



AQUAGOLD International, Inc.
Domingo M. Silvas III
CEO
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END OF YEAR STATEMENT FROM THE CEO OF AQUAGOLD INTERNATIONAL

Earlier this year my Statement of Direction for AQUAGOLD began with the sentence: "I have just returned from China." Now, as I prepare to give our shareholders, customers, partners and team members an update for Q4 of 2009, I find that once again, I am starting with the fact that I have just returned from China and I am excited to share a comprehensive overview of the progress the Company has made this year and the successes the Company has experienced.

A first class company only grows with a superb team and sound structure. To that end, I am greatly impressed by the team AQUAGOLD International has assembled and by this team's commitment to create processes and systems that have enhanced the company's performance. This team's focus and ability to grasp the overall vision of AQUAGOLD has resulted in a sound employee model and has enabled the company to achieve measurable results.

The Company's operations in China and Montreal are directed by experienced and talented individuals. Operations in both locations continue to make significant headway toward the Company's goal of being a global distributor of premier Canadian spring water products. I firmly believe that the Company has a dynamic, talented team that is committed to working together to bring about optimal results for AQUAGOLD.

One of the most pressing issues addressed was ensuring that AQUAGOLD International adhered to higher levels of compliance and reporting obligations. To achieve this goal, the Company secured legal representation by the well-established law firm of Brinen and Associates, LLC, which has focused on the company's compliance, reporting obligations and transactional matters. Achieving and sustaining these higher levels of compliance was an immediate goal. I am pleased to report that the Company's corporate books, resolutions, and contracts have been reviewed by Brinen & Associates, LLC.

The Company is completing its quarterly financial reports from the beginning of the fiscal year, and all of the Company's financial statements have been prepared and reviewed by a Certified Public Accountant through the end of the previous fiscal year. This enhancement of our financial processes continues to reinforce the improved operational platform in North America as well as manage all current sales contracts in China. Going forward, the Company intends to engage in the same process for proper and timely financial reporting.

Mr. Joseph Rosamilia, a veteran of the banking and finance industry with strong experience in Asian markets, was another solid addition to the AQUAGOLD Finance Division. In August of this year, AQUAGOLD was upgraded from "Pink Sheets Limited Information" to "Pink Sheets Current Information" in OTC electronic markets. This is the



first time in the history of the company that the company has achieved this degree of public disclosure. Mr. Rosamilia was instrumental in the company's financial restructuring and the overall improvement of the Company's market status. AQUAGOLD is committed to increasing our standard of compliance and providing better transparency. The Company has made all quarterly reports to date available and the Company intends to continue to report its financial results to its shareholders.

Branding, sales and marketing continue to be a critical component as the Company increases its exposure globally. AQUAGOLD International added the consulting services of Mr. Joe Matuella, a branding and marketing expert whose particular marketing experience is heavily concentrated on start-up companies and companies that need their brand turned around. Mr. Matuella was an integral part of the overall conception and design of the AQUAGOLD brand, including all printed collateral material, logo creation, and the label design on the Company's flagship product. Mr. Matuella was responsible for the evolution of the design of the Company's website. Going forward, Mr. Matuella will be turning his attention to formulating public relations and investor relations programs and campaigns. Creating a definitive and recognizable AQUAGOLD brand will be his primary focus.

Great things have occurred this year for AQUAGOLD Canada and at the production facilities located in Canada. The growing market for AQUAGOLD bottled water means that the Company needs to ensure that distribution is running smoothly. Canadian operations are responsible for production and logistics for all of AQUAGOLD International. In 2009, the Company secured \$197M in contracts and the Company is actively searching for international shipping companies that are aligned with the Company's vision and can deliver what the Company anticipates to be continuous and substantial growth. AQUAGOLD began delivery of its flagship product to Shanghai in June as well as the acceptance of the letter of credit by the opening bank in China. A portion from this first order went to the Dashang Group, the largest retailer in Northeast China and the fifth largest retailer of any kind in China. Management believes the successful delivery of product is the result of the strong leadership team of the Company.

In China, AQUAGOLD has seen significant momentum in all of its sales and marketing endeavors as the Company continues to successfully increase brand awareness in the Asia Market. The hit television show AQUAGOLD Superface continued to be very popular in China, and was seen by over Thirty million viewers each week. In September, the televised finale took place in Beijing and was followed by a dinner reception where the Beijing area winner was crowned. Chairman Long, from the China International Culture and Communication Center, was the guest of honor and accepted a donation from AQUAGOLD to the Chinese government's charity fund as well as the company's pledge to contribute a donation from every sale of AQUAGOLD bottled water at the Expo in China. AQUAGOLD Superface also participated in the historical annual festival in Jinan, where the Company continued its brand exposure with the models donning the AQUAGOLD uniform and promoting the bottled water. The AQUAGOLD Superface television show has created several important synergistic associations including with the Editor-in-Chief of "Model Magazine," Steve Zhong, who is also the Superface Executive Producer. The viewership as well as the prominent Chinese



individuals who attended the dinner and festival showed that AQUAGOLD Superface continues to garner attention for the company and its products.

On the North American continent, AQUAGOLD sponsored one of the largest events ever held celebrating China-United States Relations. "Celebrating the Full Moon Together – A Series of Events Celebrating the 30th Anniversary of the Establishment of Diplomatic Relations between China and the United States," took place in New York City in October. This event was highlighted by Dr. Henry Kissinger, former US Secretary of State and Chai Zemin, General Advisor of the United States and China Foundation, each being awarded the "Sino-US Friendship Lifetime Achievement Award." Many notable Chinese and Americans attended and AQUAGOLD was honored to sponsor this event. As a part of the Company's sponsorship of the event, AQUAGOLD bottled water was available to the guests in attendance.

The biggest news in September was the signing of a contract with the DEVNET agency of the United Nations allowing AQUAGOLD products to be featured in the DEVNET section of the United Nations Pavilion at the Shanghai World Expo in 2010. York Tang, COO of Asia Operations, Mark-Oliver Hassoun, Vice President of Asia Market Sales and I, attended a signature dinner and ceremony to celebrate this new partnership relationship. The Shanghai Expo, to be held from May to September 2010, is expected to draw over 200 nations and approximately 70 million visitors. AQUAGOLD has an incredible opportunity to introduce the Company's bottled water product to the world. In addition this contract allows the Company to participate in the pre-opening of the Expo. With these groups putting their stamp of approval on the product, Management believes AQUAGOLD has an unprecedented international sales and marketing platform.

The success of the sales and marketing activity has led AQUAGOLD to formulate plans to increase its sales force. The Company anticipates the sales team increasing to approximately 50 people, as well as hiring 4 Sales Managers with experience in the bottled water industry and key relationships in the market. AQUAGOLD anticipates introducing the product in concentrated areas that include Shanghai, Beijing and the surrounding coastal areas before eventually moving on to second tier markets in China. The On and Off Trade markets, the retail market and the institutional market will be specific market focus areas for the Sales Managers.

AQUAGOLD bottled water has been given prestigious shelf space and is currently on the shelves, ready for sale, at LianHua Supermarket stores. AQUAGOLD representatives will be promoting the Company's bottled water, distributing information about the product, and available for questions at the retail locations where the product is being sold. The Company will also be introducing the concept of onsite water tasting at other various points of sale including hotels, restaurants and karaoke clubs. As AQUAGOLD continues to see increasing demand for its luxury brand item, the Company will look for original and innovative ways to introduce its product.

The Company would like to thank York Tang for his tireless efforts and leadership in China. Mr. Tang brings quiet strength and leadership to the Company. Much of the Company's success in China is connected to his infectious love for the



people of China and his ability to communicate his experience to our team. This Company is truly honored to have Mr. Tang lead the way in China.

This year the focus of AQUAGOLD's management has been to establish a foundation so the Company can not only work with the deals at hand but also prepare for expansion in the year 2010. The Company has recently begun negotiating with possible new team members and financing for all of its production requirements. The Company is also in negotiations with a bottling plant to accommodate new product lines. Management believes the final pieces of the foundation stage are almost in place.

As CEO, I am very proud of the team and the work they have done in such a short period of time. With such success in 2009; I believe 2010 looks very promising.