



ABN 94 128 256 888

---

## NOTICE OF ANNUAL GENERAL MEETING

**The Annual General Meeting of the Company will be held at Level 10, 131 Macquarie Street, Sydney, New South Wales on 15 November 2013 at 10.30 AM (AEDT).**

---

*This Notice of General Meeting should be read in its entirety. If Shareholders are in doubt as to how they should vote, they should seek advice from their accountant, solicitor or other professional adviser prior to voting.*

**Should you wish to discuss any matter please do not hesitate to contact the Company Secretary by telephone on (02) 9299 9690**

---

## **AGUIA RESOURCES LIMITED**

**A B N 9 4 1 2 8 2 5 6 8 8 8**

---

### **NOTICE OF ANNUAL GENERAL MEETING**

Notice is hereby given that the annual general meeting of Shareholders of Aguia Resources Limited ("**Aguia**" or "**Company**") will be held at Level 10, 131 Macquarie Street, Sydney, New South Wales on 15 November 2013 at 10.30 am (AEDT) ("**Meeting**").

The Company has also made arrangements for the auditor of the Company to attend the meeting by telephone from the offices of the Company's auditor, Deloitte Touche Tohmatsu, at Level 14, 240 St Georges Terrace, Perth, Western Australia.

The Explanatory Memorandum to this Notice provides additional information on matters to be considered at the Meeting. The Explanatory Memorandum and the Proxy Form form part of this Notice.

**It is the Chairman's intention to vote all undirected proxies in favour of all resolutions.**

The Directors have determined pursuant to regulation 7.11.37 of the Corporations Regulations 2001 (Cth) that the persons eligible to vote at the Meeting are those who are registered as Shareholders on 13 November 2013 at 7:00 pm (AEDT).

Terms and abbreviations used in this Notice and the Explanatory Memorandum are defined in Section 9 of the Explanatory Memorandum.

# AGENDA

---

## 1. Annual Report

To table and consider the Annual Report of the Company and its controlled entities for the year ended 30 June 2013, which includes the financial report, directors' report in relation to that year and the auditor's report in the financial report.

---

## 2. Resolution 1 – Adoption of Directors Remuneration Report

To consider and, if thought fit, to pass, with or without amendment, the following resolution as a **non-binding ordinary resolution**:

*“That, for the purposes of Section 250R(2) of the Corporations Act and for all other purposes, approval is given to the adoption of the Remuneration Report as contained in the Company's financial report for the year ended 30 June 2013.”*

**Short Explanation:** The vote on this resolution is advisory only and does not bind the Directors or the Company.

---

## 3. Resolution 2 – Re-election of Dr Fernando Tallarico

To consider and, if thought fit, to pass the following resolution as an **ordinary resolution**:

*“That Dr Fernando Tallarico, being a director of the Company who retires in accordance with Article 6.3(c) of the Constitution, and being eligible, be re-elected as a Director of the Company.”*

---

## 4. Resolution 3 – Election of Mr Prakash Hariharan

To consider and, if thought fit, to pass the following resolution as an **ordinary resolution**:

*“That Mr Prakash Hariharan, being a director of the Company who retires in accordance with Article 6.3(j) of the Constitution, and being eligible, be re-elected as a Director of the Company.”*

---

**5. Resolution 4 – Ratification of prior issues of securities**

To consider and, if thought fit, to pass the following resolution as an **ordinary resolution**:

*“That, for the purposes of ASX Listing Rule 7.4 and for all other purposes, the Shareholder’s ratify and approve the allotment and issue of 15,720,000 ordinary shares, for the purposes and on the terms and conditions set out in the Explanatory Memorandum accompanying the Notice.”*

---

**6. Resolution 5 – Approval of 10% Placement Facility Under Listing Rule 7.1A**

To consider and if thought fit, to pass, with or without amendment, the following resolution as a **special resolution**:

*“That for the purposes of Listing Rule 7.1A and for all other purposes, Shareholders approve the issue of Equity Securities up to 10% of the issued capital in the Company (at the time of the issue) calculated in accordance with the formula prescribed in Listing Rule 7.1A.2 and other the terms and conditions in the Explanatory Memorandum.”*

---

**EXPLANATORY MEMORANDUM**

---

Attached to and forming part of this Notice is the Explanatory Memorandum which provides Shareholders with background information and further details on the Resolutions to be considered at the Meeting, in accordance with the ASX Listing Rules.

**BY ORDER OF THE BOARD**



**ANDREW BURSILL**  
Company Secretary  
10 October 2013

### Voting Exclusion Statement:

The Corporations Act restricts members of the key management personnel (**KMP**) of the Company and their closely related parties (which includes a KMP's spouse, dependents and companies controlled by the KMP) from voting in relation to remuneration related resolutions (being Resolution 1 in relation to the remuneration report).

**What this means for shareholders:** If you intend to appoint a member of the KMP (such as the Chairman of the AGM or one of the directors) as your proxy, please ensure that you direct them how to vote on Resolution 1. If you intend to appoint the Chairman of the Meeting as your proxy, you can direct him how to vote by either marking the boxes for Resolutions 1 (for example if you wish to vote for or against or to abstain from voting), or by appointing the Chairman as your proxy without directing him how to vote, you will need to give expressed authority for the Chairman to exercise your proxy by marking the tick box on Step 3 of the proxy form (in which case the Chairman of the Meeting will vote in favour of Resolution 1).

The Company will disregard any vote cast on resolutions by excluded shareholders detailed in the table below. However, the Company need not disregard a vote if:

- it is cast by a person as proxy for a person who is entitled to vote, in accordance with the directions on the proxy form; or
- it is cast by a person chairing the meeting as proxy for a person who is entitled to vote, in accordance with a direction on the proxy form to vote as the proxy decides.

<b>Resolution</b>	<b>Shareholders excluded from voting</b>
<i>Resolution 1 – Adoption of Directors Remuneration Report</i>	<p>The Company will not accept any votes cast on Resolution 1 by or on behalf of a person who is disclosed in the Remuneration Report as one of the key management personnel of the Company (including Directors), or a closely related party of that person (as these persons are not entitled to vote on the resolution in their own capacity). However the Company will accept a vote cast by such a person if they do so as a proxy for a person who is entitled to vote, in accordance with a direction on the proxy form.</p> <p>As a result of recent amendments to the <i>Corporations Act 2001</i>, the Chairman will vote undirected proxies on this resolution relating to the Remuneration Report in certain circumstances. Please refer to the 'Key Management Personnel Voting Exclusion' information set out in the Information for Shareholders section at the end of this Notice of Meeting.</p>

<p><i>Resolution 4 – Ratification of prior issues of securities</i></p>	<p>The Company will disregard any votes cast on Resolution 4 by:</p> <ul style="list-style-type: none"> <li>• Participants in the issue described in Resolution 4; and</li> <li>• An associate of that person(s).</li> </ul> <p>However, the Company will not disregard a vote if:</p> <p>(a) it is cast by a person as proxy for a person who is entitled to vote, in accordance with the directions on the Proxy Form; or</p> <p>(b) it is cast by the person chairing the Meeting as proxy for a person who is entitled to vote, in accordance with a direction on the Proxy Form to vote as the proxy decides.</p>
<p><i>Resolution 5 – Approval of 10% Placement Facility Under Listing Rule 7.1A</i></p>	<p>The Company will disregard any votes cast on this Resolution by a person (and any associates of such a person) who may participate in the 10% Placement Facility and a person who might obtain a benefit, except a benefit solely in the capacity of a holder of Shares, if this Resolution is passed.</p> <p>However, the Company will not disregard a vote if:</p> <p>(a) It is cast by the person as proxy for a person who entitled to vote, in accordance with the directions of the Proxy Form or</p> <p>(b) It is cast by the Chairman as proxy for a person who is entitled to vote, in accordance with a direction on the Proxy Form to vote as the proxy decides.</p> <p><b>Important Note:</b> The proposed allottees of any Placement Securities are not as yet known or identified. In these circumstances (and in accordance with the note set out in ASX Listing Rule 14.11.1 relating to ASX Listing Rules 7.1 and 7.1A), for a person's vote to be excluded, it must be known that that person will participate in the proposed issue. Where it is not known who will participate in the proposed issue (as in the case in respect of the Placement Securities), Shareholders must consider the proposal on the basis that they may or may not get a benefit and that it is possible that their holding will be diluted and there is no reason to exclude their votes.</p>

---

# AGUIA RESOURCES LIMITED

ABN 94 128 256 888

---

## EXPLANATORY MEMORANDUM

---

### 1. Introduction

This Explanatory Memorandum has been prepared for the information of Shareholders of the Company in connection with the business to be conducted at the Annual General Meeting to be held will be held at Level 10, 131 Macquarie Street, Sydney, New South Wales on 15 November 2013 at 10.30 am (AEDT) and by telephone conference from the offices of the Company's auditor at Level 14, 240 St Georges Terrace Perth Western Australia.

This Explanatory Memorandum should be read in conjunction with and forms part of the accompanying Notice. The purpose of this Explanatory Memorandum is to provide information to Shareholders in deciding whether or not to pass the Resolutions in the Notice.

This Explanatory Memorandum includes the following information to assist Shareholders in deciding how to vote on the Resolutions:

Section 2:	Action to be taken by Shareholders
Section 3:	Consideration of Accounts and Reports
Section 4:	Resolution 1 – Adoption of Directors Remuneration Report
Section 5:	Resolution 2 – Re-election of Mr Fernando Tallarico
Section 6:	Resolution 3 – Re-election of Mr Prakash Hariharan
Section 7:	Resolution 4 – Ratification of prior issues of securities
Section 8:	Resolution 5 – Approval of 10% Placement Facility Under Listing Rule 7.1A
Section 9:	Definitions

A Proxy Form is located at the end of the Explanatory Memorandum.

---

## 2. Action to be taken by Shareholders

Shareholders should read this Explanatory Memorandum carefully before deciding how to vote on the Resolutions.

A Proxy Form is attached to the Notice. This is to be used by Shareholders if they wish to appoint a representative (a 'proxy') to vote in their place. All Shareholders are invited and encouraged to attend the Meeting or, if they are unable to attend in person, sign and return the Proxy Form to the Company in accordance with the instructions provided. Lodgement of a Proxy Form will not preclude a Shareholder from attending and voting at the Meeting in person.

---

## 3. Consideration of Accounts and Reports

The Company's Financial Report for the year ended 30 June 2013 is set out in the Company's 2013 Annual Report. In accordance with the Corporations Act, Shareholders will be given a reasonable opportunity at the Annual General Meeting to ask questions and make comments on the Financial Report and on the business and management of the Company.

During the discussion of this item, the Company's auditor will be present and will answer qualifying questions.

### *Written questions for the auditor*

If you would like to submit a written question to the Company's auditor, please post your question to the Company Secretary or fax it to (612) 9299 9629. Written questions must relate to the content of the auditor's report to be considered at the Annual General Meeting or the conduct of the audit. A list of qualifying questions will be made available at the Annual General Meeting.

Please note that all questions must be received at least five Business Days before the Annual General Meeting, that is by no later than 10:30am (AEDT) on 7 November 2013.

---

## 4. Resolution 1 – Adoption of Directors Remuneration Report

The Corporations Act requires that at a listed company's annual general meeting, a resolution that the remuneration report be adopted must be put to the shareholders. However, such a resolution is advisory only and does not bind the Directors or the Company.

Under recent changes to the Corporations Act which came into effect on 1 July 2011, if at least 25% of the votes cast on Resolution 1 are voted against adoption of the Remuneration Report at the Annual General Meeting, and then again at the Company's 2013 annual general meeting, the Company will be required to put to Shareholders a resolution proposing the calling of an extraordinary general meeting to consider the appointment of directors of the Company (Spill Resolution).

If more than 50% of Shareholders vote in favour of the Spill Resolution, the Company must convene the extraordinary general meeting (Spill Meeting) within 90 days of the Company's 2013 annual general meeting. All of the Directors who

were in office when the Company's 2013 Directors' report was approved, other than the managing director of the Company, will cease to hold office immediately before the end of the Spill Meeting but may stand for re-election at the Spill Meeting. Following the Spill Meeting those persons whose election or re-election as Directors is approved will be the Directors of the Company.

At the Company's 2011 and 2012 Annual General Meeting, the adoption of the Remuneration Report was carried on a unanimous show of hands, and in excess of 75% of the proxies received by the Company voted in favour of this resolution.

The remuneration report sets out the Company's remuneration arrangements for the Directors and senior management of the Company. The remuneration report is part of the Directors' report contained in the annual financial report of the Company for the financial year ending 30 June 2013 which is also available on the Company's website at [www.aquiaresources.com.au](http://www.aquiaresources.com.au).

A reasonable opportunity will be provided for discussion of the remuneration report at the Annual General Meeting.

#### **4.2 Key Management Personnel Proxy Restrictions**

Corporations Act 2001 (Cth) restricts members of the key management personnel (KMP) of the Company and their closely related parties (which includes a KMP's spouse, dependent and company controlled by the KMP) from voting in relation to remuneration related items in certain circumstances.

This restriction does not limit shareholders from appointing the Chairman as their proxy with a direction to cast the votes on a resolution (which may be contrary to the Chairman's stated voting intention) or from abstaining from voting on a resolution.

**What this means for shareholders:** If you intend to appoint a member of the KMP (such as the Chairman of the AGM or one of the directors) as your proxy, please ensure that you direct them how to vote on Resolution 1. If you intend to appoint the Chairman of the Meeting as your proxy, you can direct him how to vote by either marking the boxes for Resolutions 1 (for example if you wish to vote for or against or to abstain from voting), or by appointing the Chairman as your proxy without directing him how to vote, you will need to give expressed authority for the Chairman to exercise your proxy by marking the tick box on Step 3 of the proxy form (in which case the Chairman of the Meeting will vote in favour of Resolution 1).

---

## **5. Resolution 2 – Re-election of Dr Fernando Tallarico**

Article 6.3(c) of the Constitution requires that one third of the Directors must retire at each annual general meeting (rounded down to the nearest whole number).

Article 6.3(e)(i) requires that the Director to retire under Article 6.3(c) the director who has held their office as Director for the longest period of time since their last election (**Longest Reappointment Director**). Both Dr Tallarico and Mr Allan Pickett are Longest Reappointment Directors, having both held office as a Director for approximately two years since their last election. Article 6.3(e)(ii) provides that where two or more Longest Reappointment Directors have held office for the same period of time, those Directors may agree as to who should retire by rotation. Dr

Tallarico advised that he would be the Director to retire by rotation under Article 6.3(c).

Article 6.3(f) provides that a Director who retires under Article 6.3(c) is eligible for re-election.

Pursuant to these Articles of the Constitution, Dr Tallarico will retire by rotation and seek re-election.

#### ***Brief Curriculum Vitae of Director Dr Fernando Tallarico***

Technical Director

Dr Tallarico brings over 20 years experience in exploration to the team and has played an integral part in acquiring the phosphate and potash 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, he was focused on the exploration of fertiliser raw materials. Dr Tallarico was appointed as 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.Geol. Dr Tallarico holds degree in Bachelor of Science in Geology, as well as Master and PhD of Science in Economic Geology.

#### **Directors' Recommendation and Reasons for Recommendation in relation to Resolution 2**

The Directors (other than Dr Tallarico) recommend that you vote in favour of Resolution 2.

---

## **6. Resolution 3 – Re-election of Prakash Hariharan**

Mr Hariharan was appointed as a Director of the Company on 12 March 2013 in accordance with Article 6.2(b) of the Constitution.

Article 6.3(j) allows at any time the appointment by the Directors of a person to be a Director to fill a casual vacancy, but so that the total number of Directors does not at any time exceed the maximum number specified by the Articles. Any director so appointed holds office until the next general meeting of members of the Company and is then eligible for re-election at that meeting.

In accordance with Article 6.3(j), Mr Hariharan has retired from office and, being eligible for re-election, submits himself for re-election as a Director of the Company

#### ***Brief Curriculum Vitae of Director Mr Prakash Hariharan***

Non- executive Director

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 Aguia's highly prospective phosphate and potash projects and provides a wealth of experience from technical, financial and capital markets perspective. Prior to joining the company, he managed the Front Street Growth and Income of 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 agriculture sector. Mr Hariharan holds a financial engineering degree from New York University, an MBA from the Schulich School of Business and an undergraduate degree in Chemical Engineering.

### **Directors' Recommendation and Reasons for Recommendation in relation to Resolution 3**

The Directors (other than Mr Hariharan) recommend that you vote in favour of Resolution 3.

---

## **7. Resolution 4 – Ratification of prior issues of securities**

ASX Listing Rule 7.1 requires that a listed company obtain shareholder approval prior to the issue of shares, or securities convertible into shares, representing more than 15% of its ordinary issued capital in any twelve (12)-month period. **(ASXLR 7.1 - 15% Capacity)**

ASX Listing Rule 7.1A requires that a listed company obtain shareholder approval prior to the issue of shares, or securities convertible into shares, representing more than a further 10% of its ordinary issued capital in any twelve (12)-month period in excess of the amount under ASX Listing Rule 7.1 **(ASXLR 7.1A - 10% Capacity)**

On 20 August 2013 the Company issued a further 2,170,000 ordinary shares at \$0.05 per share to sophisticated and professional investors under its ASXLR 7.1 – 15% Capacity.

On 4 July 2013, the Company announced a placement of 13,550,000 Shares to sophisticated and professional investors at \$0.05 per Share to raise approximately \$677,750 (before costs) under the Company's ASXLR 7.1 – 15% Capacity.

Shareholder approval of the issues of securities set out above is now sought pursuant to Listing Rule 7.4 to:

- (1) re-instate the Company's capacity to issue up to 15% of its ordinary issued capital under ASX Listing Rule 7.1, in the next twelve (12) months without seeking further Shareholder approval; and
- (2) allow the Company to include the 15,720,000 shares issued on 4 July 2013 in the total number of shares to be used in calculating the total number of shares on issue in the Company's ASXLR 7.1 – 15% Capacity and the Company's ASXLR 7.1A – 10% Capacity, effectively increasing the shares the Company may issue under ASX Listing Rule 7.1 and 7.1A by 3,930,000 without seeking further shareholder approval.

Listing Rule 7.5 requires the following information to be provided to Shareholders:

- (a) the total number of securities issued was 15,720,000 Shares;
- (b) the Shares were issued at an issue price of \$0.05 per Share;
- (c) the Shares issued rank equally with, and be on the same terms as, the existing Shares on issue;
- (d) the Shares were issued to clients of Taylor Collison and other sophisticated investors and professional investors known to the Directors of the Company;
- (e) the recipients of the Shares were not related parties of the Company; and
- (f) the funds raised will be used to supplement the Company's existing working capital and to provide funding for further testing of the Company's Rio Grande phosphate projects in Southern Brazil.

#### **Directors' Recommendation and Reasons for Recommendation in relation to Resolution 4**

The Board recommends Shareholders vote in favour of Resolution 4 as it allows the Company to retain the flexibility to issue further securities to the full extent of its ASXLR 7.1 – 15% Capacity and ASXLR 7.1A – 10% Capacity as is permissible under the ASX Listing Rules. The Directors' intend to vote all their Shares in favour of Resolution 4.

---

## **8. Resolution 5 – Approval of 10% Placement Facility under Listing Rule 7.1A**

### **8.1 General**

ASX Listing Rule 7.1A enables eligible entities to issue Equity Securities up to 10% of their issued capital through placements over a 12 month period after the annual general meeting (10% Placement Facility). The 10% Placement Facility is in addition to the Company's 15% placement capacity under Listing Rule 7.1.

An eligible entity for the purposes of Listing Rule 7.1A is an entity that is not included in the S&P/ASX 300 Index and has a market capitalisation of \$300 million or less. The Company is an eligible entity.

The Company is now seeking shareholder approval by way of a special resolution to have the ability to issue Equity Securities under the 10% Placement Facility.

The exact number of Equity Securities to be issued under the 10% Placement Facility will be determined in accordance with the formula prescribed in Listing Rule 7.1A.2 (refer to section 8.2 (c) below).

#### **Directors' Recommendation and Reasons for Recommendation in relation to Resolution 5**

The Directors of the Company believe that Resolution 5 is in the best interests of the Company and unanimously recommend that Shareholders vote in favour of this Resolution.

## **8.2 Description Listing Rule 7.1A**

### **(a) Shareholder approval**

The ability to issue Equity securities under the 10% Placement Facility is subject to shareholder approval by way of a special resolution at an annual general meeting.

### **(b) Equity Securities**

Any Equity Securities under the 10% Placement Facility must be in the same class as an existing quoted class of Equity Securities of the Company.

As at the date of this Notice, the only class of Equity Securities in the Company quoted in the ASX are the ordinary shares in the Company. The Company presently has 183,490,413 ordinary shares as at the date of this Notice of Meeting.

### **(c) Formula for calculation 10% Placement Facility**

Listing Rule 7.1A.2 provides that eligible entities which have obtained shareholder approval at an annual general meeting may issue or agree to issue, during the 12 month period after the date of the annual general meeting, a number of Equity Securities calculated in accordance with the following formula:

#### **$(A \times D) - E$**

**A** is the number of shares on issue 12 months before the date of issue or agreement:

- (A) Plus the number of fully paid shares issued in the 12 months under an exception in Listing Rule 7.2;
- (B) Plus the number of partly paid shares that became fully paid in the 12 months;
- (C) Plus the number of fully paid shares issued in the 12 months with approval of holders of shares under Listing Rule 7.1 and 7.4. This does not include an issue of fully paid ordinary shares under the entity's 15% placement capacity without shareholder approval;
- (D) Less the number of fully paid shares cancelled in the 12 months.

Note that A has the same meaning in Listing Rule 7.1 when calculating an entity's 15% placement capacity.

**D** is 10%

**E** is the number of Equity Securities issued or agreed to be issued under Listing Rule 7.1A.2 in the 12 months before the date of the issue or agreement to issue that are not issued with the approval of shareholders under Listing Rule 7.1 or 7.4.

**(d) Listing Rule 7.1 and Listing Rule 7.1A**

The ability of an entity to issue Equity Securities under Listing Rule 7.1A is in addition to the entity's 15% placement capacity under Listing Rule 7.1.

At the date of this Notice, the Company has on issue 183,490,413 shares and assuming Resolution 4 has passed therefore has a theoretical capacity to issue:

- (i) 27,523,562 Equity Securities under Listing Rule 7.1.
- (ii) 18,349,041 Equity Securities under Listing Rule 7.1A.

The actual number of Equity Securities that the Company will have capacity to issue under Listing Rule 7.1A will be calculated at the date of issue of the Equity Securities in accordance with the formula prescribed in Listing Rule 7.1A.2 (refer to section 8.2 (c) above).

**(e) Minimum Issue Price**

The issue price of Equity Securities issued under Listing Rule 7.1A must be not less than 75% of the VWAP of Equity Securities in the same class calculated over the 15 Trading Days immediately before:

- (i) The date on which the price at which the Equity Securities are to be issued is agreed; or
- (ii) If the Equity Securities are not issued within 5 Trading Days of the date in paragraph (i) above, the date on which the Equity Securities are issued.

**(f) 10% Placement Period**

Shareholder approval of the 10% Placement Facility under Listing Rule 7.1A is valid from the date of the annual general meeting at which the approval is obtained and expires on the earlier to occur of:

- (i) The date that is 12 months after the date of the annual general meeting at which the approval is obtained; or
- (ii) The date of the approval by shareholders of a transaction under Listing Rules 11.1.2 (a significant change to the nature or scale of activities) or 11.2 (disposal of main undertaking),

**8.3 Listing Rule 7.1A**

The effect of Resolution 5 will be to allow the Directors to issue the Equity Securities under Listing Rule 7.1A during the 10% Placement Period without using the Company's 15% placement capacity under Listing Rule 7.1.

Resolution 5 is a special resolution and therefore requires approval of 75% of the votes cast by Shareholders present and eligible to vote (in person, by proxy, by attorney or, in the case of a corporate Shareholder, by a corporate representative).

**8.4 Specific information required by Listing Rule 7.3A**

Pursuant to and in accordance with Listing Rule 7.3A, information is provided in relation to the approval of the 10% Placement Facility as follows:

- (a) The Equity Securities will be issued at an issue price of not less than 75% of the VWAP for the Company's Equity Securities over the 15 Trading Days immediately before:
- A. The date on which the price at which the Equity Securities are to be issued is agreed; or
  - B. If the Equity Securities are not issued within 5 Trading Days of the date in paragraph (i) above, the date on which the Equity Securities are issued.
- (b) If Resolution 5 is approved by Shareholders and the Company issues Equity securities under the 10% Placement Facility, the existing Shareholders' voting power in the Company will be diluted as shown in the below table. There is a risk that:
- A. The market price for the Company's Equity Securities may be significantly lower on the date of the issue of the Equity Securities than on the date of the Meeting; and
  - B. The Equity Securities may be issued at a price that is at a discount to the market price for the Company's Equity Securities on the issue date or the Equity Securities are issued as part of the consideration for the acquisition of a new asset;

which may have an effect on the amount of funds raised by the issue of the Equity Securities.

The table below shows the dilution of existing Shareholders on the basis of the current market price of Shares and the current number of ordinary securities for variable 'A' calculated in accordance with the formula in Listing Rule 7.1A(2) as at the date of this Notice.

The table also shows:

- (i) Two examples where variable 'A' has increased, by 50% and 100%. Variable 'A' is based on the number of ordinary securities the Company currently has on issue. The number of ordinary securities on issue may increase as a result of issues of ordinary securities that do not require Shareholder approval (for example, a pro rata entitlements issue or scrip issued under a takeover offer) or future specific placements under Listing Rule 7.1 that are approved at a future Shareholders' meeting; and
- (ii) Two examples of where the issue price of ordinary securities has decreased by 50% and increased by 100% as against the current market price.

Variable 'A' in Listing Rule 7.1A.2		Dilution		
		\$0.035 50% decrease in Issue Price	\$0.07 Issue Price	\$0.014 100% increase in Issue Price
Current Variable 'A' 183,490,413	10% Voting Dilution	18,349,041 Shares	18,349,041 Shares	18,349,041 Shares
	Funds Raised	\$ 642,216	\$ 1,284,433	\$ 2,568,866
50% increase in current variable 'A' 275,235,620	10% Voting Dilution	27,523,562 Shares	27,523,562 Shares	27,523,562 Shares
	Funds Raised	\$ 963,325	\$ 1,926,649	\$ 3,853,299
100% increase in current variable 'A' 366,980,826	10% Voting Dilution	36,698,083 Shares	36,698,083 Shares	36,698,083 Shares
	Funds Raised	\$ 1,284,433	\$ 2,568,866	\$ 5,137,732

The table has been prepared on the following assumptions:

- (i) The Company issues the maximum number of Equity Securities available under the 10% Placement Facility
  - (ii) No Options (including any Options issued under the 10% Placement Facility) are exercised into Shares before the date of the issue of Equity Securities;
  - (iii) The ratification of 15,720,000 ordinary shares under Resolution 4 is passed;
  - (iv) The 10% voting dilution reflects the aggregate percentage dilution against the issued share capital at the time of issue. This is why the voting dilution is shown in each example as 10%;
  - (v) The table does not show an example of dilution that may be caused to a particular Shareholder by reason of placements under the 10% Placement Facility, based on that Shareholder's holding at the date of the Meeting;
  - (vi) The table shows only the effect of issue of Equity Securities under Listing Rule 7.1A not under the 15% placement capacity under Listing Rule 7.1;
  - (vii) The issue of Equity Securities under the 10% Placement Facility consists only of Shares. If the issue of Equity Securities includes Options, it is assumed that those Options are exercised into Shares for the purpose of calculating the voting dilution effect on existing Shareholders.
  - (viii) The issue price is \$0.07 being the closing price of the Shares on the ASX on 23 September 2013.
- (c) The Company will only issue and allot the Equity Securities during the 10% Placement Period. The approval under Resolution 5 for the issue of the Equity Securities will cease to be valid in the event that Shareholders approve a transaction under Listing Rule 11.1.2 (a significant change to the nature or scale of activities or Listing Rule 11.2 (disposal of main undertaking).
- (d) The Company may seek to issue the Equity Securities for the following purposes:
- A. Non-cash consideration for the acquisition of assets such as mineral exploration tenements, or a business or company holding mineral exploration tenements. In such circumstances the Company will provide a valuation of the non-cash consideration as required by Listing Rule 7.1A.3; or
  - B. Cash consideration. In such circumstances, the Company intends to use the funds raised towards continued exploration and feasibility study expenditure on the Company's current assets and/or general working capital.

The Company will comply with the disclosure obligations under Listing Rules 7.1A(4) and 3.10.5A upon issue of any Equity Securities.

The Company's allocation policy is dependent on the prevailing market conditions at the time of any proposed issue pursuant to the 10% Placement Facility. The identity of the allottees of Equity Securities will be determined on a case by case basis having regard to the factors including but not limited to the following:

- A. The methods for raising funds that are available to the Company, including but not limited to, rights issues or other issues in which existing security holders can participate;
- B. The effect of the issue of the Equity Securities on the control of the Company;
- C. The financial situation and solvency of the Company; and
- D. Advice from corporate, financial and broking advisors (if available).

The allottees under the 10% Placement Facility have not been determined as at the date of this Notice but may include existing substantial Shareholders and/or new Shareholders who are not related parties or associates of a related party of the Company.

- (e) A voting exclusion statement is included in the Notice. At the date of the Notice, the Company has not approached any particular existing Shareholder or security holder or an identifiable class or existing security holder to participate in the issue of the Equity Securities. No existing Shareholder's votes will therefore be excluded under the voting exclusion in this Notice.
- (f) In light of the fact that the Company has previously received Shareholder approval for a 10% Placement Facility – being effected by the passage of the eighth resolution at the Company's Annual General Meeting on 29 November, 2012 (see ASX release 29 November, 2012) – it is required under Listing Rule 7.3A.6 that the following information be provided:
  - A. during the 12 months preceding the date of this Meeting, being from and including 15 November 2012 to and including 15 November, 2013 (**Preceding 12 Month Period**):
    - 1. the Company has issued in aggregate the following Equity Securities:
      - i. 77,245,276 Shares; and
      - ii. 15,243,521 unlisted Options.
    - B. those Equity Securities issued during the Preceding 12 Month Period represent, on a fully diluted basis, 37.05% of the total number of Equity Securities that were issued on the first day of the Preceding 12 Month Period; and
    - C. during the Preceding 12 Month Period, the Company effected various issues of Equity Securities, the particulars of which are set on the following page.

Date	Class of Equity Securities issued	Allottees of Equity Securities issued or basis of allotment	Issue Price per Equity Security	Discount to market price (if any)	Total cash consideration raised	Amount of cash consideration spent, what it was spent on and proposed application of balance of funds raised	Non-cash consideration that was paid raised and its current value	No. of Ordinary Shares	No. of Listed Options	No. of Unlisted Options
19 November 2012	Fully paid Ordinary Shares	Clients of Taylor Collison and other professional and sophisticated investors known to the Company	\$0.16	\$0.00	\$2,385,938	<i>All cash consideration has been spent. \$ on general working capital and ongoing exploration activities.</i>	N/A	15,906,250	-	-
6 December 2012	Options exercisable over fully paid ordinary shares at an exercise price \$0.25 on or before 30 November 2016	Fernando Tallarico (Director) and Brazilian based technical consultants	N/A	N/A	Nil	N/A	N/A – options were issued as a key component of remuneration in order to attract and retain their services and incentivise their employment	-	-	1,130,000
11 March 2013	Fully paid Ordinary Shares	Lara Exploraiton Limited	\$0.14	Nil	Nil	N/A	<i>Non-cash consideration paid: \$560,000 Current value of non-cash consideration: \$280,000</i>	4,000,000	-	-

Date	Class of Equity Securities issued	Allottees of Equity Securities issued or basis of allotment	Issue Price per Equity Security	Discount to market price (if any)	Total cash consideration raised	Amount of cash consideration spent, what it was spent on and proposed application of funds raised	Non-cash consideration that was paid raised and its current value	No. of Ordinary Shares	No. of Listed Options	No. of Unlisted Options
5 June 2013	Fully paid Ordinary Shares and Options exercisable over fully paid ordinary shares at an exercise price \$0.30 on or before 31 May 2015	Holder of Potash Performance Shares (unrelated parties)	\$0.06	Nil	Nil	N/A	<i>Non-cash consideration paid: \$629,904 Current value of non-cash consideration: \$634,949</i>	8,522,810	-	12,784,200
5 June 2013	Fully paid Ordinary Shares and Options exercisable over fully paid ordinary shares at an exercise price \$0.30 on or before 31 May 2015	Holder of Potash Performance Shares (Directors)	\$0.06	Nil	Nil	N/A	<i>Non-cash consideration paid: \$65,498 Current value of non-cash consideration: \$66,023</i>	886,214	-	1,329,321

Date	Class of Equity Securities issued	Allottees of Equity Securities issued or basis of allotment	Issue Price per Equity Security	Discount to market price (if any)	Total cash consideration raised	Amount of cash consideration spent, what it was spent on and proposed application of balance of funds raised	Non-cash consideration that was paid raised and its current value	No. of Ordinary Shares	No. of Listed Options	No. of Unlisted Options
24 June 2013	Fully paid Ordinary Shares	Falcon Metals Lta	\$0.05	Nil	Nil	N/A	N/A – 2 shares were issued upon conversion of 40 million phosphate performance shares as performance milestones were not met in relation to Phosphate Performance Shares	2	-	-
9 July 2013	Fully paid Ordinary Shares	Clients of Taylor Collison and other professional and sophisticated investors known to the Company	\$0.05	\$0.001	\$1,585,500	<i>Cash consideration spent: \$548,776 spent on general working capital and ongoing exploration activities Proposed application of balance of funds: general working capital and ongoing exploration activities</i>	N/A	31,710,000	-	-

Date	Class of Equity Securities issued	Allottees of Equity Securities issued or basis of allotment	Issue Price per Equity Security	Discount to market price (if any)	Total cash consideration raised	Amount of cash consideration spent, what it was spent on and proposed application of balance of funds raised	Non-cash consideration that was paid raised and its current value	No. of Ordinary Shares	No. of Listed Options	No. of Unlisted Options
19 August 2013	Fully paid Ordinary Shares	Existing shareholders under a share purchase plan	\$0.05	\$0.015	\$600,000	<i>No proceeds from the raising have been spent to date and the consideration is proposed to be used for general working capital and ongoing exploration activities</i>	N/A	12,000,000	-	-
19 August 2013	Fully paid Ordinary Shares	Clients of Taylor Collison and other professional and sophisticated investors known to the Company	\$0.05	\$0.015	\$108,500	<i>No proceeds from the raising have been spent to date and the consideration is proposed to be used for general working capital and ongoing exploration activities</i>	N/A	2,170,000	-	-

Date	Class of Equity Securities issued	Allottees of Equity Securities issued or basis of allotment	Issue Price per Equity Security	Discount to market price (if any)	Total cash consideration raised	Amount of cash consideration spent, what it was spent on and proposed application of balance of funds raised	Non-cash consideration that was paid raised and its current value	No. of Ordinary Shares	No. of Listed Options	No. of Unlisted Options
1 October 2013	Fully paid Ordinary Shares	Directors of the Company – Graham Ascough, Simon Taylor, Allan Pickett and David Gower	\$0.05	\$0.02	\$102,500	<i>No proceeds from the raising have been spent to date and the consideration is proposed to be used for general working capital and ongoing exploration activities</i>	N/A	Graham Ascough – 300,000 Simon Taylor – 500,000 Allan Pickett – 250,000 David Gower – 1,000,000  <b>Total: 2,050,000</b>	-	-
<b>Total</b>							N/A	<b>77,245,276</b>	-	<b>15,243,521</b>

---

## 9. Definitions

In this Explanatory Memorandum and Notice:

**AEDT** means Australian Eastern Daylight Time, being the time in Sydney, New South Wales.

**Agua and Company** means Agua Resources Limited ACN 128 256 888.

**Annual Report** means the directors' report, the Company's financial report, and auditor's report thereon, in respect to the financial year ended 30 June 2012.

**ASIC** means Australian Securities and Investments Commission.

**Associate** has the meaning given to that term in Section 12(2) of the Corporations Act.

**ASX** means ASX Limited ACN 009 624 691 and, where the context permits, the Australian Securities Exchange operated by ASX Limited.

**Board** means the board of Directors.

**Constitution** means the Constitution of the Company.

**Corporations Act** means the *Corporations Act 2001* (Cth).

**Director** means a director of the Company.

**Documents** mean each of the Notice, Explanatory Memorandum and the Proxy Form and all other documents, that each constitute part of this booklet and that accompany each other when sent to each Shareholder.

**Explanatory Memorandum** means the explanatory memorandum attached to the Notice.

**Employee** means members of the Brazilian technical team employed by Falcon Metais Ltda on behalf of Agua Resources Limited.

**Equity Securities** has the meaning given to that term in Listing Rule 19.

**Listing Rules** means the listing rules of ASX.

**Meeting** has the meaning given in the introductory paragraph of the Notice.

**Notice** means this notice of meeting.

**Option** means Options granted on the terms and conditions in the Explanatory Memorandum.

**Proxy Form** means the proxy form attached to the Notice.

**Remuneration Report** means the remuneration report of the Company contained in the directors' report.

**Resolution** means a resolution contained in this Notice.

**Schedule** means a schedule to this Notice.

**Securities** has the meaning given to that term in Listing Rule 19.

**Share** or **Shares** means a fully paid ordinary share in the capital of the Company.

**Shareholder** means a shareholder of the Company.

In this Notice, words importing the singular include the plural and vice versa.

**VWAP** the volume weighted average price of the Shares sold on the ASX during the specified number of Trading Days immediately preceding and including the date on which such price is to be determined, but does not include any transactions defined in the ASX Business Rules as 'special' crossings prior to the commencement of normal trading, crossings during the after hours adjust phase nor any overseas trades or trades pursuant to the exercise of options over ordinary shares in the capital of the Company



**Agua Resources Limited**  
 ABN 94 128 256 888

**LODGE YOUR VOTE**



**ONLINE**

[www.linkmarketservices.com.au](http://www.linkmarketservices.com.au)



**By mail:**  
 Agua Resources Limited  
 C/- Link Market Services Limited  
 Locked Bag A14  
 Sydney South NSW 1235 Australia



**By fax:** +61 2 9287 0309



**All enquiries to: Telephone:** +61 1300 554 474



**X99999999999**

## SHAREHOLDER PROXY FORM

I/We being a member(s) of Agua Resources Limited and entitled to attend and vote hereby appoint:

### STEP 1

#### APPOINT A PROXY

**the Chairman of the Meeting (mark box)**

OR if you are NOT appointing the Chairman of the Meeting as your proxy, please write the name of the person or body corporate (excluding the registered shareholder) you are appointing as your proxy. I/we appoint the Chairman of the Meeting as an alternate proxy to the person named.

If no person/body corporate is named, the Chairman of the Meeting, is appointed as my/our proxy and to vote for me/us on my/our behalf at the Annual General Meeting of the Company to be held at **10:30am on Friday, 15 November 2013, at Level 10, 131 Macquarie Street, Sydney, New South Wales** and at any adjournment or postponement of the meeting. I/we expressly authorise the Chairman of the Meeting to exercise my/our proxy even if the resolution is connected directly or indirectly with the remuneration of a member of the key management personnel.

The Chairman of the Meeting intends to vote undirected proxies in favour of all items of business.

Proxies will only be valid and accepted by the Company if they are signed and received no later than 48 hours before the meeting.

Please read the voting instructions overleaf before marking any boxes with an

### STEP 2

#### VOTING DIRECTIONS

##### Resolution 1

Adoption of Directors Remuneration Report

For	Against	Abstain*
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

##### Resolution 4

Ratification of prior issues of securities

For	Against	Abstain*
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

##### Resolution 2

Re-election of Dr Fernando Tallarico

<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
--------------------------	--------------------------	--------------------------

##### Resolution 5

Approval of 10% Placement Facility Under Listing Rule 7.1A

<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
--------------------------	--------------------------	--------------------------

##### Resolution 3

Election of Mr Prakash Hariharan

<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
--------------------------	--------------------------	--------------------------

**i** \* If you mark the Abstain box for a particular Item, you are directing your proxy not to vote on your behalf on a show of hands or on a poll and your votes will not be counted in computing the required majority on a poll.

### STEP 3

#### IMPORTANT - VOTING EXCLUSIONS

If the Chairman of the Meeting is appointed as your proxy, or may be appointed by default and you do not wish to direct your proxy how to vote as your proxy in respect of Item 1 above, please place a mark in this box. By marking this box, you acknowledge that the Chairman of the Meeting may exercise your proxy even though he/she has an interest in the outcome of that Item and that votes cast by him/her for that Item, other than as proxyholder, would be disregarded because of that interest. If you do not mark this box, and you have not directed your proxy how to vote, the Chairman of the Meeting will not cast your votes on Item 1 and your votes will not be counted in calculating the required majority if a poll is called on this Item.

The Chairman of the Meeting intends to vote undirected proxies in favour of Item 1.

### STEP 4

#### SIGNATURE OF SHAREHOLDERS - THIS MUST BE COMPLETED

Shareholder 1 (Individual)

Sole Director and Sole Company Secretary

Joint Shareholder 2 (Individual)

Director/Company Secretary (Delete one)

Joint Shareholder 3 (Individual)

Director

This form should be signed by the shareholder. If a joint holding, either shareholder may sign. If signed by the shareholder's attorney, the power of attorney must have been previously noted by the registry or a certified copy attached to this form. If executed by a company, the form must be executed in accordance with the company's constitution and the *Corporations Act 2001* (Cth).

**AGR PRX302R**



## HOW TO COMPLETE THIS PROXY FORM

### Your Name and Address

This is your name and address as it appears on the Company's share register. If this information is incorrect, please make the correction on the form. Shareholders sponsored by a broker should advise their broker of any changes. **Please note: you cannot change ownership of your shares using this form.**

### Appointment of a Proxy

If you wish to appoint the Chairman of the Meeting as your proxy, mark the box in Step 1. If the person you wish to appoint as your proxy is someone other than the Chairman of the Meeting please write the name of that person in Step 1. If you appoint someone other than the Chairman of the Meeting as your proxy, you will also be appointing the Chairman of the Meeting as your alternate proxy to act as your proxy in the event the named proxy does not attend the meeting.

### Votes on Items of Business - Proxy Appointment

You may direct your proxy how to vote by placing a mark in one of the boxes opposite each item of business. All your shares will be voted in accordance with such a direction unless you indicate only a portion of voting rights are to be voted on any item by inserting the percentage or number of shares you wish to vote in the appropriate box or boxes. If you do not mark any of the boxes on the items of business, your proxy may vote as he or she chooses. If you mark more than one box on an item your vote on that item will be invalid.

### Appointment of a Second Proxy

You are entitled to appoint up to two persons as proxies to attend the meeting and vote on a poll. If you wish to appoint a second proxy, an additional Proxy Form may be obtained by telephoning the Company's share registry or you may copy this form and return them both together. The appointment of the Chairman of the Meeting as your alternate proxy also applies to the appointment of the second proxy.

To appoint a second proxy you must:

- on each of the first Proxy Form and the second Proxy Form state the percentage of your voting rights or number of shares applicable to that form. If the appointments do not specify the percentage or number of votes that each proxy may exercise, each proxy may exercise half your votes. Fractions of votes will be disregarded; and
- return both forms together.

### Signing Instructions

You must sign this form as follows in the spaces provided:

**Individual:** where the holding is in one name, the holder must sign.

**Joint Holding:** where the holding is in more than one name, either shareholder may sign.

**Power of Attorney:** to sign under Power of Attorney, you must lodge the Power of Attorney with the registry. If you have not previously lodged this document for notation, please attach a certified photocopy of the Power of Attorney to this form when you return it.

**Companies:** where the company has a Sole Director who is also the Sole Company Secretary, this form must be signed by that person. If the company (pursuant to section 204A of the *Corporations Act 2001*) does not have a Company Secretary, a Sole Director can also sign alone. Otherwise this form must be signed by a Director jointly with either another Director or a Company Secretary. Please indicate the office held by signing in the appropriate place.

### Corporate Representatives

If a representative of the corporation is to attend the meeting the appropriate "Certificate of Appointment of Corporate Representative" should be produced prior to admission in accordance with the Notice of Meeting. A form of the certificate may be obtained from the Company's share registry.

## Lodgement of a Proxy Form

This Proxy Form (and any Power of Attorney under which it is signed) must be received at an address given below by **10:30am on Wednesday, 13 November 2013**, being not later than 48 hours before the commencement of the meeting. Any Proxy Form received after that time will not be valid for the scheduled meeting.

Proxy Forms may be lodged using the reply paid envelope or:



**ONLINE**

[www.linkmarketservices.com.au](http://www.linkmarketservices.com.au)

Login to the Link website using the holding details as shown on the proxy form. Select 'Voting' and follow the prompts to lodge your vote. To use the online lodgement facility, shareholders will need their "Holder Identifier" (Securityholder Reference Number (SRN) or Holder Identification Number (HIN) as shown on the front of the proxy form).



**by mail:**

Agua Resources Limited  
C/- Link Market Services Limited  
Locked Bag A14  
Sydney South NSW 1235  
Australia



**by fax:**

+61 2 9287 0309



**by hand:**

delivering it to Link Market Services Limited, 1A Homebush Bay Drive, Rhodes NSW 2138.

**If you would like to attend and vote at the Annual General Meeting, please bring this form with you.  
This will assist in registering your attendance.**