AGUIA RESOURCES LIMITED

ANNUAL REPORT

30 JUNE 2012

ABN 94 128 256 888

Aguia Resources Limited
Corporate directory
30 June 2012

Directors	Graham Ascough - Non-Executive Chairman Simon Taylor - Managing Director and CEO Dr Fernando Tallarico - Technical Director Allan Pickett - 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	Aguia Resources Limited shares are listed on the Australian Securities Exchange (ASX code: AGR)
Website address	www.aguiaresources.com.au

CHAIRMAN'S REPORT

Dear Fellow Shareholder

On behalf of the Board of Directors it is my pleasure to present the 2012 annual report for Aguia Resources Limited.

In what was a very active year the Company made significant progress towards its goal of establishing itself as a fertilizer company in the expanding agriculture sector in Brazil. The year's highlight is the discovery of a significant new phosphate deposit at Três Estradas in the state of Rio Grande do Sul in southern Brazil.

Drilling at Três Estradas commenced in October 2011 and the company announced an initial JORC compliant inferred mineral resource in June 2012. Significantly, the deposit has characteristics similar to existing phosphate producers in Brazil. The resource estimate and first stage metallurgical test work has shown that the grade and mineralogy is similar to that of other open-cut operating mines globally including Yara's Siilinjärvi mine in Finland and Vale's Cajati mine in Brazil, both of which are hosted by carbonatite rocks and produce a high quality phosphate concentrate that is used in the production of fertilisers.

At the time of writing, the second stage drilling program at Três Estradas was progressing well. The objective of this program is two-fold; to expand the resource at depth and at the same time better define the higher grade oxide zone that starts at surface. On completion of this program and the ongoing metallurgical test work, Aguia intends to upgrade the JORC resource and commence a project scoping exercise with a view to developing this exciting new project.

The new discovery has highlighted the potential of Rio Grande do Sul to host significant phosphate deposits and the company eagerly awaits the grant of its Joca Tavares project some 40 kilometres to the east where surface sampling has returned values of up to 11% P_2O_5 across a broad carbonatite target. No drilling has been completed on Joca Tavares and the company has also applied for exploration licences on an additional 13 prospects in the region.

Turning to potash, the Company completed the acquisition of Potássio do Atlantico Ltda (PALTDA) and through this subsidiary now holds a 100 per cent interest in a significant land position totalling approximately 178,000 hectares (1,780 km^2) in the highly prospective Sergipe-Alagoas basin that comprises the Atlantic Potash Project. The initial drilling program on the Atlantic Potash Project 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, Taquri-Vassouras - operated by Vale. Vale is also developing its Carnallita Potash Project in the Sergipe Basin which is at pilot stage but has planned production of 1.2Mt pa of KCl from solution mined carnalite. Both of these projects demonstrate the potential of this basin to meet ongoing potash demand in Brazil that currently imports over 90% of its potash requirements.

In January 2012 Aguia further continued to consolidate its holdings in the region entering an option agreement with Lara Exploration to acquire an interest in 5 new tenements with excellent discovery potential.

With a strong project portfolio and an excellent in-country team, Aguia is well positioned to capitalize on the growing demand for phosphate and potash based fertilisers in Brazil.

In closing, I would like to thank the management and staff of Aguia for their work over the past year. 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

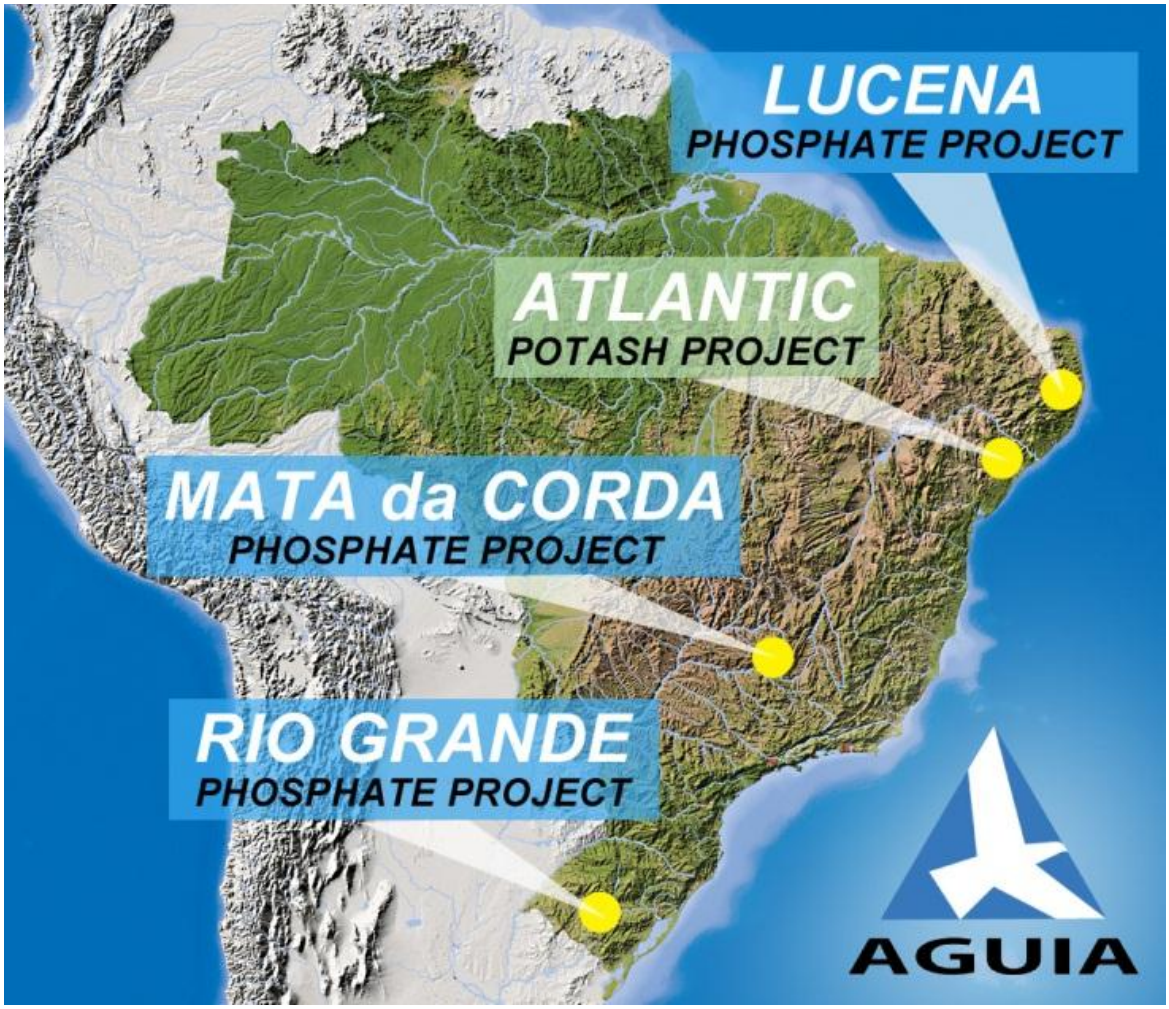
The Company has made significant progress during the course of the year in its quest to become a major supplier of fertiliser products into the Brazilian domestic market.

The highlight of the year has been the discovery and advancement on the Tres Estradas ("TE") Phosphate Project in Rio Grande do Sul state in Southern Brazil. The property was acquired under option in July 2011, and by June 2012 an initial JORC inferred mineral resource estimate had been completed.

The Company also looked to maximise the value of its Mata da Corda Phosphate Project by securing a Joint Venture partner, Vicenza Mineracao e Participacoes S.A. Vicenza has the right to earn a 70% interest in the project through expenditure and drilling and is managing the project enabling Aguia to concentrate its efforts at TE.

The Company completed the acquisition of Potássio do Atlantico Ltda (PALTDA) and through this subsidiary now holds a 100 per cent interest in a significant land position totalling approximately 178,000 hectares (1,780 km^2) in the highly prospective Sergipe-Alagoas basin that comprises the Atlantic Potash Project. The Sergipe basin is host to Brazil's only producing potash mine, Taquri-Vassouras - operated by Vale.

Figure 1: Location of Aguia Potash and Phosphate projects in Brazil



Phosphate Projects

Rio Grande Phosphate Projects

Aguia has an exclusive option to acquire 100% of the Tres Estradas ("TE") and Joca Tavares ("JT") carbonatite style phosphate projects from Companhia Brasileira do Cobre ("CBC").

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 around 1.0 million tonnes P_2O_5[1] or around 30% of Brazilian consumption, with no currently active phosphate mines in the States. The TE and other projects will be logistically advantaged to supply into this region, compared with either phosphate mined in the states of Minas Gerais and Goias or imports.

Tres Estradas

At TE, Aguia announced an initial JORC compliant inferred resource estimate and excellent metallurgical results from first pass test work in the June 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.

TE project highlights during the year include:

- Stage one drilling program results returned a significant new early stage phosphate discovery in the state of Rio Grande do Sul in southern Brazil
- The initial JORC compliant inferred resource comprises 21Mt @ 4.6% P_2O_5 including a higher grade oxide zone from surface of 1.8Mt @ 10.9% P_2O_5
- The initial inferred resource estimate was derived from shallow auger holes and 19 core holes drilled to 100 metres depth over a length of 1,160 metres
- Significant potential to expand the resource with additional drilling below 100 metres and along the carbonatite zone which extends for an additional length of 1,400 metres
- Metallurgical recoveries up to 83.4% and concentrate grades up to 33.9% P_2O_5
- Results indicate the potential to produce a commercial concentrate using standard methods and reagents available in the market
- Overall grade and preliminary metallurgical results are similar to carbonatite hosted open-cut operating mines in Brazil and globally that are presently mined to depths of 220 metres (Siilinjarvi, Finland) and 375 metres (Cajati, Brazil)
- A second stage drilling program has commenced aimed at significantly expanding the initial JORC compliant inferred resource

[1] 1 = Data Source: ANDA, 2010 consumption data.

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

The TE project represents a significant new phosphate discovery with characteristics similar to existing producers in Brazil. Importantly, first stage drilling has shown that the grade and mineralogy is similar to that of other open-cut operating mines globally including Yara's Siilinjärvi mine in Finland and Vale's Cajati mine in Brazil, both of which produce a high quality phosphate concentrate within carbonatite host rocks (Table 1).

Table 1: Comparative Phosphate (P_2O_5) Deposits Within Carbonitite Hosted Rocks

Name of Deposit	Location	Tonnage (Mt)	Head Grade	Recovery	Concentration Grade	Stage
Siilinjärvi (Yara)	Finland	465	4%	84%	35%	Production
Cajati (Vale)	Brazil	100	5%	78%	36%	Production
Três Estradas (Aguia)	**Brazil**	**21**[2]	**4.6%**	**76%**	**28%**[3]	**Exploration / Development**

Initial JORC Mineral Resource

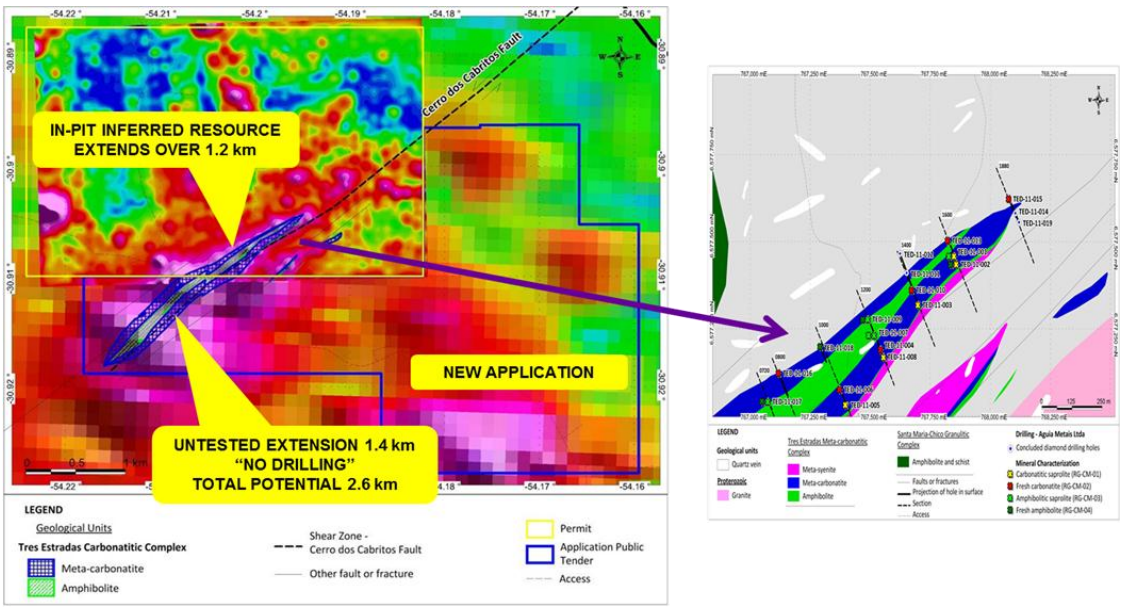
Aguia commissioned leading independent global consulting company SRK Consulting to prepare the initial Mineral Resource Statement. The mineral resources were reported within a conceptual pit shell at a 3.0% P_2O_5 cut-off grade.

The initial JORC compliant inferred resource comprised of 21Mt @ 4.6% P_2O_5 including a higher grade oxide zone from surface of 1.8Mt @ 10.9% P_2O_5.

Resource Expansion Potential

The Company has applied for an Exploration Licence to the immediate south of the TE Licence to cover the interpreted extensions of the carbonatite.

Figure 3: Três Estradas Project In-Pit Inferred Resource Outline & Untested Extension Zones (Left Image) and Drill Hole Location Plan (Right Image)



[2] Inferred resource from 40% of target length and to 100m depth
[3] Based on preliminary beneficiation testwork, optimisation work underway

Results of Beneficiation Test Work

Four composite diamond core samples were collected and submitted to the University of Sao Paulo ("USP") in Brazil to evaluate the flotation characteristics of the samples.

The Company received excellent metallurgical results from initial beneficiation test work. A summary of the flotation test work results is shown in Table 2.

Table 2: Flotation Test Work Results

Sample	Recovery	P_2O_5	SiO_2	Fe_2O_3
EB-01, Oxidised Carbonatite	83.4%	32.6%	6.5%	8.4%
EB-02, Fresh Carbonatite	75.5%	28.2%	2.2%	1.3%
EB-03, Oxidised Amphibolite	61.9%	33.9%	2.6%	1.1%

The results from this work were very positive, indicating that the mineralisation, with the exception of the fresh amphibolite, has the potential to produce a commercial phosphate concentrate.

John Sinden, Aguia's Specialist Processing Engineer, noted that the results from sample EB-02 are very similar to operational parameters from material that is mined at Yara's Siilinjarvi operation in Finland and Vale's Jacupiranga operation in Brazil. These comparisons are summarised in Table 3 below.

Table 3: Phosphate Deposit Metallurgical Comparisons

Name of Deposit	P_2O_5 Head Grade	Recovery	P_2O_5 Conc. Grade	Stage
Siilinjarvi (Yara)	4%	84%	35%	Production
Jacupiranga(Vale)	5%	78%	36%	Production
EB-02, Fresh Carbonatite, Initial Test Work (Aguia)	4%	76%	28%	Exploration

Further optimisation test work will be completed.

Joca Tavares ("JT")

The JT project is located 41 kilometres east-south-east from the TE project. No systematic exploration has been conducted since its discovery by the Companhia de Pesquisa de Recursos Minerais ("CPRM").

Encouraging results from surface rock grab samples collected by Aguia have returned assays up to 11.4% P_2O_5. The dimensions of the target zone will be investigated by Aguia, including mapping, rock chip sampling and programs of drilling.

New Rio Grande Phosphate Projects

After the drilling success at TE, the Company identified similar target areas and applied for eight additional target areas comprising 18 permits covering a total of 30,186 hectares.

The new tenements were applied for based on interpretations of airborne magnetics and structure specifically targeting potential carbonatite rock types.

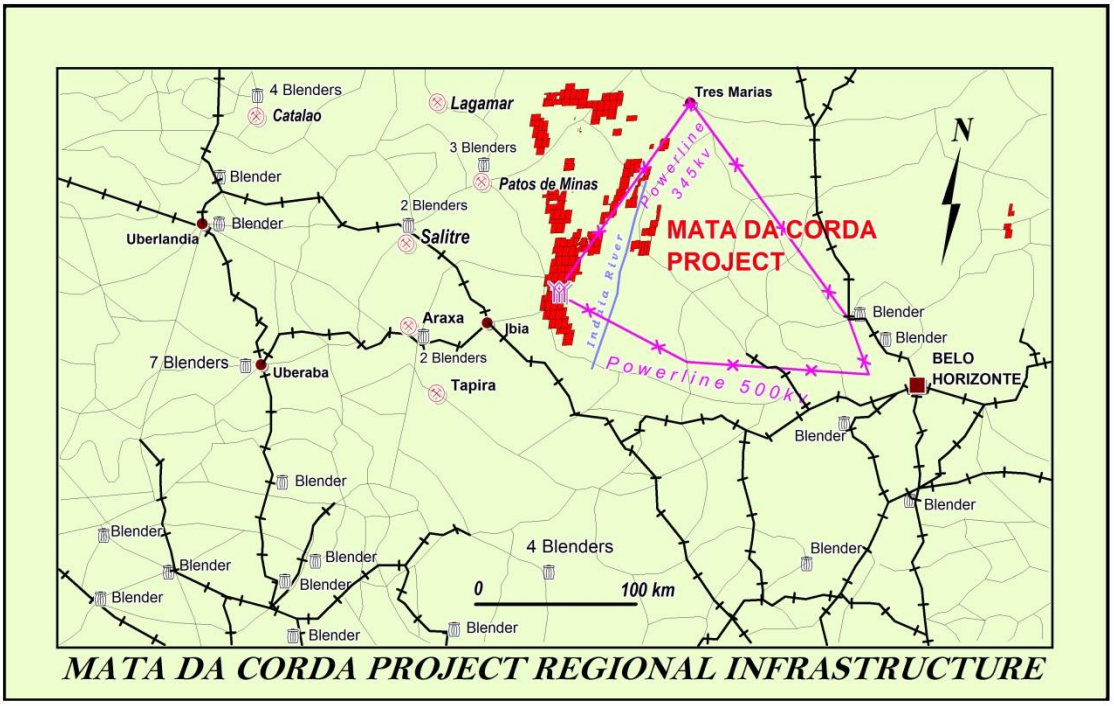
Some of the projects are located within the Brazilian border control zone (150 kilometres from the international border) restricting foreign ownership of the tenements to 49%. Should the option be exercised to acquire the tenements at the conclusion of the exploration program, the Company will be required to enter into a joint venture with a Brazilian owned company to develop the tenements. This arrangement is not expected to materially alter the Company's potential economic return on the funds invested as part of the exploration program. This legal aspect was in place under the past Brazilian military government (1964 to 1985). The law has already changed from 300 to 150 kilometres. A

proposal to change the law from 150 to 50 kilometres has already past senate and awaits hearing in the lower house.

Mata da Corda Phosphate Project ("MCPP")

The MCPP is located within 150 kilometres of the three largest phosphate mines in Brazil; Araxá – Vale (290Mt @ 14.9% P_2O_5), Tapira – Vale (744Mt @ 8.4% P_2O_5) and Catalão – Anglo/Vale (203Mt @ 8.8% P_2O_5). These three mines account for 95% of the phosphate rock production in Brazil. Within this existing transportation corridor there are 32 major bulk fertiliser blenders (Figure 4).

Figure 4: Location of the Mata da Corda Project Relative to Operating Phosphate Mines, Major Fertiliser Bulk Blenders and Infrastructure including Roads, Railways, Power and Water



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 Grasso.

In the March quarter MCPP signed a JV agreement with Vicenza Mineracao e Participacoes S.A. ("Vicenza") whereby Vicenza has an option to acquire 70% of, and is operator of the project.

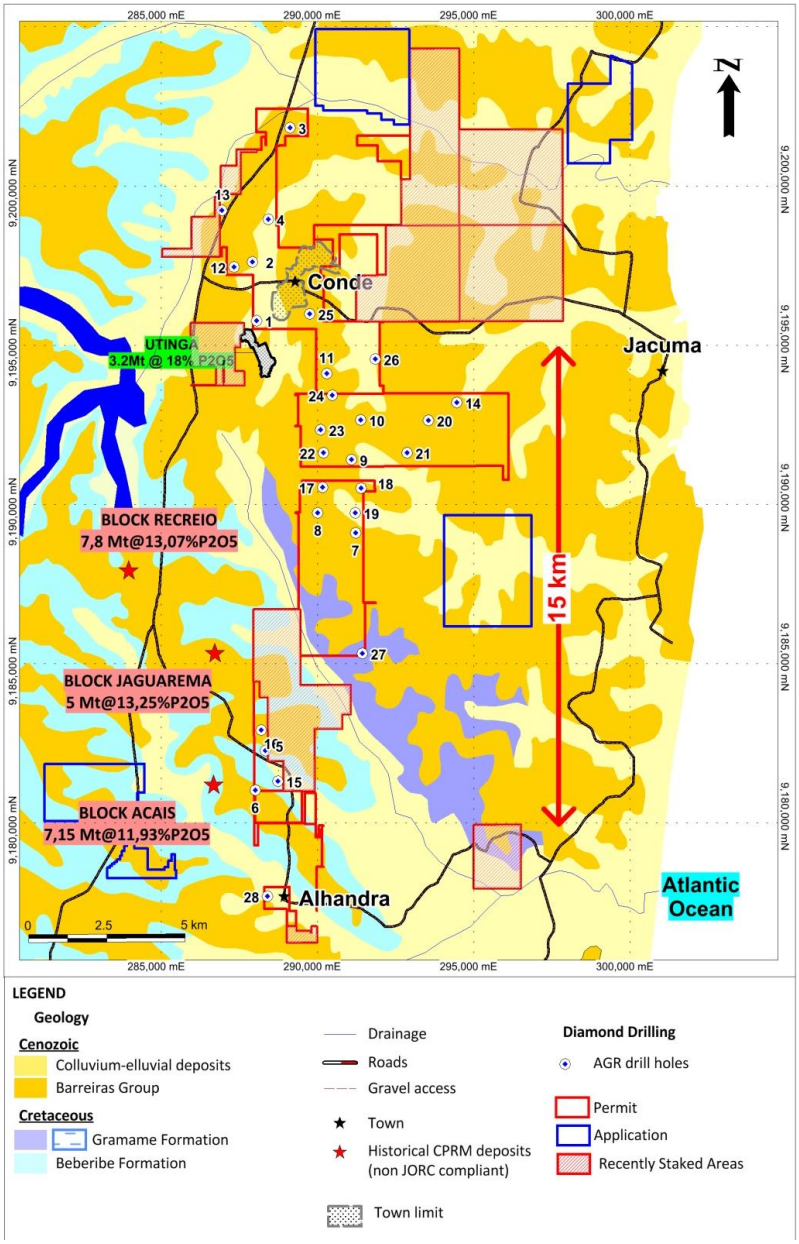
Lucena Phosphate Project ("LPP")

The Company has previously reported assays from a 28 hole drilling program spaced over a 20 kilometre zone. Twenty two holes returned phosphate mineralisation over thicknesses ranging from 1.0 to 13.7 metres. Numerous high grade intersections were received including assays up to 23.3% P_2O_5.

The main mineralised interval is located at the bottom of the Gramame Formation (limestone) near the top of the Itamaraca Formation (sandstone). The depth of the mineralisation varies from 15 to 94 metres depth with thickness in the range of 0.5 to 7.0 metres. The grades found vary from 3.1% to 21.9% P_2O_5.

The Company has completed desktop resource targeting and further drilling is planned for the next financial year to test near surface priority target zones.

Figure 5: Lucena South Showing Known Deposits and Previous Drill Hole Locations



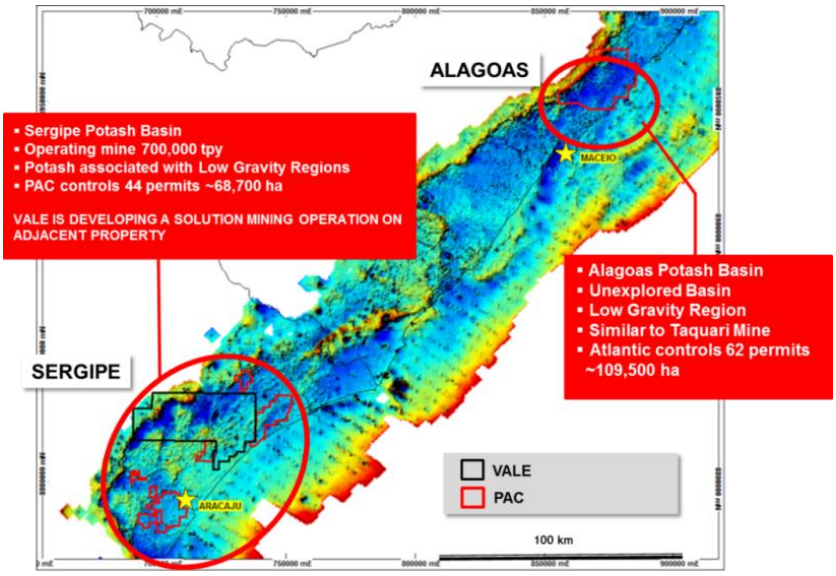
Potash Projects

Atlantic Potash Project

The Company completed the acquisition of Potássio do Atlantico Ltda (PALTDA) and through this subsidiary now holds a 100 per cent interest in 106 exploration claims totaling approximately 178,000 hectares (1,780 km^2) in the Sergipe-Alagoas basin that comprise the Atlantic Potash Project.

The Atlantic Potash Project is located in the northeastern portion of Brazil in the State of Sergipe. The Project sits to the west and northeast of the city of Aracaju, the capital of Sergipe State with a population of 570,000 inhabitants and a large scale harbour.

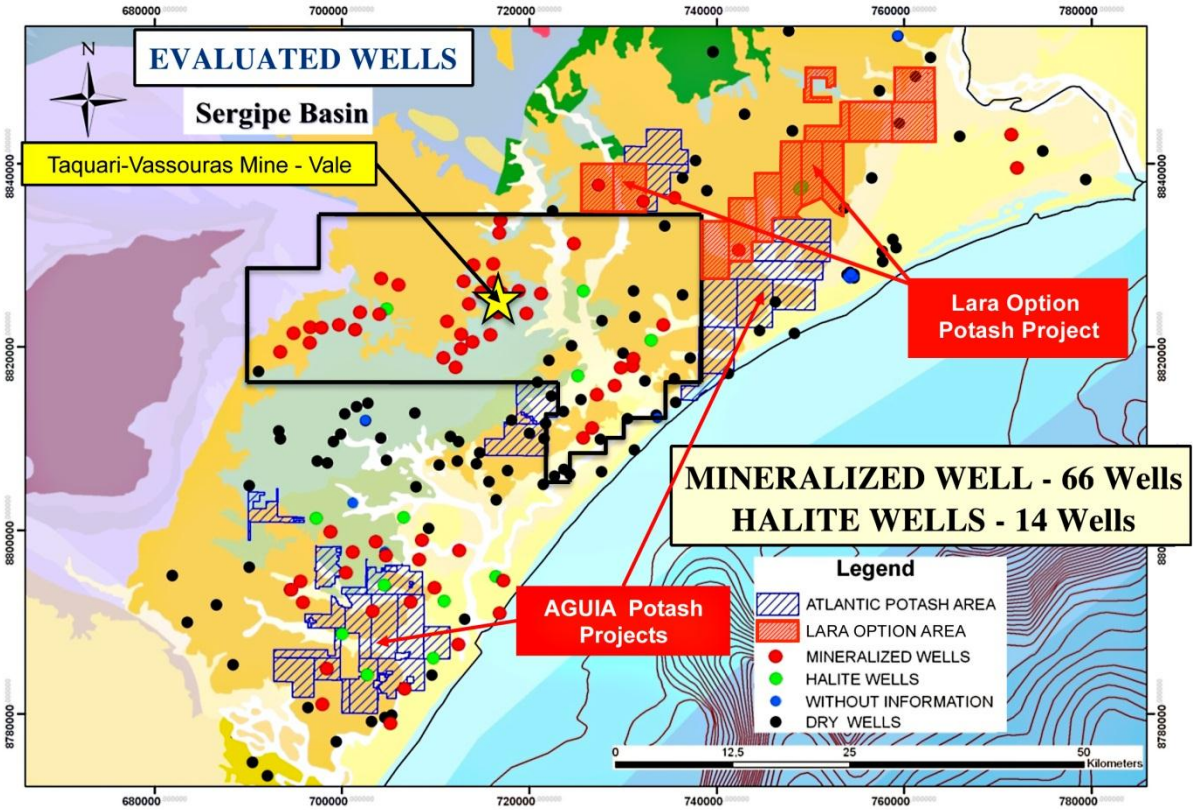
Figure 6: Location of the Atlantic Potash Project in Sergipe-Alagoas Basin.



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. The area has considerable oil exploration infrastructure, with several companies having offices and warehouses in Aracaju including Halliburton and Schlumberger Limited. The harbour is located 15 km North of Aracaju and it is used for the transport of coke, urea, cement, wheat and fertilisers.

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.

Figure 7: Drill hole location plan of historical Petrobras drilling relative to location of Aguia'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.

Drilling Program

The Company completed two drill holes on the Project during the year, following which a decision was made to suspend operations to allow a review of the Project to be completed

The first hole PAC-11-0001 ("PAC-01") was completed in late November, 2011. The hole was collared some 850 metres to the south east of historical well 1RPX0001DSE drilled by Petrobras that returned a 19 metre thick zone of carnallite (potash) mineralisation.

Logging of the open hole showed a sequence of shale and sandstones with some indications of possible salt horizons at the top of the interpreted Ibura Member. No significant potash mineralisation was intersected.

Conclusions from the downhole logging and re-interpretation of limited 2D Seismic indicate PAC-01 intersected an erosional channel that has removed the upper portion of the targeted Ibura Member, present in the historical Petrobras hole.

Drilling of the second hole, PAC-02 was completed in March 2012. The hole successfully tested the targeted Ibura Member.

The second hole intersected the top of the Ibura member at 1,360 metres and coring was completed at a depth of 1578.8 metres. Drilling intersected wide zones of evaporite indicators including nodules

and massive zones of anhydrite however no zones of potash mineralisation were returned from the hole.

The hole was located centrally within a four kilometre radius of historical Petrobras holes that had indicated potash mineralisation to the southwest, southeast and northeast.

The drilling results indicate a good correlation of marker horizons evident from other historical Petrobras holes within the region. The interpretation from drilling indicates the potash mineralisation reported in the historical holes is limited in lateral extent and as such was not intersected in PAC-02.

Agreement with Lara Exploration

On 23 January 2012 the Company announced that it had signed a Letter of Intent ("LOI" or "Agreement") with Lara Exploration Ltd ("Lara") to acquire up to a 100% interest in Lara's Sergipe Potash Projects ("SPP") located adjacent to Aguia's APP.

As announced to the market on 12 June 2012, Aguia re-negotiated an extension to the minimum work commitment as specified in the Agreement, such as the 12 month period is now effective from the renewal of certain exploration licences within the SPP. Furthermore, should the licences not be renewed within 24 months of signing of the Agreement, Aguia has the right to terminate the Agreement.

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.

Aguia Resources Limited
Directors' report
30 June 2012

The directors present their report, together with the financial statements, on the consolidated entity (referred to hereafter as the 'consolidated entity') consisting of Aguia Resources Limited (referred to hereafter as the 'company' or 'parent entity') and the entities it controlled for the year ended 30 June 2012.

Directors
The following persons were directors of Aguia 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
Anthony Wonnacott (resigned 25 August 2011)
Allan Pickett (appointed 25 August 2011)

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 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 $18,259,646 (30 June 2011: $2,794,759).

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
No matter or circumstance has arisen since 30 June 2012 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
Information on likely developments in the operations of the consolidated entity and the expected results of operations have not been included in this report because the directors believe it would be likely to result in unreasonable prejudice to the consolidated entity.

Environmental regulation
The consolidated entity is not subject to any significant environmental regulation under Australian Commonwealth or State law.

Information on directors

Name:	Mr Graham Ascough
Title:	Non-executive chairman
Qualifications:	B.Sc, MAusIMM, PGeo
Experience and expertise:	Mr Ascough is a senior resources executive with more than 23 years of industry experience evaluating mineral projects and resources in Australia and overseas, including on-ground experience in Brazil. He has had broad industry involvement ranging from playing a leading role in setting the strategic direction for significant country-wide exploration programmes to working directly with mining and exploration companies. Mr Ascough is a geophysicist by training and was the managing director of Mithril Resources Ltd from October 2006 til June 2012. He is currently a non-executive director of Mithril Resources Ltd. Prior to joining Mithril, Mr Ascough was the Australian manager of Nickel and PGM Exploration at the major Canadian resources house, Falconbridge Limited (acquired by Xstrata Plc in 2006). He is also chairman of ASX listed Musgrave Minerals Limited. He is a councillor of the South Australian Chamber of Mines and Energy and is chair of its Exploration Committee. He is a member of the Australian Institute of Mining and Metallurgy and is a Professional Geoscientist of Ontario, Canada. Mr Ascough was appointed a director of the company on 19 October 2010 and chairman on 25 August 2011.
Other current directorships:	Non-executive director of Mithril Resources Limited and non-executive chairman of Musgrave Minerals Limited.
Former directorships (in the last 3 years):	None
Special responsibilities:	None
Interests in shares:	100,000 ordinary shares
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):	Bondi Mining Limited (July 2006 – March 2010) and Probiomics Limited (July 2008 – April 2012).
Special responsibilities:	None
Interests in shares:	1,450,001 ordinary shares
Interests in options:	1,500,000

Name:	Dr Fernando Tallarico
Title:	Technical director
Qualifications:	B.Sc (Geology), M.Sc (Economic Geology), PhD (Economic Geology), PGeo
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:	476,304 ordinary shares and 1,867,614 performance shares
Interests in options:	1,500,000

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:	782,085 performance shares
Interests in options:	300,000

Name:	Mr Anthony Wonnacott (resigned 25 August 2011)
Title:	Non-executive director
Qualifications:	B.Comm, LL.B
Experience and expertise:	Mr Wonnacott is a corporate securities lawyer in Toronto, Ontario, Canada with over 15 years of experience. He is a member of the Law Society of Upper Canada and holds a B. Comm. (cum laude) from Saint Mary's University and a LL. B. from Dalhousie University. He began his career working at a major Toronto law firm in the banking and securities field before moving to work as a legal consultant to a number of companies, primarily in the mining and resource industry. As a consultant and officer of several of these companies, Mr Wonnacott has been involved with the successful listings of private companies, the outright sale of a company for approximately CAD$750 Million and capital raisings in excess of CAD$3 Billion. Mr Wonnacott was appointed a Director of the Company on 23 June 2010, Chairman of the Company on 30 August 2010 and subsequently resigned on 25 August 2011.
Other current directorships:	Alexis Minerals Corporation (August 2003-present), Rodinia Lithium Inc. (July 2007 – present) and Stetson Oil and Gas Ltd. (April 2006 – present).
Former directorships (in the last 3 years):	Castillian Resources Corp. (April 2005 – October 2010) and Explorator Resources Inc. (May 2007 – November 2009)
Special responsibilities:	None
Interests in shares:	895,803 ordinary shares and 7,835,479 performance shares
Interests in options:	546,232 options

'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.

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 Australia Oriental Minerals NL, Kibaran Resources Limited, Site Group International Limited, MOKO.mobi Limited, Eagle Nickel Limited, Elk Petroleum Limited and several other unlisted and private companies.

Meetings of directors
The number of meetings of the company's Board of Directors held during the year ended 30 June 2012, and the number of meetings attended by each director were:

	Full Board	
	Attended	Held
Graham Ascough	4	4
Simon Taylor	4	4
Fernando Tallarico	4	4
Allan Pickett	4	4
Anthony Wonnacott*	1	1

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

* Resigned 25 August 2011

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 mangement 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 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.

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 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 Company 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 Company 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 2011 Annual General Meeting ('AGM')
The company received 98% of 'for' votes in relation to its remuneration report for the year ended 30 June 2011. 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 directors, other key management personnel (defined as those who have the authority and responsibility for planning, directing and controlling the major activities of the consolidated entity) and specified executives of Aguia Resources Limited are set out in the following tables.

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

- Graham Ascough
- Simon Taylor
- Fernando Tallarico
- Allan Pickett (appointed 25 August 2011)
- Anthony Wonnacott (resigned 25 August 2011)

And the following executive:

- Andrew Bursill - Company secretary

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

Anthony Wonnacott did not receive any remuneration during the financial year.

Share-based payments relate to options issued which were granted in prior years.

A cash bonus of $150,000 was paid to the managing director, Simon Taylor, in October 2011 for the successful completion of the PAC deal including a $15 million capital raising.

2011	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:							
Anthony Wonnacott*	30,194	-	-	-	-	86,333	116,527
Graham Ascough	20,968	-	-	-	-	-	20,968
Mark Pearce**	5,000	-	-	-	-	-	5,000
Ian Middlemas***	7,500	-	-	-	-	-	7,500
Executive Directors:							
Simon Taylor	229,569	100,000	-	20,848	-	485,223	835,640
Fernando Tallarico	180,711	-	-	-	-	360,266	540,977
	473,942	100,000	-	20,848	-	931,822	1,526,612

* Resigned 25 August 2011
** Resigned 19 Ocotber 2010
*** Resigned 30 August 2010

Mr Andrew Bursill, company secretary 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. During the year ended 30 June 2012, Franks & Associates were paid a total of $213,422 (2011:$143,590) in relation to the services. Mr Bursill was granted 640,000 options valued at $197,120 (2011: nil).

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

	Fixed remuneration		At risk - STI		At risk - LTI	
Name	2012	2011	2012	2011	2012	2011
Non-Executive Directors:						
Graham Ascough	100%	100%	- %	- %	- %	- %
Allan Pickett	100%	- %	- %	- %	- %	- %
Anrthony Wonnacott	- %	74%	- %	- %	- %	26%
Mark Pearce	- %	100%	- %	- %	- %	- %
Ian Middlemas	- %	100%	- %	- %	- %	- %
Executive Directors:						
Simon Taylor	100%	70%	- %	- %	- %	30%
Fernando Tallarico	100%	67%	- %	- %	- %	33%

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 Aguia 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 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 as disclosed in the remuneration report.

Mr Fernando Tallarico, Exploration director based in Brazil, receives fees of $16,280 (BRL 30,000) 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 2012.

Options
The terms and conditions of each grant of options 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
06/07/2011	06/07/2011	31/12/2013	$1.07	$0.308

Options granted carry no dividend or voting rights.

Details of options over ordinary shares issued to directors and other key management personnel as part of compensation during the year ended 30 June 2012 are set out below:

	Number of options granted during the year		Number of options vested during the year	
Name	2012	2011	2012	2011
Graham Ascough	640,000	-	640,000	-
Fernando Tallarico	-	1,500,000	500,000	1,000,000
Anthony Wonnacott*	-	500,000	-	250,000
Andrew Bursill	640,000	-	640,000	-

* Resigned 25 August 2011

Values of options over ordinary shares granted, exercised and lapsed for directors and other key management personnel during the year ended 30 June 2012 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 %
Graham Ascough (640,000 options at exercise price $1.07)	197,120		-	-
Simon Taylor (600,000 options at exercise price $0.25)	-	150,000	-	-
Simon Taylor (500,000 options at exercise price $0.15)		75,000	-	-
Andrew Bursill (640,000 options at exercise price $1.07)	197,120	-	-	-

E Additional information

The earnings of the consolidated entity for the five years to 30 June 2012 are summarised below:

	2008 $	2009 $	2010 $	2011 $	2012 $
Loss after income tax	(206,371)	(613,200)	(1,533,770)	(2,794,759)	(8,124,508)

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

	2008	2009	2010	2011	2012
Share price at financial year end ($A)	0.17	0.10	0.57	0.79	0.15
Basic earnings per share (cents per share)	(1.13)	(1.91)	(4.62)	(4.62)	(7.97)

This concludes the remuneration report, which has been audited.

Shares under option
Unissued ordinary shares of Aguia 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	30/06/2013	$0.20	500,000
23/06/2010	31/12/2013	$0.30	1,000,000
07/10/2010	30/09/2012	$0.40	500,000
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
27/07/2011	29/12/2012	$0.82	768,432
30/08/2011	29/12/2012	$0.82	198,170
28/10/2011	28/10/2015	$0.75	150,000
			8,371,602

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
The following ordinary shares of Aguia Resources Limited were issued during the year ended 30 June 2012 on the exercise of options granted:

Date options granted	Exercise price	Number of shares issued
19/12/2007	$0.25	1,600,000
19/12/2007	$0.35	1,000,000
19/12/2007	$0.25	4,000,000
23/06/2010	$0.15	500,000
		7,100,000

Of the 7,100,000 options issued, 1,000,000 options were pursuant to a placement in prior years and not included in share based payments note to the financial statements. No other options were exercised in the period 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.

Environmental regulation and performance
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.

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 for the following reasons:

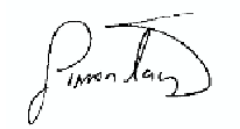
- all non-audit services have been reviewed and approved to ensure that they do not impact the integrity and objectivity of the auditor, and
- none of the services undermine the general principles relating to auditor independence as set out in APES 110 Code of Ethics for Professional Accountants issued 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

28 September 2012
Sydney

Deloitte Touche Tohmatsu
ABN 74 490 121 060

Woodside Plaza
Level 14
240 St Georges Terrace
Perth WA 6000
GPO Box A46
Perth WA 6837 Australia

Tel: +61 8 9365 7000
Fax: +61 8 9365 7001
www.deloitte.com.au

Aguia Resources Limited
Suite 4, Level 9
341 George Street
SYDNEY, NSW 2000

28 September 2012

Dear Directors

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 2012, 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

Neil Smith
Partner
Chartered Accountants

The Board of directors of Aguia 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

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 one director 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 Gender diversity

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 2012 financial year, the Company complied with the ASX Principles and Recommendations other than in relation to the matters specified below.

Recommendation Reference	Notification of Departure	Explanation for Departure
2.1	Majority of directors are independent	The Board considers that the Company is not currently of a size to justify the majority of independent directors. 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.
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.

Aguia Resources Limited
Financial report
30 June 2012

Contents

General information

The financial report covers Aguia Resources Limited as a consolidated entity consisting of Aguia Resources Limited and the entities it controlled. The financial report is presented in Australian dollars, which is Aguia 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 28 September 2012.

Aguia Resources Limited
Statement of comprehensive income
For the year ended 30 June 2012

	Note	Consolidated 2012 $	2011 $
Revenue	4	813,715	259,765
Other income	5	523,242	-
Expenses			
Employee benefits expense		(753,573)	(531,128)
Share based payments		(811,431)	(1,028,529)
Corporate costs		(199,520)	(139,851)
Exploration costs	6	(16,317,531)	(248,685)
Business development costs		(359,264)	(280,492)
Litigation costs		(85,618)	(95,223)
Legal and professional		(233,375)	(194,020)
Other expenses		(836,291)	(536,596)
Loss before income tax expense		(18,259,646)	(2,794,759)
Income tax expense	7	-	-
Loss after income tax expense for the year attributable to the owners of Aguia Resources Limited	18	(18,259,646)	(2,794,759)
Other comprehensive income			
Foreign currency translation		(3,795,809)	67,221
Other comprehensive income for the year, net of tax		(3,795,809)	67,221
Total comprehensive income for the year attributable to the owners of Aguia Resources Limited		(22,055,455)	(2,727,538)

		Cents	Cents
Basic earnings per share	29	(17.92)	(4.62)
Diluted earnings per share	29	(17.92)	(4.62)

The above statement of comprehensive income should be read in conjunction with the accompanying notes

Aguia Resources Limited
Statement of financial position
As at 30 June 2012

	Note	Consolidated 2012 $	2011 $
Assets			
Current assets			
Cash and cash equivalents	8	4,739,055	17,438,969
Trade and other receivables	9	338,992	34,182
Other	10	84,385	191,131
Total current assets		5,162,432	17,664,282
Non-current assets			
Property, plant and equipment	11	275,326	229,784
Exploration and evaluation	12	31,629,357	21,939,695
Total non-current assets		31,904,683	22,169,479
Total assets		37,067,115	39,833,761
Liabilities			
Current liabilities			
Trade and other payables	13	430,623	359,177
Employee benefits	14	55,900	28,852
Other	15	59,000	172,543
Total current liabilities		545,523	560,572
Total liabilities		545,523	560,572
Net assets		36,521,592	39,273,189
Equity			
Issued capital	16	60,678,999	42,799,454
Reserves	17	(749,641)	1,621,855
Accumulated losses	18	(23,407,766)	(5,148,120)
Total equity		36,521,592	39,273,189

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

Aguia Resources Limited
Statement of changes in equity
For the year ended 30 June 2012

	Ordinary shares $	Performance shares $	Reserves $	Accumulated losses $	Total equity $
Consolidated					
Balance at 1 July 2010	12,576,717	12,000,000	526,105	(2,353,361)	22,749,461
Loss after income tax expense for the year		-	-	(2,794,759)	(2,794,759)
Other comprehensive income for the year, net of tax	-	-	67,221	-	67,221
Total comprehensive income for the year	-	-	67,221	(2,794,759)	(2,727,538)
Transactions with owners in their capacity as owners:					
Contributions of equity, net of transaction costs	18,222,737		-	-	18,222,737
Share-based payments		-	1,028,529	-	1,028,529
Balance at 30 June 2011	30,799,454	12,000,000	1,621,855	(5,148,120)	39,273,189

	Ordinary shares $	Performance shares $	Reserves $	Accumulated reserves $	Total equity $
Consolidated					
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)
Transactions with owners in their capacity as owners:					
Contributions of equity, net of transaction costs	13,199,545	4,680,000	-	-	17,879,545
Share-based payments		-	1,424,313	-	1,424,313
Balance at 30 June 2012	43,998,999	16,680,000	(749,641)	(23,407,766)	36,521,592

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

Aguia Resources Limited
Statement of cash flows
For the year ended 30 June 2012

	Note	Consolidated 2012 $	2011 $
Cash flows from operating activities			
Payments to suppliers and employees		(2,418,088)	(2,651,690)
Interest received		807,715	247,765
Other revenue		393,101	12,000
Net cash used in operating activities	28	(1,217,272)	(2,391,925)
Cash flows from investing activities			
Payments for property, plant and equipment	11	(51,893)	(210,201)
Payments for exploration and evaluation	12	(12,441,078)	(3,134,088)
Net cash used in investing activities		(12,492,971)	(3,344,289)
Cash flows from financing activities			
Proceeds from issue of shares	16	1,825,000	19,022,012
Share issue transaction costs		(190,159)	(799,275)
Net cash from financing activities		1,634,841	18,222,737
Net increase/(decrease) in cash and cash equivalents		(12,075,402)	12,486,523
Cash and cash equivalents at the beginning of the financial year		17,438,969	4,949,721
Effects of exchange rate changes on cash		(624,512)	2,725
Cash and cash equivalents at the end of the financial year	8	4,739,055	17,438,969

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 in the relevant accounting policy. 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:

Interpretation 19 Extinguishing Financial Liabilities with Equity Instruments
The consolidated entity has applied Interpretation 19 from 1 July 2011. The interpretation clarified that equity instruments issued to a creditor to extinguish a financial liability qualifies as consideration paid. The equity instruments issued are measured at their fair value, or if not reliably measured, at the fair value of the liability extinguished, with any gain or loss recognised in profit or loss.

AASB 2009-10 Amendments to AASB 132 - Classification of Rights Issues
The consolidated entity has applied AASB 2009-10 from 1 July 2011. The amendments clarified that rights, options or warrants to acquire a fixed number of an entity's own equity instruments for a fixed amount in any currency are equity instruments if the entity offers the rights, options or warrants pro-rata to all existing owners of the same class of its own non-derivative equity instruments. The amendment therefore provided relief to entities that issue rights in a currency other than their functional currency from treating the rights as derivatives with fair value changes recorded in profit or loss.

AASB 2010-3 Amendments to Australian Accounting Standards arising from the Annual Improvements Project
The consolidated entity has applied AASB 2010-3 amendments from 1 July 2011. The amendments resulted in some accounting changes for presentation, recognition or measurement purposes, whilst some amendments related to terminology and editorial changes had no or minimal effect on accounting. The main changes were:
AASB 127 'Consolidated and Separate Financial Statements' and AASB ‘3 Business Combinations’ – the amendments clarified that contingent consideration from a business combination that occurred before the effective date of revised AASB 3 is not to be restated; the scope of the measurement choice of non-controlling interest is limited to when the rights acquired include entitlement to a proportionate share of net assets in the event of liquidation; and required an entity in a business combination to account for the replacement of acquiree's share-based payment transactions, unreplaced and voluntarily replaced, by splitting between consideration and post combination expenses.

AASB 2010-4 Amendments to Australian Accounting Standards arising from the Annual Improvements Project
The consolidated entity has applied AASB 2010-4 amendments from 1 July 2011. The amendments made numerous non-urgent but necessary amendments to a range of Australian Accounting Standards and Interpretations. The amendments provided clarification of disclosures in AASB 7 'Financial Instruments: Disclosures', in particular emphasis of the interaction between quantitative and qualitative disclosures and the nature and extent of risks associated with financial instruments; clarified that an entity can present an analysis of other comprehensive income for each component of equity, either in the statement of changes in equity or in the notes in accordance with AASB 101 'Presentation of Financial Instruments'; and provided guidance on the disclosure of significant events and transactions in AASB 134 'Interim Financial Reporting'.

Note 1. Significant accounting policies (continued)

AASB 2010-5 Amendments to Australian Accounting Standards
The consolidated entity has applied AASB 2010-5 amendments from 1 July 2011. The amendments made numerous editorial amendments to a range of Australian Accounting Standards and Interpretations, including amendments to reflect changes made to the text of International Financial Reporting Standards by the International Accounting Standards Board.

AASB 124 Related Party Disclosures (December 2009)
The consolidated entity has applied AASB 124 (revised) from 1 July 2011. The revised standard simplified the definition of a related party by clarifying its intended meaning and eliminating inconsistencies from the definition. A subsidiary and an associate with the same investor are related parties of each other; entities significantly influenced by one person and entities significantly influenced by a close member of the family of that person are no longer related parties of each other; and whenever a person or entity has both joint control over a second entity and joint control or significant influence over a third party, the second and third entities are related to each other.

Going concern
The financial report has been prepared on a 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 $18,259,646 (2011: $2,794,759) and experienced net cash outflows from operating and investing activities of $13,710,243 (2011: $5,736,214) for the year ended 30 June 2012. As at 30 June 2012 the consolidated entity had cash assets of $4,739,055 and net current assets of $4,616,909.

These conditions indicate a material uncertainty that may cast significant doubt about the company's and the consolidated entity's ability to continue as going concerns.

The directors have prepared a cash flow forecast for the period ending 30 September 2013 which indicates that the current cash resources will not be sufficient to fund planned exploration expenditure, other principal activities and working capital without the raising of additional capital. The consolidated entity will be required to raise additional capital no later than March 2013 to fund its current operations through to 30 September 2013. The consolidated entity is currently in a preliminary stage of evaluating capital raising opportunities.

Based on the cash flow forecasts and achieving funding, the directors are satisfied that the going concern basis of preparation is appropriate.

Should the consolidated entity and the company be unable to raise the funding referred to above, there is a material uncertainty whether the consolidated entity and the company will be able to continue as going concerns and therefore, whether they will be able to realise their assets and extinguish 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 consolidated entity and the company 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-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.

Note 1. Significant accounting policies (continued)

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 25.

Principles of consolidation
The consolidated financial statements incorporate the assets and liabilities of all subsidiaries of Aguia Resources Limited ('company' or 'parent entity') as at 30 June 2012 and the results of all subsidiaries for the year then ended. Aguia 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.

Note 1. Significant accounting policies (continued)

Foreign currency translation

The financial report is presented in Australian dollars, which is Aguia 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, expenses and cash flows of foreign operations are translated into Australian dollars using the average exchange rates, which approximates the rate at the date of the transaction, for the period. All resulting foreign exchange differences are recognised in the foreign currency reserve in equity. The equity contributions from the owners are translated at their historic exchange rates and accumulated losses are accumulation of yearly losses translated into Australian dollars.

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.

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.

Note 1. Significant accounting policies (continued)

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 and 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.

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.

Note 1. Significant accounting policies (continued)

Exploration and evaluation assets
Expenditure on exploration and evaluation is accounted for in accordance with the 'area of interest' method and with AASB 6 Exploration for and Evaluation of Mineral Resources. Exploration and evaluation expenditure encompasses expenditures incurred by the consolidated entity in connection with the exploration for and evaluation of mineral resources before the technical feasibility and commercial viability of extracting a mineral resource are demonstrable.

Exploration and evaluation expenditure incurred by the consolidated entity is accumulated for each area of interest and capitalised provided the rights to tenure of the area of interest are current, and at least one of the following conditions is also met:

• the exploration and evaluation expenditures are expected to be recouped through successful development and exploitation of the area of interest, or alternatively, by its sale; or
• exploration and evaluation activities in the area of interest have not at the reporting date reached a stage which permits a reasonable assessment of the existence or otherwise of economically recoverable reserves, and active and significant operations in, or in relation to, the area of interest are continuing.

Where a decision is made to proceed with development, accumulated expenditure is tested for impairment and transferred to development properties, and then amortised over the life of the reserves associated with the area of interest once mining operations have commenced.

Recoverability of the carrying amount of the exploration and evaluation assets is dependent on successful development and commercial exploitation, or alternatively, sale of the respective areas of interest.

Impairment of non-financial assets
Capitalised exploration costs are reviewed each reporting date to establish whether an indication of impairment exists. If any such indication exists, the recoverable amount of the capitalised exploration costs is estimated to determine the extent of the impairment loss (if any). Where an impairment loss subsequently reverses, the carrying amount of the asset is increased to the revised estimate of its recoverable amount, but only to the extent that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset in previous years.

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
Liabilities are recognised for amounts to be paid in the future for goods and services received. Trade accounts payable are normally settled within 60 days.

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.

Note 1. Significant accounting policies (continued)

Share-based payments
Equity-settled share-based compensation benefits are provided to officers, employees, and advisors of the consolidated entity.

Equity-settled transactions are awards of shares, or options over shares, that are provided in exchange for the rendering of services.

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.

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 and performance 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 Aguia 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 2012. 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 and 2010-7 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 2013 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. To be classified and measured at amortised cost, assets must satisfy the business model test for managing the financial assets and have certain contractual cash flow characteristics. All other financial instrument assets are to be classified and measured at fair value. This standard allows an irrevocable election on initial recognition to present gains and losses on equity instruments (that are not held-for-trading) in other comprehensive income, with dividends as a return on these investments being recognised in profit or loss. In addition, those equity instruments measured at fair value through other comprehensive income would no longer have to apply any impairment requirements nor would there be any ‘recycling’ of gains or losses through profit or loss on disposal. 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 2013 but the impact of its adoption is yet to be assessed by the consolidated entity.

AASB 2010-6 Amendments to Australian Accounting Standards - Disclosures on Transfers of Financial Assets
These amendments are applicable to annual reporting periods beginning on or after 1 July 2011. These amendments add and amend disclosure requirements in AASB 7 about transfer of financial assets, including the nature of the financial assets involved and the risks associated with them. The adoption of these amendments from 1 January 2012 will increase the disclosure requirements on the consolidated entity when an asset is transferred but is not derecognised and new disclosure required when assets are derecognised but the consolidated entity continues to have a continuing exposure to the asset after the sale or transfer.

AASB 2010-8 Amendments to Australian Accounting Standards- Deferred Tax: Recovery of Underlying Assets
These amendments are applicable to annual reporting periods beginning on or after 1 January 2012 and a practical approach for the measurement of deferred tax relating to investment properties measured at fair value, property, plant and equipment and intangible assets measured using the revaluation model. The measurement of deferred tax for these specified assets is based on the presumption that the carrying amount of the underlying asset will be recovered entirely through sale, unless the entity has clear evidence that economic benefits of the underlying asset will be consumed during its economic life. The consolidated entity is yet to quantify the tax effect of adopting these amendments from 1 July 2012.

Note 1. Significant accounting policies (continued)

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.

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)
This revised standard is 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 adoption of the revised standard from 1 July 2013 will require increased disclosures by the consolidated entity.

Note 1. Significant accounting policies (continued)

AASB 1054 Australian Additional Disclosures
This Standard is applicable to annual reporting periods beginning on or after 1 July 2011. The standard sets out the Australian-specific disclosures as a result of Phase I of the Trans-Tasman Convergence Project, which are in addition to International Financial Reporting Standards, for entities that have adopted Australian Accounting Standards. The adoption of these amendments from 1 January 2012 will not have a material impact on 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 2013 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.

AASB 2011-5 Amendments to Australian Accounting Standards – Extending Relief from Consolidation, the Equity Method and Proportionate Consolidation
These amendments are applicable to annual reporting periods beginning on or after 1 July 2011. These amendments extend relief from consolidation, the equity method and proportionate consolidation where the ultimate or intermediate parent applies not-for-profit Aus paragraphs in Australian IFRSs as adopted in Australia. The adoption of these amendments from 1 January 2012 will not have impact on the consolidated entity.

AASB 2011-5 Amendments to Australian Accounting Standards – Extending Relief from Consolidation, the Equity Method and Proportionate Consolidation and AASB 2011-6 Amendments to Australian Accounting Standards – Extending Relief from Consolidation, the Equity Method and Proportionate Consolidation – Reduced Disclosure Requirements
AASB 2011-5 is applicable to annual reporting periods beginning on or after 1 July 2011 and AASB 2011-6 on or after 1 July 2013. These amendments extend relief from consolidation, the equity method and proportionate consolidation where the ultimate or intermediate parent applies not-for-profit Aus paragraphs in Australian IFRSs as adopted in Australia, or Australian Accounting Standards – Reduced Disclosure Requirements (RDR). The adoption of these amendments from 1 January 2012 and 1 January 2014 respectively will not have 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 within the next financial year are discussed below.

Share-based payment transactions
The consolidated entity measures the cost of equity-settled transactions 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. Refer to note 30.

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 expenditure
The application of the consolidated entity's accounting policy for exploration and evaluation expenditure requires judgement in determining whether it is likely that future economic benefits are likely either from future exploitation or sale or where activities have not reached a stage which permits a reasonable assessment of the existence of reserves. The deferral policy also requires management to make certain estimates and assumptions about future events or circumstances, in particular whether an economically viable extraction operation can be established. Estimates and assumptions may change if new information becomes available. If, after expenditure is capitalised, information becomes available suggesting that the recovery of expenditures is unlikely, the amount capitalised is written off in the statement of comprehensive income in the period when the new information becomes available. Refer to note 12.

Note 3. Operating segments

Identification of reportable operating segments
The consolidated entity is organised into one operating segment, being mining and exploration. 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.

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.

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.

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.

Intersegment receivables, payables and loans
Intersegment loans are initially recognised at the consideration received. Intersegment loans are eliminated on consolidation.

Note 3. Operating segments (continued)

Operating segment information

2012	Brazil $	Intersegment eliminations/ unallocated $	Consolidated $
Assets			
Segment assets	31,629,357	-	31,629,357
Unallocated assets:			
Cash and cash equivalents			4,739,055
Trade and other receivables			423,377
Property, plant and equipment			275,326
Total assets			37,067,115
Liabilities			
Unallocated liabilities:			
Trade and other payables			489,623
Provisions			55,900
Total liabilities			545,523

2011	Brazil $	Intersegment eliminations/ unallocated $	Consolidated $
Assets			
Segment assets	21,939,695	-	21,939,695
Unallocated assets:			
Cash and cash equivalents			17,438,969
Trade and other receivables			225,313
Property, plant and equipment			229,784
Total assets			39,833,761
Liabilities			
Unallocated liabilities:			
Trade and other payables			531,720
Provisions			28,852
Total liabilities			560,572

Note 4. Revenue

	Consolidated	
	2012	**2011**
	$	**$**
Other revenue		
Interest	807,715	247,765
Other revenue	6,000	12,000
Revenue	813,715	259,765

Note 5. Other income

	Consolidated	
	2012	**2011**
	$	**$**
Litigation costs and disbursements received	387,101	-
Option money receivable from joint venture	136,141	-
Other income	523,242	-

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.

An amount of $136,141 (R$250,000) is 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").

Note 6. Expenses

	Consolidated	
	2012	**2011**
	$	**$**
Loss before income tax includes the following specific expenses:		
Exploration costs		
Exploration expenses	-	248,685
Impairment of exploration assets	16,317,531	-
Total exploration costs	16,317,531	248,685

Note 7. Income tax expense

	Consolidated 2012 $	Consolidated 2011 $
Income tax expense		
Current tax	(69,433)	(454,686)
Deferred tax - origination and reversal of temporary differences	(9,425)	2,041
Unutilised tax losses not recognised	78,858	452,645
Aggregate income tax expense	-	-
Numerical reconciliation of income tax expense and tax at the statutory rate		
Loss before income tax expense	(18,259,646)	(2,794,759)
Tax at the statutory tax rate of 30%	(5,477,894)	(838,428)
Tax effect amounts which are not deductible/(taxable) in calculating taxable income:		
Expenditure not allowable for income tax purposes	5,399,036	383,742
	(78,858)	(454,686)
Current year tax losses not recognised	78,858	454,686
Income tax expense	-	-
Tax losses not recognised		
Unused tax losses for which no deferred tax asset has been recognised	1,549,117	1,286,257
Potential tax benefit @ 30%	464,735	385,877

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 conslidated group has not yet been made. This position will be reviewed annually.

Note 8. Current assets - cash and cash equivalents

	Consolidated 2012 $	Consolidated 2011 $
Cash at bank	4,739,055	17,438,969

Note 9. Current assets - trade and other receivables

	Consolidated	
	2012	2011
	$	$
Other receivables	338,992	34,182

Other receivable includes $136,141 (R$250,000) 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 2012.

Note 10. Current assets - other

	Consolidated	
	2012	2011
	$	$
Prepayments	61,285	105,513
Other deposits	23,100	85,618
	84,385	191,131

Other deposit in 2012 relates to rental bond on leased offices. The deposit of $85,618 in 2011 in relation to the Norwest case was fully recovered during the 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 also awarded costs and disbursements in relation to the appeal as disclosed in the statement of comprehensive income.

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

	Consolidated	
	2012	2011
	$	$
Leasehold improvements - at cost	89,755	-
	89,755	-
Plant and equipment - at cost	276,818	274,831
Less: Accumulated depreciation	(91,247)	(45,047)
	185,571	229,784
	275,326	229,784

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 $
Consolidated			
Balance at 1 July 2010	-	87,250	87,250
Additions	-	210,201	210,201
Depreciation expense	-	(67,667)	(67,667)
Balance at 30 June 2011	-	229,784	229,784
Additions	89,755	51,893	141,648
Depreciation expense	-	(96,106)	(96,106)
Balance at 30 June 2012	89,755	185,571	275,326

Leasehold improvements were in progress and unpaid at year end.

Note 12. Non-current assets - exploration and evaluation

	Consolidated	
	2012	**2011**
	$	**$**
Brazilian Phosphate project - at cost	23,319,153	21,649,906
Less: Impairment	(6,182,393)	-
	17,136,760	21,649,906
Brazilian Potash project - at cost	24,627,735	289,789
Less: Impairment	(10,135,138)	-
	14,492,597	289,789
Pathfinder project - at cost	-	69,833
Less: Impairment	-	(69,833)
	-	-
	31,629,357	21,939,695

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

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 $
Consolidated		
Balance at 1 July 2010	18,678,996	18,678,996
Expenditure during the year	3,289,960	3,289,960
Exchange differences	(29,261)	(29,261)
Balance at 30 June 2011	21,939,695	21,939,695
Additions	16,875,339	16,875,339
Expenditure during the year	12,441,078	12,441,078
Exchange differences	(3,309,224)	(3,309,224)
Impairment of assets	(16,317,531)	(16,317,531)
Balance at 30 June 2012	31,629,357	31,629,357

The Pathfinder project was fully provided for in prior years. Following the issuance of 250,000 termination options on 1 July 2011 to the parties to the joint venture to allow the Company to withdraw from the JV agreement, the investment has been written off as at 30 June 2012.

Additions are through assets acquisition of Potassio do Atlantico Ltda. Refer to note 31.

Following an assessment of its exploration assets, the consolidated entity impaired its Mata da Corda phosphate project by $6,182,393 and its Atlantic potash project by $10,135,138.

Note 13. Current liabilities - trade and other payables

	Consolidated	
	2012	**2011**
	$	**$**
Trade payables	343,708	264,551
Other payables	86,915	94,626
	430,623	359,177

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

	Consolidated	
	2012	**2011**
	$	**$**
Employee benefits	55,900	28,852

Note 15. Current liabilities - other

	Consolidated	
	2012	2011
	$	$
Accrued expenses	59,000	172,543

Note 16. Equity - issued capital

	Consolidated		Consolidated	
	2012	2011	2012	2011
	Shares	Shares	$	$
Ordinary shares - fully paid	106,245,137	79,145,137	43,998,999	30,799,454
AGRAC Class A and B performance shares	40,000,000	40,000,000	12,000,000	12,000,000
AGRAU Class A, B and C performance shares	80,000,000	-	4,680,000	-
	226,245,137	119,145,137	60,678,999	42,799,454

AGRAC performance shares were issued as part of the consideration of Aguia Metais Ltda. The value of Class B performance shares is considered immaterial given milestone is unlikely to be achieved.

AGRAU performance shares were issued as part of the consideration of the assets of Potassio do Atlantico Ltda and are escrowed until 6 July 2012. The 80,000,000 performance shares that will convert into 80,000,000 ordinary shares upon achievement of milestones.

The number of ordinary shares issued includes 20,000,000 ordinary shares escrowed until 6 July 2012.

Movements in ordinary share capital

Details	Date	No of shares	Issue price	$
Balance	1 July 2010	52,750,001		12,576,717
Share placement	24 November 2010	7,900,000	$0.50	3,950,000
Exercise of options	9 March 2011	200,000	$0.35	70,000
Share placement	3 May 2011	18,295,136	$0.82	15,002,012
Transaction costs		-	$0.00	(799,275)
Balance	30 June 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		-	$0.00	(335,455)
Balance	30 June 2012	106,245,137		43,998,999

Note 16. Equity - issued capital (continued)

Movements in performance share capital

Details	Date	No of shares	Issue price	$
Balance	1 July 2010	40,000,000		12,000,000
Balance	30 June 2011	40,000,000		12,000,000
Share issue	6 July 2011	80,000,000	$0.06	4,680,000
Balance	30 June 2012	120,000,000		16,680,000

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.

Shares issued following the exercise of options will rank equally in all respects with the Company's existing shares.

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 from each fully paid share and a fraction of a vote for each partly paid share determined by the amount paid up on that share.

Performance shares
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 dates, 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 dates of the AGRAC and AGRAU performance shares are 22 June 2013 and 5 July 2014 repectively.

AGRAC Class A performance share milestone means an independently calculated mineral resource of not less than 30Mt with a grade of not less than 10% P2O5, or an equivalent total amount of P_2O_5, being determined within either or both of the Mata da Corda phosphate project or Lucena phosphate project.

AGRAC Class B performance share milestone means an independently calculated mineral resource of not less than 70Mt with a grade of not less than 10% P2O5, or an equivalent total amount of P_2O_5, being determined within either or both of the Mata da Corda phosphate project or Lucena phosphate project.

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 2011 Annual Report.

Note 17. Equity - reserves

	Consolidated	
	2012	**2011**
	$	**$**
Foreign currency reserve	(3,747,224)	66,338
Share-based payments reserve	2,997,583	1,555,517
	(749,641)	1,621,855

	Revaluation surplus	Available-for-sale	Share-based payments	Foreign currency	Total
	$	$	$	$	$
Consolidated					
Balance at 1 July 2010	-	-	526,988	(883)	526,105
Foreign currency translation	-	-	-	67,221	67,221
Share-based payments	-	-	1,028,529	-	1,028,529
Balance at 30 June 2011	-	-	1,555,517	66,338	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	-	-	2,979,830	(3,729,471)	(749,641)

* Includes $485,340 fair value of options issued as part of PALTDA asset acquisition and $145,295 fair value of options issued to the consilidated entity's advisors. $811,431 was expensed during the year.

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

	Consolidated	
	2012	2011
	$	$
Accumulated losses at the beginning of the financial year	(5,148,120)	(2,353,361)
Loss after income tax expense for the year	(18,259,646)	(2,794,759)
Accumulated losses at the end of the financial year	(23,407,766)	(5,148,120)

Note 19. Equity - dividends

There were no dividends paid 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 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 foreign exchange and ageing analysis for credit risk. The consolidated entity manages its exposure to key financial risks in accordance with the consolidated entity's financial risk management policy. Key risks are monitored and reviewed as circumstances change (e.g. acquisition of a new project) and policies are revised as required. The overall objective of the consolidated entity's financial risk management policy is to support the delivery of the consolidated entity's financial targets whilst protecting future financial security.

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.

Note 20. Financial instruments (continued)

Market risk

Foreign currency risk
The consolidated entity undertakes certain transactions denominated in foreign currency and 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.

The consolidated entity does not have any significant transactions or balances denominated in foreign currencies at the year end.

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.

As at the reporting date, the consolidated entity had the following variable rate borrowings and interest rate swap contracts outstanding:

	2012		2011	
	Weighted average interest rate %	Balance $	Weighted average interest rate %	Balance $
Consolidated				
Cash and cash equivalents	3.47	4,739,055	3.91	17,438,969
Net exposure to cash flow interest rate risk		4,739,055		17,438,969

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

	Basis points increase			Basis points decrease		
Consolidated - 2012	Basis points change	Effect on profit before tax	Effect on equity	Basis points change	Effect on profit before tax	Effect on equity
Cash and cash equivalents	10	4,739	4,739	10	(4,739)	(4,739)

	Basis points increase			Basis points decrease		
Consolidated - 2011	Basis points change	Effect on profit before tax	Effect on equity	Basis points change	Effect on profit before tax	Effect on equity
Cash and cash equivalents	10	68,177	68,177	10	(68,177)	(68,177)

Note 20. Financial instruments (continued)

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. Credit risk is the risk of financial loss to the consolidated entity if a customer or counterparty to a financial instrument fails to meet its contractual obligations. 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 by continuously monitoring actual and forecast cash flows and matching the maturity profiles of financial assets and liabilities.

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.

Consolidated - 2012	Weighted average interest rate %	1 year or less $	Between 1 and 2 years $	Between 2 and 5 years $	Over 5 years $	Remaining contractual maturities $
Non-derivatives						
Non-interest bearing						
Trade payables	-	343,708	-	-	-	343,708
Other payables	-	145,915	-	-	-	145,915
Total non-derivatives		489,623	-	-	-	489,623

Consolidated - 2011	Weighted average interest rate %	1 year or less $	Between 1 and 2 years $	Between 2 and 5 years $	Over 5 years $	Remaining contractual maturities $
Non-derivatives						
Non-interest bearing						
Trade payables	-	264,551	-	-	-	264,551
Other payables	-	267,169	-	-	-	267,169
Total non-derivatives		531,720	-	-	-	531,720

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.

Note 21. Key management personnel disclosures

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

Graham Ascough	Non-Executive Chairman
Simon Taylor	Managing Director
Fernando Tallarico	Technical Director
Allan Pickett (appointed 25 August 2011)	Non-Executive Director
Anthony Wonnacott (resigned 25 August 2011)	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

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

	Consolidated	
	2012	**2011**
	$	**$**
Short-term employee benefits	802,250	573,942
Post-employment benefits	22,920	20,848
Share-based payments	357,109	931,822
	1,182,279	1,526,612

In addition to the above directors' remuneration, Mr Bursill, the company secretary was granted 640,000 options valued at $197,120 (2011: nil).

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:

2012	Balance at the start of the year	Received as part of remuneration	Additions	Disposals/ other	Balance at the end of the year
Ordinary shares					
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)	-
	1,922,108	-	1,200,000	(1,095,803)	2,026,305

* Resigned 25 August 2011

Note 21. Key management personnel disclosures (continued)

2011	Balance at the start of the year	Received as part of remuneration	Additions	Disposals/ other	Balance at the end of the year
Ordinary shares					
Simon Taylor	550,001	-	-	-	550,001
Fernando Tallarico	476,304	-	-	-	476,304
Anthony Wonnacott	895,803	-	-	-	895,803
Ian Middlemas*	3,000,000	-	-	(3,000,000)	-
	4,922,108	-	-	(3,000,000)	1,922,108

* Resigned 30 August 2010

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:

2012	Balance at the start of the year	Granted	Exercised	Expired/ forfeited/ other	Balance at the end of the year
Options over ordinary shares					
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
	4,600,000	1,626,232	(1,100,000)	(546,232)	4,580,000

* Granted as part consideration for the acquisition of Potassio do Atlantico Ltda
** Resigned 25 August 2011

2012	Vested and exercisable	Vested and unexercisable	Vested at the end of the year
Options over ordinary shares			
Fernando Tallarico	500,000	-	500,000
Graham Ascough	640,000	-	640,000
Allan Pickett	300,000	-	300,000
Andrew Bursill	640,000	-	640,000
	2,080,000	-	2,080,000

2011	Balance at the start of the year	Granted	Exercised	Expired/ forfeited/ other	Balance at the end of the year
Options over ordinary shares					
Simon Taylor	2,600,000		-	-	2,600,000
Fernando Tallarico	-	1,500,000	-	-	1,500,000
Anthony Wonnacott	-	500,000	-	-	500,000
Ian Middlemas*	1,000,000	-	-	(1,000,000)	-
	3,600,000	2,000,000	-	(1,000,000)	4,600,000

* Resigned 30 August 2010

Note 21. Key management personnel disclosures (continued)

2011	Vested and exercisable	Vested and unexercisable	Vested at the end of the year
Options over ordinary shares			
Fernando Tallarico	1,000,000	-	1,000,000
Anthony Wonnacott	250,000	-	250,000
	1,250,000	-	1,250,000

Performance shares holding
The number of performance 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:

2012	Balance at the start of the year	Other	Vested	Expired/ forfeited/ other	Balance at the end of the year
Performance shares					
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
	3,818,541	6,666,637	-	(7,835,479)	2,649,699

* 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 Potassion Do Atlantico Ltda. These shares were not issued as part of his remuneration.

2011	Balance at the start of the year	Granted	Vested	Expired/ forfeited/ other	Balance at the end of the year
Performance shares					
Fernando Tallarico *	192,342	-	-	-	192,342
Anthony Wonnacott **	3,626,199	-	-	-	3,626,199
	3,818,541	-	-	-	3,818,541

* F Tallarico received 82,709 Class A performance shares and 109,633 Class B performance shares as part consideration for the acquisition of Aguia Metais Ltda. These shares were not issued as part of his remuneration.

** A Wonnacott received 1,976,293 Class A performance shares and 1,649,906 Class B performance shares as part consideration for the acquisition of Aguia Metais Ltda. These shares were not issued as part of his remuneration. A Wonnacott resigned on 25 August 2011.

Related party transactions
Related party transactions are set out in note 24.

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:

	Consolidated	
	2012	**2011**
	$	**$**
Audit services - Deloitte Touche Tohmatsu		
Audit or review of the financial statements	34,750	32,500
Other services - Deloitte Touche Tohmatsu		
Preparation of the tax return	15,000	-
	49,750	32,500
Audit services - network firms		
Audit or review of the financial statements	40,000	41,750

Note 23. Commitments

	Consolidated	
	2012	**2011**
	$	**$**
Lease commitments - operating		
Committed at the reporting date but not recognised as liabilities, payable:		
Within one year	80,500	-
One to five years	66,500	-
	147,000	-

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.

Note 24. Related party transactions

Parent entity
Aguia Resources Limited is the parent entity.

Subsidiaries
Interests in subsidiaries are set out in note 26.

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

Note 24. Related party transactions (continued)

Transactions with related parties
The following transactions occurred with related parties:

	Consolidated	
	2012	2011
	$	$
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.	213,422	143,590

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 25. Parent entity information

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

Statement of comprehensive income

	Parent	
	2012	2011
	$	$
Loss after income tax	(18,161,273)	(2,298,718)
Total comprehensive income	(18,161,273)	(2,298,718)

Statement of financial position

	Parent	
	2012	2011
	$	$
Total current assets	2,486,125	17,090,251
Total assets	41,287,115	39,917,723
Total current liabilities	405,663	196,609
Total liabilities	405,663	196,609
Equity		
Issued capital	60,678,999	42,799,454
Options reserve	2,997,583	1,555,517
Accumulated losses	(22,795,130)	(4,633,857)
Total equity	40,881,452	39,721,114

Note 25. Parent entity information (continued)

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 2012 and 30 June 2011.

Contingent liabilities
The parent entity had no contingent liabilities as at 30 June 2012 and 30 June 2011.

Capital commitments - Property, plant and equipment
The parent entity had no capital commitments for property, plant and equipment at as 30 June 2012 and 30 June 2011.

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.

Note 26. 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:

		Equity holding	
Name of entity	**Country of incorporation**	**2012 %**	**2011 %**
Aguia Mining Pty Ltd	Australia	100.00	100.00
Aguai Phosphates Pty Ltd	Australia	100.00	100.00
Aguia Potash Pty Ltd	Australia	100.00	100.00
Aguia Metais Ltda	Brazil	100.00	100.00
Potassio do Atlantico Ltda *	Brazil	100.00	-
Aguia Rio Grande Mineracao Ltda **	Brazil	100.00	-
Aguia Fertilizantes S.A. ***	Brazil	49.00	-

* Acquired 1 July 2011
** Incorporated 23 May 2012
*** Incorporated 24 February 2012 and considered a subsidiary of the consolidated entity given meets control criteria

Note 27. Events after the reporting period

No matter or circumstance has arisen since 30 June 2012 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 28. Reconciliation of loss after income tax to net cash used in operating activities

	Consolidated	
	2012	**2011**
	$	**$**
Loss after income tax expense for the year	(18,259,646)	(2,794,759)
Adjustments for:		
Depreciation and amortisation	6,351	67,666
Impairment of investments	16,317,531	-
Share-based payments	811,431	1,028,529
Change in operating assets and liabilities:		
Increase in trade and other receivables	(198,065)	(116,768)
Increase/(decrease) in trade and other payables	78,078	(599,709)
Increase in employee benefits	27,048	23,116
Net cash used in operating activities	(1,217,272)	(2,391,925)

Note 29. Earnings per share

	Consolidated	
	2012	**2011**
	$	**$**
Loss after income tax attributable to the owners of Aguia Resources Limited	(18,259,646)	(2,794,759)
	Number	**Number**
Weighted average number of ordinary shares used in calculating basic earnings per share	101,883,662	60,437,447
Weighted average number of ordinary shares used in calculating diluted earnings per share	101,883,662	60,437,447
	Cents	**Cents**
Basic earnings per share	(17.92)	(4.62)
Diluted earnings per share	(17.92)	(4.62)

Note 30. 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.

Note 30. Share-based payments (continued)

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

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
			10,325,000	4,146,602	(6,100,000)	-	8,371,602

Weighted average exercise price $0.60

2011

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	1,200,000	-	(200,000)	-	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
			7,800,000	2,725,000	(200,000)	-	10,325,000

Weighted average exercise price $0.33

Note 30. Share-based payments (continued)

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

Grant date	Expiry date	2012 Number	2011 Number
18/12/09	31/12/11	-	1,600,000
18/12/09	31/12/11	-	1,000,000
18/12/09	31/01/12	-	3,000,000
23/06/10	30/06/12	-	500,000
23/06/10	30/06/13	500,000	500,000
23/06/10	31/12/13	1,000,000	1,000,000
07/10/10	30/09/12	500,000	500,000
07/10/10	30/09/13	500,000	500,000
07/10/10	31/03/14	500,000	500,000
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	-
06/07/11	31/12/14	1,500,000	-
06/07/11	31/12/13	1,280,000	-
27/07/11	29/12/12	768,432	-
30/08/11	29/12/12	198,170	-
28/10/11	28/10/15	150,000	-
Total exercisable		7,646,602	9,600,000

The weighted average remaining contractual life of options outstanding at the end of the financial year was 1.55 years 2011: 2.01 years).

For the options granted during the current financial year, the valuation model inputs used to determine the fair value at the grant date are:
- Share prices at grant dates: $0.67 - $0.78
- Dividend yield: 0%
- Volatility: 70%-75%
- Risk-free interest rates: 4.7%-5.1%

Note 31. Assets acquisition

In July 2011, Aguia acquired 100% of Potassio do Atlantico Ltda ("PALTDA"), which holds Potash in Brazil. PALTDA is a private mineral exploration company with a primary focus on potash exploration and development in the Sergipe Basin, Brazil. The transaction is not a business combination as PALTDA's acquired assets did not meet the definition of a business as defined in the Australian Accounting Standards. The substance and intent was for the group to acquire the exploration and evaluation assets of PALTDA for the purpose of expanding the group's overall resource base. The acquisition of the net assets of PALTDA, meets the definition of, and has been accounted for as, a share-based payment transaction.

The total cost of the asset acquisition was $16,875,339 and comprised the following issue of equity instruments in consideration. Aguia issued:

- 20,000,000 ordinary shares ($11,710,000);
- 1,500,000 options with a fair value of $0.32 each ($485,339); and
- 80,000,000 performance Rights that will convert into 80,000,000 ordinary shares upon achievement of milestones ($4,680,000).

The attributable costs of the issuance of ordinary shares have been charged directly to equity. As a result of the acquisition the Group will exploit a large-scale potash project ("Project") located in northeast Brazil to compliment the Group's Brazilian phosphate projects, thereby enabling the Group to capitalise on the increasing demand for fertilisers, both within Brazil and elsewhere in the world.

The net assets acquired were exploration and evaluation assets with a carrying value of $205,000 which was revalued up by $16,670,339 to its fair value of $16,875,339 at the date of acquisition.

Aguia 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;

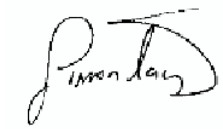
- the attached financial statements and notes thereto give a true and fair view of the consolidated entity's financial position as at 30 June 2012 and of its performance for the financial year ended on that date; and

- 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) of the Corporations Act 2001.

On behalf of the directors



Simon Taylor
Managing Director

28 September 2012
Sydney

Deloitte Touche Tohmatsu
ABN 74 490 121 060

Woodside Plaza
Level 14
240 St Georges Terrace
Perth WA 6000
GPO Box A46
Perth WA 6837 Australia

Tel: +61 8 9365 7000
Fax: +61 8 9365 7001
www.deloitte.com.au

Independent Auditor's Report to the members of Aguia Resources Limited

Report on the Financial Report

We have audited the accompanying financial report of Aguia Resources Limited, which comprises the statement of financial position as at 30 June 2012, the statement of 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 entity'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 entity'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.

Deloitte.

Opinion

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 2012 and its performance for the year ended on that date; and

  (ii) complying with Australian Accounting Standards and the *Corporations Regulations 2001*; and

(b) the 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 $18,259,646 and experienced net cash outflows from operating and investing activities of $13,710,243 for the year ended 30 June 2012. These conditions, along with other matters set forth in Note 1, indicate the existence of a material uncertainty which may cast significant doubt about the Company's and Consolidated Entity's ability to continue as a 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 17 to 22 of the directors' report for the year ended 30 June 2012. 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 2012, complies with section 300A of the *Corporations Act 2001*.

Deloitte Touche Tohmatsu

DELOITTE TOUCHE TOHMATSU

Neil Smith
Partner
Chartered Accountants
Perth, 28 September 2012

ASX Information

The shareholder information set out below was applicable as at 3 October 2012.

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	POTASH ATLANTICO CORP	20,000,000	18.82%
2	BOND STREET CUSTODIANS LIMITED <OFFICIUM EMERGING RES A/C>	6,435,808	6.06%
3	NEFCO NOMINEES PTY LTD	5,694,966	5.36%
4	HSBC CUSTODY NOMINEES (AUSTRALIA) LIMITED	5,051,597	4.75%
5	ARREDO PTY LTD	4,000,000	3.76%
6	FORBES & MANHATTAN (BARBADOS) INC	2,883,806	2.71%
7	CITICORP NOMINEES PTY LIMITED	2,641,769	2.49%
8	NATIONAL NOMINEES LIMITED	1,893,870	1.78%
9	TAYCOL NOMINEES PTY LTD <211 A/C>	1,875,000	1.76%
10	SINO PORTFOLIO INTERNATIONAL LIMITED	1,366,580	1.29%
11	DUNROOTIN PTY LTD <GREENHILL SUPER FUND A/C>	1,200,000	1.13%
12	BLUESTONE 23 LIMITED	1,175,000	1.11%
13	MR JOHN DARROCH & MRS GLORIA DARROCH & MR RICHARD DARROCH & MS HELEN DARROCH <J N DARROCH PRIVATE S/F A/C>	1,100,000	1.04%
13	MR TERRY PATRICK COFFEY & HAWKES BAY NOMINEES LIMITED <WILLIAMS FAMILY NO 2 A/C>	1,100,000	1.04%
14	MR SIMON TAYLOR & MRS SALLY ANN TAYLOR <TAYLOR FAMILY SUPERFUND A/C>	1,000,500	0.94%
15	PENN FINANCIAL PTY LTD <PENN FINANCIAL A/C>	1,000,000	0.94%
16	NUTSVILLE PTY LTD	965,000	0.91%
17	PETO PTY LTD <1953 SUPER FUND A/C>	900,000	0.85%
18	MS ELIPINA KISAMO MLAKI & MS JOYCE ELIA KISAMO	850,000	0.80%
19	BATIHA PTY LIMITED <SIXWAYS A/C>	800,000	0.75%
20	CALAMA HOLDINGS PTY LTD <MAMBAT SUPER FUND A/C>	793,204	0.75%
	Total top 20	**62,727,100**	**59.04%**
	Others	**43,518,037**	**40.96%**
	Total Ordinary Shares on Issue	**106,245,137**	**100.00%**
	There were 98 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 1	Performance Shares 2	Performance Shares Class A	Performance Shares Class B	Performance Shares Class C
Forbes & Manhattan (Barbados) Inc.	5,233,596	5,634,105	4,495,071	6,742,607	6,742,607
PI Financial Corp. <ITF A/C#24-0978-7>	3,150,262	4,175,774	4,495,071	6,742,607	6,742,607
Others	11,616,142	10,190,121	11,009,858	16,514,786	16,514,786
Total	**20,000,000**	**20,000,000**	**20,000,000**	**30,000,000**	**30,000,000**

(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	$0.82 Unlisted Options expiring 29/12/2012	$0.20 Unlisted Incentive Options expiring 30/06/2013	$0.30 Unlisted Incentive Options expiring 31/12/2012	$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
TAYCOL NOMINEES PTY LTD	-	-	-	587,632	-	-	-	-	-	-
JIMBZAL PTY LTD	-	-	-	-	500,000	1,000,000	-	-	-	-
BJ RETAIL PTY LTD <JAMSI AC>	-	-	640,000	-	-	-	-	-	-	-
GRAHAM LESLIE ASCOUGH AND PATRICIA LYNN ASCOUGH	-	-	640,000	-	-	-	-	-	-	-
LONDON INVESTMENTS PARTNERS LIMITED	-	-	-	198,170	-	-	-	-	-	-
ANTHONY WONNACOTT	-	-	-	-	-	-	250,000	250,000	-	-
FERNANDO TALLARICO	500,000	500,000	-	-	-	-	-	-	-	-
PLATSEARCH NL	-	-	-	-	-	-	-	-	200,000	-
POTASH ATLANTICO CORP.	-	-	-	-	-	-	-	-	1,500,000	-
ALFERDO NUNES	-	-	-	-	-	-	-	-	-	150,000
OTHERS	575,000	150,000	-	180,800	-	-	-	-	50,000	-
Total	**1,075,000**	**650,000**	**1,280,000**	**966,602**	**500,000**	**1,000,000**	**250,000**	**250,000**	**1,750,000**	**150,000**

Aguia Resources Limited
Additional Information

2. DISTRIBUTION OF EQUITY SECURITIES

(i) Ordinary Shares

	Ordinary Shares		
Range	Total holders	Units	% of Issued Capital
1 - 1,000	38	21,858	0.02
1,001 - 5,000	129	431,433	0.41
5,001 - 10,000	131	1,169,714	1.10
10,001 - 100,000	414	15,599,137	14.68
100,001 -9,999,999,999	120	89,022,995	83.79
Total	**832**	**106,245,137**	**100.00**

(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	$0.82 Unlisted Options expiring 29/12/2012	$0.20 Unlisted Incentive Options expiring 30/06/2013	$0.30 Unlisted Incentive Options expiring 31/12/2012	$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
1 - 1,000	-	-	-	-	-	-	-	-	-	-
1,001 - 5,000	-	-	-	-	-	-	-	-	-	-
5,001 - 10,000	-	-	-	-	-	-	-	-	-	-
10,001 - 100,000	8	-	-	1	-	-	-	-	1	-
100,001 - 9,999,999,999	3	2	2	3	1	1	1	1	2	1
Total	**11**	**2**	**2**	**4**	**1**	**1**	**1**	**1**	**3**	**1**

(iii) Performance Shares 1

	Performance Shares 1		
Range	Total holders	Units	% of Class
1 - 1,000	1	214	0.00001
1,001 - 5,000	10	32,963	0.17
5,001 - 10,000	1	5,236	0.03
10,001 - 100,000	24	713,320	3.57
100,001 -9,999,999,999	7	19,248,267	96.24
Total	**43**	**20,000,000**	**100.00**

(iv) Performance Shares 2

	Performance Shares 2		
Range	Total holders	Units	% of Class
1 - 1,000	1	284	0.00001
1,001 - 5,000	5	12,145	0.06
5,001 - 10,000	6	38,491	0.19
10,001 - 100,000	23	835,896	4.18
100,001 -9,999,999,999	8	19,113,184	95.57
Total	**43**	**20,000,000**	**100.00**

(v) Performance Shares Class A

	Performance Shares Class A		
Range	Total holders	Units	% of Class
1 - 1,000	1	306	0.000015
1,001 - 5,000	8	20,013	0.10
5,001 - 10,000	18	118,718	0.59
10,001 - 100,000	43	1,546,598	7.73
100,001 -9,999,999,999	21	18,314,365	91.57
Total	**91**	**20,000,000**	**100.00**

(vi) Performance Shares Class B

	Performance Shares Class B		
Range	Total holders	Units	% of Class
1 - 1,000	1	458	0.000015
1,001 - 5,000	8	30,019	0.10
5,001 - 10,000	10	88,858	0.30
10,001 - 100,000	45	1,665,942	5.55
100,001 -9,999,999,999	27	28,214,723	94.05
Total	**91**	**30,000,000**	**100.00**

(vii) Performance Shares Class C

	Performance Shares Class C		
Range	Total holders	Units	% of Class
1 - 1,000	1	458	0.000015
1,001 - 5,000	8	30,019	0.10
5,001 - 10,000	10	88,858	0.30
10,001 - 100,000	45	1,665,942	5.55
100,001 -9,999,999,999	27	28,217,723	94.05
Total	**91**	**30,000,000**	**100.00**

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 shareholders 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

There were no substantial shareholder notices lodged with the Company since the last annual report.

5. RESTRICTED SECURITIES

As at 3 October 2012 there are no restricted securities.

6. ON-MARKET BUY BACK

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

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 Aguia Resources Limited is scheduled for 26 November 2012.

8. LISTING RULE 4.10.13

Aguia 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 in the Brazilian tenements listed below:

Tenement reference	Issuing date	Expiry date	Area (ha)	Licence holder	Project - Location
810.090/91	16/Aug/2010	16/Aug/2012*	1,000.00	Águia Metais	Rio Grande - State of Rio Grande do Sul
810.636/11	21-Nov-11	21/Nov/2014	1,750.92	Águia Metais	Rio Grande - State of Rio Grande do Sul
810.637/11	01/Aug/2011	01/Aug/2014	1,961.19	Águia Metais	Rio Grande - State of Rio Grande do Sul
810.695/11	16/Aug/2011	15/Aug/2014	1,964.25	Águia Metais	Rio Grande - State of Rio Grande do Sul
810.696/11	16/Aug/2011	15/Aug/2014	1,976.02	Águia Metais	Rio Grande - State of Rio Grande do Sul
810.697/11	21-Nov-11	21/Nov/2014	1,341.63	Águia Metais	Rio Grande - State of Rio Grande do Sul
810.698/11	16/Aug/2011	15/Aug/2014	1,932.08	Águia Metais	Rio Grande - State of Rio Grande do Sul
810.699/11	16/Aug/2011	15/Aug/2014	1,927.25	Águia Metais	Rio Grande - State of Rio Grande do Sul
810.700/11	16/Aug/2011	15/Aug/2014	1,920.10	Águia Metais	Rio Grande - State of Rio Grande do Sul
810.701/11	16/Aug/2011	15/Aug/2014	1,034.47	Águia Metais	Rio Grande - State of Rio Grande do Sul
810.861/12	16-Jul-12	16-July-2015	1,752.86	Águia Metais	Rio Grande - State of Rio Grande do Sul
810.862/12	16-Jul-12	16-July-2015	1,626.64	Águia Metais	Rio Grande - State of Rio Grande do Sul
810.863/12	16-Jul-12	16-July-2015	849.14	Águia Metais	Rio Grande - State of Rio Grande do Sul
811.103/11	21-Nov-11	21/Nov/2014	536.58	Águia Metais	Rio Grande - State of Rio Grande do Sul
826.004/12	5-Jul-12	03-July-2015	1,782.50	Águia Metais	Rio Grande - State of Paraná
826.005/12	5-Jul-12	03-July-2015	1,246.91	Águia Metais	Rio Grande - State of Paraná
826.006/12	5-Jul-12	03-July-2015	1,805.20	Águia Metais	Rio Grande - State of Paraná
826.007/12	5-Jul-12	03-July-2015	926.59	Águia Metais	Rio Grande - State of Paraná
826.008/12	5-Jul-12	03-July-2015	1,844.09	Águia Metais	Rio Grande - State of Paraná
826.009/12	5-Jul-12	03-July-2015	1,179.73	Águia Metais	Rio Grande - State of Paraná
830.936/10	17/Sep/2010	17/Sep/2013	1,639.01	Águia Metais	Rio Grande - State of Minas Gerais
830.937/10	17/Sep/2010	17/Sep/2013	1,806.05	Águia Metais	Rio Grande - State of Minas Gerais
830.938/10	17/Sep/2010	17/Sep/2013	668.11	Águia Metais	Rio Grande - State of Minas Gerais
830.939/10	06/Oct/2010	04/Oct/2013	1,406.81	Águia Metais	Rio Grande - State of Minas Gerais
830.940/10	17/Sep/2010	17/Sep/2013	1,815.47	Águia Metais	Rio Grande - State of Minas Gerais
830.941/10	17/Sep/2010	17/Sep/2013	1,727.47	Águia Metais	Rio Grande - State of Minas Gerais
830.942/10	16/Aug/2010	16/Aug/2013	1,609.24	Águia Metais	Rio Grande - State of Minas Gerais
830.943/10	17/Sep/2010	17/Sep/2013	1,849.36	Águia Metais	Rio Grande - State of Minas Gerais
831.029/10	16/Aug/2010	16/Aug/2013	564.86	Águia Metais	Rio Grande - State of Minas Gerais
831.031/10	31/Aug/2010	30/Aug/2013	1,774.45	Águia Metais	Rio Grande - State of Minas Gerais
831.032/10	16/Aug/2010	16/Aug/2013	1,670.52	Águia Metais	Rio Grande - State of Minas Gerais
831.033/10	16/Aug/2010	16/Aug/2013	1,638.43	Águia Metais	Rio Grande - State of Minas Gerais
831.034/10	16/Aug/2010	16/Aug/2013	1,855.15	Águia Metais	Rio Grande - State of Minas Gerais
831.035/10	16/Aug/2010	16/Aug/2013	1,982.81	Águia Metais	Rio Grande - State of Minas Gerais
831.036/10	16/Aug/2010	16/Aug/2013	1,982.34	Águia Metais	Rio Grande - State of Minas Gerais
831.037/10	16/Aug/2010	16/Aug/2013	1,992.55	Águia Metais	Rio Grande - State of Minas Gerais
831.038/10	16/Aug/2010	16/Aug/2013	1,972.26	Águia Metais	Rio Grande - State of Minas Gerais
831.039/10	16/Aug/2010	16/Aug/2013	1,992.36	Águia Metais	Rio Grande - State of Minas Gerais
831.040/10	31/Aug/2010	30/Aug/2013	1,915.57	Águia Metais	Rio Grande - State of Minas Gerais
831.042/10	31/Aug/2010	30/Aug/2013	1,897.80	Águia Metais	Rio Grande - State of Minas Gerais
831.043/10	31/Aug/2010	30/Aug/2013	1,696.87	Águia Metais	Rio Grande - State of Minas Gerais
831.044/10	16/Aug/2010	16/Aug/2013	1,055.16	Águia Metais	Rio Grande - State of Minas Gerais
831.045/10	31/Aug/2010	30/Aug/2013	1,814.32	Águia Metais	Rio Grande - State of Minas Gerais
831.095/10	03/Sep/2010	03/Sep/2013	1,982.70	Águia Metais	Rio Grande - State of Minas Gerais
831.096/10	15/Dec/2010	13/Dec/2013	1,847.95	Águia Metais	Rio Grande - State of Minas Gerais
831.097/10	16/Aug/2010	16/Aug/2013	1,945.19	Águia Metais	Rio Grande - State of Minas Gerais
831.098/10	16/Aug/2010	16/Aug/2013	1,980.68	Águia Metais	Rio Grande - State of Minas Gerais
831.099/10	17/Sep/2010	17/Sep/2013	1,771.10	Águia Metais	Rio Grande - State of Minas Gerais
831.100/10	17/Sep/2010	17/Sep/2013	1,845.12	Águia Metais	Rio Grande - State of Minas Gerais
831.101/10	17/Sep/2010	17/Sep/2013	1,614.34	Águia Metais	Rio Grande - State of Minas Gerais
831.102/10	06/Oct/2010	04/Oct/2013	1,777.84	Águia Metais	Rio Grande - State of Minas Gerais

9. EXPLORATION INTERESTS (continued)

Tenement reference	Issuing date	Expiry date	Area (ha)	Licence holder	Project - Location
831.103/10	06/Oct/2010	04/Oct/2013	1,598.32	Águia Metais	Rio Grande - State of Minas Gerais
831.104/10	16/Aug/2010	16/Aug/2013	1,884.54	Águia Metais	Rio Grande - State of Minas Gerais
831.105/10	06/Oct/2010	04/Oct/2013	933.48	Águia Metais	Rio Grande - State of Minas Gerais
831.106/10	16/Aug/2010	16/Aug/2013	1,982.23	Águia Metais	Rio Grande - State of Minas Gerais
831.107/10	16/Aug/2010	16/Aug/2013	1,976.28	Águia Metais	Rio Grande - State of Minas Gerais
831.109/10	06/Oct/2010	04/Oct/2013	1,572.13	Águia Metais	Rio Grande - State of Minas Gerais
831.110/10	16/Aug/2010	16/Aug/2013	1,380.55	Águia Metais	Rio Grande - State of Minas Gerais
831.111/10	16/Aug/2010	16/Aug/2013	1,940.88	Águia Metais	Rio Grande - State of Minas Gerais
831.112/10	31/Aug/2010	30/Aug/2013	1,643.89	Águia Metais	Rio Grande - State of Minas Gerais
831.113/10	31/Aug/2010	30/Aug/2013	1,289.40	Águia Metais	Rio Grande - State of Minas Gerais
831.116/10	16/Aug/2010	16/Aug/2013	1,988.67	Águia Metais	Rio Grande - State of Minas Gerais
831.117/10	31/Aug/2010	30/Aug/2013	1,750.96	Águia Metais	Rio Grande - State of Minas Gerais
831.118/10	16/Aug/2010	16/Aug/2013	1,869.57	Águia Metais	Rio Grande - State of Minas Gerais
831.121/10	16/Aug/2010	16/Aug/2013	1,753.58	Águia Metais	Rio Grande - State of Minas Gerais
831.122/10	17/Sep/2010	17/Sep/2013	1,947.59	Águia Metais	Rio Grande - State of Minas Gerais
831.123/10	17/Sep/2010	17/Sep/2013	1,987.73	Águia Metais	Rio Grande - State of Minas Gerais
831.124/10	17/Sep/2010	17/Sep/2013	1,987.72	Águia Metais	Rio Grande - State of Minas Gerais
831.125/10	06/Oct/2010	04/Oct/2013	1,892.03	Águia Metais	Rio Grande - State of Minas Gerais
831.126/10	06/Oct/2010	04/Oct/2013	1,892.81	Águia Metais	Rio Grande - State of Minas Gerais
831.127/10	17/Sep/2010	17/Sep/2013	598.76	Águia Metais	Rio Grande - State of Minas Gerais
831.128/10	17/Sep/2010	17/Sep/2013	1,992.11	Águia Metais	Rio Grande - State of Minas Gerais
831.129/10	17/Sep/2010	17/Sep/2013	1,992.11	Águia Metais	Rio Grande - State of Minas Gerais
831.189/10	17/Sep/2010	17/Sep/2013	1,393.42	Águia Metais	Rio Grande - State of Minas Gerais
831.190/10	16/Aug/2010	16/Aug/2013	1,948.49	Águia Metais	Rio Grande - State of Minas Gerais
831.191/10	17/Sep/2010	17/Sep/2013	1,603.76	Águia Metais	Rio Grande - State of Minas Gerais
831.192/10	17/Sep/2010	17/Sep/2013	1,745.09	Águia Metais	Rio Grande - State of Minas Gerais
831.193/10	17/Sep/2010	17/Sep/2013	1,985.10	Águia Metais	Rio Grande - State of Minas Gerais
831.194/10	17/Sep/2010	17/Sep/2013	1,983.60	Águia Metais	Rio Grande - State of Minas Gerais
831.195/10	17/Sep/2010	17/Sep/2013	1,981.73	Águia Metais	Rio Grande - State of Minas Gerais
831.196/10	17/Sep/2010	17/Sep/2013	1,983.58	Águia Metais	Rio Grande - State of Minas Gerais
831.197/10	31/Aug/2010	30/Aug/2013	1,581.38	Águia Metais	Rio Grande - State of Minas Gerais
831.198/10	16/Aug/2010	16/Aug/2013	1,937.76	Águia Metais	Rio Grande - State of Minas Gerais
831.199/10	16/Aug/2010	16/Aug/2013	1,909.60	Águia Metais	Rio Grande - State of Minas Gerais
831.200/10	16/Aug/2010	16/Aug/2013	1,948.96	Águia Metais	Rio Grande - State of Minas Gerais
831.201/10	25/Aug/2010	23/Aug/2013	1,952.43	Águia Metais	Rio Grande - State of Minas Gerais
831.202/10	31/Aug/2010	30/Aug/2013	1,075.89	Águia Metais	Rio Grande - State of Minas Gerais
831.204/10	06/Oct/2010	04/Oct/2013	53.75	Águia Metais	Rio Grande - State of Minas Gerais
831.206/10	23/Sep/2010	23/Sep/2013	82.34	Águia Metais	Rio Grande - State of Minas Gerais
831.207/10	06/Oct/2010	04/Oct/2013	71.82	Águia Metais	Rio Grande - State of Minas Gerais
831.209/10	16/Aug/2010	16/Aug/2013	1,972.78	Águia Metais	Rio Grande - State of Minas Gerais
831.210/10	16/Aug/2010	16/Aug/2013	1,966.87	Águia Metais	Rio Grande - State of Minas Gerais
831.211/10	23/Sep/2010	23/Sep/2013	1,737.49	Águia Metais	Rio Grande - State of Minas Gerais
831.212/10	23/Sep/2010	23/Sep/2013	1,397.37	Águia Metais	Rio Grande - State of Minas Gerais
831.213/10	23/Sep/2010	23/Sep/2013	1,862.34	Águia Metais	Rio Grande - State of Minas Gerais
831.214/10	16/Aug/2010	16/Aug/2013	1,979.06	Águia Metais	Rio Grande - State of Minas Gerais
831.215/10	16/Aug/2010	16/Aug/2013	1,982.60	Águia Metais	Rio Grande - State of Minas Gerais
831.216/10	16/Aug/2010	16/Aug/2013	1,985.61	Águia Metais	Rio Grande - State of Minas Gerais
831.217/10	23/Sep/2010	23/Sep/2013	1,450.52	Águia Metais	Rio Grande - State of Minas Gerais
831.219/10	16/Aug/2010	16/Aug/2013	1,834.61	Águia Metais	Rio Grande - State of Minas Gerais
831.220/10	23/Sep/2010	23/Sep/2013	1,491.72	Águia Metais	Rio Grande - State of Minas Gerais
831.221/10	23/Sep/2010	23/Sep/2013	1,484.27	Águia Metais	Rio Grande - State of Minas Gerais
831.222/10	06/Oct/2010	04/Oct/2013	1,988.62	Águia Metais	Rio Grande - State of Minas Gerais
831.223/10	31/Aug/2010	30/Aug/2013	636.38	Águia Metais	Rio Grande - State of Minas Gerais
831.224/10	31/Aug/2010	30/Aug/2013	1,429.75	Águia Metais	Rio Grande - State of Minas Gerais
831.326/10	20/Apr/2011	18/Apr/2014	307.28	Águia Metais	Rio Grande - State of Minas Gerais

9. EXPLORATION INTERESTS (continued)

Tenement reference	Issuing date	Expiry date	Area (ha)	Licence holder	Project - Location
831.328/10	06/Oct/2010	04/Oct/2013	680.14	Águia Metais	Rio Grande - State of Minas Gerais
831.329/10	06/Oct/2010	04/Oct/2013	1,977.28	Águia Metais	Rio Grande - State of Minas Gerais
831.330/10	06/Oct/2010	04/Oct/2013	1,797.93	Águia Metais	Rio Grande - State of Minas Gerais
831.331/10	31/Aug/2010	30/Aug/2013	1,526.24	Águia Metais	Rio Grande - State of Minas Gerais
831.332/10	17/Sep/2010	17/Sep/2013	1,573.49	Águia Metais	Rio Grande - State of Minas Gerais
831.333/10	17/Sep/2010	17/Sep/2013	1,981.84	Águia Metais	Rio Grande - State of Minas Gerais
831.334/10	17/Sep/2010	17/Sep/2013	1,929.68	Águia Metais	Rio Grande - State of Minas Gerais
831.335/10	17/Sep/2010	17/Sep/2013	1,933.47	Águia Metais	Rio Grande - State of Minas Gerais
831.336/10	06/Oct/2010	06/Aug/2013	483.38	Águia Metais	Rio Grande - State of Minas Gerais
831.339/10	17/Sep/2010	17/Sep/2013	1,971.64	Águia Metais	Rio Grande - State of Minas Gerais
831.340/10	20/Oct/2010	18/Oct/2013	1,901.57	Águia Metais	Rio Grande - State of Minas Gerais
831.341/10	06/Oct/2010	04/Oct/2013	1,774.44	Águia Metais	Rio Grande - State of Minas Gerais
831.342/10	17/Sep/2010	17/Sep/2013	1,985.79	Águia Metais	Rio Grande - State of Minas Gerais
831.343/10	17/Sep/2010	17/Sep/2013	1,914.33	Águia Metais	Rio Grande - State of Minas Gerais
831.344/10	17/Sep/2010	17/Sep/2013	1,979.42	Águia Metais	Rio Grande - State of Minas Gerais
831.345/10	17/Sep/2010	17/Sep/2013	1,844.82	Águia Metais	Rio Grande - State of Minas Gerais
831.346/10	17/Sep/2010	17/Sep/2013	1,979.50	Águia Metais	Rio Grande - State of Minas Gerais
831.347/10	17/Sep/2010	17/Sep/2013	1,968.41	Águia Metais	Rio Grande - State of Minas Gerais
831.383/10	17/Sep/2010	17/Sep/2013	1,982.84	Águia Metais	Rio Grande - State of Minas Gerais
831.384/10	17/Sep/2010	17/Sep/2013	1,982.83	Águia Metais	Rio Grande - State of Minas Gerais
831.385/10	06/Oct/2010	04/Oct/2013	1,959.05	Águia Metais	Rio Grande - State of Minas Gerais
831.386/10	23/Sep/2010	23/Sep/2013	1,957.82	Águia Metais	Rio Grande - State of Minas Gerais
831.387/10	23/Sep/2010	23/Sep/2013	1,957.82	Águia Metais	Rio Grande - State of Minas Gerais
831.388/10	23/Sep/2010	23/Sep/2013	1,936.30	Águia Metais	Rio Grande - State of Minas Gerais
831.389/10	23/Sep/2010	23/Sep/2013	1,786.24	Águia Metais	Rio Grande - State of Minas Gerais
831.390/10	17/Sep/2010	17/Sep/2013	1,978.13	Águia Metais	Rio Grande - State of Minas Gerais
831.391/10	17/Sep/2010	17/Sep/2013	1,978.13	Águia Metais	Rio Grande - State of Minas Gerais
831.392/10	17/Sep/2010	17/Sep/2013	1,984.73	Águia Metais	Rio Grande - State of Minas Gerais
831.393/10	17/Sep/2010	17/Sep/2013	1,987.19	Águia Metais	Rio Grande - State of Minas Gerais
831.394/10	17/Sep/2010	17/Sep/2013	1,943.02	Águia Metais	Rio Grande - State of Minas Gerais
831.395/10	17/Sep/2010	17/Sep/2013	1,988.07	Águia Metais	Rio Grande - State of Minas Gerais
831.397/10	17/Sep/2010	17/Sep/2013	1,964.06	Águia Metais	Rio Grande - State of Minas Gerais
831.398/10	17/Sep/2010	17/Sep/2013	1,968.79	Águia Metais	Rio Grande - State of Minas Gerais
831.399/10	17/Sep/2010	17/Sep/2013	1,988.70	Águia Metais	Rio Grande - State of Minas Gerais
831.400/10	17/Sep/2010	17/Sep/2013	1,703.84	Águia Metais	Rio Grande - State of Minas Gerais
831.401/10	17/Sep/2010	17/Sep/2013	1,637.08	Águia Metais	Rio Grande - State of Minas Gerais
831.402/10	17/Sep/2010	17/Sep/2013	1,923.00	Águia Metais	Rio Grande - State of Minas Gerais
831.403/10	17/Sep/2010	17/Sep/2013	1,686.00	Águia Metais	Rio Grande - State of Minas Gerais
831.404/10	17/Sep/2010	17/Sep/2013	1,953.03	Águia Metais	Rio Grande - State of Minas Gerais
831.406/10	17/Sep/2010	17/Sep/2013	1,955.33	Águia Metais	Rio Grande - State of Minas Gerais
831.921/10	19/Oct/2010	18/Oct/2013	1,761.28	Águia Metais	Rio Grande - State of Minas Gerais
831.922/10	20/Dec/2010	20/Dec/2013	730.71	Águia Metais	Rio Grande - State of Minas Gerais
831.923/10	19/Oct/2010	18/Oct/2013	1,574.15	Águia Metais	Rio Grande - State of Minas Gerais
831.924/10	28-Jan-11	28/Jan/2014	377.69	Águia Metais	Rio Grande - State of Minas Gerais
831.925/10	20/Dec/2010	20/Dec/2013	619.14	Águia Metais	Rio Grande - State of Minas Gerais
831.926/10	19/Oct/2010	18/Oct/2013	1,869.67	Águia Metais	Rio Grande - State of Minas Gerais
832.732/11	28/Oct/2011	28/Oct/2014	400.00	Águia Metais	Rio Grande - State of Minas Gerais
832.741/11	31/Oct/2011	31/Oct/2014	2,000.00	Águia Metais	Rio Grande - State of Minas Gerais
832.847/09	14-Jul-10	12-July-2013	4.29	Águia Metais	Rio Grande - State of Minas Gerais
832.897/08	13-Nov-09	13/Nov/2012	1,833.38	Águia Metais	Rio Grande - State of Minas Gerais
832.898/08	4-Jan-10	04/Jan/2013	97.14	Águia Metais	Rio Grande - State of Minas Gerais
832.899/08	14/Sep/2009	14/Sep/2012*	2,000.00	Águia Metais	Rio Grande - State of Minas Gerais
832.901/08	26/Oct/2010	25/Oct/2013	1,333.78	Águia Metais	Rio Grande - State of Minas Gerais
832.902/08	13-Nov-09	13/Nov/2012	1,410.18	Águia Metais	Rio Grande - State of Minas Gerais
832.903/08	03/Dec/2009	03/Dec/2012	1,406.76	Águia Metais	Rio Grande - State of Minas Gerais
832.904/08	03/Dec/2009	03/Dec/2012	1,476.42	Águia Metais	Rio Grande - State of Minas Gerais

9. EXPLORATION INTERESTS (continued)

Tenement reference	Issuing date	Expiry date	Area (ha)	Licence holder	Project - Location
833.661/10	22-Mar-11	21/Mar/2014	865.66	Águia Metais	Rio Grande - State of Minas Gerais
833.708/10	31-Mar-11	31/Mar/2014	591.08	Águia Metais	Rio Grande - State of Minas Gerais
834.587/10	20/Apr/2011	18/Apr/2014	107.07	Águia Metais	Rio Grande - State of Minas Gerais
846.020/10	26-Jul-10	26-July-2013	27.97	Águia Metais	Lucena - State of Paraiba
846.036/09	17/Aug/2009	17/Aug/2012*	98.00	Águia Metais	Lucena - State of Paraiba
846.105/09	01/Sep/2009	31/Aug/2012*	1,772.99	Águia Metais	Lucena - State of Paraiba
846.106/09	13/Oct/2009	12/Oct/2012	1,538.93	Águia Metais	Lucena - State of Paraiba
846.107/09	01/Sep/2009	31/Aug/2012*	1,146.40	Águia Metais	Lucena - State of Paraiba
846.108/09	19/Aug/2009	17/Aug/2012*	188.17	Águia Metais	Lucena - State of Paraiba
846.117/10	25-Jul-11	25/Jul2014	70.64	Águia Metais	Lucena - State of Paraiba
846.182/11	01/Aug/2011	25/Jul2014	120.12	Águia Metais	Lucena - State of Paraiba
846.289/09	18/May/2011	16/May/2014	134.50	Águia Metais	Lucena - State of Paraiba
846.458/08	15/Apr/2009	13/Apr/2012*	1,927.43	Águia Metais	Lucena - State of Paraiba
846.460/08	15/Apr/2009	13/Apr/2012*	1,927.28	Águia Metais	Lucena - State of Paraiba
846.462/08	15/Apr/2009	13/Apr/2012*	1,924.15	Águia Metais	Lucena - State of Paraiba
846.464/08	15/Apr/2009	13/Apr/2012*	1,879.92	Águia Metais	Lucena - State of Paraiba
846.466/08	15/Apr/2009	13/Apr/2012*	1,904.78	Águia Metais	Lucena - State of Paraiba
846.472/08	18/May/2010	17/May/2013	1,441.26	Águia Metais	Lucena - State of Paraiba
846.473/08	15/Apr/2009	13/Apr/2012*	933.10	Águia Metais	Lucena - State of Paraiba
846.474/08	18/Feb/2009	17/Feb/2012*	946.28	Águia Metais	Lucena - State of Paraiba
846.475/08	15/Apr/2009	13/Apr/2012*	1,169.81	Águia Metais	Lucena - State of Paraiba
846.476/08	18/Feb/2009	17/Feb/2012*	768.51	Águia Metais	Lucena - State of Paraiba
846.477/08	15/Apr/2009	13/Apr/2012*	203.87	Águia Metais	Lucena - State of Paraiba
846.478/08	15/Apr/2009	13/Apr/2012*	339.09	Águia Metais	Lucena - State of Paraiba
846.479/08	15/Apr/2009	13/Apr/2012*	1,438.88	Águia Metais	Lucena - State of Paraiba
846.480/08	15/Apr/2009	13/Apr/2012*	1,926.80	Águia Metais	Lucena - State of Paraiba
846.575/11	22-Nov-11	21/Nov/2014	953.33	Águia Metais	Lucena - State of Paraiba
846.578/11	22-Nov-11	21/Nov/2014	989.89	Águia Metais	Lucena - State of Paraiba
846.579/11	22-Nov-11	21/Nov/2014	989.99	Águia Metais	Lucena - State of Paraiba
846.580/11	22-Nov-11	21/Nov/2014	841.60	Águia Metais	Lucena - State of Paraiba
846.582/11	22-Nov-11	21/Nov/2014	251.96	Águia Metais	Lucena - State of Paraiba
846.583/11	22-Nov-11	21/Nov/2014	908.10	Águia Metais	Lucena - State of Paraiba
846.585/11	22-Nov-11	21/Nov/2014	300.00	Águia Metais	Lucena - State of Paraiba
846.586/11	22-Nov-11	21/Nov/2014	40.49	Águia Metais	Lucena - State of Paraiba
846.587/11	22-Nov-11	21/Nov/2014	142.71	Águia Metais	Lucena - State of Paraiba
846.588/11	22-Nov-11	21/Nov/2014	64.81	Águia Metais	Lucena - State of Paraiba
844.021/09	27-Jul-09	27/Jul/2012*	1,973.59	Potassio Do Atlantico	Atlantic potash - State of Sergipe (Alagoas Basin)
844.022/09	27-Jul-09	27/Jul/2012*	1,971.44	Potassio Do Atlantico	Atlantic potash - State of Sergipe (Alagoas Basin)
844.023/09	27-Jul-09	27/Jul/2012*	1,977.50	Potassio Do Atlantico	Atlantic potash - State of Sergipe (Alagoas Basin)
844.024/09	27-Jul-09	27/Jul/2012*	1,977.70	Potassio Do Atlantico	Atlantic potash - State of Sergipe (Alagoas Basin)
844.025/09	30-Nov-09	30/Nov/2012	1,673.88	Potassio Do Atlantico	Atlantic potash - State of Sergipe (Alagoas Basin)
844.026/09	30-Nov-09	30/Nov/2012	1,691.83	Potassio Do Atlantico	Atlantic potash - State of Sergipe (Alagoas Basin)
844.027/09	30-Nov-09	30/Nov/2012	985.10	Potassio Do Atlantico	Atlantic potash - State of Sergipe (Alagoas Basin)
844.036/09	30-Nov-09	30/Nov/2012	1,973.15	Potassio Do Atlantico	Atlantic potash - State of Sergipe (Alagoas Basin)
844.037/09	30-Nov-09	30/Nov/2012	1,888.81	Potassio Do Atlantico	Atlantic potash - State of Sergipe (Alagoas Basin)
844.038/09	30-Nov-09	30/Nov/2012	1,996.32	Potassio Do Atlantico	Atlantic potash - State of Sergipe (Alagoas Basin)
844.039/09	8-Jan-10	08/Jan/2013	1,124.94	Potassio Do Atlantico	Atlantic potash - State of Sergipe (Alagoas Basin)
844.040/09	30-Nov-09	30/Nov/2012	1,967.87	Potassio Do Atlantico	Atlantic potash - State of Sergipe (Alagoas Basin)

9. EXPLORATION INTERESTS (continued)

Tenement reference	Issuing date	Expiry date	Area (ha)	Licence holder	Project - Location
844.041/09	30-Nov-09	30/Nov/2012	1,947.83	Potassio Do Atlantico	Atlantic potash - State of Sergipe (Alagoas Basin)
844.042/09	8-Jan-10	08/Jan/2013	1,950.78	Potassio Do Atlantico	Atlantic potash - State of Sergipe (Alagoas Basin)
844.043/09	30-Nov-09	30/Nov/2012	1,972.57	Potassio Do Atlantico	Atlantic potash - State of Sergipe (Alagoas Basin)
844.044/09	30-Nov-09	30/Nov/2012	1,983.66	Potassio Do Atlantico	Atlantic potash - State of Sergipe (Alagoas Basin)
844.045/09	30-Nov-09	30/Nov/2012	1,983.66	Potassio Do Atlantico	Atlantic potash - State of Sergipe (Alagoas Basin)
844.046/09	30-Nov-09	30/Nov/2012	1,308.56	Potassio Do Atlantico	Atlantic potash - State of Sergipe (Alagoas Basin)
844.047/09	30-Nov-09	30/Nov/2012	1,946.57	Potassio Do Atlantico	Atlantic potash - State of Sergipe (Alagoas Basin)
844.048/09	30-Nov-09	30/Nov/2012	1,957.52	Potassio Do Atlantico	Atlantic potash - State of Sergipe (Alagoas Basin)
844.049/09	30-Nov-09	30/Nov/2012	1,957.52	Potassio Do Atlantico	Atlantic potash - State of Sergipe (Alagoas Basin)
844.050/09	30-Nov-09	30/Nov/2012	1,844.65	Potassio Do Atlantico	Atlantic potash - State of Sergipe (Alagoas Basin)
844.051/09	8-Jan-10	08/Jan/2013	1,941.42	Potassio Do Atlantico	Atlantic potash - State of Sergipe (Alagoas Basin)
844.052/09	30-Nov-09	30/Nov/2012	1,980.07	Potassio Do Atlantico	Atlantic potash - State of Sergipe (Alagoas Basin)
844.068/09	30-Nov-09	30/Nov/2012	130.95	Potassio Do Atlantico	Atlantic potash - State of Sergipe (Alagoas Basin)
844.069/09	30-Nov-09	30/Nov/2012	120.17	Potassio Do Atlantico	Atlantic potash - State of Sergipe (Alagoas Basin)
844.102/10	17/Sep/2010	17/Sep/2013	1,963.59	Potassio Do Atlantico	Atlantic potash - State of Sergipe (Alagoas Basin)
844.103/10	17/Sep/2010	17/Sep/2013	1,946.66	Potassio Do Atlantico	Atlantic potash - State of Sergipe (Alagoas Basin)
844.104/10	17/Sep/2010	17/Sep/2013	1,875.86	Potassio Do Atlantico	Atlantic potash - State of Sergipe (Alagoas Basin)
844.105/10	06/Oct/2010	04/Oct/2013	1,948.62	Potassio Do Atlantico	Atlantic potash - State of Sergipe (Alagoas Basin)
844.106/10	06/Oct/2010	04/Oct/2013	1,394.97	Potassio Do Atlantico	Atlantic potash - State of Sergipe (Alagoas Basin)
844.107/10	17/Sep/2010	17/Sep/2013	1,963.73	Potassio Do Atlantico	Atlantic potash - State of Sergipe (Alagoas Basin)
844.108/10	17/Sep/2010	17/Sep/2013	1,963.73	Potassio Do Atlantico	Atlantic potash - State of Sergipe (Alagoas Basin)
844.109/10	06/Oct/2010	04/Oct/2013	1,896.81	Potassio Do Atlantico	Atlantic potash - State of Sergipe (Alagoas Basin)
844.110/10	17/Sep/2010	17/Sep/2013	1,934.13	Potassio Do Atlantico	Atlantic potash - State of Sergipe (Alagoas Basin)
844.111/10	17/Sep/2010	17/Sep/2013	1,823.85	Potassio Do Atlantico	Atlantic potash - State of Sergipe (Alagoas Basin)
844.112/10	06/Oct/2010	04/Oct/2013	1,926.53	Potassio Do Atlantico	Atlantic potash - State of Sergipe (Alagoas Basin)
844.113/10	06/Oct/2010	04/Oct/2013	1,832.72	Potassio Do Atlantico	Atlantic potash - State of Sergipe (Alagoas Basin)
844.115/10	06/Oct/2010	04/Oct/2013	1,354.18	Potassio Do Atlantico	Atlantic potash - State of Sergipe (Alagoas Basin)
844.117/10	06/Oct/2010	04/Oct/2013	1,692.76	Potassio Do Atlantico	Atlantic potash - State of Sergipe (Alagoas Basin)
844.119/10	06/Oct/2010	04/Oct/2013	1,827.58	Potassio Do Atlantico	Atlantic potash - State of Sergipe (Alagoas Basin)
844.120/10	06/Oct/2010	04/Oct/2013	1,614.59	Potassio Do Atlantico	Atlantic potash - State of Sergipe (Alagoas Basin)
844.121/10	06/Oct/2010	04/Oct/2013	1,778.30	Potassio Do Atlantico	Atlantic potash - State of Sergipe (Alagoas Basin)
844.132/10	17/Sep/2010	17/Sep/2013	1,976.14	Potassio Do Atlantico	Atlantic potash - State of Sergipe (Alagoas Basin)
844.133/10	17/Sep/2010	17/Sep/2013	1,953.55	Potassio Do Atlantico	Atlantic potash - State of Sergipe (Alagoas Basin)
844.134/10	17/Sep/2010	17/Sep/2013	1,960.15	Potassio Do Atlantico	Atlantic potash - State of Sergipe (Alagoas Basin)
844.135/10	17/Sep/2010	17/Sep/2013	1,991.16	Potassio Do Atlantico	Atlantic potash - State of Sergipe (Alagoas Basin)

9. EXPLORATION INTERESTS (continued)

Tenement reference	Issuing date	Expiry date	Area (ha)	Licence holder	Project - Location
844.136/10	17/Sep/2010	17/Sep/2013	1,917.12	Potassio Do Atlantico	Atlantic potash - State of Sergipe (Alagoas Basin)
844.137/10	17/Sep/2010	17/Sep/2013	1,917.12	Potassio Do Atlantico	Atlantic potash - State of Sergipe (Alagoas Basin)
844.138/10	17/Sep/2010	17/Sep/2013	1,985.59	Potassio Do Atlantico	Atlantic potash - State of Sergipe (Alagoas Basin)
844.139/10	17/Sep/2010	17/Sep/2013	1,968.48	Potassio Do Atlantico	Atlantic potash - State of Sergipe (Alagoas Basin)
844.140/10	17/Sep/2010	17/Sep/2013	1,895.88	Potassio Do Atlantico	Atlantic potash - State of Sergipe (Alagoas Basin)
844.141/10	17/Sep/2010	17/Sep/2013	1,895.88	Potassio Do Atlantico	Atlantic potash - State of Sergipe (Alagoas Basin)
844.142/10	17/Sep/2010	17/Sep/2013	1,978.97	Potassio Do Atlantico	Atlantic potash - State of Sergipe (Alagoas Basin)
844.143/10	17/Sep/2010	17/Sep/2013	1,929.92	Potassio Do Atlantico	Atlantic potash - State of Sergipe (Alagoas Basin)
844.145/10	17/Sep/2010	17/Sep/2013	1,941.47	Potassio Do Atlantico	Atlantic potash - State of Sergipe (Alagoas Basin)
844.146/10	06/Oct/2010	04/Oct/2013	1,275.07	Potassio Do Atlantico	Atlantic potash - State of Sergipe (Alagoas Basin)
844.147/10	17/Sep/2010	17/Sep/2013	1,991.68	Potassio Do Atlantico	Atlantic potash - State of Sergipe (Alagoas Basin)
844.148/10	17/Sep/2010	17/Sep/2013	1,963.13	Potassio Do Atlantico	Atlantic potash - State of Sergipe (Alagoas Basin)
844.149/10	06/Oct/2010	04/Oct/2013	1,818.36	Potassio Do Atlantico	Atlantic potash - State of Sergipe (Alagoas Basin)
844.150/10	06/Oct/2010	04/Oct/2013	820.69	Potassio Do Atlantico	Atlantic potash - State of Sergipe (Alagoas Basin)
844.151/10	17/Sep/2010	17/Sep/2013	1,436.17	Potassio Do Atlantico	Atlantic potash - State of Sergipe (Alagoas Basin)
878.007/09	27/May/2009	25/May/2012*	1,972.06	Potassio Do Atlantico	Atlantic potash - State of Sergipe (Sergipe Basin)
878.008/09	08/Sep/2009	07/Sep/2012*	1,250.48	Potassio Do Atlantico	Atlantic potash - State of Sergipe (Sergipe Basin)
878.009/09	27/May/2009	25/May/2012*	1,898.24	Potassio Do Atlantico	Atlantic potash - State of Sergipe (Sergipe Basin)
878.010/09	8-Jul-09	06/Jul/2012*	681.32	Potassio Do Atlantico	Atlantic potash - State of Sergipe (Sergipe Basin)
878.011/09	27/May/2009	25/May/2012*	1,898.65	Potassio Do Atlantico	Atlantic potash - State of Sergipe (Sergipe Basin)
878.012/09	8-Jul-09	06/Jul/2012*	1,974.87	Potassio Do Atlantico	Atlantic potash - State of Sergipe (Sergipe Basin)
878.013/09	27/May/2009	25/May/2012*	917.09	Potassio Do Atlantico	Atlantic potash - State of Sergipe (Sergipe Basin)
878.034/08	8-Jul-09	06/Jul/2012*	1,028.14	Potassio Do Atlantico	Atlantic potash - State of Sergipe (Sergipe Basin)
878.035/08	6-Jul-09	06/Jul/2012*	229.86	Potassio Do Atlantico	Atlantic potash - State of Sergipe (Sergipe Basin)
878.036/08	27/May/2009	25/May/2012*	1,596.21	Potassio Do Atlantico	Atlantic potash - State of Sergipe (Sergipe Basin)
878.037/08	27/May/2009	25/May/2012*	769.15	Potassio Do Atlantico	Atlantic potash - State of Sergipe (Sergipe Basin)
878.038/08	17/Oct/2011	17/Oct/2014	758.41	Potassio Do Atlantico	Atlantic potash - State of Sergipe (Sergipe Basin)
878.039/08	17/Oct/2011	17/Oct/2014	1,480.49	Potassio Do Atlantico	Atlantic potash - State of Sergipe (Sergipe Basin)
878.040/08	17/Oct/2011	17/Oct/2014	1,946.18	Potassio Do Atlantico	Atlantic potash - State of Sergipe (Sergipe Basin)
878.041/08	17/Oct/2011	17/Oct/2014	1,885.95	Potassio Do Atlantico	Atlantic potash - State of Sergipe (Sergipe Basin)
878.042/08	17/Oct/2011	17/Oct/2014	978.95	Potassio Do Atlantico	Atlantic potash - State of Sergipe (Sergipe Basin)
878.043/08	17/Oct/2011	17/Oct/2014	1,458.13	Potassio Do Atlantico	Atlantic potash - State of Sergipe (Sergipe Basin)
878.044/08	17/Oct/2011	17/Oct/2014	973.46	Potassio Do Atlantico	Atlantic potash - State of Sergipe (Sergipe Basin)
878.045/08	17/Oct/2011	17/Oct/2014	1,491.56	Potassio Do Atlantico	Atlantic potash - State of Sergipe (Sergipe Basin)

9. EXPLORATION INTERESTS (continued)

Tenement reference	Issuing date	Expiry date	Area (ha)	Licence holder	Project - Location
878.046/08	17/Oct/2011	17/Oct/2014	1,637.92	Potassio Do Atlantico	Atlantic potash - State of Sergipe (Sergipe Basin)
878.047/08	27-Jan-12	27/Jan/2015	1,525.00	Potassio Do Atlantico	Atlantic potash - State of Sergipe (Sergipe Basin)
878.048/08	27-Jan-12	27/Jan/2015	1,742.92	Potassio Do Atlantico	Atlantic potash - State of Sergipe (Sergipe Basin)
878.049/08	27-Jan-12	27/Jan/2015	1,985.38	Potassio Do Atlantico	Atlantic potash - State of Sergipe (Sergipe Basin)
878.050/08	27-Jan-12	27/Jan/2015	1,484.95	Potassio Do Atlantico	Atlantic potash - State of Sergipe (Sergipe Basin)
878.051/08	27-Jan-12	27/Jan/2015	1,995.00	Potassio Do Atlantico	Atlantic potash - State of Sergipe (Sergipe Basin)
878.052/08	27-Jan-12	27/Jan/2015	1,993.27	Potassio Do Atlantico	Atlantic potash - State of Sergipe (Sergipe Basin)
878.084/10	06/Oct/2010	04/Oct/2013	1,972.96	Potassio Do Atlantico	Atlantic potash - State of Sergipe (Sergipe Basin)
878.085/08	03/Dec/2008	03/Dec/2011*	1,905.23	Potassio Do Atlantico	Atlantic potash - State of Sergipe (Sergipe Basin)
878.085/10	19/Oct/2010	18/Oct/2013	1,965.37	Potassio Do Atlantico	Atlantic potash - State of Sergipe (Sergipe Basin)
878.086/08	03/Dec/2008	03/Dec/2011*	1,910.85	Potassio Do Atlantico	Atlantic potash - State of Sergipe (Sergipe Basin)
878.086/10	06/Oct/2010	04/Oct/2013	1,741.10	Potassio Do Atlantico	Atlantic potash - State of Sergipe (Sergipe Basin)
878.087/08	03/Dec/2008	03/Dec/2011*	1,752.52	Potassio Do Atlantico	Atlantic potash - State of Sergipe (Sergipe Basin)
878.087/10	06/Oct/2010	04/Oct/2013	1,836.67	Potassio Do Atlantico	Atlantic potash - State of Sergipe (Sergipe Basin)
878.088/08	03/Dec/2008	03/Dec/2011*	1,809.67	Potassio Do Atlantico	Atlantic potash - State of Sergipe (Sergipe Basin)
878.088/10	19/Oct/2010	18/Oct/2013	1,207.11	Potassio Do Atlantico	Atlantic potash - State of Sergipe (Sergipe Basin)
878.089/08	03/Dec/2008	03/Dec/2011*	1,469.51	Potassio Do Atlantico	Atlantic potash - State of Sergipe (Sergipe Basin)
878.089/10	19/Oct/2010	18/Oct/2013	1,421.59	Potassio Do Atlantico	Atlantic potash - State of Sergipe (Sergipe Basin)
878.090/08	03/Dec/2008	03/Dec/2011*	1,648.74	Potassio Do Atlantico	Atlantic potash - State of Sergipe (Sergipe Basin)
878.090/10	06/Oct/2010	04/Oct/2013	1,954.60	Potassio Do Atlantico	Atlantic potash - State of Sergipe (Sergipe Basin)
878.091/08	03/Dec/2008	03/Dec/2011*	1,791.42	Potassio Do Atlantico	Atlantic potash - State of Sergipe (Sergipe Basin)
878.092/08	03/Dec/2008	03/Dec/2011*	1,826.82	Potassio Do Atlantico	Atlantic potash - State of Sergipe (Sergipe Basin)
878.092/10	06/Oct/2010	04/Oct/2013	1,133.94	Potassio Do Atlantico	Atlantic potash - State of Sergipe (Sergipe Basin)
878.093/10	06/Oct/2010	04/Oct/2013	1,498.71	Potassio Do Atlantico	Atlantic potash - State of Sergipe (Sergipe Basin)
878.094/10	06/Oct/2010	04/Oct/2013	1,843.50	Potassio Do Atlantico	Atlantic potash - State of Sergipe (Sergipe Basin)
878.095/10	23/Sep/2010	23/Sep/2013	1,951.19	Potassio Do Atlantico	Atlantic potash - State of Sergipe (Sergipe Basin)
878.096/10	23/Sep/2010	23/Sep/2013	1,967.72	Potassio Do Atlantico	Atlantic potash - State of Sergipe (Sergipe Basin)
878.097/10	06/Oct/2010	04/Oct/2013	1,773.90	Potassio Do Atlantico	Atlantic potash - State of Sergipe (Sergipe Basin)
878.098/10	06/Oct/2010	04/Oct/2013	1,921.31	Potassio Do Atlantico	Atlantic potash - State of Sergipe (Sergipe Basin)
878.099/10	06/Oct/2010	04/Oct/2013	1,757.79	Potassio Do Atlantico	Atlantic potash - State of Sergipe (Sergipe Basin)
878.100/10	19/Oct/2010	18/Oct/2013	1,343.97	Potassio Do Atlantico	Atlantic potash - State of Sergipe (Sergipe Basin)
878.101/10	19/Oct/2010	18/Oct/2013	1,909.76	Potassio Do Atlantico	Atlantic potash - State of Sergipe (Sergipe Basin)
878.102/10	23/Sep/2010	23/Sep/2013	1,934.65	Potassio Do Atlantico	Atlantic potash - State of Sergipe (Sergipe Basin)

9. EXPLORATION INTERESTS (continued)

Tenement reference	Issuing date	Expiry date	Area (ha)	Licence holder	Project - Location
878.138/09	22/Dec/2009	22/Dec/2012	765.97	Potassio Do Atlantico	Atlantic potash - State of Sergipe (Sergipe Basin)
878.139/09	22/Dec/2009	22/Dec/2012	1,027.52	Potassio Do Atlantico	Atlantic potash - State of Sergipe (Sergipe Basin)
878.140/09	22/Dec/2009	22/Dec/2012	1,962.55	Potassio Do Atlantico	Atlantic potash - State of Sergipe (Sergipe Basin)
878.141/09	22/Dec/2009	22/Dec/2012	1,978.64	Potassio Do Atlantico	Atlantic potash - State of Sergipe (Sergipe Basin)
878.142/09	22/Dec/2009	22/Dec/2012	1,633.53	Potassio Do Atlantico	Atlantic potash - State of Sergipe (Sergipe Basin)