



9 January 2015

Dear Shareholder

Rights Issue and Potential TSX-V Listing

I am pleased to invite you to participate in a 1 for 10 non-renounceable rights issue by Agua Resources Limited (**Company**), at \$0.04 per New Share to be issued by the Company (**Rights Issue**) raising approximately \$1,015,799 in new capital. The Offer Document to be sent to you in the next two weeks outlines the details of the Rights Issue.

The maximum number of New Shares to be issued under the Rights Issue is 25,394,979 (provided that no existing options are exercised prior to the Record Date), which would raise up to approximately \$1,015,799. At the conclusion of the Rights Issue, the total number of issued Shares in the Company will be a maximum of 279,344,767 (provided that no existing options are exercised prior to the Record Date).

It is proposed that the funds raised from the Offer will be applied for the purposes of expanding the resource at Três Estradas and funding delineation drill testing of the neighbouring Joca Tavares project, with the objective of defining at least 75 million tonnes of phosphate resources between the two deposits. Funds raised will also be used to cover the costs of the issue and to provide working capital.

In addition to the above, the Company has decided to undertake a preliminary review of whether a TSX-V listing is appropriate for the Company. Funds raised from the Rights Issue will be applied towards this preliminary review.

The Rights Issue is non-renounceable and is not underwritten.

Each Shareholder on the Company's register of members whose registered address is in Australia or New Zealand on 15 January 2015 at 7.00 pm (Sydney time) (**Record Date**) will be entitled to subscribe for one New Share in the Company for every ten ordinary Shares held at the Record Date, at a price of \$0.04 per New Share (**Entitlement**). Entitlements to New Shares can be accepted by eligible Shareholders in full or in part or in excess of their Entitlement by completing and returning a personalised Entitlement and Acceptance Form.

To the extent that you do not take up your Entitlement, your interest in the Company will be diluted.

The New Shares issued under the Rights Issue will be fully paid and will rank equally with Company's existing issued Shares. The Company will make an application to the ASX for official quotation of these New Shares.

No dividend is expected to be paid on Shares in the Company in respect of the year ending 30 June 2014.

Shareholders eligible to participate in the Rights Issue as described in the Offer Document do not need take any action at this time. A personalised Entitlement and Acceptance Form will be mailed to the

address on the Share Register on or about the Opening Date, being 20 January 2015, and you will need to complete that Form and return it with payment by the Closing Date, being 30 January 2015, to participate in the Rights Issue.

The Closing Date for acceptance and payment is 30 January 2015.

The indicative timetable for the Rights Issue is as follows:

“Ex” Date for Entitlement to New Shares	13 January 2015
Record Date to determine your Entitlement to New Shares	15 January 2015
Expected date of dispatch of Offer and Entitlement and Acceptance Form	20 January 2015
Last day for acceptance and payment in full (Closing Date)	30 January 2015
Expected allotment	5 February 2015
First day of trading of New Shares	6 February 2015

This timetable is indicative only and subject to change. Subject to the ASX Listing Rules, the Directors of the Company reserve the right to vary these dates, including the Opening Date and Closing Date, without prior notice.

For further information, please contact Andrew Bursill, Company Secretary, on +61 2 9299 9690.

Yours faithfully

David Gower
Chairman



9 January 2015

Dear Shareholder

NON-RENOUCEABLE RIGHTS ISSUE – LETTER TO INELIGIBLE SHAREHOLDERS

Agua Resources Limited (**Company**) has announced a 1 for 10 non-renounceable rights issue at \$0.04 per New Share to be issued by the Company (**Rights Issue**) raising approximately \$1,015,799 in new capital.

The maximum number of New Shares to be issued under the Rights Issue is 25,394,979 (provided that no existing options are exercised prior to the Record Date), which would raise up to approximately \$1,015,799. At the conclusion of the Rights Issue, the total number of issued Shares in the Company will be a maximum of 279,344,767 (provided that no existing options are exercised prior to the Record Date).

The Rights Issue is non-renounceable and is not underwritten.

The Rights Issue is being undertaken pursuant to an Offer Document that was lodged with Australian Securities Exchange (**ASX**) on 9 January 2015. The Offer Document is available on the ASX website www.asx.com.au.

The offer is only being made to shareholders of the Company (**Shareholders**) named on its register of members at 7.00pm (Sydney time) on 15 January 2015, whose registered address is in Australia or New Zealand.

This letter is to inform you that you are not eligible to participate in the Rights Issue. This letter is not an offer to issue New Shares in the Company, nor an invitation to apply for New Shares. You are not required to do anything in response to this letter.

Shareholders who are eligible to participate in the Rights Issue are those persons who:

1. are registered as a Shareholder of the Company as at 7.00pm (Sydney time) on 15 January 2015; and
2. have a registered address in Australia or New Zealand.

In accordance with the Listing Rule 7.7.1 of the ASX Listing Rules, the Company has considered that it would be unreasonable given the number of Shareholders with registered addresses outside of Australia and New Zealand and the size of the shareholdings held by those Shareholders to offer them the Rights Issue. Taking this into consideration, as well as taking into consideration the costs of complying with the legal requirements and the requirements of the regulatory authorities of those relevant jurisdictions outside of Australia and New Zealand, the Company believes it to be unreasonable to extend the Rights Issue to all Shareholders.

According to our records, you do not satisfy the eligibility criteria to participate in the Rights Issue as stated above and accordingly, the Company wishes to advise that in accordance with ASX Listing Rule 7.7.1, the Rights Issue will not be extended to you, you will not be able to subscribe for New Shares through the Rights Issue and you will not be sent the Offer Document.

On behalf of the Board of Agua Resources Limited and management, we regret that you are not eligible to participate in the Rights Issue and thank you for your continued support.

Andrew Bursill
Company Secretary



9 January 2015

NON-RENOUNCEABLE RIGHTS ISSUE – LETTER TO OPTION HOLDERS

Dear Option holder

Agua Resources Limited (**Company**) has announced a 1 for 10 non-renounceable rights issue at \$0.04 per New Share to be issued by the Company (**Rights Issue**) raising approximately \$1,015,799 in new capital.

The maximum number of New Shares to be issued under the Rights Issue is 25,394,979 (provided that no existing options are exercised prior to the Record Date), which would raise up to approximately \$1,015,799. At the conclusion of the Rights Issue, the total number of issued Shares in the Company will be a maximum of 279,344,767 (provided that no existing options are exercised prior to the Record Date).

Currently, the Company has you on record as an existing holder of options to subscribe for Shares in the Company (**Existing Options**). You will not be able to participate in the Rights Issue in respect of these Existing Options unless the Existing Options are exercised and you are registered as a holder of the underlying Shares by 7:00 pm (Sydney time) on 15 January 2015 (**Record Date**) and you have a registered address in Australia or New Zealand. You may exercise your Existing Options by following the exercise instructions in accordance with the terms of issue of your Existing Options.

If you are an Eligible Shareholder on the Record Date you will be able to participate in the Rights Issue by filling out your Entitlement and Acceptance Form that will accompany the Offer Document. The Offer Document was lodged with ASX on 9 January 2015 (www.asx.com.au) and will be mailed to all Eligible Shareholders as on 20 January 2015.

Eligible Shareholders who are taking up part or all of their Entitlement must ensure that the completed Entitlement and Acceptance Form and Application Money is received by the Company's share registry by 5.00 pm (Sydney time) on 30 January 2015, being the Closing Date.

The indicative timetable for the Rights Issue is as follows:

"Ex" Date for Entitlement to New Shares	13 January 2015
Record Date to determine your Entitlement to New Shares	15 January 2015
Expected date of dispatch of Offer and Entitlement and Acceptance Form	20 January 2015
Last day for acceptance and payment in full (Closing Date)	30 January 2015
Expected allotment	5 February 2015
First day of trading of New Shares	6 February 2015

This timetable is indicative only and subject to change. Subject to the *Corporations Act 2001* (Cth) and the ASX Listing Rules, the Directors reserve the right to vary these dates, including the Closing Date. The Directors also reserve the right not to proceed with the Offer (or any part of it) at any time prior to allotment. In that event, any application money received will be returned without interest.

Please ensure you read the Offer Document in its entirety and refer to the Company's ASX announcements before considering whether to participate in the Offer. If in any doubt you should consult your professional advisor.

For further information, please contact Andrew Bursill, Company Secretary, on 02 9299 9690.

Yours faithfully

David Gower
Chairman