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22 July 2009

**AGUA TERRA LIMITED
(the “Company”)**

TRADING UPDATE

Agua Terra Limited (LSE: ATE), the first development company dedicated exclusively to high quality mixed-use leisure real estate projects in Southeast Europe to be quoted on AIM, is pleased to announce that notarial pre-contracts have been signed for the sale of the first two villas of Mykonos Azure project (the “Project” or “Mykonos Azure”).

Highlights

- Total sales consideration is €3 million, amounting to a sales price of just over €10,000 per m².
- Equates to a projected sales margin on the transaction of 37%.
- The notarial pre-contracts are conditional on financing packages being obtained for the buyers and expire on 12 December 2009.
- Notarial contracts will be entered into by parties once planning approval has been obtained.

Lord Balfour, Chairman said:

“We are delighted with the successful launch of the Mykonos Azure project. The first sales at Mykonos Azure signify the resilience of our development model which concentrates on fully zoned, luxury branded development projects in areas that have a concise planning regime, limited supply of developable land and a steady demand outlook.”

Markos Kashiouris, Chief Executive, said:

“Booking the first sales at Mykonos Azure is a significant milestone for the Company both in terms of the price points achieved but also in terms of ensuring sufficient working capital is made available in the near-term to continue our growth strategy. With planning progressing swiftly on all Mykonos Azure sites, we look forward to capitalising further on our proven execution capability and deliver real value creation for our shareholders.”

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Notes to Editors

Agua Terra Limited

Agua Terra Limited (LSE: ATE) is the first development company dedicated exclusively to high quality mixed-use leisure real estate projects in Southeast Europe to be quoted on AIM. The Company, whose shares were admitted to trading on AIM in October 2008, aims to establish itself as a leading developer and operator of high quality mixed-use leisure real estate projects in Greece and Cyprus. The Company's initial focus is on development opportunities within Greece and intends to expand into Cyprus within the next two years, when circumstances allow.

Agua Terra was founded by Markos Kashiouris, Peter Economides and Yiannis Panayi, the principal shareholders of the company, who control Aqua Sol Hotels Public Company Limited, Sol Terra Developers Limited and Totalserve Management Limited, some of the leading hotel, real estate development and financial services and advisory companies in the eastern Mediterranean. The principal shareholders have collectively over 50 years' experience in real estate and have completed or advised on over \$3 billion of real estate projects. They possess extensive local knowledge and contacts, as well as relationships with an international network of operators, architects and designers, marketing and branding companies and financial institutions. The principal shareholders also control Terra Sotheby's International Realty, the licensee of Sotheby's International Realty in the eastern Mediterranean.

Agua Terra Limited is incorporated in the BVI and has local offices in the United Kingdom, Greece and Cyprus.

www.agua-terra.com

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