

VIAGOLD CAPITAL LIMITED

(Incorporated in Bermuda with limited liability)

(ARBN: 070 352 500)

**Reports and Financial Statements
For the year ended March 31, 2012**

VIAGOLD CAPITAL LIMITED

REPORTS AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2012

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VIAGOLD CAPITAL LIMITED

CHAIRMAN'S ADDRESS TO SHAREHOLDERS

I am pleased to present my report on ViaGOLD Capital Limited (VIA)'s performance during financial year 2011 and our outlook for 2012.

It has been a rewarding year for the Group as the education group is becoming a major contributor to the Group's revenue and profit.

2011 FINANCIAL PERFORMANCE

Revenue for the year was approximately AUD2.05 million. The significant increase, when compared to that of last year's AUD1.46 million, was due to the investment in the business of providing consultancy and management services to educational institutions in Zhuhai, China.

For the year ended March 31, 2012 the Company made a loss of AUD3.99 million, the loss is mainly a result of the disposal of subsidiaries amounting to AUD4.67 million. Disregarding such loss due to disposal of non-continuing operations, the Company in fact generated an operating profit of AUD0.68 million during the year.

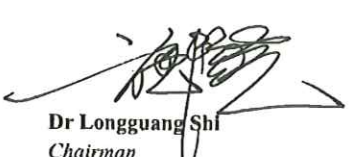
PROSPECT

According to the National Education Reform and Development Plan (2010-2020), the Chinese government investment into education sector will increase steadily. In 2012, the Chinese government has already arranged in its budget for finance into the nation's public and government funded education expenditure a total of AUD336 billion (RMB 2.20 trillion) which amount exceeds the target plan of 4% of GDP. It is forecasted that private higher education will increase by 600,000-800,000 students annually. The government recognises and values the important role of private vocational education, hence will continue to put in more effort to promote and support this sector to meet the increasing public demand. In view of such the Group will continue to actively promote its educational management and consulting services. We are confident that the education management and consulting service business unit will continue to be the major profit contributor of the Group.

Besides the leasing business, the Group will continue to look for good investment opportunity in China, Hong Kong, Macau and Australia to expand so as to further enhance the shareholders value.

APPRECIATION

In conclusion I would like to take this opportunity to extend my gratitude to my fellow directors and all the dedicated employee of the Group for their hard work and contribution during the year. On behalf of the Board, I would also like to express our sincere thanks to the Group's shareholders, investors, customers and business associates for their continued support.



Dr Longguang Shi

Chairman

July 30, 2012

VIAGOLD CAPITAL LIMITED

CORPORATE GOVERNANCE STATEMENT

The directors of ViaGOLD Capital Limited ("the Company") are primarily responsible for the corporate governance practices of the Company. This Statement sets out the main corporate governance practices in operation throughout the Company for the financial year ended March 31, 2012 (except where otherwise indicated). The Statement also details compliance by the Company with the best practice recommendations set by the Australian Securities Exchange ("ASX") Corporate Governance Council in its Corporate Governance Principles & Recommendations (Revised Principles) dated August 2, 2007 (Guide).

On the date of this Report, the Board consists of four executive directors and four non-executive directors. Details of the directors are set out on page 17 in this Report.

The primary responsibilities of the Board include:

- the establishment of the long term goals of the Company and strategic plans to achieve those goals;
- the approval of the annual and half year financial statements of the Company;
- the review and adoption of annual budgets for the financial performance of the Company and monitoring the results on a quarterly basis; and
- ensuring that the Company has implemented adequate systems of internal controls together with appropriate monitoring of compliance activities.

Set out below is a summary of the Corporate Governance policies of the Company and the approach of the Company and the Board to issues of corporate governance. The summary is provided in the context of the Revised Principles set out in the Guide, which principles are regarded by ASX as reflective of the best international practice in the area of corporate governance. As required by the Listing Rules of Australian Securities Exchange Limited (the "ASX Listing Rules") and where applicable, the Company has detailed where it fails to meet those principles and the reasons for that failure.

No.	ASX Key Governance Principles	Compliance	Non-compliance
1	Lay solid foundations for management and oversight		
1.1	Companies should establish the functions reserved to the Board and management.	<p>The Company has adopted a Board Charter and Code of Conduct to guide executives, management and employees in carrying out their duties and responsibilities.</p> <p>The Board Charter sets out the responsibilities of the Board and the matters delegated to the Chief Executive Officer.</p>	Not applicable.

VIAGOLD CAPITAL LIMITED

CORPORATE GOVERNANCE STATEMENT (CONT'D)

No.	ASX Key Governance Principles	Compliance	Non-compliance
1	Lay solid foundations for management and oversight (cont'd)		
1.2	Companies should disclose the process for evaluating the performance of senior executives.	One of the key functions of the Board under its Charter is its responsibility for monitoring the performance of the Chief Executive Officer and senior executives.	Not applicable.
1.3	Companies should provide the information indicated in the Guide to reporting on Principle 1.	The Company will provide an explanation of departures (if any) from the Key Principles recommendations 1.1 and 1.2 in its future annual reports.	Not applicable.
2	Structure the Board to add value		
2.1	A majority of the Board should be independent directors.	<p>Currently, the Board comprises 8 directors, of which 4 are non-executive directors. Mr. James Anthony Wigginton and Dr. Wei Xiang can be characterised as independent for the purposes of the ASX Guidelines. The other 4 members of the Board are executive directors. Details of the Board members are set out on page 17 in this Report.</p> <p>All directors are subject to retirement by rotation. The Company's Nomination Committee reviews the composition of the Board on an annual basis and makes recommendations to the Board, to ensure that the Board comprises a number of non-executive directors with an appropriate mix of skills, experience and independence.</p>	<p>The Board recognises the importance of having a majority of independent directors. However, it also seeks to have the best possible balance of skills and experience for the Company's activities and has decided that a majority of independent directors is not of critical importance. The Board considers, given the size and business scope of the Company, that the persons selected as directors bring sufficient and specific skills, experience and independence of thought to ensure decisions by the Board are in the best interests of the Company and its shareholders.</p>

VIAGOLD CAPITAL LIMITED

CORPORATE GOVERNANCE STATEMENT (CONT'D)

No.	ASX Key Governance Principles	Compliance	Non-compliance
2	Structure the Board to add value (cont'd)		
2.2	The chair should be an independent director.	<p>The chair, Dr. Longguang Shi, is a non-executive director of the Company. Dr. Shi is not considered to be an independent director by reason of him being a non-executive director of the Company.</p> <p>The Board regards Dr. Shi as the best person to chair the Company in the interests of all shareholders.</p>	The Board recognises the importance of the chair being held by an independent director, however, it believes Dr. Shi to be the most appropriate person for this role, given his diverse background, his long involvement in the Company and his knowledge of its activities.
2.3	The roles of and Chief Executive Officer should not be exercised by the same individual.	The roles of chair and Chief Executive Officer are not exercised by the same individual.	Not applicable.
2.4	The Board should establish a nomination committee.	<p>The Board has established a Nomination Committee and a Remuneration Committee. The Committees have a charter adopted by the Board which sets out the responsibilities of the Committees.</p> <p>The Nomination Committee reviews the composition of the Board on an annual basis and makes recommendations to the Board, where considered necessary, to ensure that the Board comprises a number of non-executive directors with an appropriate mix of skills and experience. Where necessary, the Committee seeks the advice of external advisers in connection with the suitability of applicants for Board membership. Details of the Nomination Committee members are set out on page 15 in this Report.</p>	Not applicable.

VIAGOLD CAPITAL LIMITED

CORPORATE GOVERNANCE STATEMENT (CONT'D)

No.	ASX Key Governance Principles	Compliance	Non-compliance
2	Structure the Board to add value (cont'd)		
		<p>The appointment of non-executive directors are to deal with the following matters:</p> <ul style="list-style-type: none"> • expectations concerning preparation and attendance at Board meetings; • conflict resolution; and • the right to seek independent legal and professional advice (subject to prior approval of the Chairman). <p>The Committee also assesses and reviews the independence of all non-executive directors.</p>	
2.5	Companies should disclose the process for evaluating the performance of the Board, its committees and individual directors.	<p>The Charter of the Nomination Committee requires that it:</p> <ul style="list-style-type: none"> • annually reviews the composition of the Board; • assesses the independence of non-executive directors; • assesses the processes of the Board and Board committees; • assesses the Board's performance; • assesses each director's performance before the director stands for re-election; and • seeks advice of external advisors in connection with the suitability of applicants for Board membership. 	Not applicable.

VIAGOLD CAPITAL LIMITED

CORPORATE GOVERNANCE STATEMENT (CONT'D)

No.	ASX Key Governance Principles	Compliance	Non-compliance
2	Structure the Board to add value (cont'd)		
2.6	Companies should provide the information indicated in the Guide to reporting Principle 2.	The Company will continue to provide information concerning the directors, the independence of directors, the performance of the Board and the remuneration of its directors and an explanation of departures (if any) from the Key Principles recommendations 2.1 - 2.5 (inclusive) in its future annual reports.	Not applicable.
3	Promote ethical and responsible decision making		
3.1	<p>Establish a code of conduct and disclose the code or a summary of the code as to:</p> <p>(a) the practices necessary to maintain the confidence in the Company's integrity;</p> <p>(b) the practices necessary to take into account their legal obligations and the reasonable expectations of their stakeholders; and</p> <p>(c) the responsibility and accountability of individuals for reporting and investigating reports of unethical practices.</p>	<p>As part of the Board's commitment to the highest standard of conduct, the Company has adopted a Code of Conduct to guide executives, management and employees in carrying out their duties and responsibilities.</p> <p>The code of conduct covers such matters as:</p> <ul style="list-style-type: none"> • responsibilities to shareholders; • compliance with laws and regulations; • ethical responsibilities; • relations with customers and suppliers; • employment practices; and • responsibilities to the environment and the community. 	Not applicable.

VIAGOLD CAPITAL LIMITED

CORPORATE GOVERNANCE STATEMENT (CONT'D)

No.	ASX Key Governance Principles	Compliance	Non-compliance
3	Promote ethical and responsible decision making (cont'd)		
3.2	Companies should establish a policy concerning trading in Company's securities by directors, senior executives and employees, and disclose the policy or a summary of that policy.	The Company's Share Trading Policy contains guidelines and restrictions concerning trading in the Company's securities.	Not applicable.
3.3	Companies should provide the information indicated in the Guide to reporting on Principle 3.	The Company will provide an explanation of departures (if any) from the Key Principles recommendations 3.1 and 3.2 in its future annual reports.	Not applicable.
4	Safeguard integrity in financial reporting		
4.1	The Board should establish an audit committee.	The Board has established an Audit Committee. The Audit Committee Charter adopted by the Board sets out its responsibilities. Details of the Audit Committee members are set out on page 15 in this Report.	Not applicable.
4.2	The audit committee should be structured so that it: (a) consists only of non-executive directors; (b) consists of a majority of independent directors; (c) is chaired by an independent chair, who is not the chair of the board; and (d) has at least 3 members.	The Audit Committee presently consists of two independent non-executive directors, being Mr. James Anthony Wigginton and Dr. Wei Xiang. The Audit Committee provides a forum for the effective communication between the Board and external auditors. The audit committee reviews:	While not in accordance with the best practice recommendations, the Board is of the view that the experience and professionalism of the persons on the Committee is sufficient to ensure that all significant matters are addressed and actioned. The Company is also satisfied that the composition of the Audit Committee suits the present geographic diversity of the Company.

VIAGOLD CAPITAL LIMITED

CORPORATE GOVERNANCE STATEMENT (CONT'D)

No.	ASX Key Governance Principles	Compliance	Non-compliance
4	Safeguard integrity in financial reporting (cont'd)		
		<ul style="list-style-type: none"> • the annual and half-year financial statements prior to their approval by the Board. • the effectiveness of management information systems and systems of internal control; • the appointment of external auditors; and • the efficiency and effectiveness of the external audit functions, including reviewing the relevant audit plans. 	
4.3	The audit committee should have a formal charter.	The Audit Committee has a formal charter.	Not applicable.
4.4	Companies should provide the information indicated in the Guide to reporting on Principle 4.	The Company will provide an explanation of departures (if any) from the Key Principles recommendations 4.1 - 4.3 (inclusive) in its future annual reports.	Not applicable.
5	Make timely and balanced disclosure		
5.1	Companies should establish written policies designed to ensure compliance with ASX Listing Rule disclosure requirements and to ensure accountability at a senior executive level for that compliance and disclose those policies or a summary of those policies.	<p>The Company's Board Charter and disclosure protocol sets out the procedure for:</p> <ul style="list-style-type: none"> • protecting confidential information from unauthorised disclosure; • identifying price sensitive information; • reporting material price sensitive information to the company secretary for review; 	Not applicable.

VIAGOLD CAPITAL LIMITED

CORPORATE GOVERNANCE STATEMENT (CONT'D)

No.	ASX Key Governance Principles	Compliance	Non-compliance
5	Make timely and balanced disclosure (cont'd)		
5.1		<ul style="list-style-type: none">• ensuring the Company achieves best practice in complying with its continuous disclosure obligations under the Corporations Act and the ASX Listing Rules (including dealings and discussions with analysts, professional bodies, the media or customers); and• ensuring the Company and individual officers do not contravene the Corporations Act or the ASX Listing Rules (including restrictions on media interviews or presentations). <p>The Board considers issues of continuous disclosure at each of its meetings.</p> <p>The Company also regularly reviews such matters as:</p> <ul style="list-style-type: none">• continuing education/provision of relevant parts of the ASX Listing Rules the right of its officers to seek independent legal advice;• directors and officers insurance;• setting and promulgation of ethical standards;• auditing arrangements;	

VIAGOLD CAPITAL LIMITED

CORPORATE GOVERNANCE STATEMENT (CONT'D)

No.	ASX Key Governance Principles	Compliance	Non-compliance
5	Make timely and balanced disclosure (cont'd)		
5.1		<ul style="list-style-type: none"> • identification and management of business risks; • related party transactions; and • compliance with the ASX Listing Rules. <p>The Company Secretary and the local Australian agent, the independent non-executive director, Mr. Wigginton, has primary responsibility for all communications with the ASX in relation to the ASX Listing Rules matters.</p>	
5.2	Companies should provide the information indicated in the Guide to reporting on Principle 5.	The Company will provide an explanation of departures (if any) from Key Principles recommendations 5.1 in its future annual reports.	Not applicable.
6	Respect the rights of shareholders		
6.1	Companies should design a communication policy for promoting effective communication with shareholders and encouraging their participation at general meetings and disclose their policy or a summary of that policy.	<p>The Company places a high priority on communications with shareholders and is aware of the obligations as a listed company, under the Corporations Act and the ASX Listing Rules, to keep the market fully informed of information which is not generally available and which may have a material effect on the price or value of the Company's securities.</p> <p>Information is communicated to shareholders as follows:</p> <ul style="list-style-type: none"> • through the ASX company announcements platform; 	Not applicable.

VIAGOLD CAPITAL LIMITED

CORPORATE GOVERNANCE STATEMENT (CONT'D)

No.	ASX Key Governance Principles	Compliance	Non-compliance
6	Respect the rights of shareholders (cont'd)		
6.1		<ul style="list-style-type: none"> • through notices of meetings of shareholders; and • by provision of documents that are released to the public on the Company's website. 	
6.2	Companies should provide the information indicated in the Guide to reporting on Principle 6.	The Company will provide an explanation of departures (if any) from the Key Principles recommendations 6.1 in its future annual reports.	Not applicable.
7	Recognise and manage risk		
7.1	Companies should establish policies for the oversight and management of material business risks and disclose a summary of those policies.	The Board is responsible for the Company's system of internal controls. The Board constantly monitors the operational and financial aspects of the Company's activities. Through the Audit Committee, the Board considers the recommendations and advice of external auditors and other advisers on the operational and financial risks that are facing the Company.	Not applicable.
7.2	The Board should require management to design and implement the risk management and internal control system to manage the Company's material business risks and report to it on whether those risks are being managed effectively. The Board should disclose that management has reported to it as to the effectiveness of the Company's management of its material business risks.	Where necessary, the Board ensures that its recommendations are investigated and appropriate action is taken to ensure that the Company has an appropriate internal control environment in place to manage the key risks identified. In addition, the Board investigates ways of enhancing existing risk management strategies, including appropriate segregation of duties, the employment and training of suitably qualified and experienced personnel.	Not applicable.

VIAGOLD CAPITAL LIMITED

CORPORATE GOVERNANCE STATEMENT (CONT'D)

No.	ASX Key Governance Principles	Compliance	Non-compliance
7	Recognise and manage risk (cont'd)		
7.3	The Board should disclose whether it has received assurance from the Chief Executive Officer (or equivalent) and the Chief Financial Officer (or equivalent) that the declaration provided 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 all material respects in relation to financial reporting risks.	Prior to finalising the full year and half year financial statements and reports of the Company, the Audit Committee undertakes such investigations and reviews each year as it determines to be necessary to confirm the integrity of the financial reporting of the Company. Included in those steps, the Board requires the Chief Executive Officer and the Chief Financial Officer to make a statement (and sign off to the Board) on the management and internal controls of the Company and the financial reporting.	Not applicable.
7.4	Companies should provide the information indicated in the Guide to reporting on Principle 7.	The Company will provide an explanation of departures (if any) from the Key Principles recommendations 7.1 - 7.3 (inclusive) in its future annual reports.	Not applicable.
8	Remunerate reasonably and fairly		
8.1	The Board should establish a remuneration committee.	The Board has a Remuneration Committee.	Not applicable.
8.2	Companies should clearly distinguish the structure of non-executive directors' remuneration from that of executive directors and senior executives.	<p>The remuneration of executive directors and senior executives are clearly distinguished in the annual report. Details of the Committee members are set out on page 15 in this report.</p> <p>Executive's remuneration</p> <p>Remuneration packages may contain any or all of the following:</p> <ul style="list-style-type: none"> • annual salary based on the relevant market; 	Not applicable.

VIAGOLD CAPITAL LIMITED

CORPORATE GOVERNANCE STATEMENT (CONT'D)

No.	ASX Key Governance Principles	Compliance	Non-compliance
8	Remunerate reasonably and fairly (cont'd)		
8.2		<ul style="list-style-type: none">• ad hoc rewards, special payments and other measures available to reward individuals and teams following a particular outstanding business contribution;• a lump sum payment related to achievement of identified business drivers and personal key performance indicators measured over a year; and• other benefits such as holidays, sickness benefits, superannuation payments. <p>The Remuneration Committee reviews the remuneration of executives every year and consider individual performance, comparative remuneration in the market and where appropriate, external advice. The Committee provides this information together with a recommendation to the Board for consideration.</p>	

VIAGOLD CAPITAL LIMITED

CORPORATE GOVERNANCE STATEMENT (CONT'D)

No.	ASX Key Governance Principles	Compliance	Non-compliance
8	Remunerate reasonably and fairly (cont'd)		
8.2		<p><i>Director's remuneration</i></p> <p>Remuneration of the director is determined with regard to the Company's need to maintain appropriately experienced and qualified Board members and in accordance with competitive pressures in the marketplace. The Remuneration Committee may from time to time seek independent advice in relation to the remuneration of Board members and may make recommendations to members in relation to any total fee increase. Each year, the Board reviews directors' remuneration. The total amount of remuneration paid to directors must not exceed the maximum amount the shareholders authorise at general meeting (which amount is currently A\$250,000 per annum).</p> <p>From time to time, the Board may ask individual director to devote extra time or to undertake extra duties. Directors who undertake these tasks at the Board's direction may receive extra amounts. Directors are also reimbursed for expenses associated with undertaking their duties.</p>	
8.3	Companies should provide the information indicated in the Guide to reporting on Principle 8.	The Company will provide and explanation of departures (if any) from the Key Principles recommendations 8.1 and 8.2 in its future annual reports.	Not applicable.

VIAGOLD CAPITAL LIMITED

CORPORATE GOVERNANCE STATEMENT (CONT'D)

Nomination committee

The Board has established a Nomination Committee consisting of the following directors and officers:

Mr. Pierre Seligman
Mr. Jack Chik Ming Chu
Mr. William Kam Biu Tam
Mr. James Anthony Wigginton
Dr. Wei Xiang

Audit committee

The Board has established an Audit Committee consisting of the following Non-executive directors and officers:

Mr. James Anthony Wigginton
Dr. Wei Xiang

Corporate governance committee

The Board has established a Corporate Governance Committee consisting of the following directors and officers:

Mr. Pierre Seligman
Mr. Jack Chik Ming Chu
Mr. William Kam Biu Tam
Mr. James Anthony Wigginton
Dr. Wei Xiang

Remuneration committee

The Board has established a Remuneration Committee consisting of the following directors and officers:

Mr. Pierre Seligman
Mr. Jack Chik Ming Chu
Mr. William Kam Biu Tam
Mr. James Anthony Wigginton
Dr. Wei Xiang

VIAGOLD CAPITAL LIMITED

CORPORATE GOVERNANCE STATEMENT (CONT'D)

Directors' and executives' emoluments

For the year ended March 31, 2012, the annual directors' remuneration are as follows:

Name of directors	Amount A\$'000
Dr. Longguang Shi	-
Ms. Mulei Shi	53
Mr. King Choi Leung	53
Dr. Wei Xiang	-
Mr. Pierre Seligman	-
Mr. Jack Chik Ming Chu	-
Mr. William Kam Biu Tam	-
Mr. James Anthony Wigginton	56

For the year ended March 31, 2012, the annual remuneration of executives are as follows:

Name of executive	Amount A\$'000
Mr. Kenneth Kwing Chuen Tang	7

VIAGOLD CAPITAL LIMITED

DIRECTORS' REPORT

The directors are pleased to present their annual report and the audited consolidated financial statements for the year ended March 31, 2012.

PRINCIPAL ACTIVITIES AND BUSINESS ANALYSIS OF OPERATIONS

The Company acts as an investment holding company. The subsidiaries of the Company are principally engaged in investment holdings, leasing and capital financing services, consultancy and management services to educational institutions. Details of the Company's subsidiaries are set out in note 28 to the consolidated financial statements.

An analysis of the Group's performance for the year by operating segment is set out in note 5 to the consolidated financial statements.

DIRECTORS

The directors of the Company during the year and up to the date of this report are:

Executive directors:

Mr. Pierre Seligman
Mr. Jack Chik Ming Chu
Ms. Mulei Shi
Mr. King Choi Leung

Non-executive directors:

Dr. Longguang Shi (Chairman)
Mr. William Kam Biu Tam

Independent Non-executive director:

Mr. James Anthony Wigginton
Dr. Wei Xiang

In accordance with Article 19.1 of the Company's Bye-Laws, Messrs. Jack Chik Ming Chu and William Kam Biu Tam retire from office by rotation at the forthcoming annual general meeting and, being eligible, offer themselves for re-election.

All of the remaining directors, including the Non-executive directors, are subject to retirement by rotation in accordance with the Company's Bye-Laws.

VIAGOLD CAPITAL LIMITED

BIOGRAPHICAL DETAILS OF DIRECTORS AND SENIOR MANAGEMENT

VIAGOLD - MANAGEMENT TEAM

Chairman and Non-executive Director - Dr. Longguang Shi

Dr. Longguang Shi was appointed as Chairman and executive director of the Company in September 2010. Dr. Shi is the founder and chairman of LongDa Education Management Group. He is life-long engaged in education carrier for over 30 years. Dr. Shi is engaging in both vocational and competence training education, providing professional consulting and management services to vocational education schools and developing education related businesses. Dr. Shi has a doctorate degree in Business Administration and Philosophy, a master degree in Economics and an MBA degree. Dr. Shi is also the vice-chairman of numerous Provincial and Municipal higher education associations.

CEO and Executive Director - Ms. Mulei Shi

Ms. Mulei Shi was appointed as CEO and executive director of the Company. Ms. Shi holds a bachelor degree in Economic and Law and an MBA concentrated in Finance from the United States. She served in a top investment bank in New York and worked in a large global enterprise - Konka Group, the giant manufacturer of electronic products that is listed in the Shenzhen Stock Exchange (Code: 000016 Shenzhen B Shares). She is the vice-principal of a Zhuhai vocational school and achieved rich management experience. Additionally, she is also the executive director of the Association of Young Entrepreneurs, Guangdong Province.

CFO and Executive Director - Mr. King Choi Leung

Mr. King Choi Leung was appointed as CFO and executive director of the Company. Mr. Leung has 15 years banking experience and was formerly a corporate banking manager of BNP-Paribas. He has over 18 years experience in management. He had been the executive director of Maytex Group; the deputy president of the Deans brand apparel company in New York (a large US fashion importer) and the Finance Director of Digital City Hong Kong Limited. Mr. Leung holds an Honors Business Administration (HBA) degree from the Richard Ivey Business School of the University of Western Ontario, Canada.

Executive director - Mr. Jack Chik Ming Chu

Mr. Jack Chik Ming Chu, formerly is the Deputy Chairman, CEO and executive director of the Company, Mr. Chu is responsible for the strategic planning and development of a number of investment projects and business focused at developing area of China. He is also a 21 years veteran of Certified Commercial Investment Member (CCIM), is an astute businessman and high-tech visionary with an established track record of building successful projects and other ventures throughout Greater China. Raised in the United States, but have been lived and worked in the Greater China Area doing a number of successful projects and investments, includes in his group are 5 publicly listed companies, 4 in Hong Kong and one in Australia. Through his wealth of experience, he indeed has a very clear understanding of doing business in both sides of the world. A native of Portland, he graduated from Portland State University with a Bachelor of Science degree in Business Management as well as a construction associate degree from Portland Community College. He completed his MBA degree from Golden Gate University in San Francisco, California.

VIAGOLD CAPITAL LIMITED

BIOGRAPHICAL DETAILS OF DIRECTORS AND SENIOR MANAGEMENT(CONT'D)

VIAGOLD - MANAGEMENT TEAM (cont'd)

Executive director - Mr. Jack Chik Ming Chu (cont'd)

Through the various Information Technology and development projects he has conceived, deployed and managed, he has cultivated numerous relationships across China in commercial and government spheres. Those valuable relationships are critical to the successfully navigating the intricacies of China's complex and ever changing business environment and market dynamics. Mr. Chu firmly understands the business and technological climates on both sides of the Pacific. His background and experiences in Asia, combined with those from the U.S. (Department of Energy and various American investment and brokerage houses) provide him additional insights and understandings that are useful for Western companies wishing to do business in China, as well as for Asian businesses seeking to access the U.S. marketplace.

Executive director - Mr. Pierre Seligman

Mr. Pierre Seligman worked as a senior executive for 15 years in a Hong Kong leading buying office that represented major retailers and importers of garments throughout Europe and the United States of America. He studied in Europe and in the United States of America. He has a Bachelors degree in French Literature and a textile degree in knitwear from the University of Leeds.

Non-executive director - Mr. William Kam Biu Tam

Mr. William Kam Biu Tam was once the CFO, company secretary and executive director of the Company and Mr. Tam has changed his capacity as an non-executive director of the Company. He has over eighteen years of experience in financial management and corporate finance, gained with a number of Hong Kong listed companies and international groups. Mr. Tam obtained a degree in Master of Business Administration in 1981 from York University in Toronto, Canada and became an associate member of the Hong Kong Institute of Certified Public Accountants in September 1987 and a fellow of the Association of Chartered Accountants in May 1988.

Independent Non-executive director - Dr. Wei Xiang

Dr. Wei Xiang is an independent non-executive director of the Company and a member of the CEO Advisory Committee of Queensland Cyber Infrastructure Foundation (QCIF). Mr. Xiang is a PhD in Telecommunication Engineering of University of South Australia. He has ample working experience in research and lecturing in the University of Southern Queensland. He possesses numerous honors, awards and grants in his visiting academics and researches. Mr. Xiang is an author of study books and journals in the telecommunication field.

Independent Non-executive director - Mr. James Anthony Wigginton

Mr. James Anthony Wigginton is an independent non-executive director of the Company. Mr. Wigginton, who is a qualified accountant, is currently an authorised representative of Falconer, Bellomo & Company Limited, an Australian based investment bank. He has over 29 years experience in the banking and stockbroking industry, both in Australia and overseas. He has held executive management positions with a number of major international banks in Australia, the United States and Asia and has considerable experience in international banking and corporate finance. He has been responsible for a number of initial public offerings in Australia. He has been a director of a number of private companies both in Australia and overseas.

VIAGOLD CAPITAL LIMITED

BIOGRAPHICAL DETAILS OF DIRECTORS AND SENIOR MANAGEMENT(CONT'D)

SENIOR MANAGEMENT TEAM

Mr. Kenneth Kwing Chuen Tang

Mr. Kenneth Kwing Chuen Tang, who was appointed as company secretary of the Company in January 2007, holds a Master degree of Commerce in Finance and a Bachelor degree of Science majoring in Information Systems from the University of New South Wales. Prior to joining the Company, Mr. Tang had implemented an online e-commerce platform in a subsidiary of Culturecom. Mr. Tang also has experience in the Banking and Finance Industry.

INDEMNIFICATION OF DIRECTORS AND OFFICERS

Pursuant to the Company's Bye-Law 39 and a special resolution passed at the Annual General Meeting of Shareholders held on May 24, 2002, the Company shall pay or agree to pay a premium in respect of a policy insuring any person who is, or has been, an officer of the Company or a subsidiary of the Company against any liability in respect of which the Company would be required to indemnify such person pursuant to Bye-Law 39; and despite anything to the contrary expressed or implied in these Bye-Laws, each director will, so long as and to the extent that his interest under any such contract of insurance which is under consideration by the directors is that of an insured party, be deemed to have declared his interest pursuant to Bye-Law 18.10(g) in respect thereof, and shall be entitled to vote and be counted in the quorum on any resolution of the Board in respect thereof even though such director may be materially interested therein.

However, with the expiry of the insurance policies for the directors and officers on June 29, 2003, the Company has not made any other relevant arrangement to indemnify the directors and officers or of any related body corporate of the Company for the financial year ended March 31, 2012.

MEETINGS OF DIRECTORS

The attendance of the directors at Board meetings for the financial year is as follows:

Directors	Board Meetings	
	<u>Held</u>	<u>Attended</u>
Dr. Longguang Shi	26	26
Ms. Mulei Shi	26	26
Mr. King Choi Leung	26	26
Dr. Wei Xiang	26	26
Mr. Pierre Seligman	26	26
Mr. Jack Chik Ming Chu	26	1
Mr. William Kam Biu Tam	26	26
Mr. James Anthony Wigginton	26	26

RESULTS

The results of the Group for the year ended March 31, 2012 are set out in the consolidated income statement and consolidated statement of comprehensive income on pages 30 and 31. The directors do not recommend the payment of a dividend.

VIAGOLD CAPITAL LIMITED

FIXED ASSETS

Details of the movements in the fixed assets of the Group during the year are set out in note 14 to the consolidated financial statements.

SHARE CAPITAL

Details of the movements in the share capital of the Company during the year are set out in note 18 to the consolidated financial statements.

SIGNIFICANT CHANGES IN STATE OF AFFAIRS

During the financial year, there was no significant change in the state of affairs of the Group other than those referred in the consolidated financial statements or notes thereto.

SIGNIFICANT EVENTS AFTER THE END OF THE REPORTING PERIOD

No matter or circumstance has arisen since March 31, 2012 that has significantly affected, or may significantly affect, the operations of the Group, the results of those operations, or the state of affairs of the Group in the coming financial years.

DIRECTORS' INTERESTS IN SHARES AND SHARE OPTIONS

(i) Shares

At March 31, 2012, the interests of the Company's directors and their associates in the issued share capital are as follows:

Name	<u>Number of shares held</u>	
	Personal interests	corporate interests
Mr. Jack Chik Ming Chu (Note i, ii, iii)	15,950	-
Dr. Longguang Shi (Note iv)	-	6,000,000
Ms. Mulei Shi (Note iv)	-	4,000,000

Note:

- (i) 10,950 shares are beneficially held by Mr. Jack Chik Ming Chu.
- (ii) 2,500 shares are jointly held by Mr. Jack Chik Ming Chu and Mr. Mun Bun Chung.
- (iii) 2,500 shares are jointly held by Mr. Jack Chik Ming Chu and Mr. Koi Lin Sin.
- (iv) Dr. Longguan Shi and Ms. Mulei Shi are the beneficial owners of Capital Luck Group Limited.

VIAGOLD CAPITAL LIMITED

DIRECTORS' INTERESTS IN SHARES AND SHARE OPTIONS (CONT'D)

(ii) Share options

Employee share option scheme

On December 19, 2007, ordinary resolutions were passed by the shareholders at the annual general meeting to approve the adoption of a new share option scheme (the "New Scheme") and the termination of the old share scheme (the "Old Scheme") which were adopted on November 28, 1995.

The Company changed the share option scheme because of the limited participation by senior management, employees and director provided by the Old Scheme. Under the New Scheme, it offers a wider participation by directors, employees, management, contractors and consultant.

The participants of New Scheme are the employee of the Company. No option may be issued to a person under the plan unless the person remains as an employee as at the date of grant, or the Plan Committee determines otherwise.

The employee means:

- (a) an individual whom the Plan Committee determines to be in the full-time or part-time employment of a body corporate in the Group (including any employee on parental leave, long service leave or other special leave as approved by the Plan Committee);
- (b) a director of a body corporate in the Group;
- (c) a director of the Company;
- (d) an individual who provides services to a body corporate in the Group whom the Plan Committee determines to be an employee for the purposes of the Plan;
- (e) an individual whose associate (as that expression is defined in section 139GE of the Income Tax Assessment Act 1936) provides services to a body corporate in the Group, which individual the Plan Committee determines to be an employee for the purposes of the Plan; or
- (f) an individual otherwise in the employment of a body corporate in the Group whom the Plan Committee determines to be an employee for the purposes of the Plan.

The total number of shares in respect of which option may be granted under the New Scheme is not permitted to exceed 10% of the total number of issued shares in the Company as at the date of the offer.

The option granted under the New Scheme will be non-transferable, it means that they cannot be sold, transferred, mortgaged, charged or otherwise disposed of or dealt with by the participant prior to exercise except as permitted under Rule 10.3 which are stated as follows.

VIAGOLD CAPITAL LIMITED

DIRECTORS' INTERESTS IN SHARES AND SHARE OPTIONS (CONT'D)

(ii) Share options (cont'd)

Employee share option scheme (cont'd)

Rule 10.3 stated that Options may be transferred, by an instrument of transfer, in the following circumstances only:

- (a) a transfer constituting the necessary transfer documents following an acceptance of an offer made under an off-market bid relating to options;
- (b) a transfer to a bidder on the sale of the Options under any provision of an applicable law that entitles the bidder to compulsorily acquire the options;
- (c) a transfer to a 100% holder of shares on the sales of the options under any provision of an applicable law that requires the holder to compulsorily acquire the options;
- (d) a transfer under any provision of an applicable law to any person required to acquire the options, if offered for sales, under such provision of the applicable law;
- (e) a transfer in accordance with a scheme of arrangement relating to the options which has become binding in accordance with the provisions of any applicable law;
- (f) if approved by the Board, which approval must not be unreasonably withheld or delayed, a transfer to a related entity of the Participant; or
- (g) any other transfer approved by the Board, which approval may be withheld or delayed or be made subject to conditions at the absolute discretion of the Board.

Options will be issued for consideration comprising the services that are expected to be provided by eligible employees to or for the benefit of the Group but no further monetary or other consideration will be payable in respect of the issue of an option.

The exercise price in respect of an option is as determined by the Plan Committee and must be denominated and payable in Australian dollars.

The New Share Scheme was approved by the shareholders of the Company on December 19, 2007.

VIAGOLD CAPITAL LIMITED

DIRECTORS' INTERESTS IN SHARES AND SHARE OPTIONS (CONT'D)

(ii) Share options - continued

Employee share option scheme - continued

Movements in the share options granted are set out below:

Eligible person	Balance as at April 1, 2011	Number of underlying shares			Balance as at March 31, 2012	Exercise price per share \$A	Date of grant (dd/mm/yyyy)	Exercisable period (dd/mm/yyyy)
		Granted during the year ended March 31, 2012	Exercised during the year ended March 31, 2012	Cancelled during the year ended March 31, 2012				
Directors								
Mr. Jack Chik Ming Chu	100,000	-	-	-	100,000	2	19/12/2007	08/04/2008 - 08/04/2018
Mr. Pierre Seligman	100,000	-	-	-	100,000	2	19/12/2007	08/04/2008 - 08/04/2018
Mr. James Anthony Wigginton	50,000	-	-	-	50,000	2	19/12/2007	08/04/2008 - 08/04/2018
Mr. William Kam Biu Tam	50,000	-	-	-	50,000	2	19/12/2007	08/04/2008 - 08/04/2018
Employees	130,000	-	-	-	130,000	2	19/12/2007	08/04/2008 - 08/04/2018
Consultants	1,218,792	-	-	-	1,218,792	2	19/12/2007	08/04/2008 - 08/04/2018
Employees	1,180,000	-	-	-	1,180,000	1	29/11/2010	29/11/2010 - 29/11/2015
Consultants	3,020,000	-	-	-	3,020,000	1	29/11/2010	29/11/2010 - 29/11/2015
Former directors								
Mr. Cheong Sao Tai	50,000	-	-	-	50,000	2	19/12/2007	08/04/2008 - 08/04/2018
Mr. Henry Chang Manayan	50,000	-	-	-	50,000	2	17/12/2008	17/12/2008 - 16/12/2018
Total	<u>5,948,792</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>5,948,792</u>			

The Company adopts the Binomial Option Pricing Model for estimating the fair value of share options issued under the Share Option Scheme. The model is one of the commonly used models to estimate the fair value of a share option which can be exercised before the expiry of the option period.

VIAGOLD CAPITAL LIMITED

DIRECTORS' INTERESTS IN SHARES AND SHARE OPTIONS (CONT'D)

(ii) Share options (cont'd)

Employee share option scheme (cont'd)

Significant assumptions are used in the Binomial Option Pricing Model to estimate the value of the share option granted on the grant date, taking into account the following factors:

- Risk-free interest rate - the yields of Australian Government Bonds.
- Expected volatility - the historical volatility of the share prices of the Company.

Binomial Option Pricing Model is subject to certain fundamental limitations because of the subjective nature of and uncertainty relating to the assumptions and inputs to the model as well as certain inherent limitation of the model itself. Any changes in the above assumptions or inputs may materially affect the fair value estimation.

Consultant is classified as employee under the New Scheme.

ARRANGEMENTS TO PURCHASE SHARES OR DEBENTURES

At no time during the year was the Company, its ultimate holding company, any of its subsidiaries or fellow subsidiaries a party to any arrangements to enable the directors of the Company to acquire benefits by means of the acquisition of shares in, or debentures of, the Company or any other body corporate.

DIRECTORS' INTERESTS IN CONTRACTS OF SIGNIFICANCE

Other than as disclosed in note 24 to the consolidated financial statements, no other contract of significance in relation to the Group's business to which the Company, its ultimate holding company, or any of its subsidiaries or its fellow subsidiaries was a party and in which a director of the Company had a material interest, whether directly or indirectly, subsisted at the end of the year or at any time during the year.

DIRECTORS' BENEFITS

Pursuant to the resolutions passed by the shareholders of the Company on October 7, 2002, the total amount of remuneration payable by the Company to its directors by way of directors' fees shall not exceed A\$250,000 per annum.

Other than as disclosed in note 9 to the consolidated financial statements, during the year, no director of the Company has received or become entitled to receive a benefit because of a contract that the director or a firm of which the director is a member or a company in which the director has a substantial financial interest made with the Company or a company that the Company controlled, or a body corporate that was related to the Company, when the contract was made or when the director received, or became entitled to receive the benefit.

VIAGOLD CAPITAL LIMITED

DIRECTORS' INTERESTS IN SHARES AND SHARE OPTIONS (CONT'D)

PRE-EMPTIVE RIGHTS

There is no provision for pre-emptive rights under the Company's Bye-Laws, or the laws of Bermuda which would oblige the Company to offer new shares on a pro-rata basis to existing shareholders.

AUDITOR

The financial statements have been audited by Messrs. FTW & Partners CPA Limited, who will retire at the forthcoming annual general meeting and, being eligible, offer themselves for re-appointment.

On behalf of the Board



Dr. Longguang Shi
Director

July 30, 2012

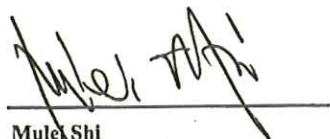
VIAGOLD CAPITAL LIMITED

DIRECTORS' DECLARATION

The directors of the Company declare that, for the year ended March 31, 2012:

- 1 The attached financial statements and notes thereto as set out on pages 30 to 86:
 - (a) comply with the International Financial Reporting Standards; and
 - (b) present fairly of the Group's financial position as at March 31, 2012 and of its performance for the financial year then ended.
- 2 In the directors' opinion, there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.

Signed on behalf of and in accordance with a resolution of the Board of directors.



Mule Shi
Director

July 30, 2012

VIAGOLD CAPITAL LIMITED

FTW & Partners CPA Limited **港駿會計師行有限公司**



FTW & Partners CPA Limited
Rooms 1001-1003, 10/F,
Manulife Provident Funds Place
345 Nathan Road
Kowloon, Hong Kong

INDEPENDENT AUDITOR'S REPORT TO THE SHAREHOLDERS OF VIAGOLD CAPITAL LIMITED

(incorporated in the Bermuda with limited liability)

We have audited the consolidated financial statements of ViaGOLD Capital Limited (the "Company") and its subsidiaries (together the "Group"), set out on pages 30 to 86, which comprise the consolidated statements of financial position as at March 31, 2012, and the consolidated income statement, the consolidated statements of comprehensive income, consolidated statements of changes in equity and consolidated statements of cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

Directors' responsibility for the consolidated financial statements

The directors are responsible for the preparation and fair presentation of these consolidated financial statements in accordance with International Financial Reporting Standard, and for such internal control as the directors determine is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's responsibility

Our responsibility is to express an opinion on these consolidated financial statements based on our audit and to report our opinion solely to you, as a body, in accordance with Section 90 of the Companies Act 1981 (as amended) of Bermuda and for no other purpose. We do not assume responsibility towards or accept liability to any other person for the contents of this report.

We conducted our audit in accordance with International Standards on Auditing. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance whether the consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the consolidated financial statements 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 management, as well as evaluating the overall presentation of the consolidated financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

VIAGOLD CAPITAL LIMITED

Opinion

In our opinion, the consolidated financial statements present fairly, in all material respects, of the financial position of ViaGOLD Capital Limited and its subsidiaries as of March 31, 2012 and their financial performance and cash flows for the year then ended in accordance with International Financial Reporting Standards.

John A. Partner CPA CH

FTW & Partners CPA Limited
Certified Public Accountants
Hong Kong, July 30, 2012

HO Cheung Kong
Practising Certificate Number: P05214

VIAGOLD CAPITAL LIMITED

CONSOLIDATED INCOME STATEMENT FOR THE YEAR ENDED MARCH 31, 2012

		2012	2011 (restated)
	Note	AS'000	AS'000
Continuing operations			
Turnover	5	2,052	1,463
Cost of services		(491)	(452)
Gross profit		1,561	1,011
Other income	7	90	9
Goodwill impairment		-	(14,684)
Guaranteed profit paid		-	(361)
Administrative expenses		(943)	(5,066)
Other operating expenses		(30)	(54,779)
Profit/(loss) before income tax	8	678	(73,870)
Income tax expenses	11	-	-
Profit/(loss) for the year from continuing operations		678	(73,870)
Discontinued operations			
(Loss)/profit for the year from discontinued operations	6	(4,667)	70,600
Loss for the year		(3,989)	(3,270)
Attributable to:			
Equity holders of the Company		(3,946)	(3,209)
Non-controlling interests		(43)	(61)
		(3,989)	(3,270)
Earnings per share for profit/(loss) attributable to the equity holders of the Company during the year			
- basic	13		
From continuing operations		A\$0.02	(A\$3.00)
From discontinued operations		(A\$0.15)	A\$2.86
		(A\$0.13)	(A\$0.14)
- diluted	13		
From continuing operations		N/A	(A\$2.70)
From discontinued operations		N/A	A\$2.64
		N/A	(A\$0.06)

The notes on pages 36 to 86 form an integral part of these consolidated financial statements.

VIAGOLD CAPITAL LIMITED

CONSOLIDATED STATEMENT OF COMPEHENSIVE INCOME FOR THE YEAR ENDED MARCH 31, 2012

	2012	2011 (restated)
	A\$'000	A\$'000
Loss for the year	<u>(3,989)</u>	<u>(3,270)</u>
Other comprehensive income/(loss) for the year		
Exchange differences on translation of:		
- Financial statements of overseas subsidiaries	121	(579)
- Reserve released upon disposal of interests in subsidiaries	<u>4,220</u>	<u>(16,183)</u>
	<u>4,341</u>	<u>(16,762)</u>
Total comprehensive income/(loss) for the year	<u><u>352</u></u>	<u><u>(20,032)</u></u>
Attributable to:		
Equity shareholders of the Company	376	(19,920)
Non-controlling interests	<u>(24)</u>	<u>(112)</u>
	<u><u>352</u></u>	<u><u>(20,032)</u></u>

The notes on pages 36 to 86 form an integral part of these consolidated financial statements.

VIAGOLD CAPITAL LIMITED

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

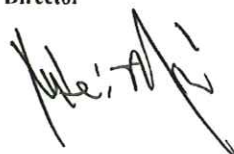
As at March 31, 2012

	Note	2012 A\$'000	2011 A\$'000
Assets			
Non-current assets			
Fixed assets	14		
- Investment property		588	576
- Other property, plant and equipment		506	802
		<u>1,094</u>	<u>1,378</u>
Current assets			
Trade and other receivables	15	1,617	1,290
Financial assets at fair value through profit or loss	16	-	501
Cash and cash equivalents	17	1,154	2,162
		<u>2,771</u>	<u>3,953</u>
Total assets		<u>3,865</u>	<u>5,331</u>
Equity			
Share capital	18	6,131	6,131
Reserves	19	(3,213)	(3,589)
Capital and reserves attributable to the owners of the Company		2,918	2,542
Non-controlling interests		583	607
Total equity		<u>3,501</u>	<u>3,149</u>
Liabilities			
Current liabilities			
Other payables	20	364	872
Income tax payable		-	1,310
Total liabilities		<u>364</u>	<u>2,182</u>
Total equity and liabilities		<u>3,865</u>	<u>5,331</u>

Longguang Shi
Director



Mulei Shi
Director



The notes on pages 36 to 86 form an integral part of these consolidated financial statements.

As at March 31, 2012

The notes on pages 36 to 86 form an integral part of these consolidated financial statements.

VIAGOLD CAPITAL LIMITED

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED MARCH 31, 2012

	Attributable to equity holders of the Company						
	Reserves				Non-controlling interests A\$'000	Total equity A\$'000	
	Share capital A\$'000	Share premium A\$'000	Translation reserve A\$'000	Share-based compensation reserve A\$'000	Accumulated losses A\$'000	Total A\$'000	
As at April 1, 2011	6,131	29,020	(33,023)	5,979	(53,210)	2,542	3,149
- Total comprehensive income	-	-	4,322	-	(3,946)	376	352
As at March 31, 2012	6,131	29,020	(28,701)	5,979	(57,156)	2,918	3,501

The notes on pages 36 to 86 form an integral part of these consolidated financial statements.

VIAGOLD CAPITAL LIMITED

CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE YEAR ENDED MARCH 31, 2012

	Note	2012 A\$'000	2011 A\$'000
Cash flows from operating activities			
Cash generated from operations	21	17	722
Interest paid		-	(20)
Net cash generated from operating activities		17	702
Cash flows from investing activities			
Acquisition of fixed assets	14	(39)	(645)
Proceeds from disposal of other fixed assets		104	-
Disposal of subsidiaries, net of cash disposed of	23	(1,134)	2,637
Acquisition of a subsidiary, net of cash acquired	26	-	(1,198)
Interest received		2	3
Net cash (used in)/from investing activities		(1,067)	797
Cash flows from financing activities			
Repayment of borrowings		-	(2,662)
Proceeds from issuance of ordinary shares		-	924
Net cash used in financing activities		-	(1,738)
Net decrease in cash and cash equivalents		(1,050)	(239)
Cash and cash equivalents at the beginning of the year		2,162	2,640
Exchange gains/(losses) on cash and cash equivalents		42	(239)
Cash and cash equivalents at the end of the year	17	1,154	2,162

The notes on pages 36 to 86 form an integral part of these consolidated financial statements.

VIAGOLD CAPITAL LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2012

1. General information

ViaGOLD Capital Limited (the "Company") was incorporated in Bermuda as an exempted company with limited liability and its shares are listed on the Australian Securities Exchange Limited (the "ASX"). The address of the registered office is Clarendon House, 2 Church Street, Hamilton HM 11, Bermuda and principal places of business of the Company are disclosed on page 89.

The Company and its subsidiaries (together the "Group") are principally engaged in investment holding, leasing and capital financing services, and consultancy and management services to educational institutions. Details of the activities of the Company's principal subsidiaries are set out in note 28.

These consolidated financial statements are presented in units of Australian dollars (A\$), unless otherwise stated. These consolidated financial statements were approved for issue by the Board of directors on July 30, 2012.

2. Significant accounting policies

2.1. Basis of preparation of financial statements

The consolidated financial statements of the Company have been prepared in accordance with International Financial Reporting Standards and IFRIC interpretations ("IFRS") issued by the International Accounting Standards Board ("IASB"). The consolidated financial statements have been prepared under the historical cost convention, as modified by the revaluation of financial assets and financial liabilities at fair value through profit or loss.

These consolidated financial statements have been prepared under the accrual basis of accounting and on the basis that the Group is a going concern.

The preparation of financial statements in conformity with IFRS requires the use of certain critical, accounting estimates. It also requires management to exercise its judgement in the process of applying the Group's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the consolidated financial statements are disclosed in note 4.

Application of new and revised IFRS

In the current year, the Group has applied the following new and revised standards, amendments and interpretations ("new and revised IFRSs") issued by IASB and the International Financial Reporting Interpretations Committee ("IFRIC") of the IASB which are or have become effective.

VIAGOLD CAPITAL LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2012

2. Significant accounting policies (cont'd)

2.1. Basis of preparation of financial statements (cont'd)

Application of new and revised IFRS (cont'd)

The adoption of the new and revised IFRSs has had no material effect on the consolidated financial statements of the Group for the current or prior accounting periods.

Amendments to IFRS 1	Amendment to IFRS 1 First-time Adoption of International Financial Reporting Standards - Limited Exemption from Comparative IFRS 7 Disclosures for First-time Adopters
IFRS 24 (revised)	Related Party Disclosures
IFRIC 19	Extinguishing Financial Liabilities with Equity Instruments
Improvements to IFRSs 2010	Amendments to a number of IFRSs issued in May 2010

The Group has not early applied the following new and revised standards, amendments and interpretations that have been issued but are not yet effective.

Amendments to IFRSs	Annual improvements to IFRSs 2009 - 2011 cycle ²
Amendments to IFRS 1	Severe hyperinflation and removal of fixed dates from first-time adopters ¹
Amendments to IFRS 1	Government loans ²
Amendments to IFRS 7	Disclosures - Transfers of financial assets ¹
Amendments to IFRS 7	Disclosures - Offsetting financial assets and financial liabilities ²
Amendments to IFRS 7 and IFRS 9	Mandatory effective date of IFRS 9 and transition disclosures ³
IFRS 9	Financial instruments ³
IFRS 10	Consolidated financial statements ²
IFRS 11	Joint arrangement ²
IFRS 12	Disclosure of interests in other entities ²
IFRS 13	Fair value measurement ²
Amendments to IAS 1	Presentation of items of other comprehensive income ⁴
IAS 12	Deferred tax - Recovery of underlying assets ⁶
IAS 19 (as revised in 2011)	Employee benefits ²
IAS 27 (as revised in 2011)	Separate financial statements ²
IAS 28 (as revised in 2011)	Investments in associates and joint ventures ²
Amendments to IAS 32	Offsetting financial assets and financial liabilities ⁵
IFRIC-INT 20	Stripping costs in the production phase of a surface mine ²

¹ Effective for annual periods beginning on or after 1 July 2011

² Effective for annual periods beginning on or after 1 January 2013

³ Effective for annual periods beginning on or after 1 January 2015

⁴ Effective for annual periods beginning on or after 1 July 2012

⁵ Effective for annual periods beginning on or after 1 January 2014

⁶ Effective for annual periods beginning on or after 1 January 2012

VIAGOLD CAPITAL LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2012

2. Significant accounting policies (cont'd)

2.2. Consolidation

The consolidated financial statements include the financial statements of the Company and all of its subsidiaries made up to March 31, 2012.

Subsidiaries

Subsidiaries are all entities (including special purpose entities) over which the Group has the power to govern the financial and operating policies generally accompanying a shareholding of more than one half of the voting rights. The existence and effect of potential voting rights that are currently exercisable or convertible are considered when assessing whether the Group controls another entity. Subsidiaries are fully consolidated from the date on which control is transferred to the Group. They are de-consolidated from the date that control ceases.

The Group uses the acquisition method of accounting to account for business combinations. The consideration transferred for the acquisition of a subsidiary is the fair values of the assets transferred, the liabilities incurred and the equity interests issued by the Group. The consideration transferred includes the fair value of any asset or liability resulting from a contingent consideration arrangement. Acquisition-related cost are expensed as incurred. Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are measured initially at their fair values at the acquisition date. On an acquisition-by-acquisition basis, the Group recognises any non-controlling interest in the acquiree either at fair value or at the non-controlling interest's proportionate share of the acquiree's net assets.

Investments in subsidiaries are accounted for at cost less impairment. Cost is adjusted to reflect changes in consideration arising from contingent consideration amendments. Cost also includes direct attributable costs of investment.

The excess of the consideration transferred, the amount of any non-controlling interest in the acquiree and the acquisition-date fair value of any previous equity interest in the acquiree over the fair value of the Group's share of the identifiable net assets acquired is recorded as goodwill. If this is less than the fair value of the net assets of the subsidiary acquired in the case of a bargain purchase, the difference is recognised directly in profit or loss.

Inter-company transactions, balances and unrealised gains on transactions between group companies are eliminated. Unrealised losses are also eliminated. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the Group.

Transactions and non-controlling interests

The Group treats transactions with non-controlling interests as transactions with equity owners of the Group. For purchases from non-controlling interests, the difference between any consideration paid and the relevant share acquired of the carrying value of net assets of the subsidiary is recorded in equity. Gains or losses on disposals to non-controlling interests are also recorded in equity.

VIAGOLD CAPITAL LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2012

2. Significant accounting policies (cont'd)

2.2. Consolidation (cont'd)

Transactions and non-controlling interests (cont'd)

When the Group ceases to have control or significant influence, any retained interest in the entity is remeasured to its fair value, with the change in carrying amount recognised in profit or loss. The fair value is the initial carrying amount for the purposes of subsequently accounting for the retained interest as an associate, joint venture or financial asset. In addition, any amounts previously recognised in other comprehensive income in respect of that entity are accounted for as if the Group had directly disposed of the related assets or liabilities. This may mean that amounts previously recognised in other comprehensive income are reclassified to profit or loss.

2.3. Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision-maker. The chief operating decision-maker, who is responsible for allocating resources and assessing performance of the operating segments, has been identified as the steering committee that makes strategic decisions.

2.4. Foreign currency translation

Functional and presentation currency

Items included in the financial statements of each of the Group's entities are measured using the currency of the primary economic environment in which the entity operates (the "functional currency"). The consolidated financial statements are presented in Australian dollars, which is the Group's presentation currency, while the Group's transactions are denominated in multi-currencies, including Hong Kong Dollars ("HKD"), Renminbi ("RMB") and Macau Pataca ("MOP").

Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions or valuation where items are re-measured. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the consolidated income statement.

Changes in the fair value of monetary securities denominated in a foreign currency and classified as available-for-sale are analysed between translation differences resulting from changes in the amortised cost of the security, and other changes in the carrying amount of the security. Translation differences related to changes in amortised cost are recognised in profit or loss, and other changes in the carrying amount are recognised in other comprehensive income.

Translation differences on non-monetary financial assets and liabilities such as equities held at fair value through profit or loss are recognised in profit or loss as part of the fair value gain or loss. Translation differences on non-monetary financial assets such as equities classified as available-for-sale are included in the other comprehensive income.

VIAGOLD CAPITAL LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2012

2. Significant accounting policies (cont'd)

2.4. Foreign currency translation (cont'd)

Group companies

The results and financial position of all the Group entities (none of which has the currency of a hyperinflationary economy) that have a functional currency different from the presentation currency are translated into the presentation currency as follows:

- assets and liabilities for each statement of financial position presented are translated at the closing rate at the end of the reporting period;
- income and expenses for each income statement are translated at average exchange rates (unless this average is not a reasonable approximation of the cumulative effect of the rates prevailing on the transaction dates, in which case income and expenses are translated at the dates of the transactions); and
- all resulting exchange differences are recognised in other comprehensive income.

On consolidation, exchange differences arising from the translation of the net investment in foreign operations, and of borrowings and other currency instruments designated as hedges of such investments, are taken to other comprehensive income. When a foreign operation is partially disposed of or sold, exchange differences that were recorded in equity are recognised in the profit or loss as part of the gain or loss on sale.

Goodwill and fair value adjustments arising on the acquisition of a foreign entity are treated as assets and liabilities of the foreign entity and translated at the closing rate.

2.5. Revenue recognition

Revenue comprises the fair value of the consideration received or receivable for the sale of services in the ordinary course of the Group's activities. Revenue is shown net of value-added tax, returns, rebates and discounts and after eliminating sales within the Group.

The Group recognises revenue when the amount of revenue can be reliably measured, it is probable that future economic benefits will flow to the entity and when specific criteria have been met for each of the Group's activities as described below. The Group bases its estimates on historical results, taking into consideration the type of customer, the type of transaction and the specifics of each arrangement.

Provision of management and consulting services to educational institutions

Revenue from management and consulting services to educational institutions are recognised when the services are rendered.

VIAGOLD CAPITAL LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2012

2. Significant accounting policies (cont'd)

2.5. Revenue recognition (cont'd)

Sales of equity securities

Sales of listed securities are recognised when instructions for sales given to securities brokers/purchasers are properly executed thereafter.

Interest income

Interest income is recognised on a time proportion basis on the principal outstanding and at the effective interest rate applicable.

Dividend income

Dividend income is recognised when the right to receive payment is established.

Lease income

Lease income is recognised over the term of the lease on a straight-line basis.

2.6. Leases

A lease is an agreement whereby the lessor conveys to the lessee in return for a payment, or series of payments, the right to use an asset for an agreed period of time.

Leases in which a significant portion of the risks and rewards of ownership are retained by the lessor are classified as operating leases. Payments made under operating leases (net of any incentives received from the lessor) are charged to the consolidated income statement on a straight-line basis over the period of the lease.

2.7. Fixed assets

Investment property

Investment properties are properties held to earn rental income and/or for capital appreciation. Investment properties are initially measured at cost, including any directly attributable expenditure, except for those transferred from property, plant and equipment and land use rights which are measured at fair value at date of transfer. After initial recognition, investment property is accounted for in accordance with the cost model as set out in IAS 16, Property, Plant and Equipment—cost less accumulated depreciation and less accumulated impairment losses.

Depreciation is calculated using the straight-line method to allocate their costs to their residual values over their estimated useful lives, as follows:

Buildings	- over 240 months
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VIAGOLD CAPITAL LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2012

2. Significant accounting policies (cont'd)

2.7. Fixed assets (cont'd)

Investment property (cont'd)

An investment property is derecognised upon disposal or when the investment property is permanently withdrawn from use and no future economic benefits are expected from the disposal. Any gain or loss arising on derecognition of the property (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in profit or loss in the period in which the property is derecognised.

Other property, plant and equipment

Building comprises only an office. Building and all other property, plant and equipment are stated at historical cost less accumulated depreciation and impairment losses. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. The carrying amount of the replaced part is derecognised. All other repairs and maintenance are expensed in the profit or loss during the financial period in which they are incurred.

Depreciation is calculated using the straight-line method to allocate their costs to their residual values over their estimated useful lives, as follows:

Leasehold improvements	- over the lease terms
Plant and equipment	- 5-10 years
Furniture and fixtures	- 5-10 years
Motor vehicles	- 4-10 years
Buildings	- over the lease terms

The asset's residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period.

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount (note 2.8).

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised in the profit or loss.

VIAGOLD CAPITAL LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2012

2. Significant accounting policies (cont'd)

2.8. Impairment of non-financial assets

Assets that have an indefinite useful life, for example, goodwill, are not subject to amortisation and are tested annually for impairment. Assets that are subject to amortisation 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. The recoverable amount is the higher of an asset's fair value less costs to sell and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows (cash-generating units). Non-financial asset's other than goodwill that suffered an impairment are reviewed for possible reversal of the impairment at each reporting date.

2.9. Financial assets

The Group classifies its financial assets in the following categories: at fair value through profit or loss, loans and receivables and available-for-sale. The classification depends on the purposes for which the financial assets were acquired. Management determines the classification of its financial assets at initial recognition.

(i) Financial assets at fair value through profit or loss

Financial assets at fair value through profit or loss are financial assets held for trading. A financial asset is classified in this category if acquired principally for the purpose of selling in the short term. Derivatives are also categorised as held for trading unless they are designated as hedges. Assets in this category are classified as current assets if expected to be settled within 12 months; otherwise, they are classified as non-current.

(ii) Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They are included in current assets, except for maturities greater than 12 months after the end of the reporting period. These are classified as non-current assets. The Group's loans and receivables comprise "trade and other receivables" and "cash and cash equivalents" in the consolidated statement of financial position (note 2.10 and 2.11).

VIAGOLD CAPITAL LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2012

2. Significant accounting policies (cont'd)

2.9. Financial assets (cont'd)

(iii) Available-for-sale financial assets

Available-for-sale financial assets are non-derivatives that are either designated in this category or not classified in any of the other categories. They are included in non-current assets unless the investment matures management intends to dispose of it within 12 months of the end of the reporting period.

Recognition and measurement

Regular purchases and sales of financial assets are recognised on the trade-date-the date on which the Group commits to purchase or sell the asset. Investments are initially recognised at fair value plus transaction costs for all financial assets not carried at fair value through consolidated income statement. Financial assets carried at fair value through profit or loss are initially recognised at fair value, and transaction costs are expensed in the consolidated income statement. Financial assets are derecognised when the rights to receive cash flows from the investments have expired or have been transferred and the Group has transferred substantially all risks and rewards of ownership. Available-for-sale financial assets and financial assets at fair value through profit or loss are subsequently carried at fair value. Loans and receivables are subsequently carried at amortised cost using the effective interest method.

Gains or losses arising from changes in the fair value of the "financial assets at fair value through profit or loss" category are presented in the consolidated income statement in the period in which they arise. Dividend income from financial assets at fair value through profit or loss is recognised in the consolidated income statement as part of "other income" when the Group's right to receive payments is established.

Changes in the fair value of monetary and non-monetary securities classified as available-for-sale are recognised in other comprehensive income.

When securities classified as available-for-sale are sold or impaired, the accumulated fair value adjustments recognised in equity are included in the consolidated income statement as "gains and losses from investment securities".

Interest on available-for-sale securities calculated using the effective interest method is recognised in the consolidated income statement as part of "other income". Dividends on available-for-sale equity instruments are recognised in the consolidated income statement as part of "other income" when the Group's right to receive payments is established.

Offsetting financial instruments

Financial assets and liabilities are offset and the net amount reported in the consolidated statement of financial position when there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis, or realise the asset and settle the liability simultaneously.

VIAGOLD CAPITAL LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2012

2. Significant accounting policies (cont'd)

2.9. Financial assets (cont'd)

Impairment of financial assets carried at amortised cost

The Group assesses at the end of each reporting period whether there is objective evidence that a financial asset or a group of financial assets is impaired. A financial asset or a group of financial assets is impaired and impairment losses are incurred only if there is objective evidence of impairment as a result of one or more events that occurred after the initial recognition of the asset (a "loss event") and that loss event (or events) has an impact on the estimated future cash flows of the financial asset or a group of financial assets that can be reliably estimated.

Evidence of impairment may include indications that the debtors or a group of debtors is experiencing significant financial difficulty, default or delinquency in interest or principal payments, the probability that they will enter bankruptcy or other financial reorganisation, and where observable data indicate that there is a measurable decrease in the estimated future cash flows, such as changes in arrears or economic conditions that correlate with defaults.

For loans and receivables category, the amount of the loss is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows (excluding future credit losses that have not been incurred) discounted at the financial asset's original effective interest rate. The carrying amount of the asset is reduced and the amount of the loss is recognised in the consolidation income statement. If a loan or held-to-maturity investment has a variable interest rate, the discount rate for measuring any impairment loss is the current effective interest rate determined under the contract. As a practical expedient, the Group may measure impairment on the basis of an instrument's fair value using an observable market price.

If, in a subsequent period, the amount of the impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment was recognised (such as an improvement in the debtor's credit rating), the reversal of the previously recognised impairment loss is recognised in the consolidation income statement.

Impairment of assets classified as available-for-sale

The Group assesses at the end of each reporting period whether there is objective evidence that a financial asset or a group of financial assets is impaired. For debt securities, the Group uses the criteria referred above. In the case of equity investments classified as available-for-sale, a significant or prolonged decline in the fair value of the security below its cost is also evidence that the asset's are impaired. If any such evidence exists for available-for-sale financial assets, the cumulative loss-measured as the difference between the acquisition cost and the current fair value, less any impairment loss on that financial asset previously recognised in profit or loss - is removed from equity and recognised in profit or loss. Impairment losses recognised in the consolidated income statement on equity instruments are not reversed through the consolidated income statement. If, in a subsequent period, the fair value of a debt instrument classified as available-for-sale increases and the increase can be objectively related to an event occurring after the impairment loss was recognised in profit or loss, the impairment loss is reversed through the consolidated income statement.

VIAGOLD CAPITAL LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2012

2. Significant accounting policies (cont'd)

2.10. Trade and other receivables

Trade and other receivables are recognised initially at fair value and subsequently measured at amortised cost less provision for impairment, except where the effect of discounting would be immaterial. In such cases, the receivables are stated at cost less provision for impairment.

2.11. Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks and other short-term highly liquid investments with original maturities of three months or less.

2.12. Share capital

Ordinary shares are classified as equity.

Incremental costs directly attributable to the issue of new ordinary shares or options are shown in equity as a deduction, net of tax, from the proceeds.

2.13. Other payables

Other payables are recognised initially at fair value and subsequently measured stated at amortised cost unless the effect of discounting would be immaterial, in which case they are stated at cost.

2.14. Current and deferred income tax

The tax expense comprises current and deferred tax. Tax is recognised in the consolidated income statement, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, the tax is also recognised in other comprehensive income or directly, in equity respectively.

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted by the end of the reporting period in the countries where the Company and its subsidiaries operate and generate taxable income. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

Deferred income tax is recognised, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the consolidated financial statements. However, deferred tax liabilities are not recognised if they arise from the initial recognition of goodwill; deferred income tax is not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting nor taxable profit or loss. Deferred income tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the end of the reporting period and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.

Deferred income tax assets are recognised only to the extent that it is probable that future taxable profit will be available against which the temporary differences can be utilised.

VIAGOLD CAPITAL LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2012

2. Significant accounting policies (cont'd)

2.14. Current and deferred income tax (cont'd)

Deferred income tax is provided on temporary differences arising on investments in subsidiaries, except for deferred income tax liability where the timing of the reversal of the temporary difference is controlled by the Group and it is probable that the temporary difference will not reverse in the foreseeable future.

Deferred income tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets against current tax liabilities and when the deferred income taxes assets and liabilities relate to income taxes levied by the same taxation authority on either the same taxable entity or different taxable entities where there is an intention to settle the balances on a net basis.

2.15. Employee benefits

Employee leave entitlement

Employee entitlements to annual leave are recognised when they accrue to employees. A provision is made for the estimated liability for annual leave as a result of services rendered by employees up to the reporting date.

Employee entitlements to sick leave and maternity leave are not recognised until the time of leave.

Pension obligations

The employees of two of the Company's subsidiaries which operates in the People's Republic of China participates in the central pension scheme (the "CPS") operated by the local government authorities on behalf of its staff. This subsidiary is required to contribute a certain percentage of their covered payroll to the CPS to fund the benefits. The only obligation of the subsidiary with respect to the CPS is to pay the ongoing required contribution under the CPS. Contribution under the CPS are charged to the consolidated income statement as they become payable in accordance with the rules of the CPS.

Share-based payments

The Group operates a number of equity-settled, share-based compensation plans, under which the entity receives services from employees and consultants as consideration for equity instruments (options) of the Group. The fair value of the employee services received in exchange for the grant of the options is recognised as an expense. The total amount to be expensed is determined by reference to the fair value of the options granted, excluding the impact of any non-market service and performance vesting conditions (for example, profitability and sales growth targets.) Non-market vesting conditions are included in assumptions about the number of options that are expected to vest. The total expense is recognised over the vesting period, which is the period over which all of the specified vesting conditions are to be satisfied. At the end of each reporting period, the Group revises its estimates of the number of options that are expected to vest based on the non-marketing vesting conditions. It recognises the impact of the revision of original estimates, if any, in the consolidated income statement, with a corresponding adjustment to equity.

The proceeds received net of any directly attributable transaction costs are credited to share capital (nominal value) and share premium when the options are exercised.

VIAGOLD CAPITAL LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2012

2. Significant accounting policies (cont'd)

2.16. Provisions

Provisions for environmental restoration, restructuring costs and legal claims are recognised when: the Group has a present legal or constructive obligation as a result of past events; it is probable that an outflow of resources will be required to settle the obligation; and the amount has been reliably estimated. Restructuring provisions comprise lease termination penalties and employee termination payments. Provisions are not recognised for future operating losses.

Where there are a number of similar obligations, the likelihood that an outflow will be required in settlement is determined by considering the class of obligations as a whole. A provision is recognised even if the likelihood of an outflow with respect to any one item included in the same class of obligations may be small.

Provisions are measured at the present value of the expenditures expected to be required to settle the obligation using a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the obligation. The increase in the provision due to passage of time is recognised as interest expense.

VIAGOLD CAPITAL LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2012

3. Financial risk management

The Group's activities expose it to a variety of financial risks: market risk (including currency risk, price risk, cash flow interest rate risk and fair value interest rate risk), credit risk and liquidity risk. The Group's overall risk management programme focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the Group's financial performance. The Group does not use derivative financial instruments to hedge certain risk exposures.

Risk management is carried out by the Board of Directors. The Board of Directors identifies, evaluates and hedges financial risks in close co-operation with the Group's operating units.

3.1. Market risk

i. Foreign exchange risk

The Group operates internationally and is exposed to foreign exchange risk arising from various currency exposures, including Renminbi ("RMB") (2011: RMB).

Foreign exchange risk arises from future commercial transactions and recognised assets and liabilities denominated in a currency that is not the entity's functional currency (Hong Kong dollars) and net investments in foreign operations. The risk is measured using sensitivity analysis.

Based on the financial instruments held at March 31, 2012, if the HKD had weakened/strengthened by 4% (2011: 4%) against the RMB, with all other variables held constant, the Group's post-tax profit/(loss) would have been higher/lower by approximately A\$101,000 (2011: higher/lower by A\$54,000).

The Group endeavours to manage its sources and uses of foreign currencies to minimise potential mismatches in accordance with management directives. However, the Group's ability to manage its foreign currency positions in relation to the RMB is limited as the RMB is not a freely convertible currency. The PRC government's current foreign currency regulations require the conversion of foreign currency to be approved by relevant PRC government authorities.

VIAGOLD CAPITAL LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2012

3. Financial risk management (cont'd)

3.1. Market risk (cont'd)

ii. Price risk

The Group is exposed to equity price risk through its financial assets at fair value through profit or loss. The management manages the exposure by maintaining a portfolio of equity investments with different risk profiles.

The Group's investments consist mainly of the shares which are listed on the Stock Exchange of Hong Kong Limited. The fair value of the investments of the Group is determined with reference to quoted market prices.

At 31 March 2011, with all other variables held constant, if the average future price of financial assets at fair value through profit or loss increase/decrease by 10%, the impact on the Group's equity would be a maximum increase/decrease of approximately A\$40,000. This sensitivity analysis has been determined assuming that the change in the future prices had occurred at the end of the reporting period and had been applied to the exposure to the price risk in existence at that date. The 10% shift represents the management's assessment of a reasonable possible change in those future prices in shares listed on the Stock Exchange of Hong Kong Limited.

At 31 March 2012, the Group did not hold any financial assets at fair value through profit or loss.

iii. Cash flow and fair value interest rate risk

The Group's income and operating cash flows are substantially independent of change in market interest rates and the Group has no significant interest-bearing assets and liabilities except for cash and cash equivalents, details of which have been disclosed in note 17. Since the bank interest income is insignificant, management considers that cash flow and fair value interest rate risks of the Group are insignificant. Therefore no sensitivity analysis is presented thereon.

3.2. Credit risk

Credit risk is managed on a group basis. Credit risk arises from cash and cash equivalent, trade and other receivables.

The majority of the Group's trade and other receivables arose from credit sales to customers. Management has a credit policy in place and the exposures to these credit risks are monitored on an ongoing basis.

The credit risk on cash and cash equivalent is limited because the Group mainly places the deposits in banks with high credit rating and management does not expect any losses from non-performance by banks.

The Group has significant concentration of credit risk on trade receivables as they are mainly attributable from certain related parties.

Other than concentration of credit risk on trade receivables and liquid funds which are deposited with banks with high credit rating, the Group does not have any other significant concentration of credit risk.

VIAGOLD CAPITAL LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2012

3. Financial risk management (cont'd)

3.3. Liquidity risk

The Group regularly monitors current and expected liquidity requirements to ensure that it maintains sufficient cash to meet its liquidity requirements in the short and longer term.

The maturity profile of the Group's financial liabilities as at the end of the reporting period, based on the contracted undiscounted payment, was as follows:

	Carrying amount AS'000	On demand AS'000	Less than 1 year AS'000
As at March 31, 2012			
Other payables	149	-	149
Amount due to a director	17	17	-
Amount due to a related company	11	11	-
Total	177	28	149

	Carrying amount AS'000	On demand AS'000	Less than 1 year AS'000
As at March 31, 2011			
Other payables	520	-	520
Amount due to a director	63	63	-
Amount due to a related company	41	41	-
Total	624	104	520

3.4. Capital risk management

The Group's objectives when managing capital are to safeguard the Group's ability to continue as a going concern in order to provide returns for shareholders and benefits for other stakeholders and to maintain an optimal capital structure to reduce the cost of capital.

In order to maintain or adjust the capital structure, the Group may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares or sell assets to reduce debt.

The Group actively and regularly reviews and manages its capital structure to ensure optimal capital structure and shareholder returns, taking into consideration the future capital requirements of the Group and capital efficiency, prevailing and projected operating cash flows, projected capital expenditures and projected strategic investment opportunities.

VIAGOLD CAPITAL LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2012

3. Financial risk management (cont'd)

3.5. Fair value estimation

The carrying amounts of the Group's current financial assets, including other receivables, financial assets at fair value through profit or loss and cash and cash equivalents; and current financial liabilities including other payables and income tax payable, approximate to their fair values due to their short maturities. The face values less any estimated credit adjustments for financial assets and liabilities with a maturity of less than one year are assumed to approximate to their fair values. The fair value of financial liabilities for disclosure purposes is estimated by discounting the future contractual cash flows at the current market interest rate that is available to the Group for similar financial instruments.

The table below analyses financial instruments carried at fair value, by valuation method. The different levels have been defined as follows:

- Quoted prices (unadjusted) in active markets for identical assets or liabilities (level 1).
- Inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly (that is, as prices) or indirectly (that is, derived from prices) (level 2).
- Inputs for the asset or liability that are not based on observable market data (that is, unobservable inputs) (level 3).

No financial assets and liabilities at fair value through profit or loss are measured at fair value at March 31, 2012.

The following table presents the Group's assets and liabilities that are measured at fair value at March 31, 2011:

	Level 1	Level 2	Level 3	Total
	AS'000	AS'000	AS'000	AS'000
Assets				
Financial assets at fair value through profit or loss				
- Trading securities	<u>501</u>	<u>-</u>	<u>-</u>	<u>501</u>

The fair value of financial instruments traded in active markets is based on quoted market prices at the end of the reporting period. A market is regarded as active if quoted prices are readily and regularly available from an exchange, dealer, broker, industry group, pricing service or regulatory agency, and those prices represent actual and regularly occurring market transactions on an arm's length basis. The quoted market price used for financial assets held by the Group is the current bid price. These instruments are included in level 1.

There were no transfers between levels 1, 2 and 3 in the reporting period.

VIAGOLD CAPITAL LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2012

4. Critical accounting estimates and judgments

4.1. Critical accounting estimates and assumptions

The Group makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results. The 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 addressed below.

Estimated impairment of trade and other receivables

The estimated impairment of trade and other receivables of the Group is based on the evaluation of collectability and aging analysis of accounts and on management's judgment. A considerable amount of judgment is required in assessing the ultimate realisation of these receivables, including the current creditworthiness and the past collection history of each customer. If the financial conditions of customers of the Group were to deteriorate, resulting in an impairment of their ability to make payments, additional allowances might be required.

Income taxes

The Group is subject to income taxes in numerous jurisdictions. Significant judgement is required in determining the worldwide provision for income taxes. There are many transactions and calculations for which the ultimate tax determination is uncertain. The Group recognises liabilities for anticipated tax audit issues based on estimates of whether additional taxes will be due. Where the final tax outcome of these matters is different from the amounts that were initially recorded, such differences will impact the current and deferred income tax assets and liabilities in the period in which such determination is made.

Useful lives of property, plant and equipment

The Group's management determines the estimated useful life and related depreciation charges for its property, plant and equipment. This estimate is based on the historical experience of the actual useful life of property, plant and equipment of similar nature and functions. It could change significantly as a result of store renovation and relocation. Management will increase/decrease the depreciation charges where useful life are less/more than previous estimates.

Fair value of investment property

The investment property was revalued after the reporting date on market value basis by directors. Such valuation was based on certain assumption, which is subject to uncertainty and might materially differ from the actual value. In making the judgment, the Group considers information from current prices in an active market for similar properties and uses assumptions that are mainly based on market conditions existing at each reporting date.

VIAGOLD CAPITAL LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2012

5. Segment information

The Group manages its business by divisions, which are organised by business lines. In a manner consistent with the way in which information is reported internally to the Group's most senior executive management for the purposes of resource allocation and performance assessment, the Group has identified the following reportable segments:

- Investment holdings and administration
- Leasing and capital financing
- Provision of consultancy and management services to educational institutions

The management considers the business from both a geographic and product perspective. Geographically, the management operates the businesses in Hong Kong and Macau as investment holdings and the People's Republic of China (the "PRC"), which is further segregated into leasing and capital financing, consultancy and management services to educational institutions.

The management assesses the performance of the operating segments based on the profit/loss for the year. This measurement basis excluded intra-group transactions and gain/loss on disposal of subsidiaries.

Segment assets include all tangible and current assets excluding the interests in subsidiaries, and inter-group current accounts.

Segment liabilities include all current and non-current liabilities excluding intra-group current accounts.

VIAGOLD CAPITAL LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2012

5. Segment information (cont'd)

The segment information for the reporting segments for the year ended March 31, 2012 is as follows:

	HK Investment holding and administration AS'000	PRC Leasing and capital financing AS'000	PRC Provision of consultancy and management services to educational institutions AS'000	Unallocated AS'000	Consolidated AS'000
Segment revenue	-	414	1,638	-	2,052
Inter-segment revenue	-	-	-	-	-
Revenue from external customers	-	414	1,638	-	2,052
Reportable segment profit/(loss) before income tax	(602)	(141)	1,269	-	526
Depreciation and amortisation	-	(277)	-	-	(277)
Net losses on financial assets at fair value through profit or loss	(147)	-	-	-	(147)
Interest income	-	2	-	-	2
Gain on disposal of fixed assets	-	27	-	-	27
As at March 31, 2012					
Total assets	216	1,991	1,658	-	3,865
Non-current assets	-	1,094	-	-	1,094
(Other than financial instruments and deferred tax assets)	-	39	-	-	39
Additions to non-current assets	-	-	-	-	-
(Other than financial instruments and deferred tax assets)	-	-	-	-	-
Total liabilities	248	46	70	-	364

In February 2012, the Group disposed of certain of its subsidiaries which engaged in investment holdings and administration, therefore no segment information for them is presented.

VIAGOLD CAPITAL LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2012

5. Segment information (cont'd)

The segment information for the reporting segments for the year ended March 31, 2012 is as follows:

	HK	PRC	PRC	Consolidated
	Investment holding and administration A\$'000	Leasing and capital financing A\$'000	Provision of consultancy and management services to educational institutions A\$'000	Unallocated A\$'000
Segment revenue	-	391	1,072	1,463
Inter-segment revenue	-	-	-	-
Revenue from external customers	-	391	1,072	1,463
Reportable segment profit/(loss) before income tax	(4,844)	(204)	762	(4,286)
Depreciation and amortisation	-	(283)	-	(283)
Guaranteed profit paid	(361)	-	-	(361)
Net gains on financial assets at fair value through profit or loss	169	-	-	169
Income tax expense	(27)	-	-	(27)
Interest income	-	3	-	3
Other receivable written back	54,018	-	-	54,018
Other receivable written off	(53,995)	-	-	(53,995)
As at March 31, 2011	2,043	2,131	1,157	5,331
Total assets				

VIAGOLD CAPITAL LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2012

5. Segment information (cont'd)

	HK	PRC	PRC	
	Investment holdings A\$'000	Leasing and capital financing A\$'000	Provision of consultancy and management services to educational institutions A\$'000	Consolidated A\$'000
Non-current assets				
(Other than financial instruments and deferred tax assets)	-	1,378	-	1,378
Additions to non-current assets				
(Other than financial instruments and deferred tax assets)	-	645	-	645
Total liabilities	1,398	107	677	2,182

In April 2010, the Group disposed of certain of its subsidiaries which engaged in property development, provision of services, and retailing business, therefore no segment information for them is presented. In September 2010, the Company commenced a new business segment which engages in the provision of consultancy and management services to educational institutions.

VIAGOLD CAPITAL LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2012

5. Segment information (cont'd)

A reconciliation of the reportable segment results to the profit/(loss) before income tax is provided as follows:

	2012 A\$'000	2011 A\$'000 (restated)
Reportable segment profit/(loss) before income tax	526	(4,286)
Goodwill impairment	-	(14,684)
(Loss)/gain on disposal of subsidiaries	(681)	15,727
Loss before income tax	<u>(155)</u>	<u>(3,243)</u>

6. Discontinued operations

On February 1, 2012, the Group disposed certain of its subsidiaries, which were engaged in investment holdings and administration to an independent third party. These segments were not a discontinued operation at March 31, 2011 and the comparative statement of comprehensive income has been re-presented to show the discontinued operations, included the fact that the Group disposed certain of its subsidiaries which were engaged in property development, provision of services and retailing to business to an independent third party, separately from continuing operations.

	2012 A\$'000	2011 A\$'000
Results of discontinued operations		
Revenue	-	58,042
Expenses	(152)	(3,142)
	<u>(152)</u>	<u>54,900</u>
Results from operation activities		
Income tax	(3,834)	(27)
Results from operation activities, net of tax	(3,986)	54,873
(Loss)/profit on sale on discontinued operations	(681)	15,727
(Loss)/profit for the year	<u>(4,667)</u>	<u>70,600</u>
Basic earnings per share	<u>(A\$0.15)</u>	<u>A\$2.86</u>
Diluted earnings per share	<u>N/A</u>	<u>A\$2.64</u>

VIAGOLD CAPITAL LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2012

7. Other income

	2012 AS'000	2011 AS'000
Bank interest income	2	3
Gains on disposal of fixed assets	27	-
Other payable written back	61	-
Sundry income	-	6
	<u>90</u>	<u>9</u>

8. Profit/(loss) before income tax

	2012 AS'000	2011 AS'000
Profit/(loss) before income tax is arrived at:		
After crediting the following items:		
Net gains on financial assets at fair value through profit or loss	-	169
Other payables written back	61	54,018
Gain on disposal of subsidiaries	-	15,727
Gain on disposal of fixed assets	27	-
Bank interest income	<u>2</u>	<u>-</u>

VIAGOLD CAPITAL LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2012

8. Profit/(loss) before income tax (cont'd)

	2012	2011
	A\$'000	A\$'000
And after charging the following items:		
Auditor's remuneration	117	131
Depreciation of fixed assets (Note 14)	277	283
Directors' remuneration (Note 9)	162	112
Employee benefit expense (Note 10)	280	1,349
Goodwill impairment	-	14,684
Guaranteed profit paid	-	361
Net exchanges losses	30	38
Other receivables written off	-	53,995
Operating lease rentals in respect of rental premises and equipment	60	53
Loss on disposal of subsidiaries (Note 23)	681	-

VIAGOLD CAPITAL LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2012

9. Directors' and senior management's emoluments

	2012 A\$'000	2011 A\$'000
Directors' remuneration		
- fees	141	105
- salaries, allowances and benefits in kind	21	7
	<u>162</u>	<u>112</u>

The remuneration of every director and an executive for the year ended March 31, 2012 is set out below:

	Fees A\$'000	Share options granted A\$'000	Salaries, allowances and benefits in kind A\$'000	Total A\$'000
Directors				
Dr. Longguang Shi	-	-	-	-
Ms. Mulei Shi	53	-	-	53
Mr. King Choi Leung	44	-	9	53
Mr. Pierre Seligman	-	-	-	-
Mr. Jack Chik Ming Chu	-	-	-	-
Mr. William Kam Biu Tam	-	-	-	-
Dr. Wei Xiang	-	-	-	-
Mr. James Anthony Wigginton	44	-	12	56
	<u>141</u>	<u>-</u>	<u>21</u>	<u>162</u>
Executive				
Mr. Kenneth Kwing Chuen Tang	<u>-</u>	<u>-</u>	<u>7</u>	<u>7</u>

VIAGOLD CAPITAL LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2012

9. Directors' and senior management's emoluments (cont'd)

The remuneration of every director and an executive for the year ended March 31, 2011 is set out below:

	Fees A\$'000	Share options granted A\$'000	Salaries, allowances and benefits in kind A\$'000	Total A\$'000
Directors				
Dr. Longguang Shi	-	-	-	-
Ms. Mulei Shi	28	-	-	28
Mr. King Choi Leung	28	-	-	28
Mr. Pierre Seligman	-	-	-	-
Mr. Jack Chik Ming Chu	-	-	-	-
Mr. William Kam Biu Tam	-	-	-	-
Dr. Wei Xiang	-	-	-	-
Mr. Henry Chang Manayan	-	-	-	-
Mr. James Anthony Wigginton	49	-	7	56
	<u>105</u>	<u>-</u>	<u>7</u>	<u>112</u>
Executive				
Mr. Kenneth Kwing Chuen Tang	-	-	4	4

VIAGOLD CAPITAL LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2012

10. Employee benefit expenses

	2012 A\$'000	2011 A\$'000
Wages and salaries	259	130
Social insurance	18	12
Other staff benefits	3	7
Share options granted	-	1,200
	<u>280</u>	<u>1,349</u>

11. Income tax expenses

Hong Kong profits tax has been provided at the rate of 16.5% on the estimated assessable profit for the year (2011: 16.5%). Taxation for the People's Republic of China ("PRC") and overseas subsidiaries is charged at the appropriate current rates of taxation ruling in the relevant tax jurisdictions.

	2012 A\$'000	2011 A\$'000 (restated)
Current income tax		
- Hong Kong profits tax	3,834	27
Deferred income tax (Note 22)	-	-
	<u>3,834</u>	<u>27</u>

Current income tax is the estimated additional Hong Kong profits tax estimated by the directors during the year.

VIAGOLD CAPITAL LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2012

11. Income tax expenses (cont'd)

The Group is subject to withholding tax at a rate of 10% on assessable profit from a Group's foreign-invested enterprise in the PRC. As it has entered into contracts with their clients such that all these related taxes are borne by the clients, there should be no tax implications on the service income of the Group.

In the opinion of the directors, the other subsidiaries in the Group are not subject to tax in PRC and other jurisdictions.

The tax on the Group's loss before tax differs from the theoretical amount that would arise using the tax rate applicable to loss of the consolidated entities as follows:

	2012 A\$'000	2011 A\$'000 (restated)
Loss before income tax	<u>(155)</u>	<u>(3,243)</u>
Notional tax on profit/(loss) calculated at the rates applicable to profits in the jurisdiction concerned	73	(500)
Tax effect of:		
Expenses not deductible for tax purposes	4,650	13,155
Income not subject to tax	(4,785)	(12,628)
Tax effect of unused tax losses not recognised	62	-
Estimated additional Hong Kong profits tax	<u>3,834</u>	<u>-</u>
Income tax expense	<u>3,834</u>	<u>27</u>

There was no tax charge relating to components of other comprehensive income for the year (2011: Nil).

VIAGOLD CAPITAL LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2012

12. Employee share option scheme

On December 19, 2007, ordinary resolutions were passed by the shareholders at the annual general meeting to approve the adoption of a new share option scheme (the "New Scheme") and the termination of the old scheme (the "Old Scheme") which was adopted on November 28, 1995.

On December 19, 2007, share options were granted to certain employees and directors of the Group pursuant to the Group's New Scheme. Share options with rights to subscribe for a total of 1,898,792 shares were granted to certain employees with an exercise price at A\$2.00 per share on December 19, 2007. The share options can be exercised from April 8, 2008 and expire on April 8, 2018. The Company cancelled a total of 200,000 share options as the grantees, and no longer qualified to retain the share options.

On December 17, 2008, share options were granted to a director of the Group pursuant to the Group's New Scheme. Share options with rights to subscribe to a total of 50,000 shares were granted to a director with an exercise price of A\$2.00 per share on December 17, 2008. The share options can be exercised from December 17, 2008 and expire on December 16, 2018.

On November 29, 2010, share options were granted to employees and consultants of the Group pursuant to the Group's New Scheme. Share options with rights to subscribe to a total of 4,200,000 shares were granted to employees and consultants with an exercise price of A\$1.00 per share on November 29, 2010. The share options can be exercised from November 29, 2010 and expire on November 29, 2015.

Movements in the share options outstanding and their related weighted average exercise prices are as follows:

	Weighed average exercise price per share A\$	Number of underlying shares
As at April 1, 2010	2.00	1,748,792
Granted	1.00	4,200,000
Exercised	-	-
Cancelled	-	-
Lapsed	-	-
As at March 31, 2011	1.29	<u>5,948,792</u>
As at April 1, 2011	1.29	5,948,792
Granted	-	-
Exercised	-	-
Lapsed	-	-
As at March 31, 2012	1.29	<u>5,948,792</u>

VIAGOLD CAPITAL LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2012

12. Employee share option scheme (cont'd)

Share options outstanding at the end of the year have the following expiry dates and exercise prices:

Expiry date	Exercise price per share A\$	2012	2011
		Number of underlying shares	Number of underlying shares
April 8, 2018	2.00	1,698,792	1,698,792
December 16, 2018	2.00	50,000	50,000
November 29, 2015	1.00	<u>4,200,000</u>	<u>4,200,000</u>

The estimated fair value of the share options granted for the year ended March 31, 2011 amounted to approximately A\$4,272,000. It was estimated as at the date of grant by using the Binomial Option Pricing Model, taking into account the terms and conditions upon which the options were granted. The significant assumptions and inputs used in the valuation model are as follows:

	2011
Spot price	A\$1.82
Exercise price	A\$1.00
Expected volatility	160.05%
Expected life	5 years
Risk free rate	5.186%

The expected volatility was based on the historical volatility of the share price of the Company.

The risk-free interest rate was determined with reference to the yield of Australian Government Bonds.

The expected life was determined based on the information provided by the management of the Company.

The Binomial Pricing Model is subject to certain fundamental limitations because of the subjective nature of and uncertainty relating to the assumptions and inputs to the model as well as certain inherent limitations of the model itself. Any changes in the above assumptions or inputs may materially affect the fair value estimation.

VIAGOLD CAPITAL LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2012

12. Employee share option scheme (cont'd)

The fair value of the share options granted recognised for the years ended March 31, 2012 and 2011 are as follows:

	2012 A\$'000	2011 A\$'000
Directors' remuneration	-	-
Employees	-	1,200
Consultants	-	3,072
	<u>-</u>	<u>4,272</u>

13. Loss per share

13.1 Basic

Basic loss per share is calculated by dividing the loss attributable to equity holders of the Company by the weighted average number of ordinary shares in issue during the year.

	2012 A\$'000	2011 A\$'000
Loss attributable to equity holders of the Company	<u>(3,946)</u>	<u>(3,209)</u>
Weighted average number of ordinary shares in issue (thousands)	<u>30,656</u>	<u>24,606</u>
Basic loss per share (A\$ per share)	<u>(0.13)</u>	<u>(0.14)</u>

VIAGOLD CAPITAL LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2012

13.2 Diluted

Diluted loss per share is calculated by adjusting the weighted average number of ordinary shares outstanding to assume conversion of all dilutive potential ordinary shares. The Company has one category of dilutive potential ordinary shares: share options. For the share options, a calculation is done to determine the number of shares that could have been acquired at fair value (determined as the average annual market share price of the Company's shares) based on the monetary value of the subscription rights attached to outstanding share options. The number of shares calculated as above is compared with the number of shares that would have been issued assuming the share options were exercised. Adjustment is made to the weighted average number of ordinary shares in issue only if the fair value was less than the exercise price.

	2012 A\$'000	2011 A\$'000
Loss attributable to equity holders of the Company	<u>(3,946)</u>	<u>(3,209)</u>
	2012	2011
Weighted average number of ordinary shares in issue (thousands)	30,656	24,606
Adjustment for:		
- Share options	<u>-</u>	<u>2,823</u>
Weighted average number of ordinary shares for diluted loss per share (thousands)	<u>30,656</u>	<u>27,429</u>
Diluted loss per share (A\$ per share)	<u>N/A</u>	<u>(0.06)</u>

No diluted earnings per share has been presented for this year because the exercise prices of the Company's share options were higher than the average market price of the Company's shares during the years.

VIAGOLD CAPITAL LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2012

14. Fixed assets

	Investment property A\$'000	Leasehold improvements A\$'000	Plant and equipment A\$'000	Furniture and fixtures A\$'000	Buildings A\$'000	Motor vehicles A\$'000	Total A\$'000
Cost							
As at April 1, 2010	-	634	172	13	803	1,200	2,822
Additions	584	-	-	-	-	61	645
Disposal of subsidiaries	-	(634)	(172)	(13)	(803)	-	(1,622)
Exchange adjustments	-	-	-	-	-	(87)	(87)
As at March 31, 2011	584	-	-	-	-	1,174	1,758
Additions	-	-	-	-	-	39	39
Written off	-	-	-	-	-	(3)	(3)
Disposals	-	-	-	-	-	(157)	(157)
Exchange adjustments	20	-	-	-	-	32	52
As at March 31, 2012	604	-	-	-	-	1,085	1,689
Accumulated depreciation and impairment losses							
As at April 1, 2010	-	59	85	13	70	121	348
Depreciation	8	-	-	-	-	275	283
Disposal of subsidiaries	-	(59)	(85)	(13)	(70)	-	(227)
Exchange adjustments	-	-	-	-	-	(24)	(24)
As at March 31, 2011	8	-	-	-	-	372	380

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VIAGOLD CAPITAL LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2012

14. Fixed assets (cont'd)

	Investment property AS'000	Leaschold improvements AS'000	Plant and equipment AS'000	Furniture and fixtures AS'000	Buildings AS'000	Motor vehicles AS'000	Total AS'000
As at March 31, 2011	8	-	-	-	-	372	380
Depreciation	7	-	-	-	-	270	277
Written back on written off	-	-	-	-	-	(3)	(3)
Written back on disposals	-	-	-	-	-	(80)	(80)
Exchange adjustments	1	-	-	-	-	20	21
As at March 31, 2012	16	-	-	-	-	579	595
Net carrying amount							
As at March 31, 2012	588	-	-	-	-	506	1,094
As at March 31, 2011	576	-	-	-	-	802	1,378

The category of motor vehicles leased by the Group to third parties under operating leases with the following carrying amounts:

	2012 AS'000	2011 AS'000
Cost	1,173	1,221
Accumulated depreciation at April 1	(342)	(98)
Depreciation charge for the year	(261)	(265)
Exchange adjustments	(67)	(67)
Net carrying amount	503	791

The fair value of the Group's investment property at March 31, 2012 was approximately A\$588,000 and has been arrived at on the basis of a valuation carried out on March 31, 2012 by the Company's directors.

The investment property is held under medium term lease and is situated in The PRC.

VIAGOLD CAPITAL LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2012

15. Trade and other receivables

	2012 AS'000	2011 AS'000
Trade debts with related parties	1,384	1,000
Other debtors, deposits and prepayments	232	253
Amounts due from related parties	<u>1</u>	<u>37</u>
Debtors, deposits and prepayments - net	<u><u>1,617</u></u>	<u><u>1,290</u></u>
Current portion	<u><u>1,617</u></u>	<u><u>1,290</u></u>

Trade debtors are due within 15 days from the date of billing. The aging analysis of trade debtors that are neither individually nor collectively considered to be impaired are as follows:

	2012 AS'000	2011 AS'000
Neither past due nor impaired	<u>774</u>	<u>126</u>
Less than 1 month past due	-	874
1 to 6 months past due	-	-
Over 6 months past due	<u>610</u>	<u>-</u>
	<u><u>610</u></u>	<u><u>874</u></u>
	<u><u>1,384</u></u>	<u><u>1,000</u></u>

All trade receivables are related to balances due from a number of related companies. Management believes that no additional impairment is necessary because approximately 90% of these balances have been recovered after the reporting period. The Group does not hold any collateral over these balances.

VIAGOLD CAPITAL LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2012

15. Trade and other receivables (cont'd)

As at March 31, 2012, no other receivables was impaired and provided (2011: Nil). The aging of these receivable is as follows:

Movement on the provision for impairment of other receivables are as follows:

	2012 AS'000	2011 AS'000
At the beginning of the year	-	(543)
Disposal of subsidiaries	-	543
At the end of the year	-	-

Amounts due from related parties are non-interest bearing, unsecured and repayable on demand.

Other loan to a third party amounting to A\$30,000 which is included in other debtors, deposits and prepayments, is unsecured and interest-bearing at 5% per annum and repayable on demand.

The directors consider that the carrying amounts of trade and other receivables approximate to their fair values due to their short term maturities.

The carrying amounts of the trade and other receivables are denominated in the following currencies:

	2012 AS'000	2011 AS'000
HKD	194	217
RMB	1,423	1,073
	<u>1,617</u>	<u>1,290</u>

VIAGOLD CAPITAL LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2012

16. Financial assets at fair value through profit or loss

	2012 AS'000	2011 AS'000
Market value of listed securities		
Equity securities - Hong Kong	-	501

The financial assets at fair value through profit or loss were held by a subsidiary which itself was disposed of during the year.

17. Cash and cash equivalents

	2012 AS'000	2011 AS'000
Cash at bank and in hand	1,154	2,162

The cash and cash equivalents are denominated in the following currencies:

	2012 AS'000	2011 AS'000
AUD	6	-
HKD	16	1,415
RMB	1,132	747
	1,154	2,162
Maximum exposure to credit risk	1,154	2,159

VIAGOLD CAPITAL LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2012

18. Share capital

	Number of shares in thousands	Ordinary shares A\$'000
Issued and fully paid		
As at April 1, 2010	16,456	3,291
Placement of shares (Note)	<u>14,200</u>	<u>2,840</u>
As at March 31, 2011 and 2012	<u><u>30,656</u></u>	<u><u>6,131</u></u>

Note:

On June 28, 2010 and September 9, 2010, the Company issued a total of 4,200,000 and 10,000,000 ordinary shares with a par value of A\$0.20 per share at prices of A\$0.22 and A\$1.35 per share respectively. The 10,000,000 ordinary shares issued at A\$1.35 is part of the purchase consideration for the acquisition of subsidiaries, ViaGold International Education Management Group Limited (formerly known as Luck Pro Limited) together with its subsidiaries. These shares rank passu with the existing shares. Net proceeds from the issuance of ordinary shares amounted to approximately A\$924,000.

The total authorised number of ordinary shares is 50 million shares (2011: 50 million shares) with a par value of Australian twenty cents per share (2010: Australian twenty cents per share).

All issued shares are fully paid.

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VIAGOLD CAPITAL LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2012

19. Reserves

	Share premium A\$'000	Translation reserve A\$'000	Contributed surplus A\$'000	Share-based compensation reserve A\$'000	Accumulated losses A\$'000	Total A\$'000
As at April 1, 2010	17,196	(16,312)	48,103	1,707	(50,001)	693
Issuance of shares during the year	11,824	-	-	-	-	11,824
Issuance of share options during the year	-	-	-	4,272	-	4,272
Disposal of subsidiaries	-	-	(458)	-	-	(458)
Total comprehensive income for the year	-	(16,711)	-	-	(3,209)	(19,920)
As at March 31, 2011	29,020	(33,023)	47,645	5,979	(53,210)	(3,589)
As at April 1, 2011	29,020	(33,023)	47,645	5,979	(53,210)	(3,589)
Total comprehensive income for the year	-	4,322	-	-	(3,946)	376
As at March 31, 2012	29,020	(28,701)	47,645	5,979	(57,156)	(3,213)

Notes:

Under the Companies Act 1981 of Bermuda (as amended), the contributed surplus of the Company is available for distribution. However, the Company cannot declare or pay a dividend, or make a distribution out of contributed surplus if:

- it is, or would after the payment be, unable to pay its liabilities as they become due; or
- the realisable value of its assets would thereby be less than the aggregate of its liabilities and its issued share capital and share premium accounts.

VIAGOLD CAPITAL LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2012

20. Other payables

	2012 A\$'000	2011 A\$'000
Other payables and accrued charges	336	712
Receipt in advance	-	56
Amount due to a director	17	63
Amount due to a related company	11	41
	<u>364</u>	<u>872</u>

The directors consider that the carrying amounts of other payables approximate to their fair values due to their short term maturities.

The carrying amounts of the other payables are denominated in the following currencies:

	2012 A\$'000	2011 A\$'000
AUD	-	104
HKD	248	550
RMB	116	218
	<u>364</u>	<u>872</u>

Other loan from a disposed subsidiary amounting to A\$96,600 which is included in other payables and accrued charges, is non-interest bearing, unsecured and repayable on demand.

VIAGOLD CAPITAL LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2012

21. Cash generated from operations

	Note	2012 A\$'000	2011 A\$'000 (restated)
Profit/(loss) before income tax			
- Continuing operations		678	(73,870)
- Discontinuing operations		(833)	70,627
Adjustments for:			
- Depreciation of fixed assets	8	277	283
- Loss/(gain) on disposal of subsidiaries	8	681	(15,727)
- Other payables written back	8	(61)	(54,018)
- Other receivables written off	8	-	53,995
- Gain on disposal of property, plant and equipment	8	(27)	-
- Goodwill impairment	8	-	14,684
- Share-based payments	12	-	4,272
- Interest income	7	(2)	(3)
- Interest expenses		-	20
Changes in working capital: (excluding the effects of exchange differences on consolidation)			
- Debtors, deposits and prepayments		(445)	(1,014)
- Other payables and accrued charges		(398)	27
- Financial assets at fair value through profit or loss		147	1,446
Cash generated from operations		<u>17</u>	<u>722</u>

22. Deferred income tax

	Tax losses A\$'000
As at March 31, 2011 and as at March 31, 2012	<u>-</u>

No deferred income tax assets have been recognised as no effect of timing difference and no tax losses carry forwards of the Group during the year.

VIAGOLD CAPITAL LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2012

23. (Loss)/gain on disposal of subsidiaries

On February 1, 2012, the Group disposed certain of its subsidiaries which were engaged in investment holding and administration to an independent third party. As a result, a loss on disposal of the subsidiaries of approximately A\$681,000 was recognised in the consolidated income statement for the year.

(a) The carrying amount of the assets and liabilities of the subsidiaries disposed of are as follows:

	As at February 1, 2012 A\$'000
Assets	
Other receivables	118
Financial assets at fair value through profit or loss	361
Cash and cash equivalents	<u>1,134</u>
Total assets	<u><u>1,613</u></u>
Liabilities	
Other payables	42
Tax payable	<u>5,103</u>
Total liabilities	<u><u>5,145</u></u>
Net liabilities	<u><u>(3,532)</u></u>

(b) Details of the disposal of the subsidiaries:

	2012 A\$'000
Cash consideration received	-
Carrying amount of net assets	1,571
Reserve	<u>4,213</u>
Loss on disposal before income tax	5,784
Income tax expenses	<u>(5,103)</u>
Loss on disposal after income tax	<u><u>681</u></u>

VIAGOLD CAPITAL LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2012

23. (Loss)/gain on disposal of subsidiaries (cont'd)

On April 9, 2010, the Group disposed certain of its subsidiaries which were engaged in property development, provision of service and retailing business to an independent third party. As a result, a gain on disposal of the subsidiaries of approximately A\$15,727,000 was recognised in the consolidated income statement for the year.

(a) The carrying amount of the assets and liabilities of the subsidiaries disposed of are as follows:

	As at April 9, 2010 A\$'000
Assets	
Property, plant and equipment	1,400
Inventories	2,768
Leasehold land and land use rights	222
Other receivables	912
Cash and cash equivalents	456
Total assets	5,758
Liabilities	
Other payables	1,751
Tax payable	-
Total liabilities	1,751
Net assets	4,007

VIAGOLD CAPITAL LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2012

23. (Loss)/gain on disposal of subsidiaries (cont'd)

(b) Details of the disposal of the subsidiaries:

	2011 AS'000
Cash consideration received	(3,093)
Carrying amount of net assets	4,007
Reserve	<u>(16,641)</u>
Gain on disposal before income tax	(15,727)
Income tax expenses	<u>-</u>
Gain on disposal after income tax	<u><u>(15,727)</u></u>

24. Related-party transactions

During the year, the Group had the following transactions and balances with related parties:

		2012 AS'000	2011 AS'000
<u>Related company</u>	<u>Nature of transactions</u>		
Ultimate holding company	Interest paid and payable by the Group for the year	-	2
Related parties	Amounts owed to the Group at the reporting date	3	37
	Amounts owed by the Group at the reporting date	11	41
	Services fee income received for the year	1,638	1,000
	Services fee income receivable for the year	1,384	1,000

VIAGOLD CAPITAL LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2012

24. During the year, the Group had the following transactions and balances with related parties:

		2012	2011
		A\$'000	A\$'000
Related company	Nature of transactions		
Non-controlling shareholder of a subsidiary	Guaranteed profit paid and payable for the year	-	361
Directors of the Company	Key management compensation	162	112
	Amounts owed to the Group at the reporting date	17	63

Note:

Services fees were receivable from five education institutions under the common control of two directors.

VIAGOLD CAPITAL LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2012

25. Operating lease commitments

- (a) The Group leases various offices under non-cancellable operating lease agreements. The lease terms are between 1 and 2 years, and the majority of lease agreements are renewable at the end of the period at market rate.

The future aggregate minimum lease payments under non-cancellable operating leases are as follows:

	2012 A\$'000	2011 A\$'000
Leasehold land and buildings		
Not later than 1 year	46	38
Later than 1 year but not later than 5 years	5	5
	<u>51</u>	<u>43</u>

- (b) The Group leases out various motor vehicles and investment property under non-cancellable operating lease agreements. The lease terms are between 1 to 3 years, and the majority of lease agreements are renewable at the end of the period at market rate.

The future minimum lease receivables under non-cancellable operating leases are as follows:

	2012 A\$'000	2011 A\$'000
Motor vehicles		
Not later than 1 year	322	300
Later than 1 year but not later than 5 years	154	112
	<u>476</u>	<u>412</u>

	2012 A\$'000	2011 A\$'000
Investment property		
Not later than 1 year	37	38
Later than 1 year but not later than 5 years	-	-
	<u>37</u>	<u>38</u>

VIAGOLD CAPITAL LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2012

26. Business combination

On September 8, 2010, the Group acquired 100% of the issued shares of ViaGold International Education Management Group Limited (formerly known as Luck Pro Limited) together with its subsidiaries at a purchase consideration of approximately A\$14,713,000. These subsidiaries primarily engages in the provision of management and consultancy services to educational institutions.

Details of net assets acquired and goodwill are as follows:

	A\$'000
Purchase consideration:	
- Cash paid	1,213
- Issuance of ordinary shares (note 18)	13,500
	<u>14,713</u>

The assets and liabilities recognised as a result from the acquisition were as follows:

	Fair value A\$'000	Acquiree's carrying amount A\$'000
Cash and cash equivalents	15	15
Other receivables	114	114
Other payables	(100)	(100)
Fair value of net assets	29	29
Goodwill	14,684	
Total purchase consideration	<u>14,713</u>	

The acquisition-related costs of A\$21,697 have been recognised in the consolidated income statement.

The acquired business contributed a net profit of A\$762,118 to the Group for the period from September 9, 2010 through March 31, 2011.

At March 31, 2011, an impairment on goodwill amounting to A\$14,684,000 has been recognised.

27. Events after the reporting period

No significant subsequent event took place subsequent to 31 March 2012.

VIAGOLD CAPITAL LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2012

28. Particulars of principal subsidiaries

Particulars of principal subsidiaries at March 31, 2012 and March 31, 2011 were as follows:

Name of subsidiary	Place of incorporation/ registration and operation	Issued and fully paid up share capital/registered capital	Attributable equity interests held by the Company Directly Indirectly	Principal activities
Chamberlin Investments Limited #	British Virgin Islands	US\$1	100% -	Securities investments
ViaGOLD (BVI) Limited #	British Virgin Islands	US\$10	100% -	Investment holding
Golden Sun International Group Ltd. #	British Virgin Islands	US\$1	100% -	Investment holding
ViaGOLD Technology Limited	British Virgin Islands	US\$1	100% -	Investment holding
ViaGOLD Inc. Limited	Hong Kong	HK\$2	- 100%	Investment holding
ViaGold International Education Management Group Limited	British Virgin Islands	US\$10,000	100% -	Provision of management and consultancy services to educational institutions
Win Horse Investments Limited	British Virgin Islands	US\$50,000	- 100%	Investment holding
Longda Education Management Group Limited	Hong Kong	HK\$2	- 100%	Provision of management and consultancy services to educational institutions

VIAGOLD CAPITAL LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2012

23. Particulars of principal subsidiaries (cont'd)

Name of subsidiary	Place of incorporation/ registration and operation	Issued and fully paid up share capital/registered capital	Attributable equity interests held by the Company		Principal activities
			Directly	Indirectly	
珠海众智企业管理服务有限公司 (Zhongzhi Enterprise Management Service Co. Limited ^{**})	PRC	HK\$200,000	-	100%	Provision of management and consultancy services to educational institutions
珠海大智网络科技有限公司 (Dazhi Network Technology Co. Limited ^{**})	PRC	HK\$500,000	-	100%	Provision of management and consultancy services to educational institutions
珠海蓝白金智企业咨询服务有限公司 (Lanbajin Education Consulting Service Co., Limited ^{**})	PRC	HK\$200,000	-	100%	Provision of management and consultancy services to educational institutions
珠海金网教育咨询有限公司 (Zhuhai ViaGOLD Education Consulting Limited ^{**})	PRC	HK\$1,000,000	-	100%	Provision of management and consultancy services to educational institutions
北京华宝时代国际设备租赁有限公司 (Beijing Hua Bao Times International Leasing Company Limited [*])	PRC	US\$2,600,000	-	70%	Leasing and capital financing

VIAGOLD CAPITAL LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2012

28. Particulars of principal subsidiaries (cont'd)

Name of subsidiary	Place of incorporation/ registration and operation	Issued and fully paid up share capital/registered capital	Attributable equity interests held by the Company	Principal activities
Goldwin Century Limited ##	Hong Kong	US\$1	Directly Indirectly	
Goldwin Century Limited ##	British Virgin Islands	US\$1	- 100%	Investment holding
ViaGOLD International Education Management Group Holdings Limited##	British Virgin Islands	US\$1	- 100%	Investment holding
(formerly known as Gold Master Gold Limited)			100% -	Investment holding

Subsidiaries were disposed of during the year.

##Subsidiaries were incorporated during the year.

Note:

* 北京华宝时代国际设备租赁有限公司 (Beijing Hua Bao Time International Leasing Company Limited*) is a wholly foreign-owned enterprise registered in the PRC on September 20, 2007.

** The English names are for identification purpose only

VIAGOLD CAPITAL LIMITED

Additional Information Pursuant to the Official Listing Rules of the Australian Securities Exchange Limited

1. The statement of interests in share capital as at July 17, 2012 is as follows:

a. Distribution of shareholdings:

Size of holding	No. of ordinary shareholders
1 - 1,000	456
1,001 - 5,000	38
5,001 - 10,000	8
10,001 - 100,000	21
100,001 - 999,999,999	13
1,000,000,000 - 9,999,999,999	-
	<u>536</u>

b. The name of the substantial shareholder and the number of securities held as at July 17, 2012 are:

Names	No. of ordinary shares held
Harvest Smart Overseas Ltd	10,962,290
Capital Luck Group Limited	10,000,000
Phillip Securities (Hong Kong) Ltd <Clients Account>	4,249,110
	<u>25,211,400</u>

c. The 20 largest holders of the Company's securities are:

Names	No. of ordinary shares held	% of total issued of ordinary capital held
Harvest Smart Overseas Ltd	10,962,290	35.76
Capital Luck Group Limited	10,000,000	32.62
Phillip Securities (Hong Kong) Ltd <Clients Account>	4,249,110	13.86
Uob Kay Hian (Hong Kong) Limited <Clients Account>	1,297,032	4.23
Mr. Chen Wei Qing	1,235,862	4.03
Mr. Sio Kai Kuan	301,750	0.98
Monex Boom Securities (Hong Kong) Ltd <Clients Account>	301,085	0.98
Bay Square Holdings Ltd	291,250	0.95
HSBC Custody Nominees (Australia) Limited	246,933	0.81
Lanstone Investment Limited	225,000	0.73
Chow Lai Wah	217,500	0.71

VIAGOLD CAPITAL LIMITED

Additional Information Pursuant to the Official Listing Rules of the Australian Securities Exchange Limited

1. The statement of interests in share capital as at July 17, 2012 is as follows: (cont'd)

c. The 20 largest holders of the Company's securities are: (cont'd)

Names	No. of ordinary shares held	% of total issued of ordinary capital held
Hainan Finance Limited	154,600	0.50
Carleton Trading Ltd	105,175	0.34
Fong Hong Kei	100,000	0.33
Citicorp Nominees Pty Limited	96,763	0.32
McNeil Nominees Pty Limited	96,525	0.31
Mr. Chan Shuk King	72,500	0.24
Mr. Li Hoi Lun	43,000	0.14
Mrs. Liliana Teofilova	41,510	0.14
Mr. Huang Ying Hui	35,000	0.11

d. Voting rights

Subject to the ASX Listing Rules and to any special rights, privileges or restrictions attaching to any class or classes of shares, every member is entitled to be present at a meeting in person, by proxy, representative or attorney. On a show of hands, every member who is present in person or by proxy has one vote for every share of which he is the holder, and on a poll; every member has (i) one vote for each fully paid share held by that person or (ii) voting rights pro-rata to the amount paid up on each partly paid share held by that person.

2. Share options outstanding as at July 17, 2012

Total number of outstanding share options	5,948,792
Total number of option holders	<u>137</u>

3. The name of the Company Secretary

Mr. Kenneth Kwing Chuen Tang

VIAGOLD CAPITAL LIMITED

Additional Information Pursuant to the Official Listing Rules of the Australian Securities Exchange Limited

4. Address and contact number:

The address and contact number of the principal office in Zhuhai is:

Floor 7, 53 Bailian Road,
Jida, Zhuhai,
Guangdong Province, PRC
Telephone: (86-756) 3320 271
Website: <http://www.viagold.ws>

The address and contact number of the principal office in Macau is:

AV, Xian Xing Hai, Ed. Zhu Kuan (Golden Dragon Center)
6I-K, Macao
Telephone: (853) 2875 1881
Website: <http://www.viagold.ws>

The address and contact number of the principal office in Australia is:

Suite 501, 100 Victoria Parade
East Melbourne, Vic 3002
Australia
Telephone: (613) 9662 4049

5. Registers of securities are kept at the following address:

a. Australia

Computershare Investor Services Pty Limited
Yarra Falls, 452 Johnston Street
Abbotsford, Victoria, 3067
Australia
Telephone: (613) 9611 5774

b. Bermuda

Codan Services Limited
Clarendon House
PO Box HM 1022
Hamilton HM DX
Bermuda
Telephone: 1 (441) 295 5950