



Agua Resources Limited
(Formerly Newport Mining Limited)
ABN 94 128 256 888

Interim Financial Report
for the Half Year Ended
31 December 2010



CORPORATE DIRECTORY

Directors

Mr Anthony Wonnacott – Chairman
Mr Simon Taylor – Managing Director
Dr Fernando Tallarico – Technical Director
Mr Graham Ascough – Non-Executive Director

Company Secretary

Mr Andrew Bursill

Registered and Principal Office

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Solicitors

Addisons Lawyers

Auditor

Deloitte Touche Tohmatsu

Bankers

National Australia Bank

Stock Exchange Listing

Australian Securities Exchange
ASX Code: AGR

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DIRECTORS' REPORT

The Board of Directors of Aguia Resources Limited (Formerly Newport Mining Limited) present their report on Aguia Resources Limited (the "Group" or "Aguia") for the half year ended 31 December 2010.

DIRECTORS

The names of the Directors of Aguia Resources in office during the half year and until the date of this report are:

Mr Anthony Wonnacott	Chairman
Mr Simon Taylor	Managing Director
Dr Fernando Tallarico	Technical Director
Mr Graham Ascough	Non-Executive Director
Mr Mark Pearce	Non-Executive Director (resigned 19 October 2010)
Mr Ian Middlemas	Chairman (resigned 30 August 2010)

Unless otherwise shown, all Directors were in office from the beginning of the half year until the date of this report.

PRINCIPAL ACTIVITIES

The principal activities during the year of the Group were the continued exploration and development of resource projects by the Group and investment in the resources sector. No significant change in the nature of these activities occurred during the half year.

DIVIDENDS

No dividends were paid or declared during the half year ended 31 December 2010.

REVIEW AND RESULTS OF OPERATIONS

Review of Operations

During the half year the Company continued its efforts on its phosphate projects in Brazil and recently entered into a conditional agreement to acquire a highly prospective and potentially large-scale potash project also located in Brazil.

The Company reported encouraging exploration results from the Mata da Corda Phosphate Project ("MCP"), these included:

- Reconnaissance rock chip sampling from Block 1 returned high grade phosphate results from a mineralised trend that extends over at least 1 kilometre of strike and is up to 500m wide. Best assays from this extensive zone returned up to 25.7% and 28.4% P₂O₅.
- Significantly the new results appear to be related to a potential carbonatite source. The large Vale owned phosphate mines Araxa and Tapira located some 150 kilometres to the south west of Block 1 are also hosted by carbonatites.
- A first pass drilling program completed at the Capacete, Block 5, Block 6 and Block 1 targets returned encouraging results.
- Drilling at Capacete returned wide zones of low grade phosphate mineralisation with narrow higher grade intervals of up to 11.15% P₂O₅ and narrow high grade intervals up to 13.67% P₂O₅ at the Breccia target.
- The grade of the narrow intervals is comparable to operating phosphate mines in close proximity to the project.

DIRECTORS' REPORT (Continued)



Review of Operations (continued)

Agua is currently undertaking a comprehensive due diligence process in regards to the acquisition of the Brazilian potash projects and expects to issue a Notice of Meeting to shareholders in the coming weeks.

The Company has entered into a conditional agreement to acquire a potentially large-scale potash project ("**Project**") located in NE Brazil. The potash project compliments the Company's Brazilian phosphate projects enabling Agua to capitalise on the increasing demand for fertilisers as it aims to be a developer in the Brazilian fertiliser sector.

The proposed acquisition of the Projects will occur by Agua acquiring a 100% of Potasio Atlantico Ltda ("**PALTDA**"). PALTDA is a 100% owned subsidiary of Potash Atlantico Corp ("**PAC**"), a private Canadian company, associated with the Forbes & Manhattan Group.

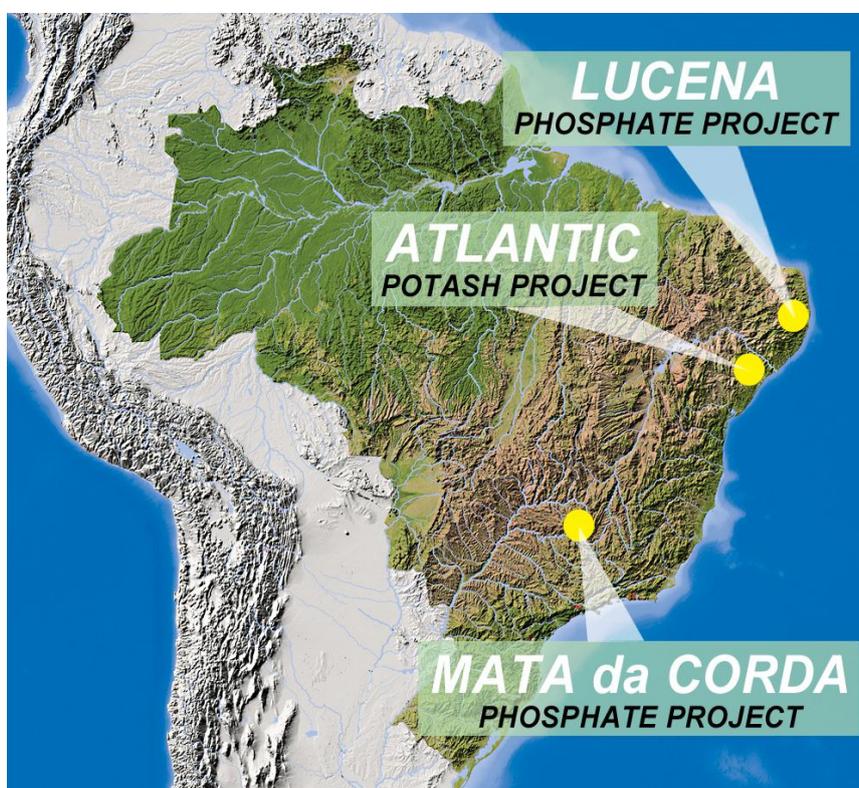


Figure 1: Location of Potash and Phosphate Projects

Highlights of the proposed acquisition are as follows:

- Agua to acquire Potasio Atlantico Ltda, a private mineral exploration company with a primary focus on **potash** exploration and development in the Sergipe Basin, Brazil.
- Adjacent to Brazil's only operating potash mine, Vale's Taquari-Vassouras underground mine.
- Vale is developing a 1.2m tpa carnallite solution mining project, has built a functioning pilot plant which has proved solution mining of carnallite in the Sergipe basin is commercially feasible and acquired environmental permitting.
- Project supported by data from 300 petroleum bore holes that have reported a number of potash occurrences and 32,000 km of existing 2D seismic data examined that has further highlighted the potential of the region to host significant potash deposits.



DIRECTORS' REPORT (Continued)

Review of Operations (continued)

- Initial land position of approximately 179,000 hectares (1,790km²) in the attractive Carnallite potash bearing Sergipe-Alagoas basin.
- Proximity to existing infrastructure including power, gas, road and port facilities.
- Projects are located in one of the largest global potash markets, Brazil imports 90% of its potash needs.
- An experienced in-country technical team is already assembled, headed by Mr Paulo Souza, an experienced mining engineer who was previously involved in developing Vale's Carnallite Project and Pilot plant.
- Initial exploration will focus on the discovery and delineation of a Mineral Resource estimate that can be reported in accordance with the JORC Code.

Capital Raising

On 24 November 2010, the Company issued 7,900,000 Shares at a price of \$0.50 per Share to professional and sophisticated investors raising \$3,950,000.

Norwest Claim

The appeal made by Norwest Holding Pte Ltd ("**Norwest**") in relation to their claim against Aguia for not completing the acquisition of a phosphate project located in the Sichuan Province of China has been dismissed by The Court of Appeal in Singapore.

The Court of Appeal is Singapore's highest Court and as such there can be no further appeal by Norwest in relation to this matter.

The Court of Appeal has also:

- upheld Aguia's counterclaim relating to the recovery of a deposit of S\$102,500 paid by the Company to Norwest upon lodging its bid for the acquisition of the project; and
- awarded Aguia costs in relation to the appeal. Further details in relation to the quantum of costs to be received by Aguia for expenses associated with the appeal and the original court case will be released as they become available.

Operating Results

The net operating loss after tax for the half year ended 31 December 2010 was \$1,455,991 (31 December 2009: \$598,228) which includes \$633,250 relating to share based payments.

The Company has maintained a healthy cash position during the half year and at 31 December 2010 the Company had cash reserves of over \$5.8 million.



DIRECTORS' REPORT (Continued)

SIGNIFICANT POST BALANCE DATE EVENTS

- (i) On 25 January 2011, the Company announced that it had entered into a conditional agreement to acquire a potentially large-scale potash project located in North East Brazil. The acquisition of the project will occur by Aguia Resources acquiring a 100% interest in Potasio Atlantico Ltda (PALTDA). PALTDA is a 100% owned subsidiary of Potasu Atlantico Comp (PAC).
- (ii) The commercial terms of the acquisition include the issue of 20,000,000 fully paid ordinary shares and 1,500,000 options, exercisable at a price of \$0.50 per option on settlement, with further ordinary shares to be issued upon achievement of the milestones involving independent delineation, classification and reporting of mineral resources in accordance with the JORC code (refer ASX release dated 25 January 2011 for further details).

Other than as disclosed above, at the date of this report there were no significant events that have occurred after balance date that require disclosure.

AUDITOR'S INDEPENDENCE DECLARATION

Section 307C of the Corporations Act 2001 requires our auditors, Deloitte Touche Tohmatsu, to provide the directors of Aguia Resources Limited with an Independence Declaration in relation to the review of the half year financial report. This Independence Declaration is on page 5 and forms part of this Directors' Report.

Signed in accordance with a resolution of Directors.

A handwritten signature in black ink, appearing to read "Simon Taylor".

SIMON TAYLOR
Managing Director

11 March 2011

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 Aguia 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.

The Board of Directors
Aguia Resources Limited
Suite 206
1 Katherine Street
Chatswood NSW 2067

11 March 2011

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 half year review of the financial statements of Aguia Resources Limited for the financial period ended 31 December 2010, 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 review; and
- (ii) any applicable code of professional conduct in relation to the review.

Yours sincerely



DELOITTE TOUCHE TOHMATSU



Conley Manifis
Partner
Chartered Accountants



DIRECTORS' DECLARATION

In the opinion of the Directors' of Aguia Resources Limited:

- (a) The financial statements and notes, as set out on pages 7 to 15 are in accordance with the Corporations Act 2001, including:
 - i. giving a true and fair view of the financial position of the Group as at 31 December 2010 and of its performance represented by the results of its operations and its cash flows for the six months period ended on that date; and
 - ii. complying with Australian Accounting Standard and the Corporations Regulations 2001.

- (b) There are reasonable grounds to believe that Aguia Resources Limited will be able to pay its debts as and when they become due and payable.

Signed in accordance with a resolution of the Directors, made pursuant to S303(5) of the Corporations Act 2001.

On behalf of the Directors

A handwritten signature in black ink that reads "Simon Taylor".

SIMON TAYLOR
Managing Director

11 March 2011

**CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE
INCOME**
FOR THE HALF YEAR ENDED 31 DECEMBER 2010



	Half Year Ended 31 December 2010 \$	Half Year Ended 31 December 2009 \$
Interest revenue	95,937	65,110
Administration costs	(542,636)	(27,009)
Corporate costs	(164,375)	(204,183)
Exploration costs	(48,010)	(26,060)
Business development costs	(114,081)	(96,456)
Litigation costs	(49,576)	(309,630)
Share based payments	(633,250)	-
Loss before income tax	(1,455,991)	(598,228)
Income tax expense	-	-
Loss for the period	(1,455,991)	(598,228)
Other comprehensive income		
Exchange differences arising on translation of foreign operations	(149,014)	-
Income tax on other comprehensive income	-	-
Other comprehensive income for the period	(149,014)	-
Total comprehensive loss for the period	(1,605,005)	(598,228)
Loss attributable to members of Aguia Resources Limited	(1,455,991)	(598,228)
Total comprehensive loss attributable to members Aguia Resources Limited	(1,605,005)	(598,228)
Earnings per share		
Basic loss per share (cents per share)	(2.68)	(1.83)
Diluted loss per share (cents per share)	(2.68)	(1.83)

The accompanying notes form part of the financial statements.

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION
FOR THE HALF YEAR ENDED 31 DECEMBER 2010



	Note	31 December 2010 \$	30 June 2010 \$
ASSETS			
Current Assets			
Cash and cash equivalents		5,828,587	4,949,721
Trade and other receivables		12,376	17,582
Other assets		106,340	5,046
Total Current Assets		5,947,303	4,972,349
Non-current Assets			
Plant and equipment		153,704	87,250
Exploration and evaluation assets		20,254,690	18,678,996
Total Non-current Assets		20,408,394	18,766,246
TOTAL ASSETS		26,355,697	23,738,595
LIABILITIES			
Current Liabilities			
Trade and other payables		715,816	983,398
Provisions		18,216	5,736
Total Current Liabilities		734,032	989,134
TOTAL LIABILITIES		734,032	989,134
NET ASSETS		25,621,665	22,749,461
EQUITY			
Issued capital	3	28,420,676	24,576,717
Reserves	3	1,010,341	526,105
Accumulated losses		(3,809,352)	(2,353,361)
TOTAL EQUITY		25,621,665	22,749,461

The accompanying notes form part of the financial statements.

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

FOR THE HALF YEAR ENDED 31 DECEMBER 2010



	Ordinary Shares	Performance Shares	Option Premium Reserve	Foreign Exchange Translation Reserve	Accumulated Losses	Total Equity
	\$	\$	\$	\$	\$	\$
Balance at 1 July 2009	5,094,783	-	148,079	-	(819,591)	4,423,271
Net loss for the period	-	-	-	-	(598,228)	(598,228)
Other comprehensive income	-	-	-	-	-	-
Total comprehensive income for the period	-	-	-	-	(598,228)	(598,228)
Transactions with owners recorded directly in equity						
Issue of shares	-	-	-	-	-	-
Share issue costs	-	-	-	-	-	-
Share-based payments expense	-	-	36,121	-	-	36,121
Balance at 31 December 2009	5,094,783	-	184,200	-	(1,417,819)	3,861,164
Balance at 1 July 2010	12,576,717	12,000,000	526,988	(883)	(2,353,361)	22,749,461
Net loss for the period	-	-	-	-	(1,455,991)	(1,455,991)
Other comprehensive income	-	-	-	(149,014)	-	(149,014)
Total comprehensive income for the period	-	-	-	(149,014)	(1,455,991)	(1,605,005)
Transactions with owners recorded directly in equity						
Issue of shares	3,950,000	-	-	-	-	3,950,000
Share issue cost	(106,041)	-	-	-	-	(106,041)
Share-based payments expense	-	-	633,250	-	-	633,250
Balance at 31 December 2010	16,420,676	12,000,000	1,160,238	(149,897)	(3,809,352)	25,621,665

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE HALF YEAR ENDED 31 DECEMBER 2010



	Half Year Ended 31 December 2010 \$	Half Year Ended 31 December 2009 \$
Cash flows from operating activities		
Payments to suppliers and employees	(1,663,413)	(699,945)
Net cash (outflow)/inflow from operating activities	(1,663,413)	(699,945)
Cash flows from investing activities		
Payments for exploration and evaluation assets	(1,401,779)	-
Payments for plant and equipment	(57,940)	-
Interest received	96,998	64,895
Net cash (outflow)/inflow from investing activities	(1,362,721)	64,895
Cash flows from financing activities		
Proceeds from issue of shares	3,950,000	-
Payments for share issue costs	(106,041)	-
Payment of vehicle finance	(34,908)	-
Net cash inflow from financing activities	3,809,051	-
Net (decrease)/increase in cash and cash equivalents	782,917	(635,050)
Cash and cash equivalents at the beginning of the period	4,949,721	4,467,041
Foreign exchange movement on cash and cash equivalents	95,949	-
Cash and cash equivalents at the end of the half year	5,828,587	3,831,991

The accompanying notes form part of the financial statements.

NOTES TO THE FINANCIAL STATEMENTS FOR THE HALF YEAR ENDED 31 DECEMBER 2010



1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

These general purpose financial statements for the interim half-year reporting period ended 31 December 2010 have been prepared in accordance with requirements of the Corporations Act 2001 and Australian Accounting Standards including AASB 134: Interim Financial Reporting. Compliance with Australian Accounting Standards ensures that the financial statements and notes also comply with International Financial Reporting Standards.

This interim financial report is intended to provide users with an update on the latest annual financial statements of Aguia Resources Limited. As such, it does not contain information that represents relatively insignificant changes occurring during the half-year within the Group. It is therefore recommended that this financial report be read in conjunction with the annual financial statements of the Group for the year ended 30 June 2010, together with any public announcements made during the half-year.

Apart from the changes in accounting policy noted below, the accounting policies and methods of computation are the same as those adopted in the most recent annual financial report.

Changes in accounting policy

The following amending Standards have been adopted from 1 July 2010. Adoption of these Standards did not have any effect on the financial position or performance of the Company.

- *AASB 2009-7 Amendments to Australian Accounting Standards* effective 1 July 2009
The amendments are editorial amendments to AASB 5, AASB 7, AASB 107, AASB 112, AASB 136, AASB 139 and AASB Interpretation 17 that have no major impact on the requirements of the amended pronouncements. The amendment had no impact on the application or wording of the Group's accounting policies.
- *AASB 2009-8 Amendments to Australian Accounting Standards – Group Cash-settled Share-based Payment Transactions* effective 1 January 2010.

The amendments clarify the scope of AASB 2 by requiring an entity that receives goods or services in a share-based payment arrangement to account for those goods or services no matter which entity in the group settles the transaction, and no matter whether the transaction is settled in shares or cash. The Group adopted this amendment as of 1 July 2010 and has amended its accounting policy accordingly.

The Group has not elected to early adopt any other new Standards or amendments that are issued by not yet effective.

2. SEGMENT INFORMATION

Segment Information

Identification of reportable segments

The Group has identified its operating segments based on the internal reports that are reviewed and used by the board of directors (chief operating decision makers) in assessing performance and determining the allocation of resources.

The Group is managed primarily on its products and service offerings. A geographical segment is engaged in providing products or services within a particular economic environment and is subject to risks and returns that are different from those of segments operating in other economic environments. Operating segments are therefore determined on the same basis.

Reportable segments disclosed are based on aggregating operating segments where the segments are considered to have similar economic characteristics and are also similar with respect to the type of product and service.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE HALF YEAR ENDED 31 DECEMBER 2010
(Continued)



2. SEGMENT INFORMATION (continued)

Types of product and service by segment

As of the date of this report and during the six months to 31 December 2010 the Group operates entirely in the industry of exploration of exploration of minerals in Brazil. The operating segments are identified based on the size of the exploration tenements.

Basis of accounting for purposes of reporting by operating segments

Accounting policies adopted

Unless stated otherwise, all amounts reported to the board of directors as the chief decision maker with respect to operating segments are determined in accordance with accounting policies that are consistent to those adopted in the annual financial statements of the Group.

Geographic Segments

Segment assets

Where an asset is used across multiple segments, the asset is allocated to the segment that receives the majority of economic value from the asset. In the majority of instances, segment assets are clearly identifiable on the basis of their nature and physical location.

Corporate Office Activities

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

Segment Result

The internal reports that are reviewed and used by the board of directors comprise only direct exploration expenditure. This information is used by the board of directors in assessing performance and in determining the allocation of resources and as such no segment result or segment revenues are separately disclosed.

Segment Assets.

Segment Assets 31 December 2010	Australia	Brazil	Total
	\$	\$	\$
Segment operating assets	-	20,254,690	20,254,690
Intersegment eliminations:			
Cash and cash equivalent	4,923,168	905,419	5,828,587
Trade and other current assets	15,840	102,876	118,716
Property, plant and equipment	3,273	150,431	153,704
Total assets from continuing operations per the statement of financial position			26,355,697

Segment Assets 30 June 2010	Australia	Brazil	Total
	\$	\$	\$
Segment operating assets	-	18,678,996	18,678,996
Intersegment eliminations:			
Cash and cash equivalent	4,914,258	35,463	4,949,721
Trade and other current assets	17,582	5,046	22,628
Property, plant and equipment	4,093	83,157	87,250
Total assets from continuing operations per the statement of financial position			23,738,595

NOTES TO THE FINANCIAL STATEMENTS
FOR THE HALF YEAR ENDED 31 DECEMBER 2010
(Continued)



3. EQUITY SECURITIES ISSUED

	31 December 2010 \$	30 June 2010 \$
(a) Issued Capital		
60,650,001 (30 June 2010: 52,750,001) fully paid ordinary shares	16,420,676	12,576,717
(b) Options		
20,000,000 Class A Performance Shares	12,000,000	12,000,000
Total issued and paid up capital	28,420,676	24,576,717

(c) Movements in Ordinary Shares During the Past Six Months Were as Follows:

Date	Details	Number of Shares	\$
1 July 2010	Opening Balance	52,750,001	12,576,717
24 November 2010	Share placement	7,900,000	3,950,000
	Share issue costs	-	(106,041)
31 December 2010	Closing Balance	60,650,001	16,420,676

(d) Movements in Reserves During the Past Six Months Were as Follows:

	Opening Balance	Options issued	Currency translation difference	Closing Balance
Share based payments	526,988	633,250	-	1,160,238
Foreign currency translation	(883)	-	(149,014)	(149,897)
31 December 2010	526,105	633,250	(149,014)	1,010,341

(e) Movements in Unlisted Options During the Past Six Months Were as Follows:

Date	Details	Number of Options	\$
1 July 2010	Opening Balance	8,800,000	526,988
1 July 2010 to 31 December 2010	Options granted to Directors and Consultants	2,725,000	633,250
31 December 2010	Closing Balance	11,525,000	1,160,238

NOTES TO THE FINANCIAL STATEMENTS
FOR THE HALF YEAR ENDED 31 DECEMBER 2010
(Continued)



4. CONTINGENT ASSETS AND LIABILITIES

Norwest Claim

The appeal made by Norwest Holding Pte Ltd (“**Norwest**”) in relation to their claim against Aguia for not completing the acquisition of a phosphate project located in the Sichuan Province of China has been dismissed by The Court of Appeal in Singapore.

The Court of Appeal is Singapore’s highest Court and as such there can be no further appeal by Norwest in relation to this matter.

The Court of Appeal has also:

- upheld Aguia’s counterclaim relating to the recovery of a deposit of S\$102,500 paid by the Company to Norwest upon lodging its bid for the acquisition of the project; and
- awarded Aguia costs in relation to the appeal. Further details in relation to the quantum of costs to be received by Aguia for expenses associated with the appeal and the original court case will be released as they become available.

5. DIVIDENDS PAID OR PROVIDED FOR

No dividend has been paid or provided for during the half year (31 December 2009: nil).

6. COMMITMENTS

Commitments for exploration	31 December 2010 \$	30 June 2010 \$
Not longer than 1 year		
Mata Da Corda Project	44,008	-
Lucena Project	88,332	-
Goiias Catalao Project	4,707	-
Pathfinder Project	-	50,000
Para Project	23,551	-
Longer than 1 year and shorter than 5 years		
Pathfinder Project	-	130,137
Mata Da Corda Project	302,215	-
Lucena Project	8,319	-
	471,132	180,137



7. SUBSEQUENT EVENTS AFTER BALANCE DATE

On 25 January 2011, the Company announced it had entered into a conditional agreement to acquire a potentially large-scale potash project located in North East Brazil. The acquisition of the project will occur by Aguia Resources acquiring a 100% interest in Potasio Atlantico Ltda (PALTDA). PALTDA is a 100% owned subsidiary of Potasu Atlantico Comp (PAC).

The commercial terms of the acquisition include the issue of 20,000,000 fully paid ordinary shares and 1,500,000 options, exercisable at a price of \$0.50 per option on settlement, with further ordinary shares to be issued upon achievement of the milestones involving independent delineation, classification and reporting of mineral resources in accordance with the JORC code (refer ASX release dated 25 January 2011 for further details).

Other than as disclosed above, at the date of this report there were no significant events that have occurred after balance date that require disclosure.

Independent Auditor's Review Report to the Members of Aguia Resources Limited

We have reviewed the accompanying half-year financial report of Aguia Resources Limited, which comprises the condensed statement of financial position as at 31 December 2010, and the condensed statement of comprehensive income, the condensed statement of cash flows and the condensed statement of changes in equity for the half-year ended on that date, selected explanatory notes and, the directors' declaration of the consolidated entity comprising the company and the entities it controlled at the end of the half-year or from time to time during the half-year as set out on pages 6 to 15.

Directors' Responsibility for the Half-Year Financial Report

The directors of the company are responsible for the preparation of the half-year 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 half-year financial report that is free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express a conclusion on the half-year financial report based on our review. We conducted our review in accordance with Auditing Standard on Review Engagements ASRE 2410 *Review of a Financial Report Performed by the Independent Auditor of the Entity*, in order to state whether, on the basis of the procedures described, we have become aware of any matter that makes us believe that the half-year financial report is not in accordance with the *Corporations Act 2001* including: giving a true and fair view of Aguia Resources Limited's financial position as at 31 December 2010 and its performance for the half-year ended on that date; and complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*. As the auditor of Aguia Resources Limited, ASRE 2410 requires that we comply with the ethical requirements relevant to the audit of the annual financial report.

A review of a half-year financial report consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Australian Auditing Standards and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Auditor's Independence Declaration

In conducting our review, 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 review report.

Conclusion

Based on our review, which is not an audit, we have not become aware of any matter that makes us believe that the half-year financial report of Aguia Resources Limited is not in accordance with the *Corporations Act 2001*, including:

- (a) giving a true and fair view of the consolidated entity's financial position as at 31 December 2010 and of its performance for the half-year ended on that date; and
- (b) complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*.

Deloitte Touche Tohmatsu

DELOITTE TOUCHE TOHMATSU

CMaf

Conley Manifis

Partner

Chartered Accountants

Perth, 11 March 2011