant which will secure consistent delivery of water for processing the material, and
2. an increase in the extraction rate of mineralised vein material with the commissioning of the third and final scraper underground which will improve extraction rates.

All of the pumping and scraping equipment is already on site and awaiting commissioning. That is expected to occur on or before 24th May, 2025.

The increase in capacity to 50 tpd is on schedule to being achieved in July 2025. The secondary and tertiary crushers have been delivered and installed, giving crushing and grinding capacity of at least 30 tpd now. The installation of the new primary crusher will enable processing of much more than the proposed 50 tpd rate, leaving capacity to grow significantly beyond that level when the underground workings are able to deliver higher tonnages.

Cautionary Statement

Any statement relating to anticipated production is aspirational. The Company is restricted from providing production guidance until such time as it has a JORC compliant resource upon which to base production plans, according to Chapter 5 of the ASX Listing Rules. It has had to use terminology that differs to conventional mining reporting. Nevertheless, Agua is able to advise actual processing rates and capacity. Consistent with the ASX directives, the increases to 30 and 50 tpd should be regarded as speculative, beyond the 15 tpd processing rate being achieved now.

Exploration Drilling at Santa Barbara

The Company has previously advised that it intends to commence drilling a 25 hole diamond drilling program at Santa Barbara ⁽⁴⁾. That program is running a few weeks behind schedule due to the drought being experienced in the region. Nevertheless, the Company is pleased to disclose that the first drill rig is currently being mobilised and is expected to be operational on or about 12th May. The 25 holes represent the first drill program undertaken at the Project. Most of the holes will drill immediately below the existing workings, with some step-out holes along strike. In the opinion of the Competent Person, they are expected to intersect the veins being worked now at 25 and 50m step-outs, and there is also the possibility that drilling will intersect other veins not already identified.

Our exploration geologists believe there is significant upside potential at Santa Barbara. This initial drilling program will provide valuable information as to the continuity and grade of the veins and it is expected to enable the calculation of a maiden JORC resource later in 2025.

Gold Sales

The Company has had to complete an exhaustive Government audit process in order to be licenced to sell gold to refineries, domestically and abroad. The level of compliance that a new gold producer has to satisfy has been quite extraordinary. Nevertheless, the Company believes that all of the procedural hurdles have now been met to allow the first sale of gold recovered from the recommission process. That should enable first revenue to be recorded this week. Thereafter it is expected that the existing and expanded levels of gold production will be readily saleable in a timely fashion.

Executive Chairman, Warwick Grigor, commented: *“As one shareholder said to me “It isn’t easy starting a gold mine.” My response was “True, but it is not impossible”. Aguia has been very efficient in its use of capital and achieved a level of success on a very tight budget at the Santa Barbara Gold Project. It has had to contend with a number of hurdles along the path, but that should be expected. Having our CEO William Howe, in country during this process has been instrumental to the success so far. We are now at the inflection point beyond which we expect to be earning significant cash”.*

Footnotes:

(1) ASX Release 23rd April 205. *“Santa Barbara Gold Project Development Update.”*

(2) Santa Barbara Grades. Refer to the Independent Technical Assessment and Valuation Report on the Mineral Assets of Andean Mining and Limited and Aguia Resources Limited JORC Code 2012 Statement Released to the ASX released 16/3/24, pages 129-221 of the ASX Release. Page (viii) refers to *“sampling in parallel veins that yielded a combined average of 21.4 gpt in the entire interval.”* On page 6 of the Report states that the previous owner, the TSX-listed Baroyeca Gold and Silver Inc (TSX-V:BSGCA) provides more detailed information, adding that channel samples on Vein 2 averaged 30.99 gpt Au and 67.52 gpt Ag. Reference; a news release on 18 October 2021, with supporting tables, maps and AQC details. <https://finance.yahoo.com/news/baroyeca-channel-samples-average-31-090000089.html>. Also, the corporate presentation of Baroyeca, dated November 2022, quotes *“channel samples collected from the exploratory tunnel returned gold values up to 102.4 gpt and averaged 38.91 gpt”*. Further, *“channel samples collected from the new ... exploration tunnel on Vein 2 ... returned 60.12 gpt and all averaged 31 gpt”* over 18m. https://baroyeca.com/images/pdf/Corporate_Presentation/2022/BGS_Corporate_Presentation_11-28-2022_compressed.pdf

(3) Refer to point (1) above and the references to the Baroyeca Reports from the Trial Mining Exercise. Page 7 of the VRM Report states that *“ In November 2022, Baroyeca reported that the 500-ton bulk sample on the Santa Barbara vein (Vein 1), which was completed in September 2021, returned head gold grades averaging 24 gpt”*.

(4) ASX Release 7th March 205. *“Drill Testing to Commence at the Santa Barbara Gold Project.”*

AUTHORISED FOR ISSUE TO ASX BY THE BOARD OF AGUIA RESOURCES LIMITED**About Aguia Resources Limited:**

Aguia Resources Limited ("Aguia") is an ASX-listed multi-commodity company (AGR:ASX) with a pre-production phosphate project and extensive copper exploration targets located in Rio Grande do Sul, the southernmost state of Brazil. Aguia has an established and highly experienced in-country team based in Porto Alegre, the capital of Rio Grande do Sul. Aguia is committed to advancing its existing projects into production whilst pursuing other opportunities within the sector.

On 22 December 2023 Aguia announced the proposed takeover of 100% of unlisted public company Andean Mining Limited which has a portfolio of 100%-owned, high-grade gold, silver and copper projects in the Republic of Colombia, South America:

- Santa Barbara Gold Mine: high-grade mesothermal gold project with a 30 tonnes per day pilot plant that has treated 500 tonnes of ore, with average recoveries of 20 g/t Au; early cashflow opportunity.
- El Dovio: high grade copper/gold project: VMS-style mineralisation, with 34 drill hole intercepts that include 8.14g/t Au, 6.92% Cu, 39.41g/t Ag and 1.46% Zn over 5.80 metres in drill hole D13-05 and an exploration adit having been completed.

Competent Person

Raul Sanabria, M.Sc., P.Geo., EurGeol., and a Competent/Qualified person ("QP") as defined by Australian JORC (2012 Edition) and Canadian National Instrument 43-101, has reviewed and approved the technical information contained in this document.

JORC Code Competent Person Statements:

The technical information contained in this press release has been prepared and reviewed by Raul Sanabria, M. Sc., P.Geo, EurGeol, member in good standing of the APEGBC and EFG, and Qualified Person as described in NI43-101 Canadian Guidelines and Competent Person as described in JORC Guidelines for standards of public reporting technical information relevant to exploration results. Mr Sanabria 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'. Mr. Sanabria consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.

For further information, please contact:

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Caution regarding forward-looking information:

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competitive, geopolitical and social uncertainties; the actual results of current exploration activities; other risks of the mining industry and the risks described in the Company's public disclosure. 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. 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 does not undertake to update any forward-looking information, except in accordance with applicable securities

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