

Agua Terra Limited

Exchange of founder warrants for new Shares

For immediate release

15 December 2009

The board of directors of Agua Terra Limited (the “Company” or “Agua Terra”) announce that following the passing of written resolutions today by holders of over 50 per cent. of the Company’s share capital, each holder of Agua Terra founder warrants (“Founder Warrants”) is to be offered new common shares of the Company (“Shares”), credited as fully paid, in lieu of the Founder Warrants currently held.

4,531,250 Founder Warrants are held by shareholders who held or were allotted Shares on 26 September 2008 on the basis of one Founder Warrant for each Share. On the basis that Agua Terra intends to issue further Shares in the future, the Company has been advised that the existence of the Founder Warrants has the effect of making new Shares less attractive to new investors, compared to a more straightforward capital structure. Accordingly it is proposed that the Founder Warrants be cancelled in consideration for which holders of Founder Warrants would be allotted one new Share for every 2.335198 Founder Warrants held.

Holders of Founder Warrants are today being sent a circular with a consent form to approve the cancellation of their Founder Warrants and allotment to them of new Shares. Fractions of Shares will be disregarded. Full conversion would result in the allotment of up to 1,940,480 new Agua Terra shares, increasing the number of Agua Terra shares in issue to up to 6,471,730.

Enquiries

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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 has recently launched its first project, "Mykonos Azure" on Mykonos island, Greece. Sales are currently underway and first deliveries are expected in 2010.

Agua Terra was founded by Markos Kashiouris, Peter Economides and Yiannis Panayi, the principal shareholders of the company, who control Sol Terra Developers Limited, Totalserve Management Limited and Aqua Sol Hotels Public Company Limited, some of the leading real estate development, financial services and hotel 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