

VIAGOLD RARE EARTH RESOURCES HOLDINGS LIMITED
(Incorporated in Bermuda with limited liability)
(ARBN: 070 352 500)

Interim Financial Report
For the Half -Year Ended 30 September 2021
ASX Appendix 4D

VIAGOLD RARE EARTH RESOURCES HOLDINGS LIMITED

INTERIM FINANCIAL REPORT
FOR THE HALF -YEAR ENDED 30 SEPTEMBER 2021

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VIAGOLD RARE EARTH RESOURCES HOLDINGS LIMITED

Appendix 4D

Interim Financial Report For The Half-Year Ended 30 September 2021

- 1. Name of entity:** VIAGOLD RARE EARTH RESOURCES
HOLDINGS LIMITED ("VIA")
ARBN 070 352 500
Half-year ended (reporting period) 30 September 2021
Half-year ended (previous corresponding period) 30 September 2020

2. Results for announcement to the market

(Amount and percentage change up or down from the previous corresponding period)

	Six months to 30 September			
	2021	2020	Change	Change
	A\$'000	A\$'000	A\$'000	%
2.1 Revenue from ordinary activities	20,488	5,376	15,112	281%
2.2 Profit/(loss) from ordinary activities after tax attributable to members	700	(211)	911	432%
2.3 Profit/(loss) for the reporting period attributable to members	700	(211)	911	432%
2.4 Dividend				
	Amount per security		Franked amount per security	
Final dividend	Nil		N/A	
Interim dividend	Nil		N/A	
Previous corresponding period	Nil		N/A	
2.5 Record date for determining entitlements to the dividend	Nil		N/A	

3. Net tangible assets per security

	Current period	Previous corresponding period
Net tangible assets backing per ordinary security	A\$0.08	A\$0.01

4. Dividend

There was no dividend declared or paid during the current period.

5. Details of any dividend or distribution reinvestment plans in operation from and the last date for the receipt of an election notice for participation in any dividend or distribution reinvestment plan

N/A

VIAGOLD RARE EARTH RESOURCES HOLDINGS LIMITED

Appendix 4D

Interim Financial Report For The Half-Year Ended 30 September 2021

6. Details of associates and joint venture entities

There were no joint venture entity holdings in the current period.

Detail of the associate is as follows:

Name of the associate:	Maoming Jinsheng Minerals Company Limited
Effective percentage holding:	21.165%
Aggregate share of losses:	A\$3,000 (Previous corresponding period: N/A)
Contributions to net profit:	N/A (Previous corresponding period: N/A)
Name of the associate:	Viagold Industrial Products Trading Technology Co., Ltd.
Effective percentage holding:	29.05%
Aggregate share of losses:	A\$8,000 (Previous corresponding period: N/A)
Contributions to net profit:	N/A (Previous corresponding period: N/A)

7. Basis of preparations

The interim financial report does not include all the notes of the type normally included in an annual financial report. Accordingly, it is recommended that this report be read in conjunction with the annual financial report for the year ended 31 March 2021 and any public announcements made by ViaGold Rare Earth Resources Holdings Limited during the half-year in accordance with the continuous disclosure requirements under the Listing Rules of the Australian Securities Exchange Limited ("ASX").

Compliance Statement

8. The information provided in this report has been prepared in accordance with the International Financial Reporting Standards which is acceptable to the ASX for foreign reporting entities.
9. The Interim Financial Report of ViaGold Rare Earth Resources Holdings Limited for the half-year ended 30 September 2021 has been subject to review. A copy of the independent review report to the members of ViaGold Rare Earth Resources Holdings Limited is attached.

VIAGOLD RARE EARTH RESOURCES HOLDINGS LIMITED

DIRECTORS' REPORT

The Directors present their interim financial report together with the condensed consolidated financial statements of ViaGold Rare Earth Resources Holdings Limited (the "Company") and its controlled entities (collectively the "Group") for the half-year ended 30 September 2021.

DIRECTORS

The Directors of the Company during the period and up to the date of this report were:

Executive directors:

Ms. Mulei SHI (Chief Executive Officer)
Mr. King Choi LEUNG
Mr. Changyuan LIAO

Non-executive directors:

Dr. Longguang SHI
Ms. Jingcui HONG

Independent non-executive directors:

Mr. Yan WANG
Mr. Fuchuan GUO
Mr. Xunchang HU

PRINCIPAL ACTIVITIES OF THE GROUP

The Company acts as an investment holding company. The subsidiaries of the Company are principally engaged in rare earth refining and separation, leasing and capital financing, mineral trading business as well as consultancy and management services to educational institutions.

DIVIDEND

The Directors do not recommend the payment of a dividend. No dividend has been declared or paid since the end of the previous financial year.

VIAGOLD RARE EARTH RESOURCES HOLDINGS LIMITED

CONSOLIDATED RESULTS AND REVIEW OF OPERATIONS

During the period under review, the Rare Earth Refining and Separation segment resumed prosperously and bounced back since this second quarter of 2021, which is the beginning of our financial year 2022 (1 April 2021 to 31 March 2022). In line with the continued demand of rare earth for the development of new energy vehicles, home appliances inverter air-conditioners and smart-phone downstream, the Company's rare earth processing business recorded an upsurge of revenue of A\$20,217,000 (2020: A\$5,041,000). It enjoyed a gross profit of A\$3,993,000 (2020: A\$490,000) and a profit of A\$3,537,000 (2020: A\$98,000).

During the same period of review, the Leasing and Capital Financing segment also enjoyed enhancement in its revenue and profit while it resumed full operation in leasing out all its new cars. It recorded a revenue of A\$271,000 (2020: A\$180,000), enjoyed a gross profit of A\$165,000 (2020: 175,000) and a profit of A\$161,000 (2020: a loss of A\$46,000).

The contracts for the Consultancy and Management Services to Educational Institutions have expired without extension and hence there was no record of revenue and profit in this segment.

The combined effect of the above for the said period 1 April 2021 to 30 September 2021, VCL group had a combined revenue of A\$20,488,000 (2020: A\$5,376,000), a gross profit of A\$4,158,000 (2020: A\$820,000) and a profit of A\$3,235,000 (2020: loss of A\$146,000).

During the six months period 1 April 2021 to 30 September 2021, the VCL group has issued no warrants and rights nor any bonds to existing shareholders and the public.

OUTLOOK

The impact from COVID-19 continues globally in 2021, but was less and less severe in China since more and more people were vaccinated and the Chinese Government maintain very strict controlling policies to prevent its spreading in the country. The people's lifestyle has changed towards adopting to this government policies. One way we can observed is the more widely application of distanced automation, this has an upside demand on rare earth and this is on top of the requirement of rare earth on the continued technological evolution in transportation (e.g. electronic vehicles) and communication (e.g. smart-phone). As we are aware that China is not only the largest exporter and resources holder of rare earth but it is the largest user as well. Continue demand for rare earth and rare earth products will definitely pose a good prospect to the group in its rare earth refinery and separation sector.

As for the car leasing and capital financing segment, it will continue to strike for new car leasing contracts and buy new cars to fulfil the contracts to generate more return to the group.

VIAGOLD RARE EARTH RESOURCES HOLDINGS LIMITED

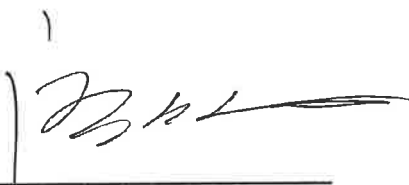
OUTLOOK

The research and development on the "Internet of Things + Blockchain Rare Earth Provenance Tracing System" is still undergoing. Once it is completed, we believe its application with Baotou Rare Earth Exchange and the corporation will bring a good return to the group and its shareholders.

Regarding the cooperation with shareholders of Wuxi Stainless Steel Exchange Center, the rare earth and rare earth industrial products trading platform is undergo testing in Guangdong-Macao In-Depth Corporation Zone in HengQin. Once it is completed, we are confident that this trading platform can be started and generate good return to the group and its shareholders.

APPRECIATION

I, on behalf of the board, would like to render my hearty thanks to all our shareholders, investors, bankers, business associates and clients for their continuing support to the Group, to my fellow directors, the auditor and consultants for their professional services rendered and all the dedicated staff members of the Group for their hard work and contribution during the period under review.



Mr. Changyuan LIAO
Director

7 December 2021

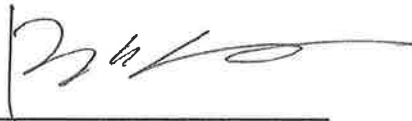
VIAGOLD RARE EARTH RESOURCES HOLDINGS LIMITED

DIRECTORS' DECLARATION

The Directors of the Company declare that, for the half-year ended 30 September 2021:

1. The attached financial statements and notes thereto as set out on pages 7 to 23:
 - (a) comply with the International Accounting Standard ("IAS") 34 "Interim Financial Reporting"; and
 - (b) give a true and fair view of the Group's financial position as at 30 September 2021 and of its performance for the half-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.



Mr. Changyuan LIAO
Director

7 December 2021

VIAGOLD RARE EARTH RESOURCES HOLDINGS LIMITED

CONDENSED CONSOLIDATED INCOME STATEMENT
FOR THE HALF-YEAR ENDED 30 SEPTEMBER 2021

	Note	Six months ended 30 September	
		2021	2020
		A\$'000	A\$'000
Turnover	5	20,488	5,376
Cost of services and sales		(16,330)	(4,556)
Gross profit		4,158	820
Other income		203	130
Administrative expenses		(1,115)	(1,059)
Share of loss of an associate		(11)	-
Profit/ (loss) before income tax		3,235	(109)
Income tax expenses	6	-	(37)
Profit/ (loss) for the period		3,235	(146)
Attributable to:			
Equity holders of the Company		700	(211)
Non-controlling interests		2,535	65
		3,235	(146)
Earnings/ (loss) per share attributable to the equity holders of the Company			
- basic		A\$0.008	(A\$0.003)
- diluted		A\$0.008	(A\$0.003)

The notes on pages 13 to 23 form an integral part of this condensed consolidated interim financial report.

VIAGOLD RARE EARTH RESOURCES HOLDINGS LIMITED

CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
FOR THE HALF-YEAR ENDED 30 SEPTEMBER 2021

	Six months ended 30 September	
	2021	2020
	A\$'000	A\$'000
Profit/ (loss) for the period	3,235	(146)
Other comprehensive income/(loss), net of tax:		
Items that may be reclassified subsequently to profit or loss:		
Exchange differences on translation of financial statements of overseas subsidiaries	898	(442)
Fair value loss on financial assets at fair value through other comprehensive income	-	(86)
Total comprehensive income/ (expenses) for the period	4,133	(674)
Attributable to:		
Equity holders of the Company	929	(738)
Non-controlling interests	3,204	64
	4,133	(674)

The notes on pages 13 to 23 form an integral part of this condensed consolidated interim financial report.

VIAGOLD RARE EARTH RESOURCES HOLDINGS LIMITED

**CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 30 SEPTEMBER 2021**

	<u>Note</u>	<u>As at 30 September 2021 A\$'000</u>	<u>As at 31 March 2021 A\$'000</u>
ASSETS			
Non-current assets			
Fixed assets			
- Investment property	7	411	435
- Property, plant and equipment	7	5,806	5,564
Right-of-use assets	8	4,354	4,086
Interests in an associate		549	522
Financial assets at fair value through other comprehensive income	9	3,875	3,610
		<u>14,995</u>	<u>14,217</u>
Current assets			
Inventories	10	32,927	28,149
Trade and other receivables	11	14,532	10,509
Amounts due from related parties	12	107	100
Financial assets at fair value through profit or loss	13	-	5,122
Pledged bank deposits	14	608	872
Cash and cash equivalents		2,867	1,586
		<u>51,041</u>	<u>46,338</u>
Total assets		<u><u>66,036</u></u>	<u><u>60,555</u></u>
EQUITY			
Capital and reserves			
Share capital	15	16,662	16,662
Reserves		(15,855)	(16,784)
Capital and reserves attributable to the equity holders of the Company		807	(122)
Non-controlling interests		10,574	7,370
Total equity		<u>11,381</u>	<u>7,248</u>


The notes on pages 13 to 23 form an integral part of this condensed consolidated interim financial report.

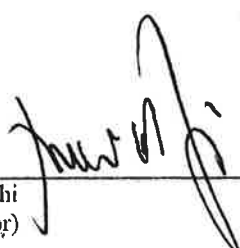
VIAGOLD RARE EARTH RESOURCES HOLDINGS LIMITED

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 30 SEPTEMBER 2021

	Note	As at 30 September 2021 A\$'000	As at 31 March 2021 A\$'000
LIABILITIES			
Non-current liabilities			
Amount due to a related company	12	15,999	14,904
Current liabilities			
Trade and other payables	14	16,926	15,118
Amounts due to related companies	12	15,685	15,544
Amounts due to key management personnel	12	1,728	2,782
Contract liabilities	15	3,659	4,414
Tax payable		658	545
		38,656	38,403
Net current assets		12,385	7,935
Total equity and liabilities		66,036	60,555

The consolidated financial statements on pages 13 to 23 were approved and authorised for issue by the board of directors on 7 December 2021 and are signed on its behalf by:


Changyuan Liao
(Director)


Mulei Shi
(Director)

The notes on pages 13 to 23 form an integral part of this condensed consolidated interim financial report.

VIAGOLD RARE EARTH RESOURCES HOLDINGS LIMITED

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE HALF-YEAR ENDED 30 SEPTEMBER 2021

	Attributable to equity holders of the Company										
	Reserves										Total equity
	Share capital A\$'000	Share premium A\$'000	Translation reserve A\$'000	Contributed surplus A\$'000	Warrant reserve A\$'000	Investment revaluation reserve A\$'000	Other reserve A\$'000	Accumulated losses A\$'000	Sub-total A\$'000	Non-controlling interests A\$'000	
As at 1 April, 2020	16,662	37,248	(24,782)	47,645	600	432	-	(65,118)	12,687	(7,046)	5,641
Loss for the period	-	-	-	-	-	-	-	(211)	(211)	65	(146)
Exchange differences arising on translation of foreign operations	-	-	(441)	-	-	-	-	-	(441)	(1)	(442)
Fair value loss on financial assets at fair value through other comprehensive income	-	-	-	-	-	(86)	-	-	(86)	-	(86)
Total comprehensive loss	-	-	(441)	-	-	(86)	-	(211)	(738)	64	(674)
Capital contribution from ultimate shareholder	-	-	-	441	-	-	-	-	441	-	441
As at 30 September 2020	16,662	37,248	(25,223)	48,086	600	346	-	(65,329)	12,390	(6,982)	5,408
	Attributable to equity holders of the Company										
	Reserves										Total equity
	Share capital A\$'000	Share premium A\$'000	Translation reserve A\$'000	Contributed surplus A\$'000	Warrant reserve A\$'000	Investment revaluation reserve A\$'000	Other reserve A\$'000	Accumulated losses A\$'000	Sub-total A\$'000	Non-controlling interests A\$'000	
As at 1 April, 2021	16,662	37,248	(28,384)	47,645	-	432	1,101	(74,826)	(122)	7,370	7,248
Profit for the period	-	-	-	-	-	-	-	700	700	2,535	3,235
Exchange differences arising on translation of foreign operations	-	-	229	-	-	-	-	-	229	669	898
Total comprehensive income	-	-	229	-	-	-	-	700	929	3,204	4,133
As at 30 September 2021	16,662	37,248	(28,155)	47,645	-	432	1,101	(74,126)	807	10,574	11,381

The notes on pages 13 to 23 form an integral part of this condensed consolidated interim financial report.

VIAGOLD RARE EARTH RESOURCES HOLDINGS LIMITED

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE HALF-YEAR ENDED 30 SEPTEMBER 2021

	Six months ended 30 September	
	2021	2020
	A\$'000	A\$'000
Net cash (used in)/generated from operating activities	(3,861)	1,706
Net cash generated from/(used) in investing activities	4,818	(38)
Net cash generated from financing activities	328	517
Net increase in cash and cash equivalents	1,285	2,185
Cash and cash equivalents at the beginning of the period	1,586	2,527
Exchange losses on cash and cash equivalents	(4)	(93)
Cash and cash equivalents at the end of the period	2,867	4,619

The notes on pages 13 to 23 form an integral part of this condensed consolidated interim financial report.

VIAGOLD RARE EARTH RESOURCES HOLDINGS LIMITED

NOTES TO THE INTERIM FINANCIAL REPORT FOR THE HALF-YEAR ENDED 30 SEPTEMBER 2021

1. GENERAL INFORMATION

ViaGold Rare Earth Resources Holdings 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 its registered office is Suite 1102, Level 11, 370 Pitt Street, Sydney, NSW, 2000 Australia.

The Company acts as an investment holding company. The subsidiaries of the Company are principally engaged in rare earth refining and separation, leasing and capital financing, mineral trading business and consultancy and management services to educational institutions.

This interim financial report is presented in units of Australian dollars (A\$), unless otherwise stated.

2. BASIS OF PREPARATION

This condensed consolidated interim financial report for the half-year ended 30 September 2021 has been prepared in accordance with International Accounting Standard ("IAS") 34 "Interim Financial Reporting" issued by International Accounting Standard Board ("IASB"). The condensed consolidated interim financial report does not include notes of the type normally included in an annual financial report and should be read in conjunction with the annual financial report of the Group for the year ended 31 March 2021 and any public announcements made by the Group during the half-year.

The interim financial report has been prepared in accordance with the same accounting policies adopted in the annual financial report for the year ended 31 March 2021, except for the accounting policy changes that are expected to be reflected in the annual financial report for the year ending 31 March 2022.

The interim financial report contains condensed consolidated financial statements and selected explanatory notes. The notes include an explanation of events and transactions that are significant to an understanding of the changes in financial position and performance of the Group since annual financial report for the year ended 31 March 2021. The condensed consolidated interim financial statements and notes thereon do not include all of the information required for full set of financial statements prepared in accordance with International Financial Reporting Standards ("IFRSs").

The interim financial report is unaudited, but has been reviewed by KTC Partners CPA Limited ("KTC") in accordance with International Standard on Review Engagements 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity". KTC's independent review report to the members of the Company is included on page 24.

VIAGOLD RARE EARTH RESOURCES HOLDINGS LIMITED

NOTES TO THE INTERIM FINANCIAL REPORT FOR THE HALF-YEAR ENDED 30 SEPTEMBER 2021

3. CHANGES IN ACCOUNTING POLICIES

The International Accounting Standard Board ("IASB") has issued the following amendments to IFRSs that are first effective for the current accounting period of the group:

Amendment to IFRS 16	Covid-19-related rent concessions beyond 30 June 2021
Amendments to IFRS 9, IAS 39, IFRS 7, IFRS 4 and IFRS 16	Interest rate benchmark reform — phase 2

None of these developments have had a material effect on how the group's results and financial position for the current or prior periods have been prepared or presented in this interim financial report. The group has not applied any new standard or interpretation that is not yet effective for the current accounting period.

4. SEGMENT REPORTING

The Group manages its business by divisions, which are organized 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.

- Leasing and capital financing
- Provision of consultancy and management services to educational institutions
- Rare earth refining and separation

Geographically, the Group's businesses are divided into Hong Kong and the People's Republic of China (the "PRC"). The main business in Hong Kong is investment holdings. The businesses in the PRC are segregated into rare earth refining and separation, leasing and capital financing services, and consultancy and management services to educational institutions.

100% of the Group's customers are located in Mainland China and revenue of the Group is derived from operations in Mainland China.

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

VIAGOLD RARE EARTH RESOURCES HOLDINGS LIMITED

NOTES TO THE INTERIM FINANCIAL REPORT
FOR THE HALF-YEAR ENDED 30 SEPTEMBER 2021

5. SEGMENT REPORTING (Continued)

The segment information for the reporting segments for the half-year ended 30 September 2021 is as follows:

	Leasing and capital financing A\$'000	Provision of consultancy and management services to educational institutions A\$'000	Rare earth refining and separation A\$'000	Consolidated A\$'000
Segment revenue	271	-	20,217	20,488
Inter-segment revenue	-	-	-	-
Revenue from external customers	271	-	20,217	20,488
Reportable segment gross profit	165	-	3,993	4,158
Reportable segment (loss)/ profit before income tax	161	(38)	3,537	3,660
Unallocated corporate expenses				(425)
Profit before income tax				3,235
Income tax expenses				-
Profit for the period				3,235

VIAGOLD RARE EARTH RESOURCES HOLDINGS LIMITED

NOTES TO THE INTERIM FINANCIAL REPORT
FOR THE HALF-YEAR ENDED 30 SEPTEMBER 2021

5. SEGMENT REPORTING (Continued)

The segment information for the reporting segments for the half-year ended 30 September 2021 is as follows:

	Leasing and capital financing A\$'000	Provision of consultancy and management services to educational institutions A\$'000	Rare earth refining and separation A\$'000	Consolidated A\$'000
As at 30 September 2021				
Reportable segment assets	1,655	163	63,130	64,948
Interest in associate				549
Unallocated corporate assets				539
Consolidated total assets				66,036
Reportable segment liabilities	(26)	(488)	(52,497)	(53,011)
Unallocated corporate liabilities				(1,644)
Consolidated total liabilities				(54,655)

VIA GOLD RARE EARTH RESOURCES HOLDINGS LIMITED

NOTES TO THE INTERIM FINANCIAL REPORT
FOR THE HALF-YEAR ENDED 30 SEPTEMBER 2021

5. SEGMENT REPORTING (Continued)

The segment information for the reporting segments for the half-year ended 30 September 2020 is as follows:

	Trading of minerals A\$'000	Leasing and capital financing A\$'000	Provision of consultancy and management services to educational institutions A\$'000	Rare earth refining and separation A\$'000	Consolidated A\$'000
Segment revenue	-	180	155	5,041	5,376
Inter-segment revenue	-	-	-	-	-
Revenue from external customers	-	180	155	5,041	5,376
Reportable segment gross profit	-	175	155	490	820
Reportable segment (loss)/profit before income tax	(2)	(46)	13	98	63
Unallocated corporate expenses					(172)
Loss before income tax					(109)
Income tax expenses					(37)
Loss for the period					(146)

VIAGOLD RARE EARTH RESOURCES HOLDINGS LIMITED

NOTES TO THE INTERIM FINANCIAL REPORT
FOR THE HALF-YEAR ENDED 30 SEPTEMBER 2021

5. SEGMENT REPORTING (Continued)

The segment information for the reporting segments for the half-year ended 30 September 2020 is as follows:

	Trading of minerals A\$'000	Leasing and capital financing A\$'000	Provision of consultancy and management services to educational institutions A\$'000	Rare earth refining and separation A\$'000	Consolidated A\$'000
As at 30 September 2020					
Reportable segment assets	3	1,553	1,159	54,644	57,359
Interest in associate					174
Unallocated corporate assets					46
Consolidated total assets					<u>57,579</u>
Reportable segment liabilities	(186)	(24)	(1,385)	(49,356)	(50,951)
Unallocated corporate liabilities					<u>(1,220)</u>
Consolidated total liabilities					<u><u>(52,171)</u></u>

VIAGOLD RARE EARTH RESOURCES HOLDINGS LIMITED

NOTES TO THE INTERIM FINANCIAL REPORT
FOR THE HALF-YEAR ENDED 30 SEPTEMBER 2021

6. INCOME TAX EXPENSES

During the period, no provision for Hong Kong Profits Tax has been made as the Group did not generate any assessable profits arising from Hong Kong (2020: Nil). PRC subsidiaries are subject to PRC Enterprise Income Tax at 25% for the period ended 30 September 2021 and 2020.

	Six months ended 30 September	
	2021	2020
	A\$'000	A\$'000
Current tax:		
- PRC Enterprise Income Tax	-	37

7. FIXED ASSETS

	Furniture and equipment A\$'000	Motor vehicles A\$'000	Plant and machinery A\$'000	Leasehold improvement A\$'000	Buildings A\$'000	Sub-total A\$'000	Investment property A\$'000	Total A\$'000
<u>Cost</u>								
As at 31 March 2021	101	1,864	2,945	2,112	3,753	10,775	791	11,566
Additions	2	282	-	61	-	345	-	345
Disposals	-	(449)	-	-	-	(449)	-	(449)
Exchange realignment	7	128	216	158	276	785	58	843
As at 30 September 2021	110	1,825	3,161	2,331	4,029	11,456	849	12,305
<u>Accumulated depreciation</u>								
As at 31 March 2021	50	1,419	1,909	721	1,112	5,211	356	5,567
Charge for the period	11	81	160	45	94	391	53	444
Elimination on disposals	-	(337)	-	-	-	(337)	-	(337)
Exchange realignment	6	90	148	55	86	385	29	414
As at 30 September 2021	67	1,253	2,217	821	1,292	5,650	438	6,088
<u>Carrying amount</u>								
As at 30 September 2021	43	572	944	1,510	2,737	5,806	411	6,217
As at 31 March 2021	51	445	1,036	1,391	2,641	5,564	435	5,999

VIAGOLD RARE EARTH RESOURCES HOLDINGS LIMITED

NOTES TO THE INTERIM FINANCIAL REPORT FOR THE HALF-YEAR ENDED 30 SEPTEMBER 2021

8. RIGHT-OF-USE ASSETS

A\$'000

Cost

As at 1 April 2021	4,086
Charge for the period	(31)
Exchange realignment	299
	<hr/>
As at 30 September 2021	<u>4,354</u>

The right-of-use assets related to the land use rights are located in the PRC.

9. FINANCIAL ASSETS AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME

	As at 30 September 2021 A\$'000	As at 31 March 2021 A\$'000
Financial assets at fair value through other comprehensive income		
- unlisted equity shares	<u>3,875</u>	<u>3,610</u>

Financial assets at fair value through other comprehensive income represents 4,747,937 (31 March 2021: 4,747,937) ordinary shares in Jiangsu Jiangnan Rural Commercial Bank Co., Ltd.

10. INVENTORIES

	As at 30 September 2021 A\$'000	As at 31 March 2021 A\$'000
Raw materials	158	402
Work-in-progress	28,888	25,296
Finished goods	3,881	2,451
	<u>32,927</u>	<u>28,149</u>

Included in carrying amount of work-in-progress is approximately A\$27,000,000 as at 30 September 2021, and their fair value at that date is approximately A\$66,123,000 which is based on a valuation carried out by AP Appraisal Limited, independent professional valuers.

VIAGOLD RARE EARTH RESOURCES HOLDINGS LIMITED

NOTES TO THE INTERIM FINANCIAL REPORT FOR THE HALF-YEAR ENDED 30 SEPTEMBER 2021

11. TRADE AND OTHER RECEIVABLES

	As at 30 September 2021 A\$'000	As at 31 March 2021 A\$'000
Trade receivables	2,390	1,318
Bill receivables	21	-
Other receivables, deposits and prepayments	12,121	9,191
	<u>14,532</u>	<u>10,509</u>

12. AMOUNTS DUE FROM/ (TO) RELATED PARTIES/ RELATED COMPANIES/ KEY MANAGEMENT PERSONNEL

	As at 30 September 2021 A\$'000	As at 31 March 2021 A\$'000	Maximum outstanding balance during the period A\$'000
Amounts due from related parties	<u>107</u>	<u>100</u>	<u>107</u>

The amounts are unsecured, interest free and repayment on demand.

	Note	As at 30 September 2021 A\$'000	As at 31 March 2021 A\$'000
Amounts due to related companies	1 *	31,684	30,448
Amounts due to key management personnel	2	<u>1,728</u>	<u>2,782</u>

* Analysed as:

Amount due within 1 year shown under current liabilities	15,685	15,544
Amount due more than 1 year	<u>15,999</u>	<u>14,904</u>
	<u>31,684</u>	<u>30,448</u>

Notes:

- The principal amount of approximately A\$17,100,000 (equivalent to RMB80,000,000) (31 March 2021: A\$16,005,000, equivalent to RMB80,000,000) is unsecured, interest-free and repayable on 30 September 2022. The directors of the Company have confident that the repayment of the amount can be extended after 30 September 2022. The amount is measured at amortised cost using effective interest method with effective interest rate at 6.8% per annum. For the year ended 31 March 2021, the Group credited an amount of approximately A\$1,101,000 to other reserve which represented the difference between the carrying amount of amount due to a related company and its fair value at amortised cost.

The amounts of approximately A\$15,685,000 (31 March 2021: A\$15,544,000) are unsecured, interest-free and repayable within one year.

- The amounts are unsecured, interest free and repayable on demand.

VIAGOLD RARE EARTH RESOURCES HOLDINGS LIMITED

**NOTES TO THE INTERIM FINANCIAL REPORT
FOR THE HALF-YEAR ENDED 30 SEPTEMBER 2021**

13. FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS

	As at 30 September 2021 A\$'000	As at 31 March 2021 A\$'000
Structured deposits	-	5,122

14. PLEDGED BANK DEPOSITS

As at 30 September 2021, the Group pledged approximately A\$608,000 bank deposits (31 March 2021: A\$872,000), which is denominated in RMB, to bankers of the Group to secure the bill payables due within six months. The pledged bank deposits will be released upon the settlement of relevant bill payables.

15. SHARE CAPITAL

	Number of shares '000	Ordinary shares A\$'000
<u>Issued and fully paid</u>		
At 1 April 2021 and 30 September 2021	83,312	16,662

16. TRADE AND OTHER PAYABLES

	As at 30 September 2021 A\$'000	As at 31 March 2021 A\$'000
Trade payables	13,379	10,638
Bill payables	608	872
Other payables and accrued charges	2,939	3,608
	16,926	15,118

VIAGOLD RARE EARTH RESOURCES HOLDINGS LIMITED

**NOTES TO THE INTERIM FINANCIAL REPORT
FOR THE HALF-YEAR ENDED 30 SEPTEMBER 2021**

17. CONTRACT LIABILITIES

	As at 30 September 2021 A\$'000	As at 31 March 2021 A\$'000
Leasing and capital financing	-	93
Rare earth refining and separation	3,659	4,321
	<u>3,659</u>	<u>4,414</u>

18. MATERIAL RELATED PARTY TRANSACTIONS

<u>Transactions</u> <u>Related party</u>	<u>Nature of transactions</u>	Six months ended 30 September 2021 A\$'000	2020 A\$'000
Directors of the Company	Key management compensation	60	71

<u>Balances due from/ (to)</u> <u>Related party</u>	<u>Nature of balances</u>	As at 30 September 2021 A\$'000	As at 31 March 2021 A\$'000
Related companies	Amounts due from related companies	107	100
	Amounts due to related companies	31,684	30,448
Related parties	Amounts due to key management personnel	1,728	2,782

19. DIVIDEND

No dividend was paid for both periods. The directors do not recommend the payment of an interim dividend.

**REPORT ON REVIEW OF INTERIM CONDENSED CONSOLIDATED FINANCIAL
INFORMATION TO THE BOARD OF DIRECTORS OF VIAGOLD RARE EARTH RESOURCES
HOLDINGS LIMITED**

(Incorporated in Bermuda with limited liability)

Introduction

We have reviewed the interim condensed consolidated financial information set out on pages 7 to 23 which comprises the condensed consolidated statement of financial position of ViaGold Rare Earth Resources Holdings Limited (the "Company") and its subsidiaries (together, the "Group") as of 30 September 2021 and the related condensed consolidated income statement, statement of comprehensive income, statement of changes in equity and statement of cash flows for half-year period then ended and explanatory notes. The directors of the Company are responsible for the preparation and presentation of condensed consolidated financial statements in accordance with International Accounting Standard 34 "Interim Financial Reporting" ("IAS 34").

Our responsibility is to express a conclusion, based on our review, on the interim condensed consolidated financial statements and to report our conclusion solely to you, as a body, in accordance with our agreed terms of engagement, and for no other purpose. We do not assume responsibility towards or accept liability to any other person for the contents of this report.

Scope of Review

We conducted our review in accordance with International Standard on Review Engagements 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity." A review of interim condensed consolidated financial statements consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the interim condensed consolidated financial statements are not prepared, in all material respects, in accordance with IAS 34.



KTC Partners CPA Limited
Certified Public Accountants (Practising)

Chow Yiu Wah, Joseph
Practising Certificate Number: P04686
Hong Kong, 7 December 2021