



**AGUIA RESOURCES LIMITED**

**ANNUAL REPORT**  
**30 JUNE 2013**

**ABN 94 128 256 888**

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**Agua Resources Limited**  
**Corporate directory**  
**30 June 2013**

Directors	Graham Ascough - Non-Executive Chairman Simon Taylor - Managing Director and CEO Dr Fernando Tallarico - Technical Director Allan Pickett - Non-Executive Director David Gower - Non-Executive Director Prakash Hariharan - Non-Executive Director
Company secretary	Andrew Bursill
Registered office	Suite 4 Level 9 341 George Street Sydney NSW 2000 Tel. +61 2 9299 9690 Fax. +61 2 9299 9629
Principal place of business	Suite 1002 Level 10 131 Macquarie Street Sydney NSW 2000 Tel. +61 2 9247 3203 Fax. +61 2 9251 7707
Share register	Link Market Services Limited Level 12 680 George Street Sydney NSW 2000 Tel. +61 2 8280 7111 Fax. +61 2 9287 0303
Auditor	Deloitte Touche Tohmatsu
Solicitors	Addisons Lawyers
Bankers	National Australia Bank
Stock exchange listing	Agua Resources Limited shares are listed on the Australian Securities Exchange (ASX code: AGR)
Website	<a href="http://www.aguiaresources.com.au">www.aguiaresources.com.au</a>



## CHAIRMAN'S REPORT

Dear Fellow Shareholder,

On behalf of the Board of Directors it is my pleasure to present the 2013 annual report for Aguia Resources Limited ("Aguia" or "Company").

The past 12 months have been very active as Aguia further establishes itself as a fertilizer company in the expanding agriculture sector in Brazil. The year's highlights centre around our Rio Grande do Sul phosphate project where the company expanded on the initial JORC resource at Três Estradas and demonstrated considerable upside with a new exciting discovery at Joca Tavares.

In February 2013, the Company announced a resource tonnage increase of 34% from an updated JORC indicated and inferred mineral resource at Tres Estradas and with the grant of the southern exploration license that hosts the likely extension of that deposit there is considerable room for further resource increases. This is demonstrated by the recently completed shallow auger drilling on this new license that has intersected high grade phosphate mineralization from surface indicating the strong potential for a further resource upgrades in the year ahead.

Elsewhere at Rio Grande the discovery success continues and early results from Joca Tavares are equally exciting to those from Três Estradas. Initial auger drilling completed over an area of outcropping carbonatite at Joca Tavares has returned excellent results from surface which are detailed in the main body of the report. The results to date confirm our belief that Rio Grande do Sul has the potential to be a significant source of phosphate for the growing fertilizer market in southern Brazil.

Significantly, the deposits at Rio Grande have characteristics similar to existing phosphate producers in Brazil. The resource estimate and metallurgical test work completed to date demonstrates that the grade and mineralogy is similar to that of other open-cut operating mines globally including Vale's Cajati mine in Brazil, that is also hosted by carbonatite rocks and produces a high quality phosphate concentrate that is used in the production of fertilisers.

During the year, the Company announced an initial JORC compliant Inferred Mineral Resource for the Lucena Phosphate Project located in the state of Paraiba in north eastern Brazil. The Company is currently planning the next steps for Lucena that will likely include beneficiation test work and further technical studies.

Aguia also holds a significant land position (totalling approximately 1,300 km<sup>2</sup>) in the highly prospective Sergipe-Alagoas basin that comprises the Atlantic Potash Project. The initial drilling program on the Atlantic Potash Project in 2012 did not yield positive results, however the macro-story for the area has not changed and remains highly prospective as it is host to Brazil's only producing potash mine, Taquari-Vassouras - operated by Vale. As the near term focus will be advancing the Rio Grande Phosphate assets towards development the Company is presently considering how best to progress the Lucena Phosphate and Atlantic Potash projects.

During the year the company also took steps to significantly improve its capital structure through the early termination of the Potash performance shares. This transaction was completed to provide investors, existing shareholders and the broader capital markets with increased clarity over the Company's capital structure by removing the overhang of these performance shares and was strongly supported by shareholders at the meeting held on 31 May 2013.

The results of our exploration and corporate activities during the past year has demonstrated that Aguia is moving in the right direction to become a major supplier of fertiliser products into the Brazilian domestic market. While this is encouraging, the market/investment side of the business has not been as positive, in fact I would describe it as a year of uncertainty and a difficult environment for many investors and directors alike. Many listed exploration companies are struggling with low cash reserves



and market capitalisations. At the current share price, the market is giving little value to the quality projects of the Company and has not yet recognized the recent significant discoveries. Market conditions aside, Aguia will continue to execute sound exploration and development programs and deliver on our growth strategy for shareholders.

I would like to thank our management and staff for their exceptional hard work and dedication over the past year, and to our shareholders for their loyalty and support. The upcoming year will undoubtedly be busy and challenging for our team and we look forward to seeing the results of their efforts rewarded in the market place. There is much work to do to follow up on the past year's activities and achievements, as we look to establish ourselves as a leading fertiliser developer in Brazil.

**Graham Ascough**  
Chairman

## REVIEW OF OPERATIONS

The Company has made continued significant progress during the year at its Rio Grande Phosphate Projects in its quest to become a major supplier of fertiliser products into the Brazilian domestic market.

The highlights of the year have been the steady advancement at Três Estradas ("TE") and the recent discovery of phosphate at the Joca Tavares (JT) project in Rio Grande do Sul state in Southern Brazil. An updated JORC indicated and inferred mineral resource for TE was completed in February 2013 – this was closely followed by the announcement of the JT discovery in June 2013.

In May, the exploration license for the TE South tenement was granted, which includes the south-western strike extension to the current TE resource. Shallow auger drilling (subsequent to the end of the year) has intersected high grade phosphate in carbonatites (from surface and ending in mineralisation) of up to 16 metres grading 14.4%  $P_2O_5$ , with individual one metre assays of over 20%  $P_2O_5$  being intersected. This indicates the excellent potential for a significant resource expansion at TE.

Excellent results have also come from shallow auger drilling at JT over an area of outcropping carbonatite. This exciting discovery is yet to be drill tested with conventional deeper drilling; however the results do indicate the potential for the delineation of significant additional oxide and primary resources.

Ongoing metallurgical testwork at TE has confirmed the potential to produce a quality saleable concentrate. Particularly encouraging were the results from mixed carbonatite and amphibolite oxide feed that returned grades as high as 35.9%  $P_2O_5$ . Commercial grades of concentrated phosphate rock are between 28% and 38%  $P_2O_5$ .

Figure 1: Location of Agüia's Projects in Brazil



## Phosphate Projects

### Rio Grande Phosphate Projects

Aguia has an exclusive option to acquire 100% of the TE and JT carbonatite style phosphate projects from Companhia Brasileira do Cobre ("CBC"). In addition the Company holds a large landholding of tenements in excess of 860 square kilometers under its own right, which cover a number of prospective-phosphate targets (Figures 2, 6).

The projects are located in the state of Rio Grande do Sul, the southernmost Brazilian state adjacent to the border with Uruguay. The region has well developed infrastructure with excellent roads, rail, power, port and services.

The three southern States of Rio Grande do Sul, Santa Catarina and Paraná currently consume over 1.0 million tonnes  $P_2O_5$ <sup>1</sup> or close to 30% of Brazilian consumption, with no currently active phosphate mines in the States. Both the TE and JT projects will be logistically advantaged to supply into this region, compared with either phosphate mined in the states of Minas Gerais and Goiás or imports.

### Três Estradas

At TE, Aguia announced an updated JORC compliant indicated and inferred resource estimate in the March quarter. This has been an excellent result for the Company, given that work on the project only commenced in July 2011, with drilling starting in late October 2011.

**Figure 2: Location of the Projects in Rio Grande do Sul State, SE Brazil**



<sup>1</sup> 1 = Data Source: ANDA, 2012 consumption data.

TE project highlights during the year include:

- The updated JORC compliant indicated and inferred resource comprises 28.5Mt @ 4.3% P<sub>2</sub>O<sub>5</sub> including a higher grade oxide zone from surface of 1.6Mt @ 10.5% P<sub>2</sub>O<sub>5</sub>
- This includes indicated resources of 9.6Mt @ 4.96% P<sub>2</sub>O<sub>5</sub> (including 1.28Mt @ 10.7% P<sub>2</sub>O<sub>5</sub> for the oxide zone) and inferred resources of 18.9Mt @ 3.88% P<sub>2</sub>O<sub>5</sub>
- The updated resource estimate was derived from 40 core holes drilled to 200 metres depth and 105 reverse circulation holes over a strike length of 1,200 metres and is open at depth and to the south west
- There is significant potential to expand the resource along the carbonatite zone which extends for an additional length of 1,400 metres in the recently granted Três Estrada South tenement. The current indicated and inferred resource covers approximately 45% of the combined tenements.
- Early stage auger drilling in this southern tenement has returned results from carbonatite similar to those from drilling within the current resource
- Ongoing metallurgical testwork has resulted in metallurgical recoveries up to 83.4% and concentrate grades up to 36% P<sub>2</sub>O<sub>5</sub>
- Results indicate the potential to produce a commercial concentrate using standard methods and reagents available in the market
- Overall grade and preliminary metallurgical results from the primary zone are similar to carbonatite hosted open-cut operating mines in Brazil and globally that are presently mined to depths of 220 metres (Siilinjärvi, Finland) and 375 metres (Cajati, Brazil), both of which produce a high quality phosphate concentrate within carbonatite host rocks (Table 1).

**Table 1: Comparative Phosphate (P<sub>2</sub>O<sub>5</sub>) Deposits Within Carbonatite Hosted Rocks**

Name of Deposit	Location	Tonnage (Mt)	Head Grade	Recovery	Concentration Grade	Stage
<b>Siilinjärvi (Yara)</b>	Finland	465	4.0%	84%	35%	Production
<b>Cajati (Vale)</b>	Brazil	100	5.5%	78%	36%	Production
<b>Três Estradas (Agua)</b>	<b>Brazil</b>	<b>29<sup>2</sup></b>	<b>4.3%</b>	<b>65-83%</b>	<b>31-36%<sup>3</sup></b>	<b>Exploration / Development</b>
<b>Notes</b> 1. JSA Consultoria e Assessoria Técnica, Company data 2. JORC-compliant resource calculated from 40% of potential target length and to 100 mTrês depth. This includes 9.6Mt @ 4.96% P <sub>2</sub> O <sub>5</sub> indicated and 18.9Mt @ 3.88% P <sub>2</sub> O <sub>5</sub> inferred resources. 3. Based on preliminary beneficiation test work, optimisation test work underway						



### Updated JORC Mineral Resource

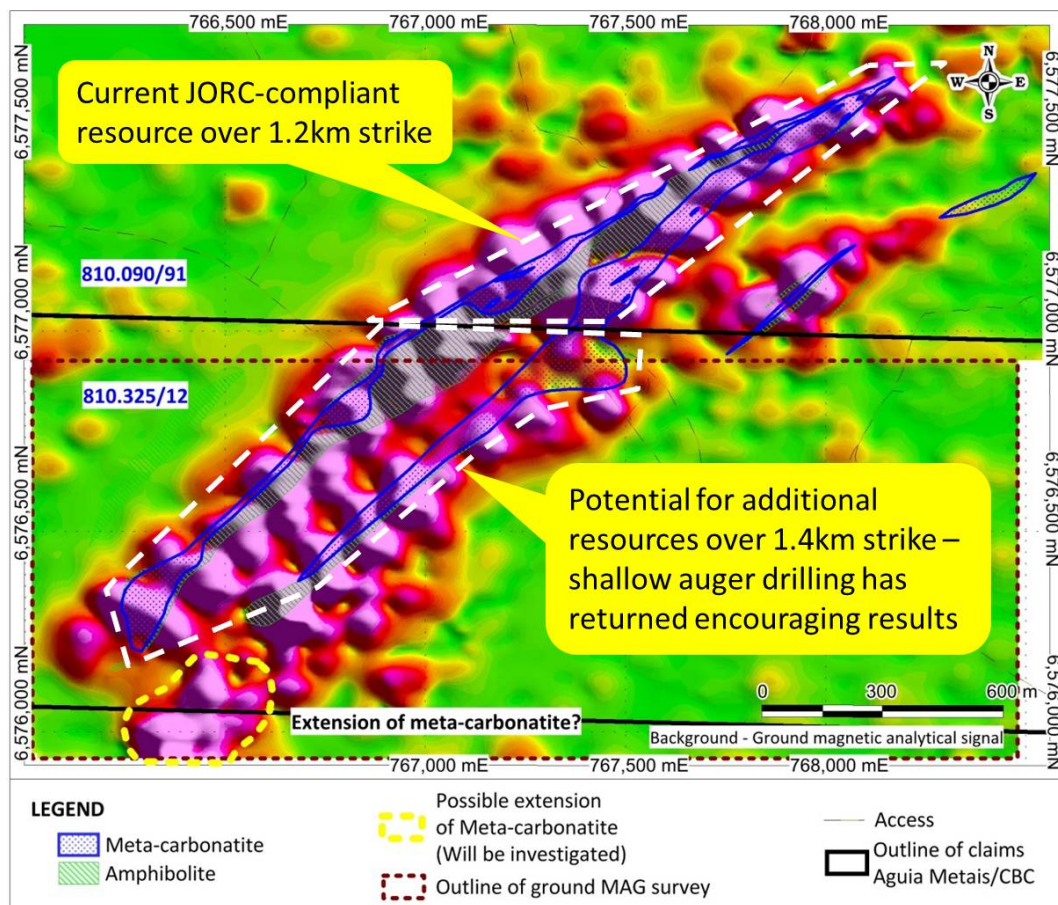
Agua commissioned leading independent global consulting company SRK Consulting to prepare the updated Mineral Resource Statement. The mineral resources were reported within a conceptual pit shell at a 3.0%  $P_2O_5$  cut-off grade.

The updated JORC compliant indicated and inferred resource is comprised of 28.5Mt @ 4.3%  $P_2O_5$  including a higher grade oxide zone from surface of 1.6Mt @ 10.5%  $P_2O_5$ , with 78% of the oxide resource being in the “indicated” category. Overall, indicated resources total 9.6Mt @ 4.96%  $P_2O_5$  and inferred resources 18.9Mt @ 3.88%  $P_2O_5$ .

### Resource Expansion Potential

The Company has been granted the Exploration Licence to the immediate south of the TE Licence that covers the interpreted SW trending strike extensions of the carbonatite (Figure 3). Initial auger drilling has returned high-grade phosphate in carbonatite, similar to those from within the current TE resource. This drilling has returned results (from surface and ending in mineralisation) of up to 16 metres grading 14.4%  $P_2O_5$ , with individual one metre assays of over 20%  $P_2O_5$  being intersected.

**Figure 3: Três Estradas – Ground Magnetics Image, Interpreted Outline of Carbonatite, Outline of Current JORC-Compliant Resource and Outline of Interpreted Potential for Additional Resources**



### Results of Beneficiation Test Work



The Company undertook a second stage of metallurgical testwork, with this being carried out at the University of Sao Paulo. This work had several aims, including:

- Further optimisation of the flotation process to increase concentrate grades from samples of oxide and primary ore, and,
- Test blending of the near surface higher grade oxidised carbonatite and amphibolite mineralisation types.

The results of this work, as released to the market on October 3, 2012, were very encouraging; with the optimisation work increasing grades of the concentrates to up to 36%  $P_2O_5$  for oxide material and 31.4%  $P_2O_5$  for primary carbonatite.

The other highlight of the test work are the results of the oxide blend of oxide carbonatite and amphibolite material that returned four samples with concentrate grades all above 32%  $P_2O_5$  and with metallurgical recoveries above 78%.

It is anticipated these results will be further improved as the oxide samples were not subjected to any magnetic separation in the processing. The oxide material extends from surface. These results are highly significant as this part of the TE resource would provide the early cash flow in the start-up of the project. Results from this work are shown in Table 2.

**Table 2: Metallurgical Flotation Results**

Sample Number and Description (100kg samples)	$P_2O_5$ Head Grade	Recovery	$P_2O_5$ Conc. Grade	$SiO_2$ Conc. Grade	$Fe_2O_3$ Conc. Grade
<b>EB-01, Oxidised Carbonatite</b>	<b>16.2%</b>	83.4%	<b>36.0%</b>	3.3%	6.2%
<b>EB-02, Fresh Carbonatite</b>	<b>4.2%</b>	65.0%	<b>31.4%</b>	3.6%	1.2%
<b>EB-01&amp;3, Oxidised Blend Carbonatite &amp; Amphibolite</b>	<b>14.2%</b>	79.9%	<b>35.9%</b>	5.6%	6.0%

To date the project has returned results from fresh carbonatite that are very similar to operational parameters from material that is mined at Yara's Siilinjärvi operation in Finland and Vale's Cajati operation in Brazil. These comparisons are summarised in Table 1 above.

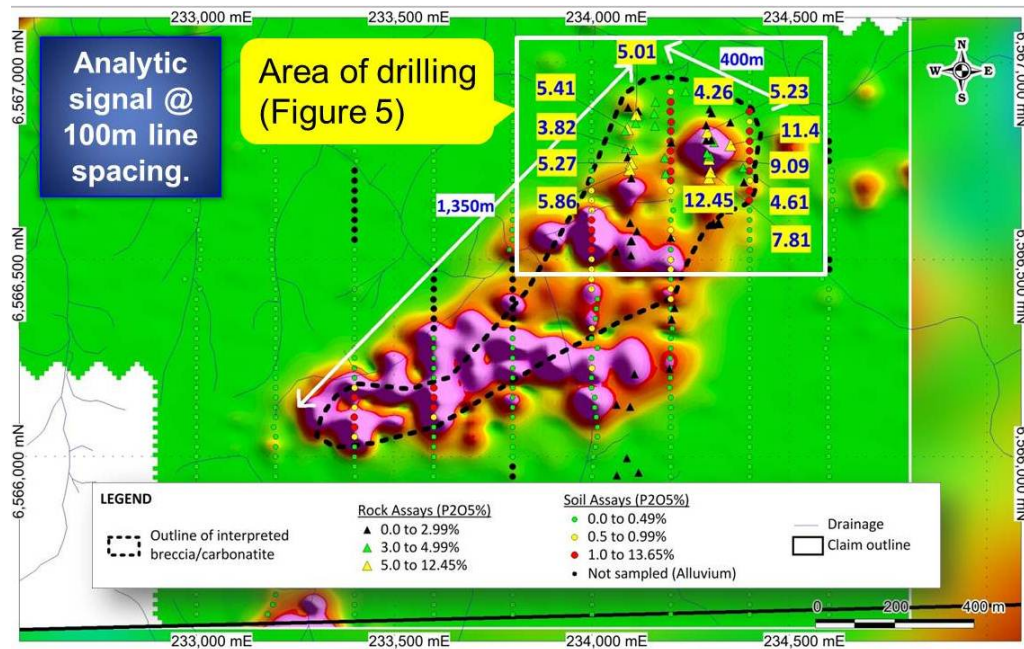
Further optimisation test work is planned for the coming year.

### **Joca Tavares ("JT")**

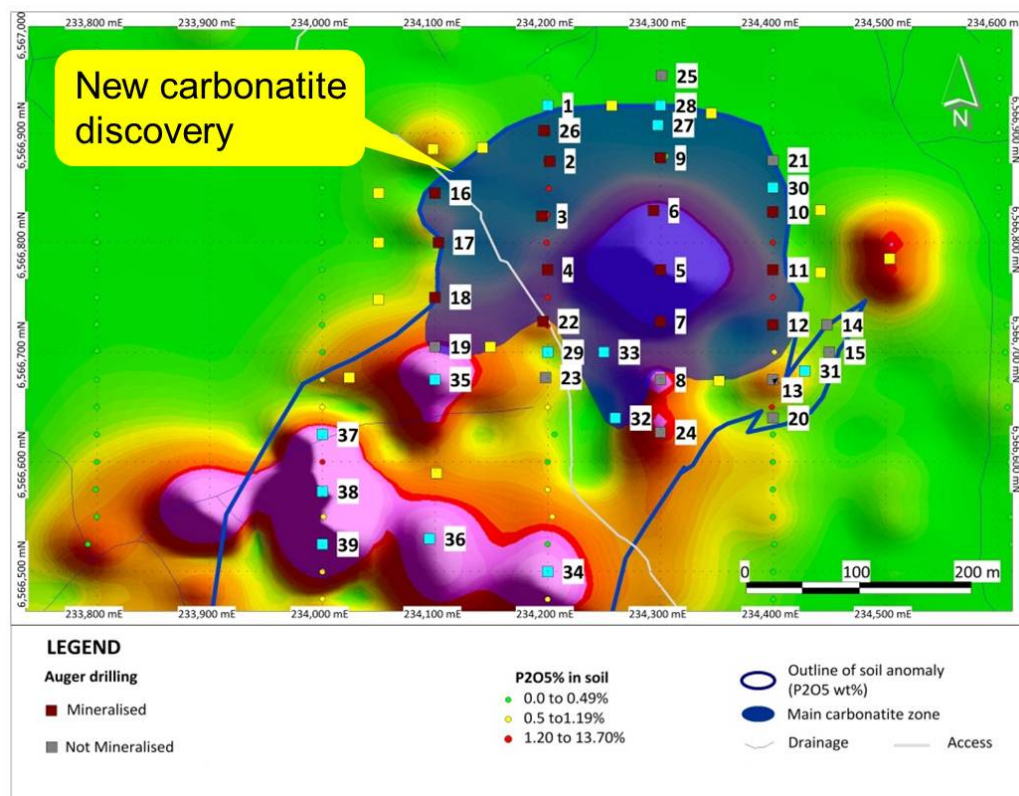
The JT project is located 41 kilometres east-south-east from the TE project and the tenement was granted during the year.

Initial work by Agüia had included surface rock grab samples which returned assays up to 12.5%  $P_2O_5$ . Subsequent to granting of the tenement Agüia has completed a ground magnetics survey, detailed mapping, and a shallow auger programme comprising 26 holes. All results have been very encouraging, with the auger returning intersections up to 14.7 metres grading 10.8%  $P_2O_5$  in carbonatite. All intersections in carbonatite have ended in mineralisation (Figures 4 and 5).

**Figure 4: Joca Tavares - Ground magnetic image, interpreted outline of carbonatite, soil and rock chip assay results and area of drilling as shown in Figure 5**



**Figure 5: Joca Tavares – Auger Drilling, Interpreted Carbonatite, Ground Magnetics Image**



## New Rio Grande Phosphate Projects

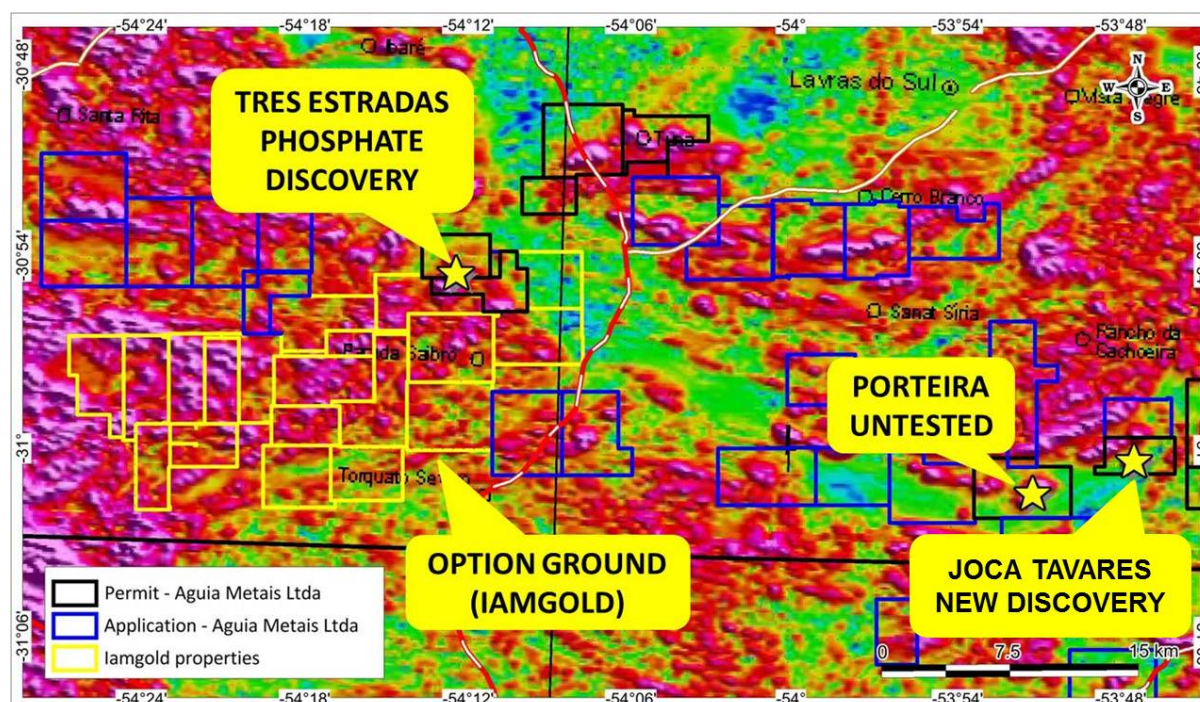
In addition the Company holds a large landholding of tenements in excess of 860 square kilometers under its own right, which cover a number of prospective-phosphate targets.

These targets include Porteira where mapping and sampling at Porteira has confirmed phosphate mineralisation with grades of up to 11%  $P_2O_5$  in surface rock chip sampling. The phosphate mineralisation is hosted within both carbonatite and carbonatite breccia similar in style to the recent discovery at Joca Tavares.

In December 2012, Aguia signed a Term Sheet to enter an exclusive Option Agreement ("Agreement") with IAMGOLD to acquire 100% of a large landholding covering 27,342 hectares (273km<sup>2</sup>) immediately to the south of the TE tenements, significantly adding to AGR's holdings in the region. The initial term sheet was for a period of 45 days; however this has now been extended and shall expire on January 27, 2014 (Figure 6).

Aguia believes, with the discoveries it has made, outlined a possible new carbonatite/phosphate province in southern Brazil.

**Figure 6: Rio Grande Phosphate Project, Showing Tenements and Targets**



## Brazilian Border Control Zone

Some of the projects are located within the Brazilian border control zone (150 kilometres from the international border) restricting foreign ownership of the tenements to 49%. Accordingly Aguia has set up a company called Aguia Fertilizers in which Aguia Resources owns 49% and Brazilian interests 51%, and which incorporates shareholder agreements channelling all economic benefits back to Aguia Resources. This arrangement is not expected to materially alter the Company's potential economic return on the funds invested as part of the exploration program.



### Mata da Corda Phosphate Project (“MCPP”)

MCPP is held in a joint venture with Vincenza Mineração e Participações S.A. (“Vincenza”) who is the operator and has an option to acquire 70% of the project.

The MCPP is well located with excellent logistics. It is close to infrastructure (roads, water, railway and energy), potential primary (agriculture) customers, and fertiliser blenders and is on the main transportation route for the expanding agricultural districts of Mato Grosso.

### Lucena Phosphate Project (“LPP”)

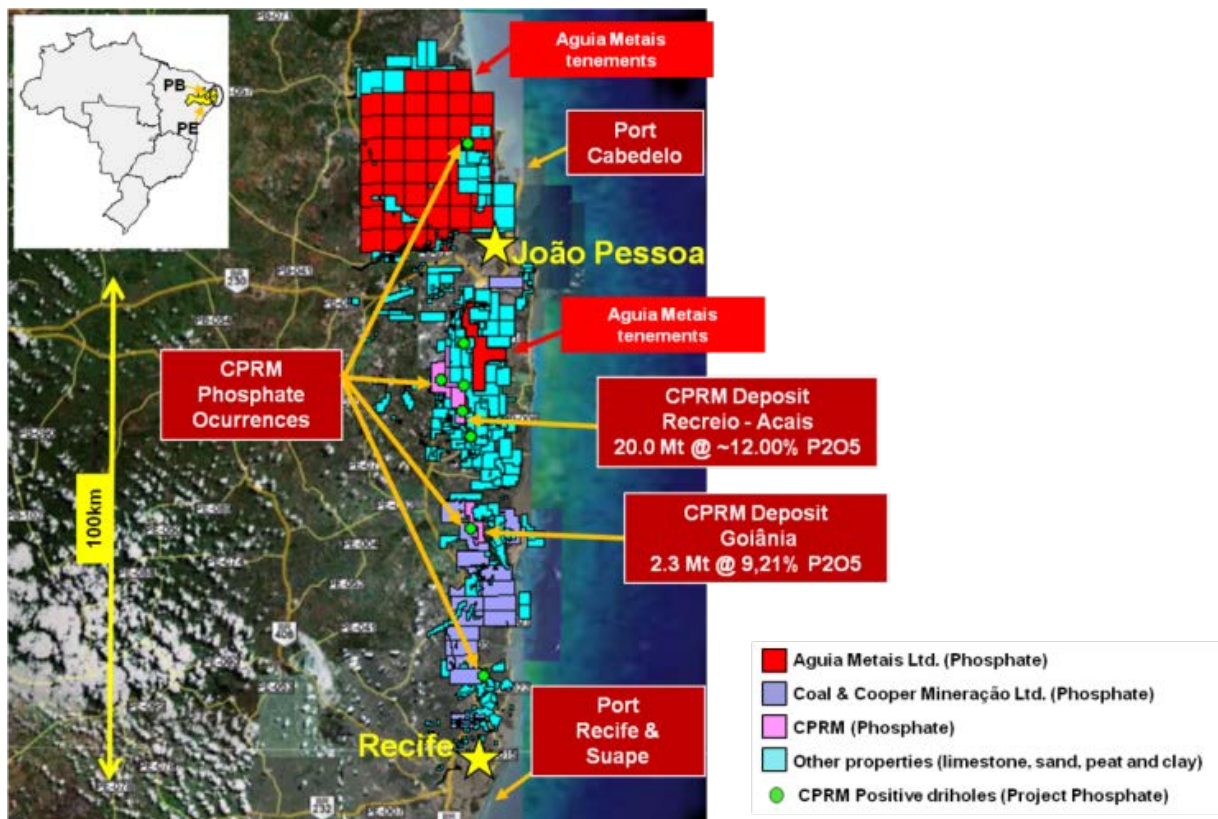
During the year the Company announced an initial JORC compliant Inferred Mineral Resource for the Lucena Phosphate Project (“LPP”) in the state of Paraíba in north eastern Brazil of 55Mt grading 6.42%  $P_2O_5$  (Figure 7).

The Company commissioned SRK to prepare the initial JORC compliant Mineral Resource Statement. The mineral resources are reported within a conceptual pit shell at a cut-off grade of 3.0%  $P_2O_5$ .

This resource was based on drilling carried out from August 2011 to October 2012, in which Aguiá completed 49 core drill holes in two separate drilling campaigns, 40 of which were used to estimate the JORC compliant mineral resource.

The Company is presently considering how best to advance this project.

Figure 7: Lucena Location Showing Nearby Deposits



## Potash Projects

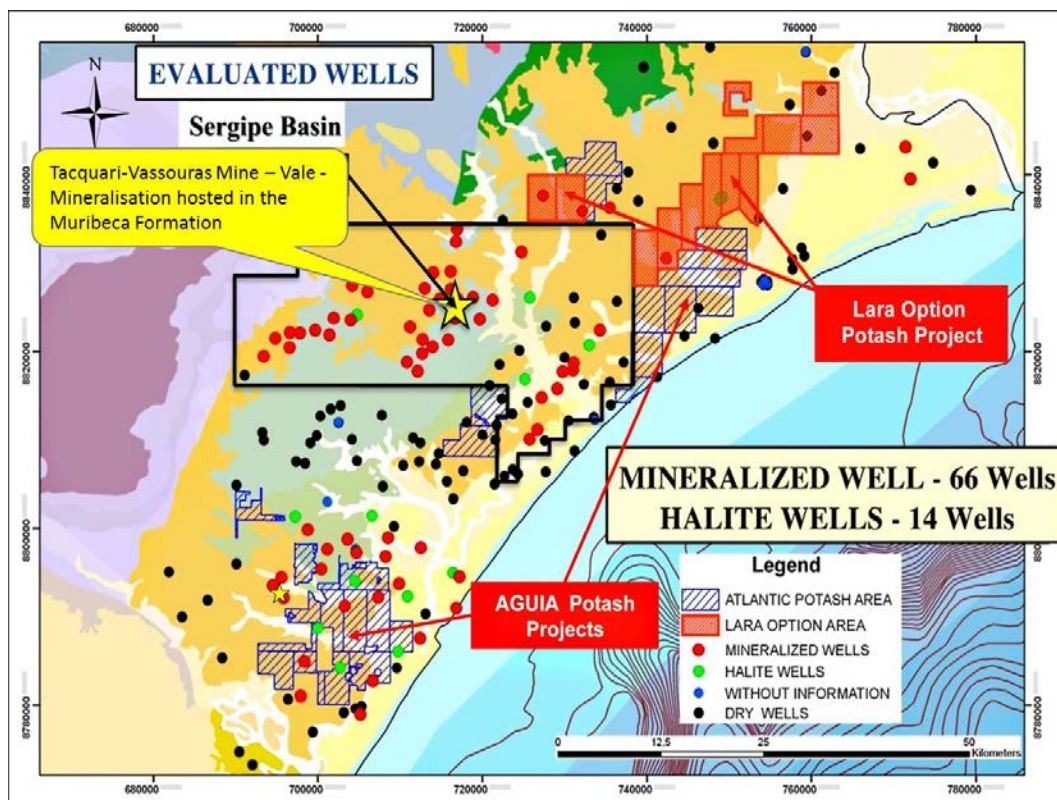
### Atlantic Potash Project

The Company holds a 100 per cent interest in 94 exploration claims totaling approximately 130,000 hectares (1,300 km<sup>2</sup>) in the Sergipe-Alagoas basin that comprise the Atlantic Potash Project in the northeastern portion of Brazil in the State of Sergipe (Figure 8).

The Project is well located with excellent infrastructure (roads, water, and energy). Fertiliser blenders are located in the project area providing a ready local market for the product.

Potash mineralisation was discovered in the Sergipe-Alagoas Basin by Petrobras during oil and gas exploration in the 1950's and 60's. In Sergipe, sylvinite dominant potash deposits occur in the regions of Taquari-Vassouras and Santa Rosa de Lima. The discovery of sylvinite mineralisation resulted in the commencement of mining at the Taquari-Vassouras underground mine in 1985, first by Petromisa and later transferred to VALE in 1991 which is still currently operating with an annual production of about 700,000t kel.

**Figure 8: Drill hole location plan of historical Petrobras drilling relative to location of Aguiá's Atlantic Potash Project and the Vale Taquari-Vassouras Mine to the north.**



The Sergipe Basin also hosts significant potash deposits comprised of carnallite. In anticipation of the sylvinite deposit becoming exhausted, Vale is developing a carnallite solution mining project within the basin, and has built a functioning pilot plant (2008) which demonstrates solution mining of carnallite in the Sergipe basin is commercially feasible with the aim of establishing capacity for 1.2 mtpa KCl by 2015. Environmental permitting has been completed.

The Company is continuing a review of the project for planning purposes.

**Agreement with Lara Exploration**

Agua signed a Letter of Intent ("LOI") with Lara Exploration Ltd ("Lara") for an exclusive option to acquire up to a 100% interest in Lara's Potash Projects ('LPP') located adjacent and adjoining to Agua's Atlantic Potash Project.

The properties cover an area of 21,483 hectares and border the northern edge of Vale's project area that hosts the only operating Brazilian potash mine. The Company announced in January 2013 that the exploration licenses that comprise the Lara Option Project had been renewed.

*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 of Ontario. Dr Tallarico is a full-time employee of Agua 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.*



**Agua Resources Limited**  
**Directors' report**  
**30 June 2013**

The directors present their report, together with the financial statements, on the consolidated entity (referred to hereafter as the 'consolidated entity') consisting of Agua Resources Limited (referred to hereafter as the 'company' or 'parent entity') and the entities it controlled for the year ended 30 June 2013.

**Directors**

The following persons were directors of Agua Resources Limited during the whole of the financial year and up to the date of this report, unless otherwise stated:

Graham Ascough  
Simon Taylor  
Fernando Tallarico  
Allan Pickett  
David Gower (appointed 30 November 2012)  
Prakash Hariharan (appointed 12 March 2013)

**Principal activities**

The principal activities during the year of the consolidated entity were the continued exploration and development of resource projects, predominately phosphate and potash in Brazil, and investment in the resources sector. No significant change in the nature of these activities occurred during the year.

**Dividends**

There were no dividends paid, recommended or declared during the current or previous financial year.

**Review of operations**

The loss for the consolidated entity after providing for income tax amounted to \$2,381,655 (30 June 2012: \$18,259,646).

A full review of operations is presented before the directors report.

**Significant changes in the state of affairs**

There were no significant changes in the state of affairs of the consolidated entity during the financial year.

**Matters subsequent to the end of the financial year**

On 9 July 2013, the company raised \$1,585,500 through a placement issue of 31,710,000 ordinary shares at \$0.05 per share to sophisticated investors. As part of the placement, the directors have agreed to subscribe for 2.05 million shares totalling \$102,500 which will be subject to shareholders' approval at the next shareholders' meeting. The funds will be used to supplement the company's existing working capital and to provide funding for further testing of Agua's Rio Grande phosphate projects in Southern Brazil.

On 19 August 2013, the company issued 12,000,000 ordinary shares at an issue price of \$0.05 pursuant to the share purchase plan announced on 16 July and a further 2,170,000 ordinary shares at an issue price of \$0.05 to sophisticated investors.

No other matter or circumstance has arisen since 30 June 2013 that has significantly affected, or may significantly affect the consolidated entity's operations, the results of those operations, or the consolidated entity's state of affairs in future financial years.

**Likely developments and expected results of operations**

A summary of the likely developments in the operations of the consolidated entity and the expected results of operations, to the extent they would not likely result in unreasonable prejudice to the consolidated entity, has been included in the review of operations report.

### **Environmental regulation**

The consolidated entity's operations are subject to various environmental laws and regulations under the relevant government's legislation. Full compliance with these laws and regulations is regarded as a minimum standard for all operations to achieve. Instances of environmental non-compliance by an operation are identified either by external compliance audits or inspections by relevant government authorities. There have been no significant known breaches by the consolidated entity during the financial year.

### **Information on directors**

Name:	Mr Graham Ascough
Title:	Non-executive chairman
Qualifications:	B.Sc, MAusIMM, P. Geo
Experience and expertise:	Graham Ascough is a senior resources executive with more than 24 years of industry experience evaluating mineral projects and resources in Australia and overseas. Mr Ascough, a geophysicist by training, has had broad industry involvement playing a leading role in setting the strategic direction for companies, completing financing and in implementing successful exploration programmes. He is a member of the Australian Institute of Mining and Metallurgy and is a Professional Geoscientist of Ontario, Canada. Mr Ascough was the Managing Director of Mithril Resources Ltd from October 2006 until June 2012. Prior to joining Mithril in 2006, he was the Australian Manager of Nickel and PGM Exploration at the major Canadian resources house, Falconbridge Limited, which was acquired by Xstrata Plc in 2006. He was also a Councillor of the South Australian Chamber of Mines and Energy and Chair of its Exploration Committee from 2006 to 2012. Mr Ascough was appointed a director of the company on 19 October 2010 and chairman on 25 August 2011.
Other current directorships:	Non-executive chairman of Mithril Resources Limited, non-executive chairman of Musgrave Minerals Limited, non-executive chairman of Phoenix Copper Limited and non-executive director of AO Energy Limited.
Former directorships (in the last 3 years):	None
Special responsibilities:	None
Interests in shares:	300,000
Interests in options:	640,000
Name:	Mr Simon Taylor
Title:	Managing director and chief executive officer
Qualifications:	B.Sc (Geology, MAIG, GCERTAppFin (Finsia)
Experience and expertise:	Mr Taylor is a geologist with over 20 years' experience throughout Australia and overseas having held senior geologist and exploration manager positions for numerous ASX listed resource companies. He has gained considerable experience in exploration, project assessment and joint venture negotiations. His experience includes providing consulting services to resource companies and financial corporations as a resource analyst where he had a major interest in the phosphate sector. Mr Taylor's corporate experience includes project appraisal, advice on placements and fundraising. Mr Taylor is a member of the Australian Institute of Geoscientists. Mr Taylor was appointed a director of the Company on 27 November 2007 and managing director and chief executive officer of the Company on 25 February 2010.
Other current directorships:	Chesser Resources Limited (March 2007 - present)
Former directorships (in the last 3 years):	Probiomics Limited (July 2008 - April 2012).
Special responsibilities:	None
Interests in shares:	1,789,855
Interests in options:	1,000,000

**Agua Resources Limited**  
**Directors' report**  
**30 June 2013**

Name: Dr Fernando Tallarico  
Title: Technical director  
Qualifications: B.Sc (Geology), M.Sc (Economic Geology), PhD (Economic Geology), P.Geo  
Experience and expertise: Dr Tallarico brings over 20 years experience in exploration to the team and has played an integral part in acquiring the phosphate projects. He has previously held senior roles with BHP and Noranda/Falconbridge, and was with CVRD for over 9 years working throughout South America. Most recently as exploration director of Falcon Metais was focused on the exploration of fertiliser raw materials. Dr Tallarico was appointed a director of the Company on 23 June 2010. Dr Tallarico leads the exploration team for the Company that recently discovered the Tres Estradas phosphate deposit. Dr Tallarico is a practising member of the Association of Professional Geoscientists of Ontario (APGO), and is entitled to practice and use the title of P.Geo.

Other current directorships: None  
Former directorships (in the last 3 years): None  
Special responsibilities: None  
Interests in shares: 685,713  
Interests in options: 1,814,114

Name: Mr Allan Pickett  
Title: Non-executive director  
Qualifications: B.Sc  
Experience and expertise: Mr Pickett is a highly regarded fertiliser professional with extensive and direct experience with fertiliser producers, blenders and end-users globally. His career includes 14 years with CRU Fertilizers (formerly British Sulphur Consultants), the fertiliser and chemical division of CRU International Ltd. Mr Pickett brings a wealth of experience to the Board especially in the area of the commercial development and marketing of projects. During his time leading CRU Fertilizers he was heavily involved with the project feasibility of a number of world-scale phosphate and potash projects which have subsequently been commissioned. Mr Pickett was appointed a director of the Company on 25 August 2011.

Other current directorships: None  
Former directorships (in the last 3 years): None  
Special responsibilities: None  
Interests in shares: 97,761  
Interests in options: 446,641

**Agua Resources Limited**  
**Directors' report**  
**30 June 2013**

Name: Mr David Gower (appointed 30 November 2012)  
Title: Non-executive director  
Qualifications: M.Sc, P. Geo  
Experience and expertise: Mr Gower has over 25 years experience in the minerals industry including senior positions with Falconbridge Limited and Noranda Inc (now Xstrata). He was previously a senior executive of several Forbes & Manhattan group companies. Mr Gower has a strong record of exploration and project development in Brazil including the Araguaia nickel deposits, Autazes potash discoveries, acquisition of the Irati Energia oil shales and presently the corporate qualified person for all resource and geological work on Brazil's largest underdeveloped gold deposit. He is a member of the Association of Professional Geoscientists of Ontario and of the Canadian Institute of Mining. Mr Gower was appointed a director of the Company on 30 November 2012.

Other current directorships: Castillian Resources Corp, Emerita Gold Corp, Alamos Gold Inc.  
Former directorships (in the last 3 years): Apogee Silver Ltd. (April 2007 - June 2011), Africa Hydrocarbons Inc formerly Knight Metals Ltd (August 2007 - December 2011), Forbes & Manhattan Coal Corp (September 2010 - October 2012), Kibaran Resources Limited (September 2010 - February 2013)

Special responsibilities: None  
Interests in shares: 1,796,167  
Interests in options: 868,566

Name: Mr Prakash Hariharan (appointed 12 March 2013)  
Title: Non-executive director  
Qualifications: B.Sc, MBA  
Experience and expertise: Mr Hariharan is a chemical engineer with experience in Agrochemicals and a highly successful fund manager focused on the phosphate and potash sectors on both the ASX and TSX capital markets. He has excellent understanding of the agriculture sector in Brazil and Agua's highly prospective phosphate and potash projects and provides a wealth of experience from technical, financial and capital markets perspectives. Prior to joining the company, he managed the Front Street Growth and Income Class portfolios and off shore Resource Growth Funds in the small/mid-cap space of Canadian investment firm, Front Street Capital. Prior to his career in funds management Mr. Hariharan worked as a process engineer with leading multinational - BASF in the Agrochemicals business involved in specialty chemicals for the agricultural sector. Mr Hariharan holds a financial engineering degree from York University, an MBA from the Schulich School of Business and an undergraduate degree in Chemical Engineering.

Other current directorships: None  
Former directorships (in the last 3 years): None  
Special responsibilities: None  
Interests in shares: None  
Interests in options: None

'Other current directorships' quoted above are current directorships for listed entities only and excludes directorships in all other types of entities, unless otherwise stated.

'Former directorships (in the last 3 years)' quoted above are directorships held in the last 3 years for listed entities only and excludes directorships in all other types of entities, unless otherwise stated.

## **Agua Resources Limited**

### **Directors' report**

**30 June 2013**

#### **Company secretary**

Mr Andrew Bursill B.Agr. Ec., CA

Company Secretary

Mr Bursill is a principal of Franks & Associates Pty Ltd and has been with the firm for over 14 years, where he has specialised in the provision of outsourced company secretary and finance services. During this time Mr Bursill has been a director and company secretary of numerous listed and unlisted public companies. Mr Bursill is a member of the Institute of Chartered Accountants in Australia.

Mr Bursill was appointed as company secretary on 28 September 2010. In addition, Mr Bursill is a director and company secretary of Argonaut Resources NL, and company secretary of Site Group International Limited, MOKO.mobi Limited, Eagle Nickel Limited, Elk Petroleum Limited, Novogen Limited, Gladiator Resources Limited and several other unlisted and private companies.

#### **Meetings of directors**

The number of meetings of the company's Board of Directors ('the Board') held during the year ended 30 June 2013, and the number of meetings attended by each director were:

	Full Board	
	Attended	Held
Graham Ascough	9	9
Simon Taylor	9	9
Fernando Tallarico	9	9
Allan Pickett	9	9
David Gower *	5	5
Prakash Hariharan **	3	3

Held: represents the number of meetings held during the time the director held office.

\* Appointed 30 November 2012

\*\* Appointed 12 March 2013

#### **Remuneration report (audited)**

The remuneration report, which has been audited, outlines the director and executive remuneration arrangements for the consolidated entity and the Company, in accordance with the requirements of the Corporations Act 2001 and its Regulations.

The remuneration report is set out under the following main headings:

- A Principles used to determine the nature and amount of remuneration
- B Details of remuneration
- C Service agreements
- D Share-based compensation
- E Additional information

**A Principles used to determine the nature and amount of remuneration**

The consolidated entity's remuneration policy for its key management personnel ("KMP") has been developed by the Board taking into account the size of the consolidated entity, the size of the management team for the consolidated entity, the nature and stage of development of the consolidated entity's current operations, and market conditions and comparable salary levels for companies of a similar size and operating in similar sectors.

In addition to considering the above general factors, the Board has also placed emphasis on the following specific issues in determining the remuneration policy for KMP:

- the consolidated entity is currently focused on undertaking exploration, appraisal and development activities;
- the risks associated with small cap resource companies whilst exploring and developing projects; and
- other than profit which may be generated from asset sales, the consolidated entity does not expect to be undertaking profitable operations until sometime after the commencement of commercial production on any of its projects.

In accordance with best practice corporate governance, the structure of non-executive directors and executive remunerations are separate.

*Non-executive directors remuneration*

The Board policy is to remunerate non-executive directors at market rates for comparable companies for time, commitment and responsibilities. Given the current size, nature and risks of the consolidated entity, incentive options have been used to attract and retain non-executive directors. The Board determines payments to the non-executive directors and reviews their remuneration annually, based on market practice, duties and accountability. Independent external advice is sought when required. The Board did not use remuneration consultants during the year.

The maximum aggregate amount of fees that can be paid to non-executive directors is subject to approval by shareholders at a General Meeting. Total directors' fees paid to all non-executive directors is not to exceed \$200,000 per annum. Director's fees paid to non-executive directors accrue on a daily basis. Fees for non-executive directors are not linked to the performance of the consolidated entity. However, to align directors' interests with shareholder interests, the directors are encouraged to hold shares in the consolidated entity and non-executive directors may in limited circumstances receive incentive options in order to secure their services.

The Board may pay bonuses to non-executive KMPs based on the success in generating suitable new business opportunities. A further bonus may also be paid upon the successful completion of a new business acquisition.

*Executive remuneration*

The consolidated entity's remuneration policy is to provide a fixed remuneration component and a performance based component. The Board believes that this remuneration policy is appropriate given the considerations discussed in the section above and is appropriate in aligning executives' objectives with shareholder and business objectives.

The executive remuneration and reward framework has four components:

- base pay and non-monetary benefits
- short-term performance incentives
- share-based payments
- other remuneration such as superannuation.

The combination of these comprises the executive's total remuneration.

Fixed remuneration consists of base salaries, as well as employer contributions to superannuation funds and other non-cash benefits. Fixed remuneration is reviewed annually by the Board. The process consists of a review of company and individual performance, relevant comparative remuneration externally and internally and, where appropriate, external advice on policies and practices.



**Agua Resources Limited**  
**Directors' report**  
**30 June 2013**

Short-term incentives ('STI') payments are granted to executives based on specific targets being achieved and include bonus payments. Executives may be entitled to an annual cash bonus upon achieving various key performance indicators ("KPI's"), as set by the Board. The Board has focused the consolidated entity's efforts on finding and completing new business opportunities. The Board considers that the prospects of the consolidated entity and resulting impact on shareholder wealth are largely linked to the success of this approach, rather than by referring to current or prior year earnings. Accordingly, the Board may pay a bonus to executive KMP's based on the success in generating suitable new business opportunities. A further bonus may also be paid upon the successful completion of a new business acquisition.

The long-term incentives ('LTI') include long service leave and share-based payments. The Board has chosen to issue incentive options to some executives as a key component of the incentive portion of their remuneration, in order to attract and retain the services of the executives and to provide an incentive linked to the performance of the consolidated entity. The Board considers that each executive's experience in the resources industry will greatly assist the consolidated entity in progressing its projects to the next stage of development and the identification of new projects. As such, the Board believes that the number of incentive options granted to executives is commensurate to their value to the consolidated entity.

The Board has a policy of granting incentive options to executives with exercise prices at and/or above market share price (at the time of agreement). As such, incentive options granted to executives will generally only be of benefit if the executives perform to the level whereby the value of the consolidated entity increases sufficiently to warrant exercising the incentive options granted.

*Other than service-based vesting conditions, there are no additional performance criteria on the incentive options*

The consolidated entity does not currently have a policy regarding executives entering into arrangements to limit their exposure to incentive options granted as part of their remuneration package.

*Consolidated entity performance and link to remuneration*

Remuneration for certain individuals is directly linked to performance of the consolidated entity. The consolidated entity is currently undertaking exploration and development activities, and does not expect to be undertaking profitable operations (other than by way of material asset sales, none of which is currently planned) until sometime after the successful commercialisation, production and sales of commodities from one or more of its projects. Accordingly the Board does not consider earnings during the current and previous four financial years when determining, and in relation to, the nature and amount of remuneration of KMP. The performance measure which drives incentive awards is the company's share price and the discovery, delineation and development of new mineral resources. Refer to section E of the remuneration report for details of the last five years earnings and share price.

An agreed set of protocols were put in place to ensure that the remuneration recommendations would be free from undue influence from key management personnel. The Board is satisfied that these protocols were followed and as such there was no undue influence.

*Voting and comments made at the company's 2012 Annual General Meeting ('AGM')*

The Company received in excess of 75% of 'for' votes in relation to its remuneration report for the year ended 30 June 2012. The Company did not receive any specific feedback at the AGM regarding its remuneration practices.

***B Details of remuneration***

*Amounts of remuneration*

Details of the remuneration of the key management personnel of consolidated entity are set out in the following tables.

The key management personnel of the consolidated entity consisted of the following directors of Agua Resources Limited:

- Graham Ascough
- Simon Taylor
- Fernando Tallarico
- Allan Pickett
- David Gower (appointed 30 November 2012)
- Prakash Hariharan (appointed 12 March 2013)

And the following person:

- Andrew Bursill - Company Secretary and Chief Financial Officer (CFO).

**Agua Resources Limited**  
**Directors' report**  
**30 June 2013**

2013	Short-term benefits			Post-employment benefits	Long-term benefits	Share-based payments	
Name	Cash salary and fees \$	Bonus \$	Non-monetary \$	Super-annuation \$	Long service leave \$	Equity-settled \$	Total \$
<i>Non-Executive Directors:</i>							
Graham Ascough	50,000	-	-	-	-	-	50,000
Allan Pickett*	146,169	-	-	-	-	-	146,169
David Gower**	-	-	-	-	-	-	-
Prakash Hariharan*	38,694	-	-	-	-	-	38,694
<i>Executive Directors:</i>							
Simon Taylor	275,000	-	-	24,750	-	-	299,750
Fernando Tallarico	181,313	-	16,500	-	-	24,325	222,138
	691,176	-	16,500	24,750	-	24,325	756,751

\* The non-executive directors were not paid non-executive directors fees. Disclosed amounts relate to consultancy services paid to entities of the directors.

\*\* Appointed 30 November 2012. David Gower is related as a shareholder to HFX Consultoria Empresarial Ltda, a Brazilian company which provides consultancy services to the consolidated entity. Payments of \$229,608 (2012: \$261,389) made to HFX Consultoria Empresarial Ltda during the year are disclosed in the related party transactions note to the financial statements.

Andrew Bursill, company secretary and CFO is also an associate of Franks & Associates Pty Ltd who provides accounting and company secretary services to the Company. The contract between the Company and Franks & Associates is based on normal commercial terms. Payments made to Franks & Associates Pty Ltd during the year are disclosed in the related party transactions note to the financial statements.

**Agua Resources Limited**  
**Directors' report**  
**30 June 2013**

2012	Short-term benefits			Post-employment benefits	Long-term benefits	Share-based payments	
Name	Cash salary and fees \$	Bonus \$	Non-monetary \$	Super-annuation \$	Long service leave \$	Equity-settled \$	Total \$
Non-Executive Directors:							
Graham Ascough	35,000	-	-	-	-	197,120	232,120
Allan Pickett*	96,690	-	-	-	-	-	96,690
Executive Directors:							
Simon Taylor	252,000	150,000	-	22,920	-	159,989	584,909
Fernando Tallarico	195,395	56,990	16,175	-	-	-	268,560
	579,085	206,990	16,175	22,920	-	357,109	1,182,279

\* Allan Pickett was not paid non- executive director fees. Disclosed amount relates to consultancy services paid to an entity of the director.

Share-based payments relate to options issued which were granted during the current and prior years.

A cash bonus of \$150,000 was paid to the Managing Director, Simon Taylor, in October 2011, for the completion of a \$15 million capital raising and completion of the PAC deal.

The proportion of remuneration linked to performance and the fixed proportion are as follows:

Name	Fixed remuneration		At risk - STI		At risk - LTI	
	2013	2012	2013	2012	2013	2012
<i>Non-Executive Directors:</i>						
Graham Ascough	100%	100%	- %	- %	- %	- %
Allan Pickett	100%	100%	- %	- %	- %	- %
David Gower	- %	- %	- %	- %	- %	- %
Prakash Hariharan	100%	- %	- %	- %	- %	- %
<i>Executive Directors:</i>						
Simon Taylor	100%	47%	- %	26%	- %	27%
Fernando Tallarico	89%	79%	- %	21%	11%	- %

## **C Service agreements**

Remuneration and other terms of employment for key management personnel are formalised in service agreements.

Mr Simon Taylor, managing director and chief executive officer, has a contract of employment with Agua Resources Limited effective 1 December 2010. The contract specifies the duties and obligations to be fulfilled by the chief executive officer. The contract has a rolling 3 year term. Mr Taylor receives a fixed remuneration component of \$22,917 per month plus 9% superannuation and a discretionary annual bonus to be paid upon Mr Taylor achieving key performance indicators, as agreed with by the Board. Mr Taylor is also entitled to share based payment options.

**Agua Resources Limited**  
**Directors' report**  
**30 June 2013**

Mr Fernando Tallarico, exploration director based in Brazil, receives fees of \$17,500 (BRL 35,000) per month under his contract for services agreement that commenced on 1 April 2010. Mr Tallarico is entitled to a discretionary bonus and his contract may be terminated by providing 30 days notice. Mr Tallarico is also entitled to share based payment options and personal insurance as disclosed in the remuneration report.

**D Share-based compensation**

*Issue of shares*

There were no shares issued to directors and other key management personnel as part of compensation during the year ended 30 June 2013.

*Options*

The terms and conditions of each grant of options over ordinary shares affecting remuneration of directors and other key management personnel in this financial year or future reporting years are as follows:

Grant date	Vesting date and exercisable date	Expiry date	Exercise price	Fair value per option at grant date
30/11/2012	30/11/2012	30/09/2016	\$0.25	\$0.049

Options granted carry no dividend or voting rights.

The options issued as part of consideration for the early termination of PAC performance rights were not part of directors' compensation.

The number of options over ordinary shares granted to and vested by directors and other key management personnel as part of compensation during the year ended 30 June 2013 are set out below:

Name	Number of options granted during the year		Number of options vested during the year	
	2013	2012	2013	2012
Graham Ascough	-	640,000	-	640,000
Fernando Tallarico	500,000	-	500,000	500,000
Andrew Bursill	-	640,000	-	640,000

Values of options over ordinary shares granted, exercised and lapsed for directors and other key management personnel as part of compensation during the year ended 30 June 2013 are set out below:

Name	Value of options granted during the year \$	Value of options exercised during the year \$	Value of options lapsed during the year \$	Remuneration consisting of options for the year %
Fernando Tallarico (500,000 options at exercise price \$0.25)	24,325	-	-	11
Simon Taylor (500,000 options at exercise price \$0.20)	-	-	(251,000)	-

**Agua Resources Limited**  
**Directors' report**  
**30 June 2013**

**E Additional information**

The earnings of the consolidated entity for the five years to 30 June 2013 are summarised below:

	2009	2010	2011	2012	2013
	\$	\$	\$	\$	\$
Loss after income tax	(613,200)	(1,533,770)	(2,794,759)	(18,259,646)	(2,381,655)

The factors that are considered to affect total shareholders return ('TSR') are summarised below:

	2009	2010	2011	2012	2013
Share price at financial year end (\$A)	0.10	0.57	0.79	0.15	0.06
Basic earnings per share (cents per share)	(1.91)	(4.62)	(4.62)	(17.92)	(2.01)

***This concludes the remuneration report, which has been audited.***

**Shares under option**

Unissued ordinary shares of Agua Resources Limited under option at the date of this report are as follows:

Grant date	Expiry date	Exercise price	Number under option
23/06/2010	31/12/2013	\$0.30	1,000,000
07/10/2010	30/09/2013	\$0.50	500,000
07/10/2010	31/03/2014	\$0.60	500,000
19/10/2010	30/09/2013	\$0.50	575,000
19/10/2010	31/03/2014	\$0.60	150,000
06/12/2010	30/11/2013	\$0.60	250,000
06/12/2010	30/11/2014	\$0.70	250,000
01/07/2011	31/12/2014	\$0.50	250,000
06/07/2011	31/12/2014	\$0.50	1,500,000
06/07/2011	31/12/2013	\$1.07	1,280,000
28/10/2011	28/10/2015	\$0.75	150,000
30/11/2012	30/09/2016	\$0.25	500,000
30/11/2012	30/11/2016	\$0.25	630,000
05/06/2013	31/05/2015	\$0.30	14,113,521
			<u>21,648,521</u>

No person entitled to exercise the options had or has any right by virtue of the option to participate in any share issue of the company or of any other body corporate.

**Shares issued on the exercise of options**

There were no shares of Agua Resources Limited issued on the exercise of options during the year ended 30 June 2013 and up to the date of this report.

**Indemnity and insurance of officers**

The Constitution of the Company requires the Company, to the extent permitted by law, to indemnify any person who is or has been a director or officer of the Company for any liability caused as such a director or officer and any legal costs incurred by a director or officer in defending an action for any liability caused as such a director or officer.

During the financial year, the consolidated entity paid a premium of \$13,000 in respect of directors and officers liability insurance.



**Indemnity and insurance of auditor**

The Company has not, during or since the financial year, indemnified or agreed to indemnify the auditor of the Company or any related entity against a liability incurred by the auditor.

During the financial year, the Company has not paid a premium in respect of a contract to insure the auditor of the company or any related entity.

**Proceedings on behalf of the company**

No person has applied to the Court under section 237 of the Corporations Act 2001 for leave to bring proceedings on behalf of the company, or to intervene in any proceedings to which the company is a party for the purpose of taking responsibility on behalf of the company for all or part of those proceedings.

**Non-audit services**

Details of the amounts paid or payable to the auditor for non-audit services provided during the financial year by the auditor are outlined in note 22 to the financial statements.

The directors are satisfied that the provision of non-audit services during the financial year, by the auditor (or by another person or firm on the auditor's behalf), is compatible with the general standard of independence for auditors imposed by the Corporations Act 2001.

The directors are of the opinion that the services as disclosed in note 22 to the financial statements do not compromise the external auditor's independence requirements of the Corporations Act 2001 for the following reasons:

- all non-audit services have been reviewed and approved to ensure that they do not impact the integrity and objectivity of the auditor, and
- none of the services undermine the general principles relating to auditor independence as set out in APES 110 Code of Ethics for Professional Accountants issued by the Accounting Professional and Ethical Standards Board, including reviewing or auditing the auditor's own work, acting in a management or decision-making capacity for the company, acting as advocate for the company or jointly sharing economic risks and rewards.

**Auditor's independence declaration**

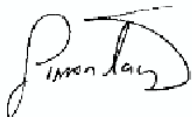
A copy of the auditor's independence declaration as required under section 307C of the Corporations Act 2001 is set out on the following page.

**Auditor**

Deloitte Touche Tohmatsu continues in office in accordance with section 327 of the Corporations Act 2001.

This report is made in accordance with a resolution of directors, pursuant to section 298(2)(a) of the Corporations Act 2001.

On behalf of the directors



---

Simon Taylor  
Managing Director

27 September 2013  
Sydney

The Board of Directors  
Aguia Resources Limited  
Suite 4 Level 9  
341 George Street  
Sydney NSW 2000

27 September 2013

Dear Board Members

**Aguia Resources Limited**

In accordance with section 307C of the Corporations Act 2001, I am pleased to provide the following declaration of independence to the directors of Aguia Resources Limited.

As lead audit partner for the audit of the financial statements of Aguia Resources Limited for the financial year ended 30 June 2013, I declare that to the best of my knowledge and belief, there have been no contraventions of:

- (i) the auditor independence requirements of the Corporations Act 2001 in relation to the audit;  
and
- (ii) any applicable code of professional conduct in relation to the audit.

Yours sincerely

*Deloitte Touche Tohmatsu*

DELOITTE TOUCHE TOHMATSU



Jason Thorne  
Partner  
Chartered Accountants

The Board of directors of Agua Resources Limited, ("the Board"), is responsible for its corporate governance, that is, the system by which the consolidated entity is managed.

## **Principle 1: Lay Solid Foundation for Management and Oversight**

### **1.1 *Role of the Board and management***

The Board represents shareholders' interests in continuing a successful business, which seeks to optimise medium to long-term financial gains for shareholders. By not focusing on short-term gains for shareholders, the Board believes that this will ultimately result in the interests of all stakeholders being appropriately addressed when making business decisions.

The Board is responsible for ensuring that the consolidated entity is managed in such a way to best achieve this desired result. Given the current size and operations of the business, the Board currently undertakes an active, not passive role.

The Board is responsible for evaluating and setting the strategic directions for the consolidated entity, establishing goals for management and monitoring the achievement of these goals. The managing director is responsible to the Board for the day-to-day management of the consolidated entity.

The Board has sole responsibility for the following:

- Appointing and removing the managing director and any other executives and approving their remuneration;
- Appointing and removing the company secretary / chief financial officer and approving their remuneration;
- Determining the strategic direction of the consolidated entity and measuring performance of management against approved strategies;
- Review of the adequacy of resources for management to properly carry out approved strategies and business plans;
- Adopting operating and capital expenditure budgets at the commencement of each financial year and monitoring the progress by both financial and non-financial key performance indicators;
- Monitoring the consolidated entity's medium term capital and cash flow requirements;
- Approving and monitoring financial and other reporting to regulatory bodies, shareholders and other organisations;
- Determining that satisfactory arrangements are in place for auditing the consolidated entity's financial affairs;
- Review and ratify systems of risk management and internal compliance and control, codes of conduct and compliance with legislative requirements; and
- Ensuring that policies and compliance systems consistent with the consolidated entity's objectives and best practice are in place and that the Company and its officers act legally, ethically and responsibly on all matters.

The Board's role and the consolidated entity's corporate governance practices are being continually reviewed and improved as required.

### **1.2 *Performance Review***

The Board has adopted a self-evaluation process to measure its own performance and the performance of its committees (if any) during each financial year. Also, an annual review is undertaken in relation to the composition and skills mix of the directors of the Company.

Arrangements put in place by the Board to monitor the performance of the consolidated entity's executives include:

- a review by the Board of the consolidated entity's financial performance;
- annual performance appraisal meetings incorporating analysis of key performance indicators with each individual to ensure that the level of reward is aligned with respective responsibilities and individual contributions made to the success of the consolidated entity;
- an analysis of the consolidated entity's prospects and projects; and
- a review of feedback obtained from third parties, including advisors.

The Remuneration report discloses the process for evaluating the performance of senior executives, including the managing director.

## **Principle 2: Structure of the Board to Add Value**

### **2.1 *Independent directors***

The Company currently has the following Board members:

- Mr Graham Ascough      Non-executive chairman
- Mr Simon Taylor        Managing director and chief executive officer
- Dr Fernando Tallarico    Technical director
- Mr Allan Pickett        Non-executive director
- Mr David Gower         Non-executive director
- Mr Prakash Hariharan    Non-executive director

Details of the directors, including their qualifications, experience and date of appointment are set out in the directors' report.

The Company's Constitution provides that the number of directors shall not be less than three and not more than ten. There is no requirement for any shareholding qualification.

The Board has assessed the independence status of the directors and has determined that only one director, Graham Ascough, is independent.

The Board has followed the ASX Corporate Governance Principles and Recommendations when assessing the independence of the directors which define an independent director to be a director who:

- is non-executive;
- is not a substantial shareholder (i.e. greater than 5%) of the Company or an officer of, or otherwise associated, directly or indirectly, with a substantial shareholder of the Company;
- has not within the last three years been employed in an executive capacity by the Company or another consolidated entity member, or been a director after ceasing to hold such employment;
- within the last three years has not been a principal or employee of a material professional adviser or a material consultant to the Company or another consolidated entity member;
- is not a significant supplier or customer of the Company or another consolidated entity member, or an officer of or otherwise associated, directly or indirectly, with a significant supplier or customer;
- has no material contractual relationship with the Company or another consolidated entity member other than as a director of the Company; and
- is free from any interest and any business or other relationship which could, or could reasonably be perceived to, materially interfere with the director's ability to act in the best interests of the Company.

Materiality for these purposes is determined on both quantitative and qualitative bases. An amount which is greater than five percent of either the net assets of the Company or an individual director's net worth is considered material for these purposes.

The Board considers that the Company is not currently of a size, nor are its affairs of such complexity to justify the appointment and further expense of additional independent non-executive directors. The Board believes that the individuals on the Board can make, and do make, quality and independent judgments in the best interests of the Company on all relevant issues.

If the consolidated entity's activities increase in size, nature and scope, the size of the Board will be reviewed periodically to determine the optimum number of directors required for the Board to properly perform its responsibilities and functions.

The membership of the Board, its activities and composition is subject to periodic review. The criteria for determining the identification and appointment of a suitable candidate for the Board shall include quality of the individual, background of experience and achievement, compatibility with other Board members, credibility within the consolidated entity's scope of activities, intellectual ability to contribute to the Board duties and physical ability to undertake the Board duties and responsibilities.

Directors are initially appointed by the full Board subject to election by shareholders at the next annual general meeting. Under the Company's Constitution the tenure of directors (other than managing director, and only one managing director where the position is jointly held) is subject to reappointment by shareholders not later than the third anniversary following his last appointment. Subject to the requirements of the Corporations Act 2001, the Board does not subscribe to the principle of retirement age and there is no maximum period of service as a director. A managing director may be appointed for any period and on any terms the directors think fit and, subject to the terms of any agreement entered into, the Board may revoke any appointment.

In accordance with the Corporations Act 2001 and the Company's Constitution, directors must keep the Board advised, on an ongoing basis, of any interest that could potentially conflict with those of the consolidated entity. Where the Board believes that a significant conflict exists the director concerned does not receive the relevant board papers and is not present at the meeting whilst the item is considered.

## **2.2     *Chairman***

Mr Graham Ascough as chair of the Board is independent.

## **2.3     *Role of chair and chief executive officer***

The role of the chair and chief executive officer is separated, with Mr Graham Ascough acting as chair and Mr Simon Taylor as chief executive officer.

## **2.4     *Committees of the Board***

The Board considers that the consolidated entity is not currently of a size, nor are its affairs of such complexity to justify the formation of separate or special committees at this time. The Board as a whole is able to address the governance aspects of the full scope of the consolidated entity's activities and to ensure that it adheres to appropriate ethical standards.

The Board has also established a framework for the management of the consolidated entity including a system of internal controls, a business risk management process and the establishment of appropriate ethical standards.

The full Board currently holds meetings at such times as may be necessary to address any general or specific matters as required.

If the consolidated entity's activities increase in size, scope and nature, the appointment of separate or special committees will be reviewed by the Board and implemented if appropriate.

## **2.5     *Independent Professional Advice***

The Board has determined that individual directors have the right in connection with their duties and responsibilities as directors, to seek independent professional advice at the consolidated entity's expense. The engagement of an outside adviser is subject to prior approval of the Chairman and this will not be withheld unreasonably. If appropriate, any advice so received will be made available to all Board members.

## **Principle 3. Promote Ethical and Responsible Decision-Making**

The Board acknowledges the need for continued maintenance of the highest standard of corporate governance practice and ethical conduct by all directors and employees of the consolidated entity.

### **3.1     *Code of Conduct for directors***

The Board has adopted a Code of Conduct for directors to promote ethical and responsible decision-making by the directors. The code is based on a code of conduct for directors prepared by the Australian Institute of Company directors.

The principles of the code are:

- A director must act honestly, in good faith and in the best interests of the Company as a whole.
- A director has a duty to use due care and diligence in fulfilling the functions of office and exercising the powers attached to that office.
- A director must use the powers of office for a proper purpose, in the best interests of the Company as a whole.
- A director must recognise that the primary responsibility is to the Company's shareholders as a whole but should, where appropriate, have regard for the interest of all stakeholders of the Company.
- A director must not make improper use of information acquired as a director.
- A director must not take improper advantage of the position of director.
- A director must not allow personal interests, or the interests of any associated person, to conflict with the interests of the Company.
- A director has an obligation to be independent in judgment and actions and to take all reasonable steps to be satisfied as to the soundness of all decisions taken as a Board.
- Confidential information received by a director in the course of the exercise of directorial duties remains the property of the Company and it is improper to disclose it, or allow it to be disclosed, unless that disclosure has been authorised by the Company, or the person from whom the information is provided, or is required by law.
- A director should not engage in conduct likely to bring discredit upon the Company.
- A director has an obligation at all times, to comply with the spirit, as well as the letter of the law and with the principles of the Code.

The principles are supported by guidelines as set out by the Australian Institute of Company directors for their interpretation. Directors are also obliged to comply with the Company's Code of Ethics and Conduct, as outlined below.

The consolidated entity has implemented a Code of Ethics and Conduct, which provides guidelines aimed at maintaining high ethical standards, corporate behaviour and accountability within the consolidated entity.



All employees and directors are expected to:

- respect the law and act in accordance with it;
- respect confidentiality and not misuse consolidated entity information, assets or facilities;
- value and maintain professionalism;
- avoid real or perceived conflicts of interest;
- act in the best interests of shareholders;
- by their actions contribute to the consolidated entity's reputation as a good corporate citizen which seeks the respect of the community and environment in which it operates;
- perform their duties in ways that minimise environmental impacts and maximise workplace safety;
- exercise fairness, courtesy, respect, consideration and sensitivity in all dealings within their workplace and with customers, suppliers and the public generally; and
- act with honesty, integrity, decency and responsibility at all times.

An employee that breaches the Code of Ethics and Conduct may face disciplinary action. If an employee suspects that a breach of the Code of Ethics and Conduct has occurred or will occur, he or she must report that breach to management. No employee will be disadvantaged or prejudiced if he or she reports in good faith a suspected breach. All reports will be acted upon and kept confidential.

### **3.2 – 3.4 Gender Diversity and Measurable Objectives**

Due to the Company's size and nature of operations, there are no women in senior executive positions. The board remains conscious of the requirement to establish reasonable and measurable objectives for achieving gender diversity and identifying key measurable diversity performance objectives for the Board, CEO and senior management.

## **Principle 4. Safeguard Integrity in Financial Reporting**

### **Audit and Risk Management**

The Company believes it is not of a size to justify having a separate Audit and Risk Management Committee. Ultimate responsibility for the integrity of the Company's financial reporting rests with the full Board. Given the small size of the Board, the directors believe an Audit Committee structure to be inefficient. All directors share responsibility for ensuring the integrity of the Company's financial reporting and appropriate Board processes are implemented to perform the audit and risk management functions.

## **Principle 5. Make Timely and Balance Disclosures**

### **5.1 Continuous Disclosure to ASX**

The continuous disclosure policy requires all executives and directors to inform the Managing Director or in their absence the Company Secretary of any potentially material information as soon as practicable after they become aware of that information.

Information is material if it is likely that the information would influence investors who commonly acquire securities on ASX in deciding whether to buy, sell or hold the Company's securities. Information need not be disclosed if:

- a) It is not material and a reasonable person would not expect the information to be disclosed, or it is material but due to a specific valid commercial reason is not to be disclosed; and
- b) The information is confidential; or

c) One of the following applies:

- i. It would breach a law or regulation to disclose the information;
- ii. The information concerns an incomplete proposal or negotiation;
- iii. The information comprises matters of supposition or is insufficiently definite to warrant disclosure;
- iv. The information is generated for internal management purposes;
- v. The information is a trade secret;
- vi. It would breach a material term of an agreement, to which the consolidated entity is a party, to disclose the information;
- vii. The information is scientific data that release of which may benefit the consolidated entity's potential competitors.

The managing director is responsible for interpreting and monitoring the consolidated entity's disclosure policy and where necessary informing the Board. The company secretary is responsible for all communications with ASX.

## **Principle 6. Respect of the Rights of Shareholders**

### **6.1 Communication with Shareholders**

The consolidated entity places considerable importance on effective communications with shareholders.

The consolidated entity's communication strategy requires communication with shareholders and other stakeholders in an open, regular and timely manner so that the market has sufficient information to make informed investment decisions on the operations and results of the consolidated entity. The strategy provides for the use of systems that ensure a regular and timely release of information about the consolidated entity is provided to shareholders. Mechanisms employed include:

- Announcements lodged with ASX;
- ASX Quarterly Cash Flow Reports;
- Half Yearly Report;
- Presentations at the Annual General Meeting/General Meetings; and
- Annual Report.

The Board encourages full participation of shareholders at the Annual General Meeting to ensure a high level of accountability and understanding of the consolidated entity's strategy and goals.

The consolidated entity also posts all reports, ASX and media releases and copies of significant business presentations on the Company's website.

## **Principle 7. Recognise and Manage Risk**

### **7.1 Approach to Risk Management and Internal Control**

The identification and effective management of risk, including calculated risk-taking, is viewed as an essential part of the consolidated entity's approach to creating long-term shareholder value.

The consolidated entity operates a standardised risk management process that provides a consistent framework for the identification, assessment, monitoring and management of material business risks. This process is based on the Australian/New Zealand Standard for Risk Management (AS/NZS 4360 Risk Management) and the Committee of Sponsoring Organisations of the US Treadway Commission (COSO) control framework for enterprise risk management.

Strategic and operational risks are reviewed at least annually as part of the annual strategic planning, business planning, forecasting and budgeting process.

The consolidated entity has developed a series of operational risks which the consolidated entity believes to be inherent in the industry in which the consolidated entity operates having regard to the consolidated entity's circumstances (including financial resources, prospects and size). These include:

- fluctuations in commodity prices and exchange rates;
- accuracy of mineral reserve and resource estimates;
- reliance on licenses, permits and approvals from governmental authorities;
- ability to obtain additional financing;
- acquisition of new business opportunities; and
- changed operating, market or regulatory environments.

These risk areas are provided here to assist investors to understand better the nature of the risks faced by our consolidated entity and the industry in which the consolidated entity operates. They are not necessarily an exhaustive list.

## **7.2 Risk Management Roles and Responsibilities**

Management is responsible for designing, implementing and reporting on the adequacy of the consolidated entity's risk management and internal control system. Management reports to the Board annually, or more frequently as required, on the consolidated entity's key risks and the extent to which it believes these risks are being managed.

The Board is responsible for reviewing and approving the consolidated entity's risk management and internal control system and satisfying itself annually, or more frequently if required, that management has developed and implemented a sound system of risk management and internal control.

The Board has reviewed the overall risk profile for the consolidated entity and received reports from management on the effectiveness of the consolidated entity's management of its material business risks.

## **7.3 Integrity of Financial Reporting**

The Board also receives a written assurance from the chief executive officer or equivalent (CEO) and the chief financial officer or equivalent (CFO) that to the best of their knowledge and belief, the declaration provided by them in accordance with section 295A of the Corporations Act is founded on a sound system of risk management and internal control and that the system is operating effectively in relation to financial reporting risks.

The Board notes that due to its nature, internal control assurance from the CEO and CFO can only be reasonable rather than absolute. This is due to such factors as the need for judgement, the use of testing on a sample basis, the inherent limitations in internal control and because much of the evidence available is persuasive rather than conclusive and therefore is not and cannot be designed to detect all weaknesses in control procedures.

The consolidated entity's practice is to invite the auditor (who now must attend) to attend the annual general meeting and be available to answer shareholder questions about the conduct of the audit and the preparation and content of the auditor's report.

## **Principle 8. Remunerate Fairly and Responsibly**

The broad remuneration policy is to ensure that remuneration properly reflects the relevant person's duties and responsibilities, and that the remuneration is competitive in attracting, retaining and motivating people of the highest quality. The Board believes that the best way to achieve this objective is to provide executive directors and executives with a remuneration package consisting of fixed components that reflect the person's responsibilities, duties and personal performance.

In addition to the above, the consolidated entity has developed a limited equity-based remuneration arrangement for key executives and consultants.

The remuneration of non-executive directors is determined by the Board as a whole having regard to the level of fees paid to non-executive directors by other companies of similar size in the industry.

The aggregate amount payable to the Company's non-executive directors must not exceed the maximum annual amount approved by the Company's shareholders.

### **Securities trading policy**

The consolidated entity has disclosed its share trading policy which imposes trading restrictions on all employees of the consolidated entity with 'inside information', and additional trading restrictions on the directors of the Company.

'Inside information' is information that:

- is not generally available; and
- if it were generally available, it would, or would be likely to influence investors in deciding whether to buy or sell the Company's securities.

If an employee possesses inside information, the person must not:

- trade in the Company's securities;
- advise others or procure others to trade in the Company's securities; or
- pass on the inside information to others – including colleagues, family or friends – knowing (or where the employee or director should have reasonably known) that the other persons will use that information to trade in, or procure someone else to trade in, the Company's securities.

This prohibition applies regardless of how the employee or director learns the information (e.g. even if the employee or director overhears it or is told in a social setting).

In addition to the above, directors must notify the company secretary as soon as practicable, but not later than 5 business days, after they have bought or sold the Company's securities or exercised options. In accordance with the provisions of the Corporations Act 2001 and the Listing Rules of the ASX, the Company on behalf of the directors must advise the ASX of any transactions conducted by them in the securities of the Company.

Company policy prohibits directors and senior management from dealing the Company's securities at any time during a closed period. Closed period means the period between:

- 1 January and the day of release Half Year Report to the ASX;
- 1 July and the day of release Full Year Report to the ASX; or
- Any other periods from time to time when the Company is considering matters which are subject to Listing Rule 3.1A as resolved by the Board of the Company.

Breaches of these policies will be subject to disciplinary action, which may include termination of employment.

The Securities Trading Policy has been issued to ASX.

## **COMPLIANCE WITH CORPORATE GOVERNANCE RECOMMENDATIONS**

During the 2013 financial year, the Company complied with the ASX Principles and Recommendations other than in relation to the matters specified below.

<b>Recommendation Reference</b>	<b>Notification of Departure</b>	<b>Explanation for Departure</b>
2.1	A majority of the Board should be independent directors.	Due to the Company's size and nature of operations, the Board does not consist of a majority of independent directors, however, the skills and experience of both the independent and non-independent directors allow the Board to act in the best interests of shareholders.
2.4	A separate Nomination Committee has not been formed.	The Board considers that the Company is not currently of a size to justify the formation of a nomination committee. The Board as a whole undertakes the process of reviewing the skill base and experience of existing directors to enable identification or attributes required in new directors. Where appropriate independent consultants are engaged to identify possible new candidates for the Board.
3.2	Diversity policy	Due to the Company's size and nature of operations, the Company has not implemented a diversity policy.
4.1, 4.2, 4.3	A separate Audit Committee has not been formed and there is not an Audit Committee operating charter.	The Board considers that the Company is not of a size, nor are its financial affairs of such complexity to justify the formation of an audit committee. The Board as a whole undertakes the selection and proper application of accounting policies, the identification and management of risk and the review of the operation of the internal control systems.
8.1	There is no separate Remuneration Committee.	The Board considers that the Company is not currently of a size, nor are its affairs of such complexity to justify the formation of a remuneration committee. The Board as a whole is responsible for the remuneration arrangements for directors and executives of the Company.

As the Company's activities increase in size, scope and/or nature, the Company's corporate governance principles will be reviewed by the Board and amended as appropriate.

**Contents**

	Page
Financial report	
Statement of profit or loss and other comprehensive income	38
Statement of financial position	39
Statement of changes in equity	40
Statement of cash flows	41
Notes to the financial statements	42
Directors' declaration	75
Independent auditor's report to the members of Agua Resources Limited	76

**General information**

The financial report covers Agua Resources Limited as a consolidated entity consisting of Agua Resources Limited and the entities it controlled. The financial report is presented in Australian dollars, which is Agua Resources Limited's functional and presentation currency.

The financial report consists of the financial statements, notes to the financial statements and the directors' declaration.

A description of the nature of the consolidated entity's operations and its principal activities are included in the directors' report, which is not part of the financial report.

The financial report was authorised for issue, in accordance with a resolution of directors, on 27 September 2013.

**Agua Resources Limited**  
**Statement of profit or loss and other comprehensive income**  
**For the year ended 30 June 2013**

		<b>Consolidated</b>	
	<b>Note</b>	<b>2013</b>	<b>2012</b>
		<b>\$</b>	<b>\$</b>
<b>Revenue</b>	4	179,629	813,715
Other income	5	119,588	523,242
<b>Expenses</b>			
Employee benefits expense		(580,873)	(753,573)
Share based payments		(55,882)	(811,431)
Depreciation and amortisation expense		(20,855)	(6,350)
Corporate costs		(157,235)	(199,520)
Exploration costs	6	(438,124)	(16,317,531)
Business development costs		(487,859)	(359,264)
Litigation costs		-	(85,618)
Legal and professional		(241,537)	(233,375)
Other expenses		<u>(698,507)</u>	<u>(829,941)</u>
<b>Loss before income tax expense</b>		(2,381,655)	(18,259,646)
Income tax expense	7	<u>-</u>	<u>-</u>
<b>Loss after income tax expense for the year attributable to the owners of Agua Resources Limited</b>	18	(2,381,655)	(18,259,646)
<b>Other comprehensive income</b>			
<i>Items that may be reclassified subsequently to profit or loss</i>			
Foreign currency translation		<u>328,543</u>	<u>(3,795,809)</u>
Other comprehensive income for the year, net of tax		<u>328,543</u>	<u>(3,795,809)</u>
<b>Total comprehensive income for the year attributable to the owners of Agua Resources Limited</b>		<u><u>(2,053,112)</u></u>	<u><u>(22,055,455)</u></u>
		<b>Cents</b>	<b>Cents</b>
Basic earnings per share	30	(2.01)	(17.92)
Diluted earnings per share	30	(2.01)	(17.92)

*The above statement of profit or loss and other comprehensive income should be read in conjunction with the accompanying notes*



**Agua Resources Limited**  
**Statement of financial position**  
**As at 30 June 2013**

	<b>Note</b>	<b>Consolidated 2013 \$</b>	<b>2012 \$</b>
<b>Assets</b>			
<b>Current assets</b>			
Cash and cash equivalents	8	696,245	4,739,055
Trade and other receivables	9	322,020	338,992
Other	10	56,835	84,385
Total current assets		<u>1,075,100</u>	<u>5,162,432</u>
<b>Non-current assets</b>			
Property, plant and equipment	11	262,654	275,326
Exploration and evaluation	12	<u>36,704,572</u>	<u>31,629,357</u>
Total non-current assets		<u>36,967,226</u>	<u>31,904,683</u>
<b>Total assets</b>		<u>38,042,326</u>	<u>37,067,115</u>
<b>Liabilities</b>			
<b>Current liabilities</b>			
Trade and other payables	13	341,475	430,623
Employee benefits	14	57,562	55,900
Other	15	114,200	59,000
Total current liabilities		<u>513,237</u>	<u>545,523</u>
<b>Total liabilities</b>		<u>513,237</u>	<u>545,523</u>
<b>Net assets</b>		<u>37,529,089</u>	<u>36,521,592</u>
<b>Equity</b>			
Issued capital	16	63,552,851	60,678,999
Reserves	17	(234,341)	(749,641)
Accumulated losses	18	<u>(25,789,421)</u>	<u>(23,407,766)</u>
<b>Total equity</b>		<u>37,529,089</u>	<u>36,521,592</u>

*The above statement of financial position should be read in conjunction with the accompanying notes*

**Agua Resources Limited**  
**Statement of changes in equity**  
**For the year ended 30 June 2013**

	Ordinary shares \$	Performance shares \$	Reserves \$	Accumulated losses \$	Total equity \$
<b>Consolidated</b>					
Balance at 1 July 2011	30,799,454	12,000,000	1,621,855	(5,148,120)	39,273,189
Loss after income tax expense for the year		-	-	(18,259,646)	(18,259,646)
Other comprehensive income for the year, net of tax	-	-	(3,795,809)	-	(3,795,809)
Total comprehensive income for the year	-	-	(3,795,809)	(18,259,646)	(22,055,455)
<i>Transactions with owners in their capacity as owners:</i>					
Contributions of equity, net of transaction costs (note 16)	13,199,545	4,680,000	-	-	17,879,545
Share-based payments	-	-	1,424,313	-	1,424,313
Balance at 30 June 2012	<u>43,998,999</u>	<u>16,680,000</u>	<u>(749,641)</u>	<u>(23,407,766)</u>	<u>36,521,592</u>
	Ordinary shares \$	Performance shares \$	Reserves \$	Accumulated reserves \$	Total equity \$
<b>Consolidated</b>					
Balance at 1 July 2012	43,998,999	16,680,000	(749,641)	(23,407,766)	36,521,592
Loss after income tax expense for the year		-	-	(2,381,655)	(2,381,655)
Other comprehensive income for the year, net of tax	-	-	328,543	-	328,543
Total comprehensive income for the year	-	-	328,543	(2,381,655)	(2,053,112)
<i>Transactions with owners in their capacity as owners:</i>					
Contributions of equity, net of transaction costs (note 16)	19,277,259	(16,403,407)	130,875	-	3,004,727
Share-based payments	-	-	55,882	-	55,882
Balance at 30 June 2013	<u>63,276,258</u>	<u>276,593</u>	<u>(234,341)</u>	<u>(25,789,421)</u>	<u>37,529,089</u>

*The above statement of changes in equity should be read in conjunction with the accompanying notes*

**Agua Resources Limited**  
**Statement of cash flows**  
**For the year ended 30 June 2013**

		<b>Consolidated</b>	
	<b>Note</b>	<b>2013</b>	<b>2012</b>
		<b>\$</b>	<b>\$</b>
<b>Cash flows from operating activities</b>			
Payments to suppliers and employees		(2,529,254)	(2,418,088)
Interest received		102,129	807,715
Other revenue		<u>77,500</u>	<u>393,101</u>
Net cash used in operating activities	29	<u>(2,349,625)</u>	<u>(1,217,272)</u>
<b>Cash flows from investing activities</b>			
Payments for property, plant and equipment		(55,657)	(51,893)
Payments for exploration and evaluation		<u>(4,095,821)</u>	<u>(12,441,078)</u>
Net cash used in investing activities		<u>(4,151,478)</u>	<u>(12,492,971)</u>
<b>Cash flows from financing activities</b>			
Proceeds from issue of shares	16	2,545,000	1,825,000
Share issue transaction costs		<u>(100,273)</u>	<u>(190,159)</u>
Net cash from financing activities		<u>2,444,727</u>	<u>1,634,841</u>
Net decrease in cash and cash equivalents		(4,056,376)	(12,075,402)
Cash and cash equivalents at the beginning of the financial year		4,739,055	17,438,969
Effects of exchange rate changes on cash		<u>13,566</u>	<u>(624,512)</u>
Cash and cash equivalents at the end of the financial year	8	<u><u>696,245</u></u>	<u><u>4,739,055</u></u>

*The above statement of cash flows should be read in conjunction with the accompanying notes*

**Note 1. Significant accounting policies**

The principal accounting policies adopted in the preparation of the financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

**New, revised or amending Accounting Standards and Interpretations adopted**

The consolidated entity has adopted all of the new, revised or amending Accounting Standards and Interpretations issued by the Australian Accounting Standards Board ('AASB') that are mandatory for the current reporting period.

Any new, revised or amending Accounting Standards or Interpretations that are not yet mandatory have not been early adopted.

Any significant impact on the accounting policies of the consolidated entity from the adoption of these Accounting Standards and Interpretations are disclosed below. The adoption of these Accounting Standards and Interpretations did not have any significant impact on the financial performance or position of the consolidated entity.

The following Accounting Standards and Interpretations are most relevant to the consolidated entity:

*AASB 2011-9 Amendments to Australian Accounting Standards - Presentation of Items of Other Comprehensive Income*

The consolidated entity has applied AASB 2011-9 amendments from 1 July 2012. The amendments requires grouping together of items within other comprehensive income on the basis of whether they will eventually be 'recycled' to the profit or loss (reclassification adjustments). The change provides clarity about the nature of items presented as other comprehensive income and the related tax presentation. The amendments also introduced the term 'Statement of profit or loss and other comprehensive income' clarifying that there are two discrete sections, the profit or loss section (or separate statement of profit or loss) and other comprehensive income section.

*AASB 2012-5 Amendments to Australian Accounting Standards arising from Annual Improvements 2009-2011 Cycle*

The consolidated entity has applied AASB 2012-5 from 1 January 2013. The amendments affect five Australian Accounting Standards as follows: Confirmation that repeat application of AASB 1 (IFRS 1) 'First-time Adoption of Australian Accounting Standards' is permitted; Clarification of borrowing cost exemption in AASB 1; Clarification of the comparative information requirements when an entity provides an optional third column or is required to present a third statement of financial position in accordance with AASB 101 'Presentation of Financial Statements'; Clarification that servicing of equipment is covered by AASB 116 'Property, Plant and Equipment', if such equipment is used for more than one period; clarification that the tax effect of distributions to holders of equity instruments and equity transaction costs in AASB 132 'Financial Instruments: Presentation' should be accounted for in accordance with AASB 112 'Income Taxes'; and clarification of the financial reporting requirements in AASB 134 'Interim Financial Reporting' and the disclosure requirements of segment assets and liabilities.

**Note 1. Significant accounting policies (continued)**

**Going concern**

The financial report has been prepared on the going concern basis, which assumes continuity of normal business activities and the realisation of assets and the settlement of liabilities in the ordinary course of business. The consolidated entity has incurred net losses after tax of \$2,381,655 (2012: \$18,259,646) and net cash outflows from operating and investing activities of \$6,501,103 (2012: \$13,710,243) for the year ended 30 June 2013. For the reasons described below, conditions exist that indicate there is a material uncertainty as to the consolidated entity's ability to continue as a going concern. Subsequent to 30 June 2013, the company raised \$2,390,000 via two share placements made in July and August 2013.

The directors have prepared cash flow forecasts which indicate that the current cash resources will not be sufficient to fund planned exploration expenditure, other principal activities and working capital requirements without the raising of additional capital. These forecasts do not include the capital requirements that trigger upon the Lara option being exercised as disclosed in note 12. The consolidated entity will be required to raise additional capital by 31 March 2014 to fund its current operations through to 30 September 2014. The company is currently reviewing various capital raising opportunities to meet these capital requirements.

Based on the cashflow forecasts and achieving all or some funding, the directors are confident that the consolidated entity will be able to continue as a going concern. In particular, the directors are confident in the company's ability to raise the capital mentioned above.

Should the company be unable to raise the funding referred to above, there is a material uncertainty whether the company and the consolidated entity will be able to continue as going concerns and therefore, whether they will be able to realise their assets and discharge their liabilities in the normal course of business.

The financial report does not include adjustments relating to the recoverability and classification of recorded asset amounts, or to the amounts and classification of liabilities that might be necessary should the company and the consolidated entity not continue as going concerns.

**Basis of preparation**

These general purpose financial statements have been prepared in accordance with Australian Accounting Standards and Interpretations issued by the Australian Accounting Standards Board ('AASB') and the Corporations Act 2001, as appropriate for for-profit oriented entities. These financial statements also comply with International Financial Reporting Standards as issued by the International Accounting Standards Board ('IASB').

*Historical cost convention*

The financial statements have been prepared under the historical cost convention, except for, where applicable, the revaluation of available-for-sale financial assets, financial assets and liabilities at fair value through profit or loss, investment properties, certain classes of property, plant and equipment and derivative financial instruments.

*Critical accounting estimates*

The preparation of the financial statements requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the consolidated entity's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements, are disclosed in note 2.

**Parent entity information**

In accordance with the Corporations Act 2001, these financial statements present the results of the consolidated entity only. Supplementary information about the parent entity is disclosed in note 26.

**Note 1. Significant accounting policies (continued)**

**Principles of consolidation**

The consolidated financial statements incorporate the assets and liabilities of all subsidiaries of Agua Resources Limited ('company' or 'parent entity') as at 30 June 2013 and the results of all subsidiaries for the year then ended. Agua Resources Limited and its subsidiaries together are referred to in these financial statements as the 'consolidated entity'.

Subsidiaries are all those entities over which the consolidated entity has the power to govern the financial and operating policies, generally accompanying a shareholding of more than one-half of the voting rights. The effects of potential exercisable voting rights are considered when assessing whether control exists. Subsidiaries are fully consolidated from the date on which control is transferred to the consolidated entity. They are de-consolidated from the date that control ceases.

Intercompany transactions, balances and unrealised gains on transactions between entities in the consolidated entity are eliminated. Unrealised losses are also eliminated unless the transaction provides evidence of the impairment of the asset transferred. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the consolidated entity.

The acquisition of subsidiaries is accounted for using the acquisition method of accounting. Refer to the 'business combinations' accounting policy for further details. A change in ownership interest, without the loss of control, is accounted for as an equity transaction, where the difference between the consideration transferred and the book value of the share of the non-controlling interest acquired is recognised directly in equity attributable to the parent.

Where the consolidated entity loses control over a subsidiary, it derecognises the assets including goodwill, liabilities and non-controlling interest in the subsidiary together with any cumulative translation differences recognised in equity. The consolidated entity recognises the fair value of the consideration received and the fair value of any investment retained together with any gain or loss in profit or loss.

**Operating segments**

Operating segments are presented using the 'management approach', where the information presented is on the same basis as the internal reports provided to the Chief Operating Decision Makers ('CODM'). The CODM is responsible for the allocation of resources to operating segments and assessing their performance.

**Foreign currency translation**

The financial report is presented in Australian dollars, which is Agua Resources Limited's functional and presentation currency.

*Foreign currency transactions*

Foreign currency transactions are translated into Australian dollars using the exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at financial year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in profit or loss.

*Foreign operations*

The assets and liabilities of foreign operations are translated into Australian dollars using the exchange rates at the reporting date. The revenues and expenses of foreign operations are translated into Australian dollars using the average exchange rates, which approximate the rate at the date of the transaction, for the period. All resulting foreign exchange differences are recognised in other comprehensive income through the foreign currency reserve in equity.

The foreign currency reserve is recognised in profit or loss when the foreign operation or net investment is disposed of.

**Revenue recognition**

Revenue is recognised when it is probable that the economic benefit will flow to the consolidated entity and the revenue can be reliably measured. Revenue is measured at the fair value of the consideration received or receivable.

**Note 1. Significant accounting policies (continued)**

*Interest*

Interest revenue is recognised as interest accrues using the effective interest method. This is a method of calculating the amortised cost of a financial asset and allocating the interest income over the relevant period using the effective interest rate, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to the net carrying amount of the financial asset.

*Other revenue*

Other revenue is recognised when it is received or when the right to receive payment is established.

**Income tax**

The income tax expense or benefit for the period is the tax payable on that period's taxable income based on the applicable income tax rate for each jurisdiction, adjusted by changes in deferred tax assets and liabilities attributable to temporary differences, unused tax losses and the adjustment recognised for prior periods, where applicable.

Deferred tax assets and liabilities are recognised for temporary differences at the tax rates expected to apply when the assets are recovered or liabilities are settled, based on those tax rates that are enacted or substantively enacted, except for:

- When the deferred income tax asset or liability arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and that, at the time of the transaction, affects neither the accounting nor taxable profits; or
- When the taxable temporary difference is associated with investments in subsidiaries, associates or interests in joint ventures, and the timing of the reversal can be controlled and it is probable that the temporary difference will not reverse in the foreseeable future.

Deferred tax assets are recognised for deductible temporary differences and unused tax losses only if it is probable that future taxable amounts will be available to utilise those temporary differences and losses.

The carrying amount of recognised and unrecognised deferred tax assets are reviewed each reporting date. Deferred tax assets recognised are reduced to the extent that it is no longer probable that future taxable profits will be available for the carrying amount to be recovered. Previously unrecognised deferred tax assets are recognised to the extent that it is probable that there are future taxable profits available to recover the asset.

Deferred tax assets and liabilities are offset only where there is a legally enforceable right to offset current tax assets against current tax liabilities and deferred tax assets against deferred tax liabilities; and they relate to the same taxable authority on either the same taxable entity or different taxable entity's which intend to settle simultaneously.

**Cash and cash equivalents**

Cash and cash equivalents includes cash on hand, deposits held at call with financial institutions, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

**Trade and other receivables**

Other receivables are recognised at amortised cost, less any provision for impairment.



**Note 1. Significant accounting policies (continued)**

**Property, plant and equipment**

Plant and equipment is stated at historical cost less accumulated depreciation and impairment. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

Depreciation is calculated on a straight-line basis to write off the net cost of each item of plant and equipment over their expected useful lives as follows:

Plant and equipment	3-5 years
---------------------	-----------

The residual values, useful lives and depreciation methods are reviewed, and adjusted if appropriate, at each reporting date.

An item of plant and equipment is derecognised upon disposal or when there is no future economic benefit to the consolidated entity. Gains and losses between the carrying amount and the disposal proceeds are taken to profit or loss. Any revaluation surplus reserve relating to the item disposed of is transferred directly to retained profits.

**Exploration and evaluation assets**

Exploration and evaluation expenditure in relation to separate areas of interest for which rights of tenure are current is carried forward as an asset in the statement of financial position where it is expected that the expenditure will be recovered through the successful development and exploitation of an area of interest, or by its sale; or exploration activities are continuing in an area and activities have not reached a stage which permits a reasonable estimate of the existence or otherwise of economically recoverable reserves. Where a project or an area of interest has been abandoned, the expenditure incurred thereon is written off in the year in which the decision is made.

**Impairment of non-financial assets**

Exploration and evaluation assets that have an indefinite useful life are not subject to amortisation and are tested annually for impairment in accordance with AASB 6, or more frequently if events or changes in circumstances indicate that they might be impaired. Other non-financial assets are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount.

Recoverable amount is the higher of an asset's fair value less costs to sell and value-in-use. The value-in-use is the present value of the estimated future cash flows relating to the asset using a pre-tax discount rate specific to the asset or cash-generating unit to which the asset belongs. Assets that do not have independent cash flows are grouped together to form a cash-generating unit.

**Trade and other payables**

These amounts represent liabilities for goods and services provided to the consolidated entity prior to the end of the financial year and which are unpaid. Due to their short-term nature they are measured at amortised cost and are not discounted. The amounts are unsecured and are usually paid within 30 days of recognition.

**Employee benefits**

*Wages and salaries and annual leave*

Liabilities for wages and salaries, including non-monetary benefits, and annual leave expected to be settled within 12 months of the reporting date are recognised in current liabilities in respect of employees' services up to the reporting date and are measured at the amounts expected to be paid when the liabilities are settled.

*Long service leave*

The liability for long service leave is recognised in current and non-current liabilities, depending on the unconditional right to defer settlement of the liability for at least 12 months after the reporting date. The liability is measured as the present value of expected future payments to be made in respect of services provided by employees up to the reporting date using the projected unit credit method. Consideration is given to expected future wage and salary levels, experience of employee departures and periods of service. Expected future payments are discounted using market yields at the reporting date on national government bonds with terms to maturity and currency that match, as closely as possible, the estimated future cash outflows.

**Note 1. Significant accounting policies (continued)**

*Share-based payments*

Equity-settled and cash-settled share-based compensation benefits are provided to employees.

Equity-settled transactions are awards of shares, or options over shares, that are provided to employees in exchange for the rendering of services. Cash-settled transactions are awards of cash for the exchange of services, where the amount of cash is determined by reference to the share price.

The cost of equity-settled transactions are measured at fair value on grant date. Fair value is independently determined using either the Binomial or Black-Scholes option pricing model that takes into account the exercise price, the term of the option, the impact of dilution, the share price at grant date and expected price volatility of the underlying share, the expected dividend yield and the risk free interest rate for the term of the option, together with non-vesting conditions that do not determine whether the consolidated entity receives the services that entitle the employees to receive payment. No account is taken of any other vesting conditions.

The cost of equity-settled transactions are recognised as an expense with a corresponding increase in equity over the vesting period. The cumulative charge to profit or loss is calculated based on the grant date fair value of the award, the best estimate of the number of awards that are likely to vest and the expired portion of the vesting period. The amount recognised in profit or loss for the period is the cumulative amount calculated at each reporting date less amounts already recognised in previous periods.

The cost of cash-settled transactions is initially, and at each reporting date until vested, determined by applying either the Binomial or Black-Scholes option pricing model, taking into consideration the terms and conditions on which the award was granted. The cumulative charge to profit or loss until settlement of the liability is calculated as follows:

- during the vesting period, the liability at each reporting date is the fair value of the award at that date multiplied by the expired portion of the vesting period.
- from the end of the vesting period until settlement of the award, the liability is the full fair value of the liability at the reporting date.

All changes in the liability are recognised in profit or loss. The ultimate cost of cash-settled transactions is the cash paid to settle the liability.

Market conditions are taken into consideration in determining fair value. Therefore any awards subject to market conditions are considered to vest irrespective of whether or not that market condition has been met, provided all other conditions are satisfied.

If equity-settled awards are modified, as a minimum an expense is recognised as if the modification has not been made. An additional expense is recognised, over the remaining vesting period, for any modification that increases the total fair value of the share-based compensation benefit as at the date of modification.

If the non-vesting condition is within the control of the consolidated entity or employee, the failure to satisfy the condition is treated as a cancellation. If the condition is not within the control of the consolidated entity or employee and is not satisfied during the vesting period, any remaining expense for the award is recognised over the remaining vesting period, unless the award is forfeited.

If equity-settled awards are cancelled, it is treated as if it has vested on the date of cancellation, and any remaining expense is recognised immediately. If a new replacement award is substituted for the cancelled award, the cancelled and new award is treated as if they were a modification.

**Issued capital**

Ordinary shares are classified as equity.

Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from the proceeds.

**Note 1. Significant accounting policies (continued)**

**Business combinations**

The acquisition method of accounting is used to account for business combinations regardless of whether equity instruments or other assets are acquired.

The consideration transferred is the sum of the acquisition-date fair values of the assets transferred, equity instruments issued or liabilities incurred by the acquirer to former owners of the acquiree and the amount of any non-controlling interest in the acquiree. For each business combination, the non-controlling interest in the acquiree is measured at either fair value or at the proportionate share of the acquiree's identifiable net assets. All acquisition costs are expensed as incurred to profit or loss.

On the acquisition of a business, the consolidated entity assesses the financial assets acquired and liabilities assumed for appropriate classification and designation in accordance with the contractual terms, economic conditions, the consolidated entity's operating or accounting policies and other pertinent conditions in existence at the acquisition-date.

Where the business combination is achieved in stages, the consolidated entity remeasures its previously held equity interest in the acquiree at the acquisition-date fair value and the difference between the fair value and the previous carrying amount is recognised in profit or loss.

Contingent consideration to be transferred by the acquirer is recognised at the acquisition-date fair value. Subsequent changes in the fair value of contingent consideration classified as an asset or liability is recognised in profit or loss. Contingent consideration classified as equity is not remeasured and its subsequent settlement is accounted for within equity.

The difference between the acquisition-date fair value of assets acquired, liabilities assumed and any non-controlling interest in the acquiree and the fair value of the consideration transferred and the fair value of any pre-existing investment in the acquiree is recognised as goodwill. If the consideration transferred and the pre-existing fair value is less than the fair value of the identifiable net assets acquired, being a bargain purchase to the acquirer, the difference is recognised as a gain directly in profit or loss by the acquirer on the acquisition-date, but only after a reassessment of the identification and measurement of the net assets acquired, the non-controlling interest in the acquiree, if any, the consideration transferred and the acquirer's previously held equity interest in the acquirer.

Business combinations are initially accounted for on a provisional basis. The acquirer retrospectively adjusts the provisional amounts recognised and also recognises additional assets or liabilities during the measurement period, based on new information obtained about the facts and circumstances that existed at the acquisition-date. The measurement period ends on either the earlier of (i) 12 months from the date of the acquisition or (ii) when the acquirer receives all the information possible to determine fair value.

**Earnings per share**

*Basic earnings per share*

Basic earnings per share is calculated by dividing the profit attributable to the owners of Agua Resources Limited, excluding any costs of servicing equity other than ordinary shares, by the weighted average number of ordinary shares outstanding during the financial year, adjusted for bonus elements in ordinary shares issued during the financial year.

*Diluted earnings per share*

Diluted earnings per share adjusts the figures used in the determination of basic earnings per share to take into account the after income tax effect of interest and other financing costs associated with dilutive potential ordinary shares and the weighted average number of shares assumed to have been issued for no consideration in relation to dilutive potential ordinary shares.

**Note 1. Significant accounting policies (continued)**

**Goods and Services Tax ('GST') and other similar taxes**

Revenues, expenses and assets are recognised net of the amount of associated GST, unless the GST incurred is not recoverable from the tax authority. In this case it is recognised as part of the cost of the acquisition of the asset or as part of the expense.

Receivables and payables are stated inclusive of the amount of GST receivable or payable. The net amount of GST recoverable from, or payable to, the tax authority is included in other receivables or other payables in the statement of financial position.

Cash flows are presented on a gross basis. The GST components of cash flows arising from investing or financing activities which are recoverable from, or payable to the tax authority, are presented as operating cash flows.

Commitments and contingencies are disclosed net of the amount of GST recoverable from, or payable to, the tax authority.

**New Accounting Standards and Interpretations not yet mandatory or early adopted**

Australian Accounting Standards and Interpretations that have recently been issued or amended but are not yet mandatory, have not been early adopted by the consolidated entity for the annual reporting period ended 30 June 2013. The consolidated entity's assessment of the impact of these new or amended Accounting Standards and Interpretations, most relevant to the consolidated entity, are set out below.

*AASB 9 Financial Instruments, 2009-11 Amendments to Australian Accounting Standards arising from AASB 9, 2010-7 Amendments to Australian Accounting Standards arising from AASB 9 and 2012-6 Amendments to Australian Accounting Standards arising from AASB 9*

This standard and its consequential amendments are applicable to annual reporting periods beginning on or after 1 January 2015 and completes phase I of the IASB's project to replace IAS 39 (being the international equivalent to AASB 139 'Financial Instruments: Recognition and Measurement'). This standard introduces new classification and measurement models for financial assets, using a single approach to determine whether a financial asset is measured at amortised cost or fair value. The accounting for financial liabilities continues to be classified and measured in accordance with AASB 139, with one exception, being that the portion of a change of fair value relating to the entity's own credit risk is to be presented in other comprehensive income unless it would create an accounting mismatch. The consolidated entity will adopt this standard from 1 July 2015 but the impact of its adoption is yet to be assessed by the consolidated entity.

*AASB 10 Consolidated Financial Statements*

This standard is applicable to annual reporting periods beginning on or after 1 January 2013. The standard has a new definition of 'control'. Control exists when the reporting entity is exposed, or has the rights, to variable returns (e.g. dividends, remuneration, returns that are not available to other interest holders including losses) from its involvement with another entity and has the ability to affect those returns through its 'power' over that other entity. A reporting entity has power when it has rights (e.g. voting rights, potential voting rights, rights to appoint key management, decision making rights, kick out rights) that give it the current ability to direct the activities that significantly affect the investee's returns (e.g. operating policies, capital decisions, appointment of key management). The consolidated entity will not only have to consider its holdings and rights but also the holdings and rights of other shareholders in order to determine whether it has the necessary power for consolidation purposes. The adoption of this standard from 1 July 2013 may have an impact where the consolidated entity has a holding of less than 50% in an entity, has de facto control, and is not currently consolidating that entity.

*AASB 11 Joint Arrangements*

This standard is applicable to annual reporting periods beginning on or after 1 January 2013. The standard defines which entities qualify as joint ventures and removes the option to account for joint ventures using proportional consolidation. Joint ventures, where the parties to the agreement have the rights to the net assets will use equity accounting. Joint operations, where the parties to the agreements have the rights to the assets and obligations for the liabilities will account for the assets, liabilities, revenues and expenses separately, using proportionate consolidation. The adoption of this standard from 1 July 2013 will not have a material impact on the consolidated entity.

**Note 1. Significant accounting policies (continued)**

*AASB 12 Disclosure of Interests in Other Entities*

This standard is applicable to annual reporting periods beginning on or after 1 January 2013. It contains the entire disclosure requirement associated with other entities, being subsidiaries, associates and joint ventures. The disclosure requirements have been significantly enhanced when compared to the disclosures previously located in AASB 127 'Consolidated and Separate Financial Statements', AASB 128 'Investments in Associates', AASB 131 'Interests in Joint Ventures' and Interpretation 112 'Consolidation - Special Purpose Entities'. The adoption of this standard from 1 July 2013 will significantly increase the amount of disclosures required to be given by the consolidated entity such as significant judgements and assumptions made in determining whether it has a controlling or non-controlling interest in another entity and the type of non-controlling interest and the nature and risks involved.

*AASB 13 Fair Value Measurement and AASB 2011-8 Amendments to Australian Accounting Standards arising from AASB 13*

This standard and its consequential amendments are applicable to annual reporting periods beginning on or after 1 January 2013. The standard provides a single robust measurement framework, with clear measurement objectives, for measuring fair value using the 'exit price' and it provides guidance on measuring fair value when a market becomes less active. The 'highest and best use' approach would be used to measure assets whereas liabilities would be based on transfer value. As the standard does not introduce any new requirements for the use of fair value, its impact on adoption by the consolidated entity from 1 July 2013 should be minimal, although there will be increased disclosures where fair value is used.

*AASB 127 Separate Financial Statements (Revised)*

*AASB 128 Investments in Associates and Joint Ventures (Reissued)*

These standards are applicable to annual reporting periods beginning on or after 1 January 2013. They have been modified to remove specific guidance that is now contained in AASB 10, AASB 11 and AASB 12. The adoption of these revised standards from 1 July 2013 will not have a material impact on the consolidated entity.

*AASB 119 Employee Benefits (September 2011) and AASB 2011-10 Amendments to Australian Accounting Standards arising from AASB 119 (September 2011)*

This revised standard and its consequential amendments are applicable to annual reporting periods beginning on or after 1 January 2013. The amendments eliminate the corridor approach for the deferral of gains and losses; streamlines the presentation of changes in assets and liabilities arising from defined benefit plans, including requiring remeasurements to be presented in other comprehensive income; and enhances the disclosure requirements for defined benefit plans. The amendments also changed the definition of short-term employee benefits, from 'due to' to 'expected to' be settled within 12 months. This will require annual leave that is not expected to be wholly settled within 12 months to be discounted allowing for expected salary levels in the future period when the leave is expected to be taken. The adoption of the revised standard from 1 July 2013 is expected to reduce the reported annual leave liability and increase disclosures of the consolidated entity.

*AASB 2011-4 Amendments to Australian Accounting Standards to Remove Individual Key Management Personnel Disclosure Requirement*

These amendments are applicable to annual reporting periods beginning on or after 1 July 2013, with early adoption not permitted. They amend AASB 124 'Related Party Disclosures' by removing the disclosure requirements for individual key management personnel ('KMP'). The adoption of these amendments from 1 July 2014 will remove the duplication of information relating to individual KMP in the notes to the financial statements and the directors report. As the aggregate disclosures are still required by AASB 124 and during the transitional period the requirements may be included in the Corporations Act or other legislation, it is expected that the amendments will not have a material impact on the consolidated entity.

**Note 1. Significant accounting policies (continued)**

*AASB 2012-2 Amendments to Australian Accounting Standards - Disclosures - Offsetting Financial Assets and Financial Liabilities*

The amendments are applicable to annual reporting periods beginning on or after 1 January 2013. The disclosure requirements of AASB 7 'Financial Instruments: Disclosures' (and consequential amendments to AASB 132 'Financial Instruments: Presentation') have been enhanced to provide users of financial statements with information about netting arrangements, including rights of set-off related to an entity's financial instruments and the effects of such rights on its statement of financial position. The adoption of the amendments from 1 July 2013 will increase the disclosures by the consolidated entity.

*AASB 2012-3 Amendments to Australian Accounting Standards - Offsetting Financial Assets and Financial Liabilities*

The amendments are applicable to annual reporting periods beginning on or after 1 January 2014. The amendments add application guidance to address inconsistencies in the application of the offsetting criteria in AASB 132 'Financial Instruments: Presentation', by clarifying the meaning of "currently has a legally enforceable right of set-off"; and clarifies that some gross settlement systems may be considered to be equivalent to net settlement. The adoption of the amendments from 1 July 2014 will not have a material impact on the consolidated entity.

*AASB 2012-5 Amendments to Australian Accounting Standards arising from Annual Improvements 2009-2011 Cycle*

The amendments are applicable to annual reporting periods beginning on or after 1 January 2013. The amendments affect five Australian Accounting Standards as follows: Confirmation that repeat application of AASB 1 (IFRS 1) 'First-time Adoption of Australian Accounting Standards' is permitted; Clarification of borrowing cost exemption in AASB 1; Clarification of the comparative information requirements when an entity provides an optional third column or is required to present a third statement of financial position in accordance with AASB 101 'Presentation of Financial Statements'; Clarification that servicing of equipment is covered by AASB 116 'Property, Plant and Equipment', if such equipment is used for more than one period; clarification that the tax effect of distributions to holders of equity instruments and equity transaction costs in AASB 132 'Financial Instruments: Presentation' should be accounted for in accordance with AASB 112 'Income Taxes'; and clarification of the financial reporting requirements in AASB 134 'Interim Financial Reporting' and the disclosure requirements of segment assets and liabilities. The adoption of the amendments from 1 July 2013 will not have a material impact on the consolidated entity.

*AASB 2012-10 Amendments to Australian Accounting Standards – Transition Guidance and Other Amendments*

These amendments are applicable to annual reporting periods beginning on or after 1 January 2013. They amend AASB 10 and related standards for the transition guidance relevant to the initial application of those standards. The amendments clarify the circumstances in which adjustments to an entity's previous accounting for its involvement with other entities are required and the timing of such adjustments. The adoption of these amendments will not have a material impact on the consolidated entity.

**Note 2. Critical accounting judgements, estimates and assumptions**

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts in the financial statements. Management continually evaluates its judgements and estimates in relation to assets, liabilities, contingent liabilities, revenue and expenses. Management bases its judgements, estimates and assumptions on historical experience and on other various factors, including expectations of future events, management believes to be reasonable under the circumstances. The resulting accounting judgements and estimates will seldom equal the related actual results. The judgements, estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities (refer to the respective notes) within the next financial year are discussed below.

*Share-based payment transactions*

The consolidated entity measures the cost of equity-settled transactions with employees by reference to the fair value of the equity instruments at the date at which they are granted. The fair value is determined by using either the Binomial or Black-Scholes model taking into account the terms and conditions upon which the instruments were granted. The accounting estimates and assumptions relating to equity-settled share-based payments would have no impact on the carrying amounts of assets and liabilities within the next annual reporting period but may impact profit or loss and equity.

**Note 2. Critical accounting judgements, estimates and assumptions (continued)**

*Estimation of useful lives of assets*

The consolidated entity determines the estimated useful lives and related depreciation and amortisation charges for its property, plant and equipment and finite life intangible assets. The useful lives could change significantly as a result of technical innovations or some other event. The depreciation and amortisation charge will increase where the useful lives are less than previously estimated lives, or technically obsolete or non-strategic assets that have been abandoned or sold will be written off or written down.

*Impairment of exploration and evaluation assets*

The consolidated entity assesses impairment of exploration and evaluation assets at each reporting date. If an impairment trigger exists, the recoverable amount of the asset is determined. Key judgements are applied in considering costs to be capitalised which includes determining expenditures directly related to these activities and allocating overheads between those that are expensed and capitalised. In addition, costs are only capitalised that are expected to be recovered either through successful development or sale of the relevant interest. The application of this exploration and evaluation expenditure policy requires management to make certain estimates and assumptions as to future events and circumstances, particularly in relation to the assessment of whether sufficient data exist to indicate that the carrying amount of the exploration and evaluation asset is likely to be recovered in full from successful development or by sale. Any such estimates and assumptions may change as new information becomes available. If, after having capitalised exploration and evaluation expenditure, management concludes that the capitalised expenditure is unlikely to be recovered by future exploitation or sale, then the relevant capitalised amount will be written off to the statement of profit or loss and other comprehensive income. Included in exploration and evaluation assets is \$659,700 capitalised in connection with the Lara option. In order to exercise the option a payment of \$1.5 million is required to be made. The directors are confident that the terms of that payment will be successfully extended. To the extent that the terms of the option are not met so that capitalised costs are determined not to be recoverable in the future, they will be written off in the period in which this determination is made.

**Note 3. Operating segments**

*Identification of reportable operating segments*

The consolidated entity is organised into one operating segment, being mining and exploration in Brazil. The operating segment is based on the internal reports that are reviewed and used by the executive management team (who are identified as the Chief Operating Decision Makers ('CODM')) in assessing performance and in determining the allocation of resources. The accounting policies adopted for internal reporting to the CODM are consistent with those adopted in the financial statements. Segment information is reported on at least a monthly basis.

The information reported to the CODM comprises mainly segment assets and direct exploration expenditure in assessing performance and allocation of resources and as such no segment result or segment revenues are separately disclosed. Segment information is reported on at least a monthly basis.

Financial information reported in note 12 and elsewhere in this financial report is representative of the nature and financial effects of the business activities in which the company engages and the economic environment in which it operates.

*Types of products and services*

The mining and exploration operations of the consolidated entity are predominately in Brazil. Reportable segments are based on aggregating geographical segments subject to risks and returns of their particular economic environment and based on the nature of their regulatory environment. Geographical segments are aggregated where the segments are considered to have similar economic characteristics and also similar with respect to the type of product and service.

*Corporate office activities*

Corporate office activities comprise non-segmental revenues and expenses and are therefore not allocated to operating segments.



**Agua Resources Limited**  
**Notes to the financial statements**  
**30 June 2013**

**Note 4. Revenue**

	<b>Consolidated</b>	
	<b>2013</b>	<b>2012</b>
	<b>\$</b>	<b>\$</b>
Interest	102,129	807,715
Other revenue - rent	77,500	6,000
	<u>179,629</u>	<u>813,715</u>
Revenue	<u>179,629</u>	<u>813,715</u>

**Note 5. Other income**

	<b>Consolidated</b>	
	<b>2013</b>	<b>2012</b>
	<b>\$</b>	<b>\$</b>
Litigation costs and disbursements received	-	387,101
Option money receivable from joint venture	119,588	136,141
	<u>119,588</u>	<u>523,242</u>
Other income	<u>119,588</u>	<u>523,242</u>

In the prior year, the appeal made by Norwest Holding Pte Ltd against the company for not completing the acquisition of a phosphate project located in China was dismissed by the Court of Appeal in Singapore. The company was awarded costs and disbursements in relation to the appeal of \$387,101.

The amount receivable of \$119,588 (R\$250,000) is the second anniversary instalment with respect to the option agreement over the Mata da Corda phosphate project arising from the arrangement with Vicenza Mineracao e Participacoes S.A. ("Vincenza").

**Note 6. Expenses**

	<b>Consolidated</b>	
	<b>2013</b>	<b>2012</b>
	<b>\$</b>	<b>\$</b>
Loss before income tax includes the following specific expenses:		
<i>Exploration costs</i>		
Exploration expenses	438,124	-
Impairment of exploration assets	-	16,317,531
	<u>438,124</u>	<u>16,317,531</u>
Total exploration costs	<u>438,124</u>	<u>16,317,531</u>

**Agua Resources Limited**  
**Notes to the financial statements**  
**30 June 2013**

**Note 7. Income tax expense**

	<b>Consolidated</b>	
	<b>2013</b>	<b>2012</b>
	<b>\$</b>	<b>\$</b>
<i>Income tax expense</i>		
Current tax	(399,147)	(69,433)
Deferred tax - origination and reversal of temporary differences	(326)	(9,425)
Unutilised tax losses not recognised	<u>399,473</u>	<u>78,858</u>
Aggregate income tax expense	<u>-</u>	<u>-</u>
<i>Numerical reconciliation of income tax expense and tax at the statutory rate</i>		
Loss before income tax expense	<u>(2,381,655)</u>	<u>(18,259,646)</u>
Tax at the statutory tax rate of 30%	(714,497)	(5,477,894)
Tax effect amounts which are not deductible/(taxable) in calculating taxable income:		
Expenditure not allowable for income tax purposes	<u>315,349</u>	<u>5,399,036</u>
	(399,148)	(78,858)
Current year tax losses not recognised	<u>399,148</u>	<u>78,858</u>
Income tax expense	<u>-</u>	<u>-</u>
<i>Tax losses not recognised</i>		
Unused tax losses for which no deferred tax asset has been recognised	<u>3,405,521</u>	<u>2,073,946</u>
Potential tax benefit @ 30%	<u>1,021,656</u>	<u>622,184</u>

The above potential tax benefit for tax losses has not been recognised in the statement of financial position. These tax losses can only be utilised in the future if the continuity of ownership test is passed, or failing that, the same business test is passed.

*Tax consolidation*

A decision to form a tax consolidated group has not yet been made. This position will be reviewed annually.

**Note 8. Current assets - cash and cash equivalents**

	<b>Consolidated</b>	
	<b>2013</b>	<b>2012</b>
	<b>\$</b>	<b>\$</b>
Cash at bank	<u>696,245</u>	<u>4,739,055</u>

**Agua Resources Limited**  
**Notes to the financial statements**  
**30 June 2013**

**Note 9. Current assets - trade and other receivables**

	<b>Consolidated</b>	
	<b>2013</b>	<b>2012</b>
	<b>\$</b>	<b>\$</b>
Other receivables	<u>322,020</u>	<u>338,992</u>

Other receivable includes the second instalment of \$119,588 (2012: \$136,141) receivable with respect to the option agreement over the Mata da Corda phosphate project arising from the joint venture with Vicenza Mineracao e Participacoes S.A. ("Vincenza").

*Impairment of receivables*

The consolidated entity has not recognised any loss in respect of impairment of receivables for the year ended 30 June 2013.

**Note 10. Current assets - other**

	<b>Consolidated</b>	
	<b>2013</b>	<b>2012</b>
	<b>\$</b>	<b>\$</b>
Prepayments	33,735	61,285
Other deposits	<u>23,100</u>	<u>23,100</u>
	<u>56,835</u>	<u>84,385</u>

Other deposit relates to rental bond on leased offices.

**Note 11. Non-current assets - property, plant and equipment**

	<b>Consolidated</b>	
	<b>2013</b>	<b>2012</b>
	<b>\$</b>	<b>\$</b>
Leasehold improvements - at cost	90,018	89,755
Less: Accumulated depreciation	<u>(12,637)</u>	<u>-</u>
	<u>77,381</u>	<u>89,755</u>
Plant and equipment - at cost	332,212	276,818
Less: Accumulated depreciation	<u>(146,939)</u>	<u>(91,247)</u>
	<u>185,273</u>	<u>185,571</u>
	<u>262,654</u>	<u>275,326</u>

**Agua Resources Limited**  
**Notes to the financial statements**  
**30 June 2013**

**Note 11. Non-current assets - property, plant and equipment (continued)**

*Reconciliations*

Reconciliations of the written down values at the beginning and end of the current and previous financial year are set out below:

	Leasehold improvements \$	Plant & equipment \$	Total \$
<b>Consolidated</b>			
Balance at 1 July 2011	-	229,784	229,784
Additions	89,755	51,893	141,648
Depreciation expense	-	(96,106)	(96,106)
	<u>89,755</u>	<u>185,571</u>	<u>275,326</u>
Balance at 30 June 2012	89,755	185,571	275,326
Additions	263	55,394	55,657
Depreciation expense	(12,637)	(55,692)	(68,329)
	<u>(12,637)</u>	<u>(55,692)</u>	<u>(68,329)</u>
Balance at 30 June 2013	<u>77,381</u>	<u>185,273</u>	<u>262,654</u>

**Note 12. Non-current assets - exploration and evaluation**

	<b>Consolidated</b>	
	<b>2013</b>	<b>2012</b>
	<b>\$</b>	<b>\$</b>
Brazilian Phosphate project - at cost	27,834,368	23,319,153
Less: Impairment	<u>(6,182,393)</u>	<u>(6,182,393)</u>
	<u>21,651,975</u>	<u>17,136,760</u>
Brazilian Potash project - at cost	25,187,735	24,627,735
Less: Impairment	<u>(10,135,138)</u>	<u>(10,135,138)</u>
	<u>15,052,597</u>	<u>14,492,597</u>
	<u>36,704,572</u>	<u>31,629,357</u>

*Reconciliations*

Reconciliations of the written down values at the beginning and end of the current and previous financial year are set out below:

	Exploration & evaluation \$	Total \$
<b>Consolidated</b>		
Balance at 1 July 2011	21,939,695	21,939,695
Additions	16,875,339	16,875,339
Expenditure during the year	9,131,854	9,131,854
Impairment of assets	<u>(16,317,531)</u>	<u>(16,317,531)</u>
Balance at 30 June 2012	31,629,357	31,629,357
Additions	560,000	560,000
Expenditure during the year	<u>4,515,215</u>	<u>4,515,215</u>
Balance at 30 June 2013	<u>36,704,572</u>	<u>36,704,572</u>

**Note 12. Non-current assets - exploration and evaluation (continued)**

Additions are funded through the issue of 4 million shares in the company to purchase the Lara option. As at 30 June 2013, the balance of exploration and evaluation assets capitalised under the Lara option amounts to \$659,700. If the Lara option is exercised, the company will be required to spend \$1.5 million on exploration activities by 21 December 2013. At the time of signing, negotiations are being held with Lara Exploration Ltd in order to extend the deadline for this expenditure to a period greater than 12 months from the date of this financial report. Agua intends to continue to pursue this opportunity.

**Note 13. Current liabilities - trade and other payables**

	<b>Consolidated</b>	
	<b>2013</b>	<b>2012</b>
	<b>\$</b>	<b>\$</b>
Trade payables	223,975	343,708
Other payables	117,500	86,915
	<u>341,475</u>	<u>430,623</u>

Refer to note 20 for further information on financial instruments.

Trade payables are settled in 30-90 terms and are non-interest bearing.

**Note 14. Current liabilities - employee benefits**

	<b>Consolidated</b>	
	<b>2013</b>	<b>2012</b>
	<b>\$</b>	<b>\$</b>
Employee benefits	57,562	55,900

**Note 15. Current liabilities - other**

	<b>Consolidated</b>	
	<b>2013</b>	<b>2012</b>
	<b>\$</b>	<b>\$</b>
Accrued expenses	114,200	59,000

**Agua Resources Limited**  
**Notes to the financial statements**  
**30 June 2013**

**Note 16. Equity - issued capital**

	<b>Consolidated</b>		<b>Consolidated</b>	
	<b>2013</b>	<b>2012</b>	<b>2013</b>	<b>2012</b>
	<b>Shares</b>	<b>Shares</b>	<b>\$</b>	<b>\$</b>
Ordinary shares - fully paid	135,560,413	106,245,137	63,276,258	43,998,999
AGRAC phosphate performance shares	-	40,000,000	-	12,000,000
AGRAU PAC performance shares	4,728,085	80,000,000	276,593	4,680,000
	<u>140,288,498</u>	<u>226,245,137</u>	<u>63,552,851</u>	<u>60,678,999</u>

40,000,000 AGRAC (Class A and Class B) phosphate performance shares were issued as part of consideration of Agua Metais Ltda in 2011. On 24 June 2013, these performance shares converted to 2 ordinary shares given performance conditions were not met within the required timeframe, being 3 years from their date of issue.

80,000,000 AGRAU (Class A, Class B, and Class C) performance shares ("PAC performance shares") were issued as part of the consideration of the assets of Potassio do Atlantico Ltda on 6 July 2011 and were escrowed until 6 July 2012.

A general meeting was held on 31 May 2013 to approve the change of the termination date of the PAC performance shares which effectively resulted in the early termination of those rights. In exchange for the early termination, the company issued 1 share (consideration share) and 1.5 options (consideration options) to each holder who accepted the offer for each 8 performance shares held. Holders of 4,728,075 PAC performance shares did not take up the offer.

*Movements in ordinary share capital*

<b>Details</b>	<b>Date</b>	<b>No of shares</b>	<b>Issue price</b>	<b>\$</b>
Balance	1 July 2011	79,145,137		30,799,454
Share issue - non cash PAC assets acquisition	6 July 2011	20,000,000	\$0.59	11,710,000
Exercise of options	16 December 2011	600,000	\$0.25	150,000
Exercise of options	23 December 2011	1,000,000	\$0.35	350,000
Exercise of options	30 December 2011	1,000,000	\$0.25	250,000
Exercise of options	31 January 2012	4,000,000	\$0.25	1,000,000
Exercise of options	29 June 2012	500,000	\$0.15	75,000
Transaction costs				(335,455)
Balance	30 June 2012	106,245,137		43,998,999
Share issue	19 November 2012	15,906,250	\$0.16	2,545,000
Share Issue - part of consideration to acquire Lara Exploration Ltd's Potash	11 March 2013	4,000,000	\$0.14	560,000
Share issue - consideration for early termination of PAC	5 June 2013	9,409,024		4,272,532
Share issue - conversion of phosphate performance shares	24 June 2013	2		12,000,000
Transaction costs				(100,273)
Balance	30 June 2013	<u>135,560,413</u>		<u>63,276,258</u>

**Note 16. Equity - issued capital (continued)**

*Movements in performance share capital*

<b>Details</b>	<b>Date</b>	<b>No of shares</b>	<b>Issue price</b>	<b>\$</b>
Balance	1 July 2011	40,000,000		12,000,000
Share issue	6 July 2011	<u>80,000,000</u>	\$0.06	<u>4,680,000</u>
Balance	30 June 2012	120,000,000		16,680,000
Early termination of PAC performance shares	5 June 2013	(75,271,915)		(4,403,407)
Share issue - conversion of phosphate performance shares	24 June 2013	<u>(40,000,000)</u>		<u>(12,000,000)</u>
Balance	30 June 2013	<u>4,728,085</u>		<u>276,593</u>

*Ordinary shares*

Ordinary shares entitle the holder to participate in dividends and the proceeds on the winding up of the company in proportion to the number of and amounts paid on the shares held. The fully paid ordinary shares have no par value and the company does not have a limited amount of authorised capital.

On a show of hands every member present at a meeting in person or by proxy shall have one vote and upon a poll each share shall have one vote.

*Performance shares- PAC*

The remaining PAC performance shares are to remain unquoted and do not entitle the holder to participate in dividends or to the right to vote. Upon achieving set milestones prior to their expiry date, each performance share will generally convert into one ordinary share. If the milestones are not met, the company will, as soon as reasonably practical and in any event no later than 90 days after the expiry date, convert the total number of performance shares on issue into one ordinary share.

Upon successful conversion and from allotment date, each share will rank equally with and confer rights identical with all the other ordinary shares and application will be made by the company to ASX for official quotation. The expiry date of the performance shares is 5 July 2014.

AGRAU Class A performance share milestone means completion of one drill hole returning an intersection of 10% KCl mineralisation of a continuous thickness in excess of 10 metres at the Potassio do Atlantico potash project.

AGRAU Class B performance share milestone means completion of an independent JORC compliant combined mineral resource estimate including all categories of resources as defined by the JORC guidelines of not less than 100 Mt with a grade of not less than 10% KCl at the Potassio do Atlantico potash project.

AGRAU Class C performance share milestone means completion of an independent JORC compliant combined mineral resource estimate including all categories of resources as defined by the JORC guidelines of not less than 200 Mt with a grade of not less than 10% KCl at the Potassio do Atlantico potash project.



**Note 16. Equity - issued capital (continued)**

*Capital risk management*

The consolidated entity's objectives when managing capital are to safeguard its ability to continue as a going concern, so that it can provide returns for shareholders and benefits for other stakeholders and to maintain an optimum capital structure to reduce the cost of capital.

In order to maintain or adjust the capital structure, the consolidated entity may issue new shares or sell assets.

The consolidated entity would look to raise capital when an opportunity to invest in a business or company was seen as value adding relative to the current parent entity's share price at the time of the investment. The consolidated entity is continuously examining new business opportunities where the acquisition / working capital requirements may involve additional funding in some format, including issue of shares or debt where appropriate.

The consolidated entity is not subject to financing arrangements covenants.

The capital risk management policy remains unchanged from the 30 June 2012 Annual Report.

**Note 17. Equity - reserves**

	Consolidated		
	2013	2012	
	\$	\$	
Foreign currency reserve	(3,418,681)	(3,747,224)	
Share-based payments reserve	3,184,340	2,997,583	
	<u>(234,341)</u>	<u>(749,641)</u>	
	Share-based payments \$	Foreign currency \$	Total \$
Consolidated			
Balance at 1 July 2011	1,573,270	48,585	1,621,855
Foreign currency translation	-	(3,795,809)	(3,795,809)
Share-based payments	1,424,313	-	1,424,313
Balance at 30 June 2012	2,997,583	(3,747,224)	(749,641)
Foreign currency translation	-	328,543	328,543
Share-based payments	55,882	-	55,882
PAC performance shares conversion	130,875	-	130,875
Balance at 30 June 2013	3,184,340	(3,418,681)	(234,341)

*Foreign currency reserve*

The reserve is used to recognise exchange differences arising from translation of the financial statements of foreign operations to Australian dollars. It is also used to recognise gains and losses on hedges of the net investments in foreign operations.

*Share-based payments reserve*

The reserve is used to recognise the value of equity benefits provided to employees and directors as part of their remuneration, and other parties as part of their compensation for services.

**Note 18. Equity - accumulated losses**

	<b>Consolidated</b>	
	<b>2013</b>	<b>2012</b>
	<b>\$</b>	<b>\$</b>
Accumulated losses at the beginning of the financial year	(23,407,766)	(5,148,120)
Loss after income tax expense for the year	<u>(2,381,655)</u>	<u>(18,259,646)</u>
Accumulated losses at the end of the financial year	<u>(25,789,421)</u>	<u>(23,407,766)</u>

**Note 19. Equity - dividends**

There were no dividends paid, recommended or declared during the current or previous financial year.

**Note 20. Financial instruments**

***Financial risk management objectives***

The consolidated entity's activities expose it to a variety of financial risks: market risk (including foreign currency risk, price risk and interest rate risk), credit risk and liquidity risk. The consolidated entity's overall risk management program focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the financial performance of the consolidated entity. Given the nature and size of the business and uncertainty as to the timing and amount of cash inflows and outflows, the consolidated entity does not enter into derivative transactions to mitigate the financial risks. In addition, the consolidated entity's policy is that no trading in financial instruments shall be undertaken for the purposes of making speculative gains. As the consolidated entity's operations change, the directors will review this policy periodically going forward.

The consolidated entity uses different methods to measure different types of risk to which it is exposed. These methods include sensitivity analysis in the case of interest rate, foreign exchange and other price risks, ageing analysis for credit risk and beta analysis in respect of investment portfolios to determine market risk.

The Board of directors has overall responsibility for the establishment and oversight of the risk management framework. The Board reviews and agrees policies for managing the consolidated entity's financial risks as summarised below.

***Market risk***

***Foreign currency risk***

The consolidated entity undertakes certain transactions denominated in foreign currency that are exposed to foreign currency risk through foreign exchange rate fluctuations. The consolidated entity currently does not engage in any hedging or derivative transactions to manage foreign currency risk.

Foreign exchange risk arises from future commercial transactions and recognised financial assets and financial liabilities denominated in a currency that is not the entity's functional currency. The risk is measured using sensitivity analysis and cash flow forecasting.

The consolidated entity's exposure to foreign currency risk throughout the current and prior year primarily arose from controlled entities of the Company whose functional currency is the Brazilian Real. Foreign currency risk arises on translation of the net assets of these controlled entities to Australian dollars. In the consolidated entity accounts, the foreign currency gains or losses arising from this risk are recorded through the foreign currency translation reserve.

***Price risk***

The consolidated entity is not exposed to any significant price risk.

***Interest rate risk***

The consolidated entity's main interest rate risk arises from short-term deposits with a floating interest rate.

**Note 20. Financial instruments (continued)**

As at the reporting date, the consolidated entity's exposure was as follows:

	2013		2012	
	Weighted average interest rate %	Balance \$	Weighted average interest rate %	Balance \$
<b>Consolidated</b>				
Cash and cash equivalents	1.47	<u>696,245</u>	3.47	<u>4,739,055</u>
Net exposure to cash flow interest rate risk		<u>696,245</u>		<u>4,739,055</u>

An analysis by remaining contractual maturities is shown in 'liquidity and interest rate risk management' below.

	Basis points increase			Basis points decrease		
	Basis points change	Effect on profit before tax	Effect on equity	Basis points change	Effect on profit before tax	Effect on equity
<b>Consolidated - 2013</b>						
Cash and cash equivalents	10	<u>696</u>	<u>696</u>	10	<u>(696)</u>	<u>(696)</u>
	Basis points increase			Basis points decrease		
	Basis points change	Effect on profit before tax	Effect on equity	Basis points change	Effect on profit before tax	Effect on equity
<b>Consolidated - 2012</b>						
Cash and cash equivalents	10	<u>4,739</u>	<u>4,739</u>	10	<u>(4,739)</u>	<u>(4,739)</u>

**Credit risk**

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the consolidated entity. The maximum exposure to credit risk at the reporting date to recognised financial assets is the carrying amount, net of any provisions for impairment of those assets, as disclosed in the statement of financial position and notes to the financial statements. The consolidated entity does not hold any collateral.

There are no significant concentrations of credit risk within the consolidated entity.

**Liquidity risk**

Liquidity risk is the risk that the consolidated entity will not be able to meet its financial obligations as they fall due. The Board's approach to managing liquidity is to ensure, as far as possible, that the consolidated entity will always have sufficient liquidity to meet its liabilities when due. Vigilant liquidity risk management requires the consolidated entity to maintain sufficient liquid assets (mainly cash and cash equivalents) and available borrowing facilities to be able to pay debts as and when they become due and payable.

The consolidated entity manages liquidity risk by maintaining adequate cash reserves and available borrowing facilities by continuously monitoring actual and forecast cash flows and matching the maturity profiles of financial assets and liabilities.

**Note 20. Financial instruments (continued)**

*Remaining contractual maturities*

The following tables detail the consolidated entity's remaining contractual maturity for its financial instrument liabilities. The tables have been drawn up based on the undiscounted cash flows of financial liabilities based on the earliest date on which the financial liabilities are required to be paid. The tables include both interest and principal cash flows disclosed as remaining contractual maturities and therefore these totals may differ from their carrying amount in the statement of financial position.

<b>Consolidated - 2013</b>	Weighted average interest rate %	1 year or less \$	Between 1 and 2 years \$	Between 2 and 5 years \$	Over 5 years \$	Remaining contractual maturities \$
<b>Non-derivatives</b>						
<i>Non-interest bearing</i>						
Trade payables	-	223,975	-	-	-	223,975
Other payables	-	231,700	-	-	-	231,700
Total non-derivatives		<u>455,675</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>455,675</u>
<b>Consolidated - 2012</b>	Weighted average interest rate %	1 year or less \$	Between 1 and 2 years \$	Between 2 and 5 years \$	Over 5 years \$	Remaining contractual maturities \$
<b>Non-derivatives</b>						
<i>Non-interest bearing</i>						
Trade payables	-	343,708	-	-	-	343,708
Other payables	-	145,915	-	-	-	145,915
Total non-derivatives		<u>489,623</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>489,623</u>

The cash flows in the maturity analysis above are not expected to occur significantly earlier than contractually disclosed above.

***Fair value of financial instruments***

Unless otherwise stated, the carrying amounts of financial instruments reflect their fair value. The carrying amounts of trade receivables and trade payables are assumed to approximate their fair values due to their short-term nature. The fair value of financial liabilities is estimated by discounting the remaining contractual maturities at the current market interest rate that is available for similar financial instruments.

**Note 21. Key management personnel disclosures**

*Directors*

The following persons were directors of Agua Resources Limited during the financial year:

Graham Ascough	Non-Executive Chairman
Simon Taylor	Managing Director
Fernando Tallarico	Technical Director
Allan Pickett	Non-Executive Director
David Gower (appointed 30 November 2012)	Non-Executive Director
Prakash Hariharan (appointed 12 March 2013)	Non-Executive Director

*Other key management personnel*

The following person also had the authority and responsibility for planning, directing and controlling the major activities of the consolidated entity, directly or indirectly, during the financial year:

Andrew Bursill	Company Secretary and CFO
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**Note 21. Key management personnel disclosures (continued)**

*Compensation*

The aggregate compensation made to directors and other members of key management personnel of the consolidated entity is set out below:

	<b>Consolidated</b>	
	<b>2013</b>	<b>2012</b>
	<b>\$</b>	<b>\$</b>
Short-term employee benefits	707,676	802,250
Post-employment benefits	24,750	22,920
Share-based payments	24,325	357,109
	<u>756,751</u>	<u>1,182,279</u>

In addition to the above directors' remuneration, Mr Bursill, the company secretary was granted 640,000 options valued at \$197,120 in the prior financial year.

*Shareholding*

The number of shares in the parent entity held during the financial year by each director and other members of key management personnel of the consolidated entity, including their personally related parties, is set out below:

	Balance at the start of the year	Received as part of remuneration	Additions	Disposals/ other	Balance at the end of the year
<b>2013</b>					
<i>Ordinary shares</i>					
Graham Ascough	100,000	-	-	-	100,000
Simon Taylor	1,450,001	-	189,854	-	1,639,855
Fernando Tallarico*	476,304	-	209,409	-	685,713
Allan Pickett *	-	-	97,761	-	97,761
David Gower * & **	-	-	579,044	1,217,123	1,796,167
	<u>2,026,305</u>	<u>-</u>	<u>1,076,068</u>	<u>1,217,123</u>	<u>4,319,496</u>

\* Ordinary shares granted as part of consideration for the early termination of PAC performance rights.

\*\* Appointed 30 November 2012. Other represents shares held as at date of appointment.

	Balance at the start of the year	Received as part of remuneration	Additions	Disposals/ other	Balance at the end of the year
<b>2012</b>					
<i>Ordinary shares</i>					
Graham Ascough	-	-	100,000	-	100,000
Simon Taylor	550,001	-	1,100,000	(200,000)	1,450,001
Fernando Tallarico	476,304	-	-	-	476,304
Anthony Wonnacott *	895,803	-	-	(895,803)	-
	<u>1,922,108</u>	<u>-</u>	<u>1,200,000</u>	<u>(1,095,803)</u>	<u>2,026,305</u>

\* Resigned 25 August 2011

**Note 21. Key management personnel disclosures (continued)**

*Option holding*

The number of options over ordinary shares in the parent entity held during the financial year by each director and other members of key management personnel of the consolidated entity, including their personally related parties, is set out below:

	Balance at the start of the year	Granted **	Exercised	Expired/ forfeited/ other	Balance at the end of the year
<b>2013</b>					
<i>Options over ordinary shares</i>					
Graham Ascough	640,000	-	-	-	640,000
Simon Taylor	1,500,000	-	-	(500,000)	1,000,000
Fernando Tallarico *	1,500,000	814,114	-	(500,000)	1,814,114
Allan Pickett	300,000	146,641	-	-	446,641
David Gower	-	868,566	-	-	868,566
Andrew Bursill	640,000	-	-	-	640,000
	<u>4,580,000</u>	<u>1,829,321</u>	<u>-</u>	<u>(1,000,000)</u>	<u>5,409,321</u>

\* Options granted include 500,000 director incentive options as approved by members at AGM on 30 November 2012 as part of remuneration.

\*\* Options granted as part of consideration for the early termination of PAC performance rights. These rights were not part of remuneration.

	Vested and exercisable	Vested and unexercisable	Vested at the end of the year
<b>2013</b>			
<i>Options over ordinary shares</i>			
Graham Ascough	640,000	-	640,000
Simon Taylor	1,000,000	-	1,000,000
Fernando Tallarico	1,814,114	-	1,814,114
Allan Pickett	446,641	-	446,641
David Gower	868,566	-	868,566
Andrew Bursill	640,000	-	640,000
	<u>5,409,321</u>	<u>-</u>	<u>5,409,321</u>

Prakash Hariharan does not hold options in the parent entity.

	Balance at the start of the year	Granted	Exercised	Expired/ forfeited/ other	Balance at the end of the year
<b>2012</b>					
<i>Options over ordinary shares</i>					
Graham Ascough	-	640,000	-	-	640,000
Simon Taylor	2,600,000	-	(1,100,000)	-	1,500,000
Fernando Tallarico	1,500,000	-	-	-	1,500,000
Allan Pickett *	-	300,000	-	-	300,000
Anthony Wonnacott**	500,000	46,232	-	(546,232)	-
Andrew Bursill	-	640,000	-	-	640,000
	<u>4,600,000</u>	<u>1,626,232</u>	<u>(1,100,000)</u>	<u>(546,232)</u>	<u>4,580,000</u>

\* Granted as part consideration for the acquisition of Potassio do Atlantico Ltda

\*\* Resigned 25 August 2011

**Note 21. Key management personnel disclosures (continued)**

	Vested and exercisable	Vested and unexercisable	Vested at the end of the year
<b>2012</b>			
<i>Options over ordinary shares</i>			
Graham Ascough	640,000	-	640,000
Simon Taylor	1,500,000	-	1,500,000
Fernando Tallarico	1,500,000	-	1,500,000
Allan Pickett	300,000	-	300,000
Andrew Bursill	640,000	-	640,000
	<u>4,580,000</u>	<u>-</u>	<u>4,580,000</u>

*Performance rights holding*

The number of performance rights over ordinary shares in the parent entity held during the financial year by each director and other members of key management personnel of the consolidated entity, including their personally related parties, is set out below:

	Balance at the start of the year	Other	Vested	Expired/ forfeited/ other **	Balance at the end of the year
<b>2013</b>					
<i>Performance rights over ordinary shares</i>					
Allan Pickett	782,085	-	-	(782,085)	-
Fernando Tallarico	1,867,614	-	-	(1,867,614)	-
David Gower *	-	7,598,739	-	(7,598,739)	-
	<u>2,649,699</u>	<u>7,598,739</u>	<u>-</u>	<u>(10,248,438)</u>	<u>-</u>

\* Appointed 30 November 2012. Other represents performance shares held in relation to the acquisition of Agua Metais Ltda and of Potassio Do Atlantico Ltda as at the date of appointment.

\*\* Early termination of PAC performance shares and conversion of phosphate performance shares

	Balance at the start of the year	Granted	Vested	Expired/ forfeited/ other	Balance at the end of the year
<b>2012</b>					
<i>Performance rights over ordinary shares</i>					
Anthony Wonnacott *	3,626,199	4,209,280	-	(7,835,479)	-
Allan Pickett **	-	782,085	-	-	782,085
Fernando Tallarico ***	192,342	1,675,272	-	-	1,867,614
	<u>3,818,541</u>	<u>6,666,637</u>	<u>-</u>	<u>(7,835,479)</u>	<u>2,649,699</u>

\* A Wonnacott received 1,052,320 Class A performance shares, 1,578,480 Class B performance shares and 1,578,480 Class C performance shares as part consideration for the acquisition of Potassio do Atlantico Ltda. These shares were not issued as part of his remuneration.

\*\* A Pickett received 195,521 Class A performance shares, 293,282 Class B performance shares and 293,282 Class C performance shares as part consideration for the acquisition of Potassio do Atlantico Ltda. These shares were not issued as part of his remuneration.

\*\*\* F Tallarico received 418,818 Class A performance shares and 628,227 Class B performance shares and 628,227 Class C performance shares as part consideration for the acquisition of Potassio Do Atlantico Ltda. These shares were not issued as part of his remuneration.

*Related party transactions*

Related party transactions are set out in note 25.

**Agua Resources Limited**  
**Notes to the financial statements**  
**30 June 2013**

**Note 22. Remuneration of auditors**

During the financial year the following fees were paid or payable for services provided by Deloitte Touche Tohmatsu, the auditor of the company, and its network firms:

	<b>Consolidated</b>	
	<b>2013</b>	<b>2012</b>
	<b>\$</b>	<b>\$</b>
<i>Audit services - Deloitte Touche Tohmatsu</i>		
Audit or review of the financial statements	<u>30,000</u>	<u>34,750</u>
<i>Other services - Deloitte Touche Tohmatsu</i>		
Preparation of the tax return	<u>5,000</u>	<u>15,000</u>
	<u>35,000</u>	<u>49,750</u>
<i>Audit services - network firms</i>		
Audit or review of the financial statements	<u>44,000</u>	<u>40,000</u>

**Note 23. Contingent liabilities**

The consolidated entity's Brazilian subsidiary, Potassio do Atlantico Ltda, is in the process of defending a legal action involving the alleged breach of a contract for drilling services with Prest Perfuracoes Limitada undertaken in the first half of 2012 on some of Potassio do Atlantico Ltda's potash assets. The provider of drilling services is seeking damages of approximately \$2.15 million for this alleged breach. Although the outcome of this matter is currently not determinable, the directors believe, based on legal advice, that the action can be successfully defended.

**Note 24. Commitments**

	<b>Consolidated</b>	
	<b>2013</b>	<b>2012</b>
	<b>\$</b>	<b>\$</b>
<i>Lease commitments - operating</i>		
Committed at the reporting date but not recognised as liabilities, payable:		
Within one year	66,500	80,500
One to five years	<u>-</u>	<u>66,500</u>
	<u>66,500</u>	<u>147,000</u>

Operating lease commitments relates to contracted amounts for offices under non-cancellable operating leases expiring within 2 years with an option to extend. On renewal, the terms of the leases are renegotiated.



**Agua Resources Limited**  
**Notes to the financial statements**  
**30 June 2013**

**Note 25. Related party transactions**

*Parent entity*

Agua Resources Limited is the parent entity.

*Subsidiaries*

Interests in subsidiaries are set out in note 27.

*Key management personnel*

Disclosures relating to key management personnel are set out in note 21 and the remuneration report in the directors' report.

*Transactions with related parties*

The following transactions occurred with related parties:

	<b>Consolidated</b>	
	<b>2013</b>	<b>2012</b>
	<b>\$</b>	<b>\$</b>
Payment for goods and services:		
Payment for accounting and company secretary services from Franks & Associates Pty Ltd of which Mr Andrew Bursill is a principal.	182,468	213,422
Payment for consulting services from HFX Consultoria Empresarial Ltda of which Mr David Gower is a shareholder.	229,608	261,389

*Receivable from and payable to related parties*

There were no trade receivables from or trade payables to related parties at the current and previous reporting date.

*Loans to/from related parties*

There were no loans to or from related parties at the current and previous reporting date.

*Terms and conditions*

All transactions were made on normal commercial terms and conditions and at market rates.

**Note 26. Parent entity information**

Set out below is the supplementary information about the parent entity.

*Statement of profit or loss and other comprehensive income*

	<b>Parent</b>	
	<b>2013</b>	<b>2012</b>
	<b>\$</b>	<b>\$</b>
Loss after income tax	<u>(8,273,486)</u>	<u>(18,161,273)</u>
Total comprehensive income	<u>(8,273,486)</u>	<u>(18,161,273)</u>

**Agua Resources Limited**  
**Notes to the financial statements**  
**30 June 2013**

**Note 26. Parent entity information (continued)**

*Statement of financial position*

	<b>Parent</b>	
	<b>2013</b>	<b>2012</b>
	<b>\$</b>	<b>\$</b>
Total current assets	<u>465,291</u>	<u>2,486,125</u>
Total assets	<u>35,955,793</u>	<u>41,287,115</u>
Total current liabilities	<u>283,331</u>	<u>405,663</u>
Total liabilities	<u>283,331</u>	<u>405,663</u>
Equity		
Issued capital	63,683,726	60,678,999
Share-based payments reserve	3,053,465	2,997,583
Accumulated losses	<u>(31,064,729)</u>	<u>(22,795,130)</u>
Total equity	<u><u>35,672,462</u></u>	<u><u>40,881,452</u></u>

*Guarantees entered into by the parent entity in relation to the debts of its subsidiaries*

The parent entity had no guarantees in relation to the debts of its subsidiaries as at 30 June 2013 and 30 June 2012.

*Contingent liabilities*

The parent entity had no contingent liabilities as at 30 June 2013 and 30 June 2012.

*Capital commitments - Property, plant and equipment*

The parent entity had no capital commitments for property, plant and equipment at as 30 June 2013 and 30 June 2012.

*Significant accounting policies*

The accounting policies of the parent entity are consistent with those of the consolidated entity, as disclosed in note 1, except for the following:

- Investments in subsidiaries are accounted for at cost, less any impairment, in the parent entity.

**Agua Resources Limited**  
**Notes to the financial statements**  
**30 June 2013**

**Note 27. Subsidiaries**

The consolidated financial statements incorporate the assets, liabilities and results of the following subsidiaries in accordance with the accounting policy described in note 1:

Name of entity	Country of incorporation	Equity holding	
		2013 %	2012 %
Agua Mining Pty Ltd	Australia	100.00	100.00
Agua Phosphates Pty Ltd	Australia	100.00	100.00
Agua Potash Pty Ltd	Australia	100.00	100.00
Agua Metais Ltda	Brazil	100.00	100.00
Potassio do Atlantico Ltda	Brazil	100.00	100.00
Agua Rio Grande Mineracao Ltda *	Brazil	100.00	100.00
Agua Fertilizantes S.A. **	Brazil	49.00	49.00

\* Incorporated 23 May 2012

\*\* Incorporated 24 February 2012 and controlled by the parent entity through the entity's board of directors.

**Note 28. Events after the reporting period**

On 9 July 2013, the company raised \$1,585,500 through a placement issue of 31,710,000 ordinary shares at \$0.05 per share to sophisticated investors. As part of the placement, the directors have agreed to subscribe for 2.05 million shares totalling \$102,500 which will be subject to shareholders' approval at the next shareholders' meeting. The funds will be used to supplement the company's existing working capital and to provide funding for further testing of Agua's Rio Grande phosphate projects in Southern Brazil.

On 19 August 2013, the company issued 12,000,000 ordinary shares at an issue price of \$0.05 pursuant to the share purchase plan announced on 16 July and a further 2,170,000 ordinary shares at an issue price of \$0.05 to sophisticated investors.

No other matter or circumstance has arisen since 30 June 2013 that has significantly affected, or may significantly affect the consolidated entity's operations, the results of those operations, or the consolidated entity's state of affairs in future financial years.

**Note 29. Reconciliation of loss after income tax to net cash used in operating activities**

	Consolidated	
	2013	2012
	\$	\$
Loss after income tax expense for the year	(2,381,655)	(18,259,646)
Adjustments for:		
Depreciation and amortisation	20,855	6,350
Impairment of investments	-	16,317,531
Share-based payments	55,882	811,431
Change in operating assets and liabilities:		
Decrease/(increase) in trade and other receivables	4,455	(198,064)
Increase/(decrease) in trade and other payables	(49,162)	105,126
Net cash used in operating activities	<u>(2,349,625)</u>	<u>(1,217,272)</u>

**Agua Resources Limited**  
**Notes to the financial statements**  
**30 June 2013**

**Note 30. Earnings per share**

	<b>Consolidated</b>	
	<b>2013</b>	<b>2012</b>
	<b>\$</b>	<b>\$</b>
Loss after income tax attributable to the owners of Agua Resources Limited	<u>(2,381,655)</u>	<u>(18,259,646)</u>
	<b>Number</b>	<b>Number</b>
Weighted average number of ordinary shares used in calculating basic earnings per share	<u>118,305,989</u>	<u>101,883,662</u>
Weighted average number of ordinary shares used in calculating diluted earnings per share	<u>118,305,989</u>	<u>101,883,662</u>
	<b>Cents</b>	<b>Cents</b>
Basic earnings per share	(2.01)	(17.92)
Diluted earnings per share	(2.01)	(17.92)

**Note 31. Share-based payments**

A share option plan has been established by the consolidated entity, whereby the consolidated entity may, at the discretion of the Board and if permitted by the Board, grant options over ordinary shares in the parent entity to certain employees, key management personnel and advisors of the consolidated entity. The options are issued for nil consideration and are granted in accordance with performance guidelines established by the Board. The options are not quoted on the ASX and the Board may amend the option plan rules subject to the requirements of the Listing Rules.

**Agua Resources Limited**  
**Notes to the financial statements**  
**30 June 2013**

**Note 31. Share-based payments (continued)**

Set out below are summaries of options granted under the plan:

**2013**

Grant date	Expiry date	Exercise price	Balance at the start of the year	Granted	Exercised	Expired/ forfeited/ other	Balance at the end of the year
23/06/10	30/06/13	\$0.20	500,000	-	-	(500,000)	-
23/06/10	31/12/13	\$0.30	1,000,000	-	-	-	1,000,000
07/10/10	30/09/12	\$0.40	500,000	-	-	(500,000)	-
07/10/10	30/09/13	\$0.50	500,000	-	-	-	500,000
07/10/10	31/03/14	\$0.60	500,000	-	-	-	500,000
19/11/10	30/09/13	\$0.50	575,000	-	-	-	575,000
19/11/10	31/03/14	\$0.60	150,000	-	-	-	150,000
06/12/10	30/11/13	\$0.60	250,000	-	-	-	250,000
06/12/10	30/11/14	\$0.70	250,000	-	-	-	250,000
01/07/11	31/12/14	\$0.50	250,000	-	-	-	250,000
06/07/11	31/12/14	\$0.50	1,500,000	-	-	-	1,500,000
06/07/11	31/12/13	\$1.07	1,280,000	-	-	-	1,280,000
27/07/11	29/12/12	\$0.82	768,432	-	-	(768,432)	-
30/08/11	29/12/12	\$0.82	198,170	-	-	(198,170)	-
28/10/11	28/10/15	\$0.75	150,000	-	-	-	150,000
30/11/12	30/09/16	\$0.25	-	500,000	-	-	500,000
30/11/12	30/11/16	\$0.25	-	630,000	-	-	630,000
05/06/13	31/05/15 *	\$0.30	-	14,113,521	-	-	14,113,521
			<u>8,371,602</u>	<u>15,243,521</u>	<u>-</u>	<u>(1,966,602)</u>	<u>21,648,521</u>

Weighted average exercise price

\$0.39

\* Options granted as part of consideration for early termination of PAC performance rights.

**Agua Resources Limited**  
**Notes to the financial statements**  
**30 June 2013**

**Note 31. Share-based payments (continued)**

**2012**

Grant date	Expiry date	Exercise price	Balance at the start of the year	Granted	Exercised	Expired/ forfeited/ other	Balance at the end of the year
18/12/09	31/12/11	\$0.25	1,600,000	-	(1,600,000)	-	-
18/12/09	31/12/11	\$0.35	1,000,000	-	(1,000,000)	-	-
18/12/09	31/01/12	\$0.25	3,000,000	-	(3,000,000)	-	-
23/06/10	30/06/12	\$0.15	500,000	-	(500,000)	-	-
23/06/10	30/06/13	\$0.20	500,000	-	-	-	500,000
23/06/10	31/12/13	\$0.30	1,000,000	-	-	-	1,000,000
07/10/10	30/09/12	\$0.40	500,000	-	-	-	500,000
07/10/10	30/09/13	\$0.50	500,000	-	-	-	500,000
07/10/10	31/03/14	\$0.60	500,000	-	-	-	500,000
19/11/10	30/09/13	\$0.50	575,000	-	-	-	575,000
19/11/10	31/03/14	\$0.60	150,000	-	-	-	150,000
06/12/10	30/11/13	\$0.60	250,000	-	-	-	250,000
06/12/10	30/11/14	\$0.70	250,000	-	-	-	250,000
01/07/11	31/12/14	\$0.50	-	250,000	-	-	250,000
06/07/11	31/12/14	\$0.50	-	1,500,000	-	-	1,500,000
06/07/11	31/12/13	\$1.07	-	1,280,000	-	-	1,280,000
27/07/11	29/12/12	\$0.82	-	768,432	-	-	768,432
30/08/11	29/12/12	\$0.82	-	198,170	-	-	198,170
28/10/11	28/10/15	\$0.75	-	150,000	-	-	150,000
			<u>10,325,000</u>	<u>4,146,602</u>	<u>(6,100,000)</u>	<u>-</u>	<u>8,371,602</u>

Weighted average exercise price

\$0.39

Set out below are the options exercisable at the end of the financial year:

Grant date	Expiry date	2013 Number	2012 Number
23/06/10	30/06/13	-	500,000
23/06/10	31/12/13	1,000,000	1,000,000
07/10/10	30/09/13	500,000	500,000
07/10/10	31/03/14	500,000	500,000
19/11/10	30/09/13	575,000	-
19/11/10	31/03/14	150,000	-
06/12/10	30/11/13	250,000	250,000
06/12/10	30/11/14	250,000	250,000
01/07/11	31/12/14	250,000	250,000
06/07/11	31/12/14	1,500,000	1,500,000
06/07/11	31/12/13	1,280,000	1,280,000
28/10/11	28/10/15	150,000	150,000
30/11/12	30/09/16	500,000	-
30/11/12	30/11/16	630,000	-
05/06/13	31/05/15	<u>14,113,521</u>	<u>-</u>
Total exercisable		<u>21,648,521</u>	<u>6,180,000</u>

The weighted average remaining contractual life of options outstanding at the end of the financial year was 1.67 years (2012: 1.55 years).

**Agua Resources Limited**  
**Notes to the financial statements**  
**30 June 2013**

**Note 31. Share-based payments (continued)**

For the options granted during the current financial year, the valuation model inputs used to determine the fair value at the grant date, are as follows:

Grant date	Expiry date	Share price at grant date	Exercise price	Expected volatility	Dividend yield	Risk-free interest rate	Fair value at grant date
30/11/12	30/09/16	\$0.15	\$0.25	70.00%	0.00%	2.54%	\$0.049
30/11/12	30/11/16	\$0.15	\$0.25	70.00%	0.00%	2.55%	\$0.050
05/06/13	31/05/15	\$0.10	\$0.30	70.00%	0.00%	2.80%	\$0.009

**Agua Resources Limited**  
**Directors' declaration**

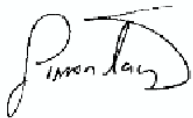
In the directors' opinion:

- the attached financial statements and notes thereto comply with the Corporations Act 2001, the Accounting Standards, the Corporations Regulations 2001 and other mandatory professional reporting requirements;
- the attached financial statements and notes thereto comply with International Financial Reporting Standards as issued by the International Accounting Standards Board as described in note 1 to the financial statements;
- the attached financial statements and notes thereto give a true and fair view of the consolidated entity's financial position as at 30 June 2013 and of its performance for the financial year ended on that date; and
- there are reasonable grounds to believe that the company will be able to pay its debts as and when they become due and payable.

The directors have been given the declarations required by section 295A of the Corporations Act 2001.

Signed in accordance with a resolution of directors made pursuant to section 295(5)(a) of the Corporations Act 2001.

On behalf of the directors



---

Simon Taylor  
Managing Director

27 September 2013  
Sydney



## **Independent Auditor's Report to the Members of Agua Resources Limited**

### **Report on the Financial Report**

We have audited the accompanying financial report of Agua Resources Limited, which comprises the statement of financial position as at 30 June 2013, the statement of profit or loss and other comprehensive income, the statement of cash flows and the statement of changes in equity for the year ended on that date, notes comprising a summary of significant accounting policies and other explanatory information, and the directors' declaration of the consolidated entity, comprising the company and the entities it controlled at the year's end or from time to time during the financial year as set out on pages 37 to 75.

#### *Directors' Responsibility for the Financial Report*

The directors of the company are responsible for the preparation of the financial report that gives a true and fair view in accordance with Australian Accounting Standards and the *Corporations Act 2001* and for such internal control as the directors determine is necessary to enable the preparation of the financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error. In Note 1, the directors also state, in accordance with Accounting Standard AASB 101 *Presentation of Financial Statements*, that the consolidated financial statements comply with International Financial Reporting Standards.

#### *Auditor's Responsibility*

Our responsibility is to express an opinion on the financial report based on our audit. We conducted our audit in accordance with Australian Auditing Standards. Those standards require that we comply with relevant ethical requirements relating to audit engagements and plan and perform the audit to obtain reasonable assurance whether the financial report is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial report. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial report, whether due to fraud or error. In making those risk assessments, the auditor considers internal control, relevant to the company's preparation of the financial report that gives a true and fair view, in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the company's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the directors, as well as evaluating the overall presentation of the financial report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

## *Auditor's Independence Declaration*

In conducting our audit, we have complied with the independence requirements of the *Corporations Act 2001*. We confirm that the independence declaration required by the *Corporations Act 2001*, which has been given to the directors of Aguia Resources Limited, would be in the same terms if given to the directors as at the time of this auditor's report.

In our opinion:

- (a) the financial report of Aguia Resources Limited is in accordance with the *Corporations Act 2001*, including:
  - (i) giving a true and fair view of the consolidated entity's financial position as at 30 June 2013 and of its performance for the year ended on that date; and
  - (ii) complying with Australian Accounting Standards and the *Corporations Regulations 2001*; and
- (b) the consolidated financial statements also comply with International Financial Reporting Standards as disclosed in Note 1.

## *Material Uncertainty Regarding Continuation as a Going Concern*

Without modifying our opinion, we draw attention to Note 1 in the financial report which indicates that the consolidated entity has incurred a net loss of \$2,381,655 and experienced net cash outflows from operating and investing activities of \$6,501,103 for the year ended 30 June 2013. These conditions, along with other matters set forth in Note 1, indicate the existence of a material uncertainty that may cast significant doubt about the Company and Consolidated Entity's ability to continue as going concerns and therefore, they may be unable to realise their assets and extinguish their liabilities in the normal course of business.

## **Report on the Remuneration Report**

We have audited the Remuneration Report included in pages 18 to 25 of the directors' report for the year ended 30 June 2013. The directors of the company are responsible for the preparation and presentation of the Remuneration Report in accordance with section 300A of the *Corporations Act 2001*. Our responsibility is to express an opinion on the Remuneration Report, based on our audit conducted in accordance with Australian Auditing Standards.

## *Opinion*

In our opinion the Remuneration Report of Aguia Resources Limited for the year ended 30 June 2013, complies with section 300A of the *Corporations Act 2001*.



DELOITTE TOUCHE TOHMATSU



Jason Thorne

Partner

Chartered Accountants

Sydney, 27 September 2013

**Agua Resources Limited**  
**Additional Information**

**ASX Information**

The shareholder information set out below was applicable as at 24 September 2013.

**1. EQUITY SECURITY HOLDERS**

**(i) Ordinary Shares**

The names of the twenty largest holders of listed securities are listed below:

Rank	Name	No. of Ordinary Shares Held	Percentage of issued shares
1	NEFCO NOMINEES PTY LTD	12,244,966	6.75%
2	NATIONAL NOMINEES LIMITED	8,864,408	4.89%
3	VERDMONT CAPITAL S.A	6,000,000	3.31%
4	CITICORP NOMINEES PTY LIMITED	5,456,850	3.01%
5	ARREDO PTY LTD	4,000,000	2.20%
6	LARA ALLIANCE (BVI) LIMITED	4,000,000	2.20%
7	FITEL NOMINEES LIMITED	3,000,000	1.65%
8	MR NICHOLAS JAMES REDPATH	2,909,500	1.60%
9	FORBES & MANHATTAN (BARBADOS) INC	2,883,806	1.59%
10	CALAMA HOLDINGS PTY LTD <MAMBAT SUPER FUND A/C>	2,493,204	1.37%
11	SYMINGTON PTY LTD	2,352,514	1.30%
12	FORBES & MANHATTAN (BARBADOS) INC	2,247,536	1.24%
13	PI FINANCIAL CORP <2409787 A/C>	2,247,536	1.24%
13	DUNROOTIN PTY LTD <GREENHILL SUPER FUND A/C>	2,200,000	1.21%
14	LINOR PTY LTD <P E GIBLIN P/L SBF A/C>	2,000,000	1.10%
15	TAYCOL NOMINEES PTY LTD <211 A/C>	1,875,000	1.03%
16	MR SIMON TAYLOR + MRS SALLY ANN TAYLOR <TAYLOR FAMILY SUPERFUND A/C>	1,789,855	0.99%
17	DINWOODIE INVESTMENTS PTY LTD <DINWOODIE INVESTMENTS A/C>	1,670,000	0.92%
18	HSBC CUSTODY NOMINEES (AUSTRALIA) LIMITED	1,624,975	0.90%
19	MERRILL LYNCH (AUSTRALIA) NOMINEES PTY LIMITED	1,533,413	0.85%
20	NEFCO NOMINEES PTY LTD	12,244,966	6.75%
	<b>TOTAL TOP 20</b>	<b>71,393,563</b>	<b>39.35%</b>
	<b>OTHERS</b>	<b>110,046,850</b>	<b>60.65%</b>
	<b>TOTAL ORDINARY SHARES ON ISSUE</b>	<b>181,440,413</b>	<b>100.00%</b>
There were 166 holders of less than a marketable parcel of ordinary shares.			

**(ii) Performance Shares**

The names of the performance shareholders with greater than 20% holding in each class are listed below:

	Performance Shares Class A	Performance Shares Class B	Performance Shares Class C
Stan Bharti	367,222	550,833	550,833
China Mineral Holdings	300,802	451,203	451,203
Others	513,996	770,996	770,996
<b>Total</b>	<b>1,182,020</b>	<b>1,773,032</b>	<b>1,773,032</b>

**Aguia Resources Limited**  
**Additional Information**

**(iii) Options**

The names of the option holders with greater than 20% holding in each option class are listed below:

	\$0.50 Unlisted Options expiring 30/09/2013	\$0.60 Unlisted Options expiring 31/03/2014	\$1.07 Unlisted Options expiring 31/12/2013	\$0.25 Unlisted Options expiring 30/09/2016	\$0.30 Unlisted Incentive Options expiring 31/12/2013	\$0.60 Unlisted Options expiring 30/11/2013	\$0.70 Unlisted Incentive Options expiring 30/11/2014	\$0.50 Unlisted Incentive Options expiring 31/12/2014	\$0.75 Unlisted Incentive Options expiring 28/10/2015	\$0.25 Unlisted Options expiring 30/11/2016	\$0.30 Unlisted Options expiring 31/05/2015
TAYCOL NOMINEES PTY LTD	-	-	-	-	-	-	-	-	-	-	-
JIMBZAL PTY LTD	-	-	-	-	1,000,000	-	-	-	-	-	-
BJ RETAIL PTY LTD <JAMSI AC>	-	-	640,000	-	-	-	-	-	-	-	-
GRAHAM LESLIE ASCOUGH AND PATRICIA LYNN ASCOUGH	-	-	640,000	-	-	-	-	-	-	-	-
LONDON INVESTMENTS PARTNERS LIMITED	-	-	-	-	-	-	-	-	-	-	-
ANTHONY WONNACOTT	-	-	-	-	-	250,000	250,000	-	-	-	-
FERNANDO TALLARICO	500,000	500,000	-	500,000	-	-	-	-	-	-	-
PLATSEARCH NL	-	-	-	-	-	-	-	200,000	-	-	-
POTASH ATLANTICO CORP.	-	-	-	-	-	-	-	1,500,000	-	-	-
ALFERDO NUNES	-	-	-	-	-	-	-	-	150,000	150,000	-
JACOB FANTON	-	-	-	-	-	-	-	-	-	150,000	-
POTASH ATLANTICO CORP. SHAREHOLDERS	-	-	-	-	-	-	-	-	-	-	12,784,200
OTHERS	575,000	150,000	-	-	-	-	-	50,000	-	330,000	1,329,231
<b>Total</b>	<b>1,075,000</b>	<b>650,000</b>	<b>1,280,000</b>	<b>500,000</b>	<b>1,000,000</b>	<b>250,000</b>	<b>250,000</b>	<b>1,750,000</b>	<b>150,000</b>	<b>630,000</b>	<b>14,113,521</b>

**Agua Resources Limited**  
**Additional Information**

**2. DISTRIBUTION OF EQUITY SECURITIES**

**(i) Ordinary Shares**

Range	Ordinary Shares		
	Total holders	Units	% of Issued Capital
1 - 1,000	43	21,382	0.01%
1,001 - 5,000	125	407,325	0.22%
5,001 - 10,000	127	1,108,775	0.61%
10,001 - 100,000	401	15,875,023	8.75%
100,001 and Over	234	164,027,908	90.40%
<b>Total</b>	<b>931</b>	<b>181,440,413</b>	<b>100.00%</b>

**(ii) Options**

	\$0.50 Unlisted Options expiring 30/09/2013	\$0.60 Unlisted Options expiring 31/03/2014	\$1.07 Unlisted Options expiring 31/12/2013	\$0.25 Unlisted Options expiring 30/09/2016	\$0.30 Unlisted Incentive Options expiring 31/12/2013	\$0.60 Unlisted Options expiring 30/11/2013	\$0.70 Unlisted Incentive Options expiring 30/11/2014	\$0.50 Unlisted Incentive Options expiring 31/12/2014	\$0.75 Unlisted Incentive Options expiring 28/10/2015	\$0.25 Unlisted Options expiring 30/11/2016	\$0.30 Unlisted Options expiring 31/05/2015
1 - 1,000	-	-	-	-	-	-	-	-	-	-	-
1,001 - 5,000	-	-	-	-	-	-	-	-	-	-	16
5,001 - 10,000	-	-	-	-	-	-	-	-	-	-	11
10,001 - 100,000	8	-	-	-	-	-	-	1	-	8	36
100,001 and Over	3	2	2	1	1	1	1	2	1	2	17
<b>Total</b>	<b>11</b>	<b>2</b>	<b>2</b>	<b>1</b>	<b>1</b>	<b>1</b>	<b>1</b>	<b>3</b>	<b>1</b>	<b>10</b>	<b>80</b>

**(iii) Performance Shares Class A**

Range	Performance Shares Class A		
	Total holders	Units	% of Class
1 - 1,000	1	306	0.03
1,001 - 5,000	1	3,008	0.25
5,001 - 10,000	2	12,808	1.08
10,001 - 100,000	3	136,913	11.58
100,001 and Over	4	1,028,985	87.05
<b>Total</b>	<b>11</b>	<b>1,182,020</b>	<b>100.00</b>

**(iv) Performance Shares Class B**

Range	Performance Shares Class B		
	Total holders	Units	% of Class
1 - 1,000	1	458	0.03
1,001 - 5,000	1	4,512	0.25
5,001 - 10,000	1	9,024	0.51
10,001 - 100,000	3	88,203	4.98
100,001 and Over	5	1,670,835	94.24
<b>Total</b>	<b>11</b>	<b>1,773,032</b>	<b>100.00</b>

**Agua Resources Limited**  
**Additional Information**

**(v) Performance Shares Class C**

Range	Performance Shares Class C		
	Total holders	Units	% of Class
1 - 1,000	1	458	0.03
1,001 - 5,000	1	4,512	0.25
5,001 - 10,000	1	9,024	0.51
10,001 - 100,000	3	88,203	4.98
100,001 and Over	5	1,670,835	94.24
<b>Total</b>	<b>11</b>	<b>1,773,032</b>	<b>100.00</b>

**3. VOTING RIGHTS**

The voting rights attaching to each class of equity securities are set out below:

(a) Ordinary shares

Subject to any rights or restrictions for the time being attached to any class of shares, at a meeting of shareholders each shareholder entitled to vote may vote in person or by proxy or attorney or, being a corporation, by representative duly authorised under the Corporations Law, and had one vote on a show of hands and one vote per fully paid share on a poll.

(b) Options

No voting rights

(c) Performance Shares

No voting rights

**4. SUBSTANTIAL SHAREHOLDERS**

Shareholder	No. of Ordinary Shares	Voting Power
SFG Australia Limited	6,435,808	5.27%
David Anthony Argyle	8,361,845	6.85%

**5. RESTRICTED SECURITIES**

Class	No. of Ordinary Shares	End of Escrow Period
Ordinary Shares	4,000,000	21 December 2013
Ordinary Shares	9,409,024	5 June 2014

**6. ON-MARKET BUY BACK**

There is currently no on-market buy-back program for any of Agua Resources Limited's listed securities.

**Agua Resources Limited**  
**Additional Information**

**7. LISTING RULE 3.13.1 AND 14.3**

Further to Listing Rule 3.13.1 and Listing Rule 14.3, the Annual General Meeting of Agua Resources Limited is scheduled for 26 November 2012.

**8. LISTING RULE 4.10.13**

Agua Resources Limited's securities are quoted on the following exchange:

ASX under the code AGR.

**9. EXPLORATION INTERESTS**

The company, through its subsidiaries, holds 100% interest of the tenements listed below relating to its phosphate projects:

Tenement reference	Exploration License Number	Issuing Date	Expiry Date	Area (ha)	Status
810.090/91	2,947	16/08/2010	16/08/2012	1,000.00	Approval Pending
810.325/12	4,101	29/04/2013	29/04/2016	990.95	Permit
810.344/04	5,470	16/08/2010	16/08/2013	1,816.36	Permit Extension
810.521/04	3,683	16/08/2010	16/08/2013	1,638.23	Permit Extension
810.565/05	4,968	3/06/2011	3/06/2014	1,112.20	Permit Extension
810.566/05	969	6/04/2011	6/04/2014	1,644.45	Permit Extension
810.611/04	979	6/04/2011	6/04/2014	452.45	Permit Extension
810.636/04	984	6/04/2011	6/04/2014	1,574.40	Permit Extension
810.636/11	18,373	21/11/2011	21/11/2014	1,750.92	Permit
810.637/11	10,735	1/08/2011	1/08/2014	1,961.19	Permit
810.638/04	985	6/04/2011	6/04/2014	1,272.45	Permit Extension
810.646/09	12,919	2/09/2011	2/09/2014	1,461.03	Permit
810.695/11	11,980	16/08/2011	15/08/2014	1,964.25	Permit
810.696/11	11,981	16/08/2011	15/08/2014	1,976.02	Permit
810.697/11	18,403	21/11/2011	21/11/2014	1,341.63	Permit
810.698/11	11,982	16/08/2011	15/08/2014	1,932.08	Permit
810.699/11	11,983	16/08/2011	15/08/2014	1,927.25	Permit
810.700/11	11,984	16/08/2011	15/08/2014	1,920.10	Permit
810.701/11	11,985	16/08/2011	15/08/2014	1,034.47	Permit
810.702/11	5,433	9/10/2012	9/10/2015	1,885.25	Permit
810.703/11	5,434	9/10/2012	9/10/2015	671.35	Permit
810.704/11	5,435	9/10/2012	9/10/2015	1,931.66	Permit
810.705/11	5,436	9/10/2012	9/10/2015	1,093.35	Permit
810.706/11	5,437	9/10/2012	9/10/2015	1,981.96	Permit
810.707/11	5,438	9/10/2012	9/10/2015	1,770.24	Permit
810.708/11	5,439	9/10/2012	9/10/2015	1,851.03	Permit
810.728/05	975	6/04/2011	6/04/2014	78.29	Permit Extension
810.838/09	12,920	2/09/2011	2/09/2014	1,425.98	Permit
810.859/12	7,705	7/12/2012	7/12/2015	968.58	Permit
810.861/12	4,868	16/07/2012	16/07/2015	1,752.86	Permit
810.862/12	4,869	16/07/2012	16/07/2015	1,626.64	Permit
810.863/12	4,870	16/07/2012	16/07/2015	849.14	Permit
810.864/12	7,706	7/12/2012	7/12/2015	1,498.45	Permit

**Agua Resources Limited**  
**Additional Information**

**9. EXPLORATION INTERESTS (continued)**

Tenement reference	Exploration License Number	Issuing Date	Expiry Date	Area (ha)	Status
810.961/09	12,921	2/09/2011	2/09/2014	1,137.37	Permit
810.996/10	4,099	29/04/2013	29/04/2016	896.23	Permit
811.103/11	18,381	21/11/2011	21/11/2014	536.58	Permit
811.307/12	2,941	1/04/2013	1/04/2013	541.94	Permit
826.001/12	6,278	1/11/2012	1/11/2015	1,054.48	Permit
826.002/12	6,279	1/11/2012	1/11/2015	1,273.28	Permit
826.003/12	6,280	1/11/2012	1/11/2015	1,394.43	Permit
826.004/12	4,275	5/07/2012	3/07/2015	1,782.50	Permit
826.005/12	4,276	5/07/2012	3/07/2015	1,246.91	Permit
826.006/12	4,277	5/07/2012	3/07/2015	1,805.20	Permit
826.007/12	4,278	5/07/2012	3/07/2015	926.59	Permit
826.008/12	6,281	1/11/2012	1/11/2015	1,844.09	Permit
826.009/12	4,280	5/07/2012	3/07/2015	1,179.73	Permit
830.936/10	10,683	17/09/2010	17/09/2013	1,639.01	Extension Submitted
830.937/10	10,684	17/09/2010	17/09/2013	1,806.05	Extension Submitted
830.938/10	10,685	17/09/2010	17/09/2013	668.11	Extension Submitted
830.939/10	11,677	6/10/2010	4/10/2013	1,406.81	Extension Submitted
830.940/10	10,686	17/09/2010	17/09/2013	1,815.47	Extension Submitted
830.941/10	10,687	17/09/2010	17/09/2013	1,727.47	Extension Submitted
830.942/10	8,981	16/08/2010	16/08/2013	1,609.24	Extension Submitted
830.943/10	10,688	17/09/2010	17/09/2013	1,849.36	Extension Submitted
831.029/10	8,937	16/08/2010	16/08/2013	564.86	Extension Submitted
831.031/10	9,914	31/08/2010	30/08/2013	1,774.45	Extension Submitted
831.032/10	8,938	16/08/2010	16/08/2013	1,670.52	Extension Submitted
831.033/10	8,939	16/08/2010	16/08/2013	1,638.43	Extension Submitted
831.034/10	8,940	16/08/2010	16/08/2013	1,855.15	Extension Submitted
831.035/10	8,941	16/08/2010	16/08/2013	1,982.81	Extension Submitted
831.036/10	8,942	16/08/2010	16/08/2013	1,982.34	Extension Submitted
831.037/10	8,943	16/08/2010	16/08/2013	1,992.55	Extension Submitted
831.038/10	8,985	16/08/2010	16/08/2013	1,972.26	Extension Submitted
831.039/10	8,944	16/08/2010	16/08/2013	1,992.36	Extension Submitted
831.040/10	9,915	31/08/2010	30/08/2013	1,915.57	Extension Submitted
831.041/10	9,673	3/09/2010	3/09/2013	1,588.94	Extension Submitted
831.042/10	9,916	31/08/2010	30/08/2013	1,897.80	Extension Submitted
831.043/10	9,842	31/08/2010	30/08/2013	1,696.87	Extension Submitted
831.044/10	8,945	16/08/2010	16/08/2013	1,055.16	Extension Submitted
831.045/10	9,917	31/08/2010	30/08/2013	1,814.32	Extension Submitted
831.095/10	9,674	3/09/2010	3/09/2013	1,982.70	Extension Submitted
831.096/10	16,156	15/12/2010	13/12/2013	1,847.95	Extension Submitted
831.097/10	8,986	16/08/2010	16/08/2013	1,945.19	Extension Submitted
831.098/10	8,987	16/08/2010	16/08/2013	1,980.68	Extension Submitted
831.099/10	10,690	17/09/2010	17/09/2013	1,771.10	Extension Submitted
831.100/10	10,691	17/09/2010	17/09/2013	1,845.12	Extension Submitted
831.101/10	10,692	17/09/2010	17/09/2013	1,614.34	Extension Submitted
831.102/10	11,848	6/10/2010	4/10/2013	1,777.84	Extension Submitted
831.103/10	11,849	6/10/2010	4/10/2013	1,598.32	Extension Submitted
831.104/10	8,988	16/08/2010	16/08/2013	1,884.54	Extension Submitted



**Agua Resources Limited**  
**Additional Information**

**9. EXPLORATION INTERESTS (continued)**

Tenement reference	Exploration License Number	Issuing Date	Expiry Date	Area (ha)	Status
831.105/10	11,850	6/10/2010	4/10/2013	933.48	Extension Submitted
831.106/10	8,989	16/08/2010	16/08/2013	1,982.23	Extension Submitted
831.107/10	8,990	16/08/2010	16/08/2013	1,976.28	Extension Submitted
831.109/10	11,851	6/10/2010	4/10/2013	1,572.13	Extension Submitted
831.110/10	8,992	16/08/2010	16/08/2013	1,380.55	Extension Submitted
831.111/10	8,993	16/08/2010	16/08/2013	1,940.88	Extension Submitted
831.112/10	9,918	31/08/2010	30/08/2013	1,643.89	Extension Submitted
831.113/10	9,919	31/08/2010	30/08/2013	1,289.40	Extension Submitted
831.116/10	8,946	16/08/2010	16/08/2013	1,988.67	Extension Submitted
831.117/10	9,843	31/08/2010	30/08/2013	1,750.96	Extension Submitted
831.118/10	8,996	16/08/2010	16/08/2013	1,869.57	Extension Submitted
831.121/10	8,999	16/08/2010	16/08/2013	1,753.58	Extension Submitted
831.122/10	10,567	17/09/2010	17/09/2013	1,947.59	Extension Submitted
831.123/10	10,568	17/09/2010	17/09/2013	1,987.73	Extension Submitted
831.124/10	10,569	17/09/2010	17/09/2013	1,987.72	Extension Submitted
831.125/10	11,852	6/10/2010	4/10/2013	1,892.03	Extension Submitted
831.126/10	11,853	6/10/2010	4/10/2013	1,892.81	Extension Submitted
831.127/10	10,570	17/09/2010	17/09/2013	598.76	Extension Submitted
831.128/10	10,571	17/09/2010	17/09/2013	1,992.11	Extension Submitted
831.129/10	10,615	17/09/2010	17/09/2013	1,992.11	Extension Submitted
831.189/10	10,694	17/09/2010	17/09/2013	1,393.42	Extension Submitted
831.190/10	9,005	16/08/2010	16/08/2013	1,948.49	Extension Submitted
831.191/10	10,695	17/09/2010	17/09/2013	1,603.76	Extension Submitted
831.192/10	10,696	17/09/2010	17/09/2013	1,745.09	Extension Submitted
831.193/10	10,616	17/09/2010	17/09/2013	1,985.10	Extension Submitted
831.194/10	10,617	17/09/2010	17/09/2013	1,983.60	Extension Submitted
831.195/10	10,618	17/09/2010	17/09/2013	1,981.73	Extension Submitted
831.196/10	10,619	17/09/2010	17/09/2013	1,983.58	Extension Submitted
831.197/10	9,845	31/08/2010	30/08/2013	1,581.38	Extension Submitted
831.198/10	9,006	16/08/2010	16/08/2013	1,937.76	Extension Submitted
831.199/10	8,949	16/08/2010	16/08/2013	1,909.60	Extension Submitted
831.200/10	8,950	16/08/2010	16/08/2013	1,948.96	Extension Submitted
831.201/10	9,622	25/08/2010	23/08/2013	1,952.43	Extension Submitted
831.202/10	9,846	31/08/2010	30/08/2013	1,075.89	Extension Submitted
831.204/10	11,860	6/10/2010	4/10/2013	53.75	Permit
831.206/10	11,199	23/09/2010	23/09/2013	82.34	Extension Submitted
831.207/10	11,678	6/10/2010	4/10/2013	71.82	Permit
831.209/10	8,952	16/08/2010	16/08/2013	1,972.78	Extension Submitted
831.210/10	8,953	16/08/2010	16/08/2013	1,966.87	Extension Submitted
831.211/10	11,200	23/09/2010	23/09/2013	1,737.49	Extension Submitted
831.212/10	11,201	23/09/2010	23/09/2013	1,397.37	Extension Submitted
831.213/10	11,202	23/09/2010	23/09/2013	1,862.34	Extension Submitted
831.214/10	8,954	16/08/2010	16/08/2013	1,979.06	Extension Submitted
831.215/10	8,955	16/08/2010	16/08/2013	1,982.60	Extension Submitted
831.216/10	8,956	16/08/2010	16/08/2013	1,985.61	Extension Submitted
831.217/10	11,203	23/09/2010	23/09/2013	1,450.52	Extension Submitted
831.219/10	8,957	16/08/2010	16/08/2013	1,834.61	Extension Submitted

**Agua Resources Limited**  
**Additional Information**

**9. EXPLORATION INTERESTS (continued)**

Tenement reference	Exploration License Number	Issuing Date	Expiry Date	Area (ha)	Status
831.220/10	11,204	23/09/2010	23/09/2013	1,491.72	Extension Submitted
831.221/10	11,205	23/09/2010	23/09/2013	1,484.27	Extension Submitted
831.222/10	11,728	6/10/2010	4/10/2013	1,988.62	Extension Submitted
831.223/10	9,848	31/08/2010	30/08/2013	636.38	Extension Submitted
831.224/10	9,849	31/08/2010	30/08/2013	1,429.75	Extension Submitted
831.326/10	4,359	20/04/2011	18/04/2014	307.28	Permit
831.328/10	11,681	6/10/2010	4/10/2013	680.14	Extension Submitted
831.329/10	11,731	6/10/2010	4/10/2013	1,977.28	Extension Submitted
831.330/10	11,732	6/10/2010	4/10/2013	1,797.93	Extension Submitted
831.331/10	9,857	31/08/2010	30/08/2013	1,526.24	Extension Submitted
831.332/10	10,579	17/09/2010	17/09/2013	1,573.49	Extension Submitted
831.333/10	10,580	17/09/2010	17/09/2013	1,981.84	Extension Submitted
831.334/10	10,581	17/09/2010	17/09/2013	1,929.68	Extension Submitted
831.335/10	10,582	17/09/2010	17/09/2013	1,933.47	Extension Submitted
831.336/10	11,733	6/10/2010	6/08/2013	483.38	Extension Submitted
831.339/10	10,637	17/09/2010	17/09/2013	1,971.64	Extension Submitted
831.340/10	12,902	20/10/2010	18/10/2013	1,901.57	Extension Submitted
831.341/10	11,861	6/10/2010	4/10/2013	1,774.44	Extension Submitted
831.342/10	10,638	17/09/2010	17/09/2013	1,985.79	Extension Submitted
831.343/10	10,639	17/09/2010	17/09/2013	1,914.33	Extension Submitted
831.344/10	10,640	17/09/2010	17/09/2013	1,979.42	Extension Submitted
831.345/10	10,641	17/09/2010	17/09/2013	1,844.82	Extension Submitted
831.346/10	10,642	17/09/2010	17/09/2013	1,979.50	Extension Submitted
831.347/10	10,643	17/09/2010	17/09/2013	1,968.41	Extension Submitted
831.382/10	10,583	17/09/2010	17/09/2013	1,387.25	Extension Submitted
831.383/10	10,584	17/09/2010	17/09/2013	1,982.84	Extension Submitted
831.384/10	10,585	17/09/2010	17/09/2013	1,982.83	Extension Submitted
831.385/10	11,734	6/10/2010	4/10/2013	1,959.05	Extension Submitted
831.386/10	11,215	23/09/2010	23/09/2013	1,957.82	Extension Submitted
831.387/10	11,216	23/09/2010	23/09/2013	1,957.82	Extension Submitted
831.388/10	11,217	23/09/2010	23/09/2013	1,936.30	Extension Submitted
831.389/10	11,218	23/09/2010	23/09/2013	1,786.24	Extension Submitted
831.390/10	10,586	17/09/2010	17/09/2013	1,978.13	Extension Submitted
831.391/10	10,587	17/09/2010	17/09/2013	1,978.13	Extension Submitted
831.392/10	10,588	17/09/2010	17/09/2013	1,984.73	Extension Submitted
831.393/10	10,589	17/09/2010	17/09/2013	1,987.19	Extension Submitted
831.394/10	10,590	17/09/2010	17/09/2013	1,943.02	Extension Submitted
831.395/10	10,591	17/09/2010	17/09/2013	1,988.07	Extension Submitted
831.397/10	10,593	17/09/2010	17/09/2013	1,964.06	Extension Submitted
831.398/10	10,594	17/09/2010	17/09/2013	1,968.79	Extension Submitted
831.399/10	10,595	17/09/2010	17/09/2013	1,988.70	Extension Submitted
831.400/10	10,596	17/09/2010	17/09/2013	1,703.84	Extension Submitted
831.401/10	10,697	17/09/2010	17/09/2013	1,637.08	Extension Submitted
831.402/10	10,597	17/09/2010	17/09/2013	1,923.00	Extension Submitted
831.403/10	10,598	17/09/2010	17/09/2013	1,686.00	Extension Submitted
831.404/10	10,599	17/09/2010	17/09/2013	1,953.03	Extension Submitted
831.406/10	10,644	17/09/2010	17/09/2013	1,955.33	Extension Submitted

**Agua Resources Limited**  
**Additional Information**

**9. EXPLORATION INTERESTS (continued)**

Tenement reference	Exploration License Number	Issuing Date	Expiry Date	Area (ha)	Status
831.537/12	2,718	22/03/2013	22/03/2016	1,000.00	Permit
831.921/10	12,606	19/10/2010	18/10/2013	1,761.28	Permit
831.922/10	16,791	20/12/2010	20/12/2013	730.71	Permit
831.923/10	12,607	19/10/2010	18/10/2013	1,574.15	Permit
831.924/10	684	28/01/2011	28/01/2014	377.69	Permit
831.925/10	16,792	20/12/2010	20/12/2013	619.14	Permit
831.926/10	12,608	19/10/2010	18/10/2013	1,869.67	Permit
831.977/12	2,723	22/03/2013	22/03/2016	1,365.90	Permit
832.732/11	17,663	28/10/2011	28/10/2014	400.00	Permit
832.741/11	18,085	31/10/2011	31/10/2014	2,000.00	Permit
832.847/09	7,645	24/06/2013	24/06/2014	4.29	Permit Extension
832.897/08	12,654	5/12/2012	5/12/2015	1,833.38	Permit Extension
832.898/08	15,266	18/01/2013	18/01/2016	97.14	Permit Extension
832.899/08	10,649	29/05/2013	29/05/2015	2,000.00	Permit Extension
832.901/08	13,173	26/10/2010	25/10/2013	1,333.78	Permit
832.902/08	12,662	13/11/2009	13/11/2012	1,410.18	Extension Submitted
832.903/08	13,994	22/01/2013	22/01/2016	1,406.76	Permit Extension
832.904/08	14,001	5/12/2012	5/12/2015	1,476.42	Permit Extension
833.118/12	2,731	22/03/2013	22/03/2016	453.68	Permit
833.120/12	2,732	22/03/2013	22/03/2016	1,000.01	Permit
833.661/10	2,578	22/03/2011	21/03/2014	865.66	Permit
833.665/12	2,735	22/03/2013	22/03/2016	2,000.00	Permit
833.672/12	2,736	22/03/2013	22/03/2016	1,998.77	Permit
833.679/12	2,737	22/03/2013	22/03/2016	1,000.01	Permit
833.708/10	3,100	31/03/2011	31/03/2014	591.08	Permit
833.738/11	4,522	17/05/2013	17/05/2016	1,479.92	Permit
834.587/10	4,431	20/04/2011	18/04/2014	107.07	Permit
846.020/10	8,161	26/07/2010	26/07/2013	27.97	Extension Submitted
846.036/09	8,643	17/08/2009	17/08/2012	98.00	Extension Submitted
846.105/09	10,128	1/09/2009	31/08/2012	1,772.99	Extension Submitted
846.106/09	11,566	13/10/2009	12/10/2012	1,538.93	Extension Submitted
846.107/09	10,127	1/09/2009	31/08/2012	1,146.40	Extension Submitted
846.108/09	8,859	19/08/2009	17/08/2012	188.17	Extension Submitted
846.117/10	10,623	25/07/2011	25/07/2014	70.64	Permit
846.182/11	10,938	1/08/2011	1/08/2014	120.12	Permit
846.289/09	6,571	18/05/2011	16/05/2014	134.50	Permit
846.343/12	1,782	4/03/2013	4/03/2016	472.35	Permit
846.345/12	1,783	4/03/2013	4/03/2016	15.93	Permit
846.346/12	1,784	4/03/2013	4/03/2016	724.49	Permit
846.347/12	1,785	4/03/2013	4/03/2016	511.67	Permit
846.458/08	4,556	15/04/2009	13/04/2012	1,927.43	Extension Submitted
846.460/08	4,554	15/04/2009	13/04/2012	1,927.28	Extension Submitted
846.462/08	4,552	15/04/2009	13/04/2012	1,924.15	Extension Submitted
846.464/08	4,539	15/04/2009	13/04/2012	1,879.92	Extension Submitted
846.466/08	4,561	15/04/2009	13/04/2012	1,904.78	Extension Submitted
846.472/08	4,300	18/05/2010	17/05/2013	1,441.26	Extension Submitted
846.473/08	4,572	15/04/2009	13/04/2012	933.10	Extension Submitted

**Agua Resources Limited**  
**Additional Information**

**9. EXPLORATION INTERESTS (continued)**

Tenement reference	Exploration License Number	Issuing Date	Expiry Date	Area (ha)	Status
846.474/08	2,086	18/02/2009	17/02/2012	946.28	Extension Submitted
846.475/08	4,575	15/04/2009	13/04/2012	1,169.81	Extension Submitted
846.476/08	2,085	18/02/2009	17/02/2012	768.51	Extension Submitted
846.477/08	4,574	15/04/2009	13/04/2012	203.87	Extension Submitted
846.478/08	4,573	15/04/2009	13/04/2012	339.09	Extension Submitted
846.479/08	4,560	15/04/2009	13/04/2012	1,438.88	Extension Submitted
846.480/08	4,559	15/04/2009	13/04/2012	1,926.80	Extension Submitted
846.575/11	19,301	22/11/2011	21/11/2014	953.33	Permit
846.578/11	19,302	22/11/2011	21/11/2014	989.89	Permit
846.579/11	19,303	22/11/2011	21/11/2014	989.99	Permit
846.580/11	19,304	22/11/2011	21/11/2014	841.60	Permit
846.582/11	19,305	22/11/2011	21/11/2014	251.96	Permit
846.583/11	19,306	22/11/2011	21/11/2014	908.10	Permit
846.585/11	19,307	22/11/2011	21/11/2014	300.00	Permit
846.586/11	19,308	22/11/2011	21/11/2014	40.49	Permit
846.587/11	19,309	22/11/2011	21/11/2014	142.71	Permit
846.588/11	19,310	22/11/2011	21/11/2014	64.81	Permit

**Agua Resources Limited**  
**Additional Information**

**9. EXPLORATION INTERESTS (continued)**

The company, through its subsidiaries, holds 100% interest of the tenements listed below relating to its potash projects:

Tenement reference	Exploration License Number	Issuing Date	Expiry Date	Area (ha)	Status
844.021/09	8,186	14/03/2010	9/10/2015	1,973.59	Permit Extension
844.022/09	8,187	15/03/2010	9/10/2015	1,971.44	Permit Extension
844.023/09	8,188	16/03/2010	9/10/2015	1,977.50	Permit Extension
844.024/09	8,189	17/03/2010	9/10/2015	1,977.70	Permit Extension
844.025/09	13,966	18/03/2010	27/12/2015	1,673.88	Permit Extension
844.026/09	13,967	19/03/2010	27/12/2015	1,691.83	Permit Extension
844.027/09	13,968	20/03/2010	27/12/2015	985.10	Permit Extension
844.036/09	13,946	21/03/2010	27/12/2015	1,973.15	Permit Extension
844.037/09	13,947	22/03/2010	27/12/2015	1,888.81	Permit Extension
844.038/09	13,948	23/03/2010	27/12/2015	1,996.32	Permit Extension
844.039/09	295	24/03/2010	5/02/2016	1,124.94	Permit Extension
844.040/09	13,949	25/03/2010	27/12/2015	1,967.87	Permit Extension
844.041/09	13,969	26/03/2010	27/12/2015	1,947.83	Permit Extension
844.042/09	296	27/03/2010	5/02/2016	1,950.78	Permit Extension
844.043/09	13,950	28/03/2010	27/12/2015	1,972.57	Permit Extension
844.044/09	13,951	29/03/2010	27/12/2015	1,983.66	Permit Extension
844.045/09	13,952	30/03/2010	27/12/2015	1,983.66	Permit Extension
844.046/09	13,953	31/03/2010	27/12/2015	1,308.56	Permit Extension
844.047/09	13,954	1/04/2010	3/01/2016	1,946.57	Permit Extension
844.048/09	13,955	2/04/2010	27/12/2015	1,957.52	Permit Extension
844.049/09	13,957	3/04/2010	27/12/2015	1,957.52	Permit Extension
844.050/09	13,956	4/04/2010	27/12/2015	1,844.65	Permit Extension
844.051/09	297	5/04/2010	5/02/2016	1,941.42	Permit Extension
844.052/09	13,958	6/04/2010	27/12/2015	1,980.07	Permit Extension
844.068/09	13,961	7/04/2010	27/12/2015	130.95	Permit Extension
844.069/09	13,962	8/04/2010	27/12/2015	120.17	Permit Extension
844.102/10	11,138	26/12/2009	17/09/2013	1,963.59	Permit
844.103/10	11,139	27/12/2009	17/09/2013	1,946.66	Permit
844.104/10	11,140	28/12/2009	17/09/2013	1,875.86	Permit
844.105/10	12,457	29/12/2009	4/10/2013	1,948.62	Extension Submitted
844.106/10	12,458	30/12/2009	4/10/2013	1,375.43	Extension Submitted
844.107/10	11,141	31/12/2009	17/09/2013	1,963.73	Extension Submitted
844.108/10	11,142	1/01/2010	17/09/2013	1,963.73	Extension Submitted
844.109/10	12,459	2/01/2010	4/10/2013	1,896.81	Extension Submitted
844.110/10	11,143	3/01/2010	17/09/2013	1,934.13	Extension Submitted
844.111/10	11,144	4/01/2010	17/09/2013	1,823.85	Extension Submitted
844.112/10	12,460	5/01/2010	4/10/2013	1,926.53	Permit
844.113/10	12,461	6/01/2010	4/10/2013	1,832.72	Permit
844.115/10	12,462	7/01/2010	4/10/2013	1,354.18	Permit
844.117/10	12,463	8/01/2010	4/10/2013	1,692.76	Permit
844.119/10	12,464	9/01/2010	4/10/2013	1,827.58	Permit
844.120/10	12,465	10/01/2010	4/10/2013	1,614.59	Permit
844.121/10	12,466	11/01/2010	4/10/2013	1,778.30	Permit
844.132/10	11,145	12/01/2010	17/09/2013	1,976.14	Permit
844.133/10	11,146	13/01/2010	17/09/2013	1,953.55	Permit
844.134/10	11,147	14/01/2010	17/09/2013	1,960.15	Permit

**Agua Resources Limited**  
**Additional Information**

**9. EXPLORATION INTERESTS (continued)**

Tenement reference	Exploration License Number	Issuing Date	Expiry Date	Area (ha)	Status
844.135/10	11,148	15/01/2010	17/09/2013	1,991.16	Permit
844.136/10	11,149	16/01/2010	17/09/2013	1,917.12	Permit
844.137/10	11,150	17/01/2010	17/09/2013	1,917.12	Permit
844.138/10	11,151	18/01/2010	17/09/2013	1,985.59	Permit
844.139/10	11,152	19/01/2010	17/09/2013	1,968.48	Permit
844.140/10	11,153	20/01/2010	17/09/2013	1,895.88	Permit
844.141/10	11,154	21/01/2010	17/09/2013	1,895.88	Permit
844.142/10	11,155	22/01/2010	17/09/2013	1,978.97	Extension Submitted
844.143/10	11,156	23/01/2010	17/09/2013	1,929.92	Extension Submitted
844.145/10	11,157	24/01/2010	17/09/2013	1,941.47	Extension Submitted
844.146/10	12,468	25/01/2010	4/10/2013	1,275.07	Extension Submitted
844.147/10	11,158	26/01/2010	17/09/2013	1,991.68	Extension Submitted
844.148/10	11,159	27/01/2010	17/09/2013	1,963.13	Extension Submitted
844.149/10	12,469	28/01/2010	4/10/2013	1,818.36	Extension Submitted
844.150/10	12,470	29/01/2010	4/10/2013	820.69	Extension Submitted
844.151/10	11,160	30/01/2010	17/09/2013	1,436.17	Extension Submitted
878.002/12	2,869	25/03/2013	25/03/2016	46.16	Permit
878.007/09	6,032	27/05/2009	25/05/2012	1,972.06	Extension Submitted
878.008/09	10,303	8/09/2009	7/09/2012	1,250.48	Extension Submitted
878.009/09	6,033	19/03/2013	19/03/2016	1,898.24	Permit Extension
878.010/09	7,657	19/03/2013	19/03/2016	681.32	Permit Extension
878.011/09	6,035	19/03/2013	19/03/2016	1,898.65	Permit Extension
878.012/09	7,658	19/03/2013	19/03/2016	1,974.87	Permit Extension
878.013/09	6,034	27/05/2009	25/05/2012	917.09	Extension Submitted
878.034/08	7,656	19/03/2013	19/03/2016	1,028.14	Permit Extension
878.035/08	7,469	19/03/2013	19/03/2016	229.86	Permit Extension
878.036/08	6,011	19/03/2013	19/03/2016	1,596.21	Permit Extension
878.037/08	6,012	19/03/2013	19/03/2016	753.18	Permit Extension
878.038/08	8,807	19/02/2010	17/10/2014	758.41	Permit Extension
878.039/08	8,808	20/02/2010	17/10/2014	1,480.49	Permit Extension
878.040/08	8,809	21/02/2010	17/10/2014	1,946.18	Permit Extension
878.041/08	8,810	22/02/2010	17/10/2014	1,885.95	Permit Extension
878.042/08	8,811	23/02/2010	17/10/2014	978.95	Permit Extension
878.043/08	8,812	24/02/2010	17/10/2014	1,458.13	Permit Extension
878.044/08	8,813	25/02/2010	17/10/2014	973.46	Permit Extension
878.045/08	8,814	26/02/2010	17/10/2014	1,491.56	Permit Extension
878.046/08	8,815	27/02/2010	17/10/2014	1,637.92	Permit Extension
878.047/08	8,956	28/02/2010	27/01/2015	1,525.00	Permit Extension
878.048/08	8,957	1/03/2010	27/01/2015	1,742.92	Permit Extension
878.049/08	8,958	2/03/2010	27/01/2015	1,985.38	Permit Extension
878.050/08	8,959	3/03/2010	27/01/2015	1,484.95	Permit Extension
878.051/08	8,960	4/03/2010	27/01/2015	1,995.00	Permit Extension
878.052/08	8,961	5/03/2010	27/01/2015	1,993.27	Permit Extension
878.056/12	7,099	17/07/2013	17/07/2016	588.87	Permit
878.084/10	12,222	31/01/2010	4/10/2013	1,972.96	Permit
878.085/08	17,296	21/12/2012	21/12/2015	1,905.23	Permit Extension
878.085/10	12,787	1/02/2010	18/10/2013	1,965.37	Permit



**Agua Resources Limited**  
**Additional Information**

**9. EXPLORATION INTERESTS (continued)**

Tenement reference	Exploration License Number	Issuing Date	Expiry Date	Area (ha)	Status
878.086/08	17,286	21/12/2012	21/12/2015	1,910.85	Permit Extension
878.086/10	12,223	2/02/2010	4/10/2013	1,741.10	Permit
878.087/08	17,287	21/12/2012	21/12/2015	1,752.52	Permit Extension
878.087/10	12,224	3/02/2010	4/10/2013	1,836.67	Permit
878.088/08	17,288	21/12/2012	21/12/2015	1,809.67	Permit Extension
878.088/10	12,788	4/02/2010	18/10/2013	1,207.11	Permit
878.089/08	17,289	21/12/2012	21/12/2015	1,469.51	Permit Extension
878.089/10	12,789	5/02/2010	18/10/2013	1,421.59	Permit
878.090/08	17,290	21/12/2012	21/12/2015	1,648.74	Permit Extension
878.090/10	12,225	6/02/2010	4/10/2013	1,954.60	Permit
878.091/08	17,291	21/12/2012	21/12/2015	1,791.42	Permit Extension
878.092/08	17,292	21/12/2012	21/12/2015	1,826.82	Permit Extension
878.092/10	12,226	7/02/2010	4/10/2013	1,133.94	Permit
878.093/10	12,227	8/02/2010	4/10/2013	1,498.71	Permit
878.094/10	12,228	9/02/2010	4/10/2013	1,843.50	Permit
878.095/10	11,334	10/02/2010	23/09/2013	1,951.19	Permit
878.096/10	11,335	11/02/2010	23/09/2013	1,967.72	Permit
878.097/10	12,229	12/02/2010	4/10/2013	1,773.90	Permit
878.098/10	12,230	13/02/2010	4/10/2013	1,921.31	Permit
878.099/10	12,231	14/02/2010	4/10/2013	1,757.79	Permit
878.100/10	12,790	15/02/2010	18/10/2013	1,343.97	Permit
878.101/10	12,791	16/02/2010	18/10/2013	1,909.76	Permit
878.102/10	11,336	17/02/2010	23/09/2013	1,934.65	Permit
878.116/12	2,880	25/03/2013	25/03/2016	1,253.22	Permit
878.138/09	15,082	22/12/2009	22/12/2012	765.97	Extension Submitted
878.139/09	15,083	22/12/2009	22/12/2012	1,027.52	Extension Submitted
878.140/09	15,084	23/12/2009	22/12/2012	1,962.55	Extension Submitted
878.141/09	15,085	24/12/2009	22/12/2012	1,978.64	Extension Submitted
878.142/09	15,086	25/12/2009	22/12/2012	1,633.53	Extension Submitted
878.182/11	7,109	18/02/2010	27/11/2015	361.78	Permit
878.183/11	2,863	25/03/2013	25/03/2016	100.00	Permit
878.184/11	2,864	25/03/2013	25/03/2016	999.55	Permit
878.185/11	2,865	25/03/2013	25/03/2016	400.00	Permit
878.186/11	2,866	25/03/2013	25/03/2016	29.05	Permit
878.187/11	2,867	25/03/2013	25/03/2016	28.26	Permit
878.188/11	4,425	30/04/2013	30/04/2016	297.40	Permit
878.189/11	2,868	25/03/2013	25/03/2016	178.72	Permit

