

Historical Consolidated Financial Statements:

Aquagold International, Inc. CONSOLIDATED STATEMENT OF INCOME

(unaudited)

For the twelve months ended

	notes	December 31, 2012	December 31, 2011	December 31, 2010
Revenue:				
Net sales		-	-	-
Cost of goods sold		-	-	-
Gross profit		-	-	-
Selling, general and administrative		460 374	275 295	186 984
R & D		914		15 000
Amortization	2	1 200	1 600	1 600
Foreign currency conversion adjustment		-	(566)	4 479
		376 200	276 329	208 063
EBIT		(376 200)	(276 329)	(208 063)
		-	-	-
Financing expense		-	-	8 700
EBT		376 200	276 329	216 763
		-	-	-
Income taxes		-	-	-
Net Loss		376 200	276 329	216 763
		-	-	-
Basic and diluted income (loss) per share of common stock		-0.0002	-0.0002	-0.0005
		-	-	-
Weighted average shares outstanding		1 125 643 671	1 125 643 671	1 125 643 671

Historical Consolidated Financial Statements: six years

**Aquagold International, Inc.
CONSOLIDATED BALANCE SHEET**

ASSETS

		(unaudited) December 31,	(unaudited) December 31,	(unaudited) December 31,
AQUAGOLD INTERNATIONAL INC.				
STATEMENT OF FINANCIAL POSITION				
(unaudited)				
(in US dollars)				
as at				
	Notes	December 31 2012	December 31 2011	December 31 2010
CURRENT ASSETS				
Cash		-	-	-
Accounts receivable				
Inventories				
Prepaid Expenses and other current assets		-	-	-
Total Current Assets				
OTHER ASSETS	2,3	35 875	37 075	38 675
TOTAL ASSETS		<u>35 875</u>	<u>37 075</u>	<u>38 675</u>
LIABILITIES AND SHAREHOLDERS' EQUITY				
LIABILITIES:				
Trade and other payables	4	823 394	748 394	648 394
Current Liabilities		<u>823 394</u>	<u>748 394</u>	<u>648 394</u>
LONG-TERM LIABILITIES				
Advances	5	3 175 491	2 881 245	2 826 223
Long term debt				
Non- current liabilities		<u>3 175 491</u>	<u>2 881 245</u>	<u>2 826 223</u>
Equity				
Share Capital	7	408 693	408 693	408 693
Deficit earnings		4 444 514	4 175 985	3 899 657
			112 564	112 564
Total Shareholders' Equity		<u>(4 035 821)</u>	<u>(3 767 292)</u>	<u>(3 490 964)</u>
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY		<u>(36 936)</u>	<u>(137 653)</u>	<u>(16 347)</u>

Aquagold International, Inc.
CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

(unaudited)
(in US dollars)
For the years ended

	SHARES		Additional	Contributed	Accumulated	Surplus	Total
	Preferred Stock	Common Stock	Paid-in Capital	Capital	(Deficit)		Shareholders (Deficit)
As at October 27, 2007	-	-	397 500	827 480	(1 185 033)	-	39 947
Issued shares		23 289	261 121	(74 929)	-	-	209 481
Net Loss	-	-	-	-	203 994	-	(203 994)
As at December 31, 2007	-	23 289	658 621	752 551	(1 389 027)	-	45 434
Issued shares		76 248	(100 197)	(52 156)	-	-	(76 105)
Net Loss	-	-	-	-	627 594	-	(627 594)
As at December 31, 2008		99 537	558 424	700 395	(2 016 621)	-	(658 265)
Issued shares		10 646	(320 926)	(669 058)	(709 014)	(104 666)	(1 793 018)
Net Loss					852 592		(852 592)
As at December 31, 2009		110 183	237 498	31 337	(3 578 227)	(104 666)	(3 303 875)
Issued shares	1 600	2 381	25 694	-	-	-	29 675
Net Loss					216 763		(216 763)
As at December 31, 2010	1 600	112 564	263 192	31 337	(3 794 990)	(104 666)	(3 490 963)
Issued shares					276 329		(276 329)
Net Loss					(4 071 319)	(104 666)	(3 767 292)
As at December 31, 2011	1 600	112 564	263 192	31 337			
Issued shares					188 700		(188 700)
Net Loss					(4 260 019)	(104 666)	(3 955 992)
As at December 31, 2012	1 600	112 564	263 192	31 337			
Issued shares							
Net Loss							

Aquagold International, Inc.
CONSOLIDATED STATEMENT OF CASH FLOW

(unaudited)
(in US dollars)

For the years ended

	December 31, 2012	December 31, 2011	December 31, 2010
notes			
Operating Activities			
Net Loss	268 529	276 329	216 763
Non-cash Items			
Depreciation and Amortization	1 200	1 600	1 600
Net change in non-cash balances related to operations	6 75 000	100 000	130 230
Net cash provided by (used in) operating activities	(192 329)	(174 729)	(84 933)
Investing Activities			
Additions (disposals) of intangible assets			
Cash flow from investing activities			
Financing Activities			
Variation of long term debt	-	-	-
Variation of advances	119 519	174 729	55 022
Issuance of common shares	-	-	28 075
Issuance of preferred shares	(41 444)		1 600
Net cash provided by (used in) financing activities	119 519	174 729	84 697
Net increase (decrease) in cash	-	-	(236)
Cash at beginning of the year	-	-	236
Cash balance at end of the year	-	-	-

NOTES TO FINANCIAL STATEMENTS

(unaudited)

(in US dollars)

For the period ended December 31, 2012, 2011, 2010,

1. BASIS FOR PREPARATION

Aquagold International Inc. is incorporated under the laws of Nevada. The corporation distributes Premier Canadian Spring Water to the world.

The financial statements are expressed in U.S. dollars and have been prepared in accordance with the IASB

The foreign exchange rate used to translate assets and liabilities into U.S. dollars were as follows as at:

	December 31, 2012	December 31, 2011	December 31, 2010
Canadian dollar	1.00	1.00	1.00

The average foreign exchange used to translate revenues and expenses into U.S. dollars were as follows for the ended years and period

	December 31, 2012	December 31, 2011	December 31, 2010
Canadian dollar	0.989	1.030	1.142

NOTES TO FINANCIAL STATEMENTS**2. ACCOUNTING POLICIES****Other assets**

Amortization of other assets is based on their useful life using linear method at the following rates:

3 OTHER ASSETS

	December 31, 2012	December 31, 2011	December 31, 2010
Non-amortized item:			
Trademark	35 475	35 475	35 475
Amortized items:			
Incorporation fees	150	600	1 200
Other	-	-	-
Web site	250	1 000	2 000
	35 875	37 075	38 675

4 TRADE AND OTHER PAYABLES

	December 31, 2012	December 31, 2011	December 31, 2010
Trade	176 695	176 695	176 695
Accrued salaries payable	545 529	470 429	370 729
Sales taxes	-	-	-
Accrued	101 170	101 170	101 170
	<u>823 394</u>	<u>748 294</u>	<u>648 594</u>

5 ADVANCES

	December 31, 2012	December 31, 2011	December 31, 2010
Advances from founders	2 653 212	2 533 694	2 377 959
Advances from a company -Aquagold Canada Inc.	817970	817970	798976
	<u>3 471 182</u>	<u>3 351 664</u>	<u>3 176 935</u>

6. NET CHANGE IN NON-CASH BALANCES RELATED TO OPERATIONS

	December 31, 2012	December 31, 2011	December 31, 2010
Prepaid	-	-	-
Treades and other payables	75 000	100 000	130 230
	<u>75 000</u>	<u>100 000</u>	<u>130 230</u>

NOTES TO FINANCIAL STATEMENTS

7. SHARE CAPITAL

Authorized, issued and outstanding
share data as at:

	December 31, 2012	December 31, 2011	December 31, 2010
Common shares			
Authorized	1 250 000 000	1 250 000 000	1 250 000 000
Issued and outstanding	1 125 643 671	1 125 643 671	1 125 643 671

Preferred shares (multiple voting: sixteen votes each)

Authorized	16 000 000	16 000 000	16 000 000
Issued and outstanding	16 000 000	16 000 000	16 000 000

Common shares and preferred shares stock are issued with a par value of one-hundredth of one cent (\$0.0001)

	December 31, 2012	December 31, 2011	December 31, 2010
Common shares			
Restricted Affiliated shares	521 918 173	521 918 173	521 918 173
No restriction	603 725 498	603 725 498	603 725 498
	<u>1 125 643 671</u>	<u>1 125 643 671</u>	<u>1 125 643 671</u>

Preferred shares

Restricted Affiliated shares	16 000 000	16 000 000	16 000 000
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