

VIAGOLD CAPITAL LIMITED

(Incorporated in Bermuda with limited liability)

(ARBN: 070 352 500)

Preliminary Final Report

For the year ended 31 March 2015

ASX Appendix 4E

VIAGOLD CAPITAL LIMITED

PRELIMINARY FINAL REPORT **FOR THE YEAR ENDED 31 MARCH 2015**

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VIAGOLD CAPITAL LIMITED

PRELIMINARY FINAL REPORT FOR THE YEAR ENDED 31 MARCH 2015

RESULTS FOR ANNOUNCEMENT TO THE MARKET

1. **Name of Entity**

ARBN:

Financial year ended (reporting period)

Financial year ended (previous corresponding period)

| |
|-------------------------|
| VIAGOLD CAPITAL LIMITED |
| 070 352 500 |
| 31 March 2015 |
| 31 March 2014 |

2. **Results for announcement to the market**

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

| | <u>2015</u> | <u>2014</u> | <u>Change</u> | <u>Change</u> |
|---|---------------------|---------------|-----------------------------|---------------|
| | AS'000 | AS'000 | AS'000 | % |
| 2.1 Revenue from ordinary activities | 748 | 1,182 | (434) | -37% |
| 2.2 Loss from ordinary activities after tax attributable to members | (1,038) | (854) | (184) | 22% |
| 2.3 Net loss for the reporting period attributable to members | (1,038) | (854) | (184) | 22% |
| 2.4 Dividends | | | | |
| | 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 | | | N/A | |

VIAGOLD CAPITAL LIMITED

PRELIMINARY FINAL REPORT FOR THE YEAR ENDED 31 MARCH 2015

EXPLANATION OF RESULTS

I hereby present the 2014/2015 annual results of ViaGOLD Capital Limited (VIA) and its subsidiaries collectively referred to as the “Group” and the outlook for 2015.

Review

The sentiments of the business environment in which the Group is operating in the provision of management and consulting services to education institutions, asset leasing as well as mineral trading business in China have not improved during the current year. Revenue was A\$748,000 for the year ended 31 March 2015 as compared to A\$1,182,000 for the year ended 31 March 2014.

The loss attributable to the equity holders of the Group for the year ended 31 March 2015 was A\$1,038,000 (2014: a loss of approximately A\$854,000). Within which, the loss in the major operations for A\$496,000 was mainly attributed to the results of continuous industrial downsizing in both vocational and higher education and the intense competition during the year. And the remaining balance of loss for A\$542,000 was mainly due to the annual mandatory statutory of professional fees and director remuneration for the year.

Prospect

In 2015, the Group will continue in boosting its existing businesses by strengthening the marketing development and the management in its current education management, asset leasing and mineral trading businesses, and will seize for new investment and business opportunities with good potentials in a prudent and cautious manners which are expected to bring significant value to the Group’s operating results.

Appreciation

On behalf of the Board of directors (the “Board”), I would like to express my sincere thanks to the Group’s shareholders, customers, bankers and business associates for their continuing support. And I would also like to take this opportunity to express my heartfelt thanks to my fellow directors and all the dedicated employees of the Group for their hard work and contributing during the year.

VIAGOLD CAPITAL LIMITED

PRELIMINARY FINAL REPORT FOR THE YEAR ENDED 31 MARCH 2015

OTHER INFORMATION

| 1. Net tangible assets per security | Current Reporting Period | Previous Corresponding Period (Restated) |
|---|---|---|
| Net tangible assets backing per ordinary security | A\$0.06 | A\$0.08 |

2. Dividends

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

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

N/A

4. Details of associates and joint venture entities

There were no associate or joint venture entity holdings in the current year.

VIAGOLD CAPITAL LIMITED

PRELIMINARY FINAL REPORT FOR THE YEAR ENDED 31 MARCH 2015

CONSOLIDATED STATEMENT OF PROFIT OR LOSS

| | <u>2015</u> A\$'000 | <u>2014</u> A\$'000 |
|--|-------------------------|-------------------------|
| Turnover | 748 | 1,182 |
| Cost of services | <u>(611)</u> | <u>(889)</u> |
| Gross profit | 137 | 293 |
| Other income | 51 | 5 |
| Administrative expenses | (1,230) | (1,154) |
| Impairment loss on trade and other receivables | (18) | - |
| Other operating expenses | (21) | (60) |
| Finance costs | <u>(3)</u> | <u>(3)</u> |
| Loss before income tax | (1,084) | (919) |
| Income tax expenses | <u>-</u> | <u>-</u> |
| Loss for the year | <u><u>(1,084)</u></u> | <u><u>(919)</u></u> |
| Attributable to: | | |
| Equity holders of the Company | (1,038) | (854) |
| Non-controlling interests | <u>(46)</u> | <u>(65)</u> |
| | <u><u>(1,084)</u></u> | <u><u>(919)</u></u> |
| Loss per share attributable to the equity holders of the Company | | |
| - Basic | <u><u>(A\$0.03)</u></u> | <u><u>(A\$0.03)</u></u> |
| - Diluted | <u><u>N/A</u></u> | <u><u>N/A</u></u> |

The above preliminary consolidated statement of comprehensive income should be read in conjunction with the accompanying notes set out on pages 9 to 13.

VIAGOLD CAPITAL LIMITED

PRELIMINARY FINAL REPORT FOR THE YEAR ENDED 31 MARCH 2015

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

| | <u>2015</u> A\$'000 | <u>2014</u> A\$'000 |
|---|------------------------|------------------------|
| Loss for the year | (1,084) | (919) |
| Other comprehensive loss for the year | | |
| Items that may be reclassified subsequently to profit or loss | | |
| Exchange differences on translation of: | | |
| - Financial statements of overseas subsidiaries | <u>193</u> | <u>381</u> |
| Total comprehensive loss for the year | <u><u>(891)</u></u> | <u><u>(538)</u></u> |
| Total comprehensive loss attributable to: | | |
| Equity shareholders of the Company | (833) | (592) |
| Non-controlling interests | <u>(58)</u> | <u>54</u> |
| | <u><u>(891)</u></u> | <u><u>(538)</u></u> |

The above preliminary consolidated statement of comprehensive income should be read in conjunction with the accompanying notes set out on pages 9 to 13.

VIAGOLD CAPITAL LIMITED

PRELIMINARY FINAL REPORT

AS AT 31 MARCH 2015

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

| | 2015 | 2014 |
|--|---------------------|---------------------|
| | A\$'000 | A\$'000 |
| | | (Restated) |
| ASSETS | | |
| Non-current assets | | |
| Fixed assets | | |
| - Investment property | 669 | 588 |
| - Plant and equipment | 1,054 | 920 |
| | <u>1,723</u> | <u>1,508</u> |
| Current assets | | |
| Trade and other receivables | 925 | 372 |
| Cash and cash equivalents | 271 | 968 |
| | <u>1,196</u> | <u>1,340</u> |
| Total assets | <u><u>2,919</u></u> | <u><u>2,848</u></u> |
| EQUITY | | |
| Share capital | 6,131 | 6,131 |
| Reserves | (4,733) | (4,264) |
| Capital and reserves attributable to the owners of the Company | <u>1,398</u> | <u>1,867</u> |
| Non-controlling interests | <u>526</u> | <u>584</u> |
| Total equity | <u>1,924</u> | <u>2,451</u> |
| LIABILITIES | | |
| Current liabilities | | |
| Other payables | <u>995</u> | <u>397</u> |
| Total equity and liabilities | <u><u>2,919</u></u> | <u><u>2,848</u></u> |

The above preliminary consolidated statement of financial position should be read in conjunction with the accompanying notes set out on pages 9 to 13. Restatement of prior year comparative figures is detailed in note 2.

VIAGOLD CAPITAL LIMITED

PRELIMINARY FINAL REPORT FOR THE YEAR ENDED 31 MARCH 2015

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

| | Attributable to equity holders of the Company | | | | | | | Non- controlling interests | Total equity | |
|--|---|------------------|------------------------|------------------------|--------------------|--|-----------------------|----------------------------------|-----------------|---------|
| | Share capital | Share premium | Translation reserve | Contributed surplus | Warrant reserve | Share-based compensation reserve | Accumulated losses | | | Total |
| | A\$'000 | A\$'000 | A\$'000 | A\$'000 | A\$'000 | A\$'000 | A\$'000 | | | A\$'000 |
| As at April 1, 2013 | 6,131 | 29,020 | (28,778) | 47,645 | 399 | 7,221 | (59,573) | 2,065 | 530 | 2,595 |
| Prior year adjustment (Refer to note 2) | - | - | - | - | - | - | 242 | 242 | - | 242 |
| As at April 1, 2013 (Restated) | 6,131 | 29,020 | (28,778) | 47,645 | 399 | 7,221 | (59,331) | 2,307 | 530 | 2,837 |
| - Total comprehensive loss | - | - | 262 | - | - | - | (854) | (592) | 54 | (538) |
| | 6,131 | 29,020 | (28,516) | 47,645 | 399 | 7,221 | (60,185) | 1,715 | 584 | 2,299 |
| Transactions with owners in their capacity | | | | | | | | | | |
| - Issuance of warrants during the year | - | - | - | - | 152 | - | - | 152 | - | 152 |
| As at March 31, 2014 (Restated) | 6,131 | 29,020 | (28,516) | 47,645 | 551 | 7,221 | (60,185) | 1,867 | 584 | 2,451 |
| As at April 1, 2014 (Restated) | 6,131 | 29,020 | (28,516) | 47,645 | 551 | 7,221 | (60,185) | 1,867 | 584 | 2,451 |
| - Total comprehensive loss | - | - | 205 | - | - | - | (1,038) | (833) | (58) | (891) |
| | 6,131 | 29,020 | (28,311) | 47,645 | 551 | 7,221 | (61,223) | 1,034 | 526 | 1,560 |
| Transactions with owners in their capacity | | | | | | | | | | |
| - Issuance of warrants during the year | - | - | - | - | 364 | - | - | 364 | - | 364 |
| As at March 31, 2015 | 6,131 | 29,020 | (28,311) | 47,645 | 915 | 7,221 | (61,223) | 1,398 | 526 | 1,924 |

The above preliminary consolidated statement of changes in equity should be read in conjunction with the accompanying notes set out on pages 9 to 13. Restatement of prior year comparative figures is detailed in note 2.

VIAGOLD CAPITAL LIMITED

PRELIMINARY FINAL REPORT FOR THE YEAR ENDED 31 MARCH 2015

CONSOLIDATED STATEMENT OF CASH FLOWS

| | <u>2015</u> AS'000 | <u>2014</u> AS'000 |
|---|-----------------------|-----------------------|
| Cash flows from operating activities | | |
| Net cash used in operating activities | <u>(650)</u> | <u>(388)</u> |
| Cash flows from investing activities | | |
| Acquisition of fixed assets | (726) | (157) |
| Proceeds from disposal of plant and equipment | 383 | - |
| Interest received | 4 | 5 |
| Net cash used in investing activities | <u>(339)</u> | <u>(152)</u> |
| Cash flows from financing activities | | |
| Interest paid | (3) | (3) |
| Proceeds from issuance of warrants | 364 | 152 |
| Net cash from financing activities | <u>361</u> | <u>149</u> |
| Net decrease in cash and cash equivalents | (628) | (391) |
| Cash and cash equivalents at the beginning of the year | 968 | 1,163 |
| Effect of foreign exchange rate changes, net | <u>(69)</u> | <u>196</u> |
| Cash and cash equivalents at the end of the year | <u>271</u> | <u>968</u> |

The above preliminary consolidated statement of cash flows should be read in conjunction with the accompanying notes set out on pages 9 to 13.

VIAGOLD CAPITAL LIMITED

PRELIMINARY FINAL REPORT FOR THE YEAR ENDED 31 MARCH 2015

NOTES TO THE PRELIMINARY FINAL REPORT

Note 1. Statement of Significant Accounting Policies

The preliminary final report of ViaGOLD Capital Limited and its subsidiaries (collectively the "Group") has been prepared in accordance with listing rule 4.3A of the Australian Securities Exchange Limited ("ASX") and has been derived from the unaudited consolidated financial statements. The consolidated financial statements have been prepared in accordance with International Financial Reporting Standards and International Accounting Standards.

The preliminary final report is presented in Australian dollars, unless otherwise stated.

The preliminary final report has been prepared under the historical cost convention, as modified by the revaluations of financial assets and financial liabilities at fair value through profit or loss (if any). The accounting policies adopted in this report is the same as those disclosed in the condensed consolidated interim financial statements for the half-year ended 30 September 2014.

The accounting policies adopted in this report have been consistently applied by each entity in the consolidated entity and are consistent with those of the previous year.

The preliminary final report is based on the financial statements which are in the process of being audited.

The current reporting in the preliminary final report is the year ended 31 March 2015 while the prior year is the year ended 31 March 2014.

Note 2. Prior year restatement

During the preparation of the full year result for the year ended 31 March 2015, it was discovered that an amount of accumulated depreciation (A\$242,093) should have been recorded as an other income in the results for the year ended 31 March 2012. The amount was related to the accumulated depreciation regarding a motor vehicle in Beijing Hua Bao Times International Leasing Company Limited which had been already disposed. Under the International Accounting Standards 16, such amount should have been included in previous year's results. The impact of this error on the previous year's results is as follows:

Impact on the consolidated statement of profit or Loss

| | For the year ended 31 March 2012 as previously reported A\$'000 | Amendment A\$'000 | For the year ended 31 March 2012 restated A\$'000 |
|-------------------------------------|--|----------------------|---|
| Other income | | | |
| - Gains on disposal of fixed assets | 27 | 242 | 269 |

VIAGOLD CAPITAL LIMITED

PRELIMINARY FINAL REPORT FOR THE YEAR ENDED 31 MARCH 2015

NOTES TO THE PRELIMINARY FINAL REPORT

Note 2. Prior year restatement (continued)

Impact on the consolidated statement of financial position

| | As at 31 March 2014 as previously reported A\$'000 | Amendment A\$'000 | As at 31 March 2014 restated A\$'000 |
|---|--|----------------------|---|
| Non-current assets | | | |
| Fixed assets | | | |
| - Plant and equipment | 678 | 242 | 920 |
| Total assets | <u>2,606</u> | <u>242</u> | <u>2,848</u> |
| Equity | | | |
| - Capital and reserves attributable to the owners of the Company | 1,625 | 242 | 1,867 |
| Total equity and liabilities | <u>2,606</u> | <u>242</u> | <u>2,848</u> |
| Impact on net assets or total equity | <u>2,209</u> | <u>242</u> | <u>2,451</u> |

Impacts on consolidated statement of cash flows

There is no effect on the consolidated statement of cash flows for the year ended 31 March 2014.

Impacts on basic and diluted earnings per share

There is no effect on the basic and diluted earnings per share for the year ended 31 March 2014. There is no effect on management basic or diluted earnings per share.

Note 3. 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

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

VIAGOLD CAPITAL LIMITED

PRELIMINARY FINAL REPORT FOR THE YEAR ENDED 31 MARCH 2015

NOTES TO THE PRELIMINARY FINAL REPORT (continued)

Note 3. Segment Reporting (continued)

The management considers the business from both a geographic and product perspective. Geographically, the management operates the businesses in Hong Kong and Macao 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.

The segment information provided to the management for the reporting segments for the year ended 31 March 2015 is as follows:

| | Hong Kong and Macao | Hong Kong | PRC | PRC | | |
|---|--|--------------------------------|--|---|--------------------|---------------------|
| | Investment holding and administration | Trading of minerals | Leasing and capital financing | Provision of consultancy and management services to educational institutions | Unallocated | Consolidated |
| | AS'000 | AS'000 | AS'000 | AS'000 | AS'000 | AS'000 |
| Segment revenue | - | - | 432 | 316 | - | 748 |
| Inter-segment revenue | - | - | - | - | - | - |
| Revenue from external customers | - | - | 432 | 316 | - | 748 |
| Reportable segment loss before income tax | (542) | (37) | (154) | (351) | - | (1,084) |
| Depreciation and amortisation | - | - | (432) | (5) | - | (437) |
| Interest income | 3 | - | 1 | - | - | 4 |
| As at 31 March 2015 | | | | | | |
| Total assets | 139 | 334 | 2,262 | 184 | - | 2,919 |
| Non-current assets (Other than financial instruments and deferred tax assets) | - | - | 1,597 | 126 | - | 1,723 |
| Additions to non-current assets (Other than financial instruments and deferred tax assets) | - | - | 629 | 97 | - | 726 |
| Total liabilities | 440 | 341 | 146 | 68 | - | 995 |

VIAGOLD CAPITAL LIMITED**PRELIMINARY FINAL REPORT
FOR THE YEAR ENDED 31 MARCH 2015****NOTES TO THE PRELIMINARY FINAL REPORT (continued)****Note 3. Segment Reporting (continued)**

The segment information provided to the management for the reporting segments for the year ended 31 March 2014 is as follows:

| | Hong Kong and Macao | Hong Kong | PRC | PRC | | |
|---|---|------------------------|----------------------------------|---|-------------|--------------|
| | Investment holding and administration | Trading of minerals | Leasing and capital financing | Provision of consultancy and management services to educational institutions | Unallocated | Consolidated |
| | AS'000 | AS'000 | AS'000 | AS'000 | AS'000 | AS'000 |
| Segment revenue | - | 240 | 487 | 455 | - | 1,182 |
| Inter-segment revenue | - | - | - | - | - | - |
| Revenue from external customers | <u>-</u> | <u>240</u> | <u>487</u> | <u>455</u> | <u>-</u> | <u>1,182</u> |
| Reportable segment loss before income tax | (588) | (5) | (221) | (105) | - | (919) |
| Depreciation and amortisation | - | - | (432) | (1) | - | (433) |
| Interest income | 3 | - | 1 | 1 | - | 5 |
| As at 31 March 2014 | | | | | | |
| Total assets (Refer to note 2) | <u>169</u> | <u>-</u> | <u>2,093</u> | <u>586</u> | <u>-</u> | <u>2,848</u> |
| Non-current assets (Refer to note 2) (Other than financial instruments and deferred tax assets) | <u>-</u> | <u>-</u> | <u>1,480</u> | <u>28</u> | <u>-</u> | <u>1,508</u> |
| Additions to non-current assets (Other than financial instruments and deferred tax assets) | <u>-</u> | <u>-</u> | <u>128</u> | <u>29</u> | <u>-</u> | <u>157</u> |
| Total liabilities | <u>239</u> | <u>-</u> | <u>138</u> | <u>20</u> | <u>-</u> | <u>397</u> |

VIAGOLD CAPITAL LIMITED

PRELIMINARY FINAL REPORT FOR THE YEAR ENDED 31 MARCH 2015

NOTES TO THE PRELIMINARY FINAL REPORT (continued)

Note 4. Additions to Plant and Equipment

During the year, the Group acquired plant and equipment at a cost of approximately A\$726,000 (Year ended 31 March 2014: approximately A\$157,000).