盛泽中国

IATIA LIMITED ACN 091 608 025

PROSPECTUS

For the issue of:

(i) up to 40,000,000 Shares at an issue price of 20 cents (A$0.20) per Share to raise up to A$8,000,000 (**Public Offer**), with a minimum subscription of A$5,000,000; and

(ii) 106,168,117 Shares to the Vendor on completion of the Onwide Acquisition (**Vendor Offer**),

(together, the **Offers**).

Sponsoring Broker for the Public Offer

Novus Capital

AFS Licence No: 238168

Novus Capital Limited

CONTENTS

OFFER INFORMATION

This Prospectus relates to the Offers, being the Public Offer and the Vendor Offer.

The Public Offer invites investors to apply for up to 40,000,000 Shares at an issue price of 20 cents ($0.20) per Share to raise up to $8,000,000. The minimum subscription for the Public Offer is $5,000,000 (25,000,000 Shares). The offer price per Share under the Public Offer is 20 cents ($0.20). The Public Offer is not underwritten.

The Prospectus is also relevant to the Vendor Offer – the issue, on completion of the Onwide Acquisition, of 106,168,117 Shares (the Vendor Shares) to the Vendor under the Share Sale Agreement. Only the Vendor may participate in the Vendor Offer. Further information on each of the Offers is set out below and in Section 11 of the Prospectus.

The Offers are subject to and conditional upon approval (by the Shareholders of the Company at a General Meeting to be held on 29 January 2014 and subsequent completion of the following:

- completion of the Consolidation of the Company's Share capital on a 100:1 basis;
- the achievement of the minimum subscription under the Public Offer;
- completion of the Onwide Acquisition;
- approval of the Acquisition, the Offer (and other related matters) by the Shareholders; and
- ASX agreeing to reinstate the Shares to quotation on the Official List.

IMPORTANT DATES

Events	Key Dates*
Date of Prospectus and Lodgement Date	10 December 2013
Opening Date – Public Offer	2 January 2014
General Meeting of the Shareholders	29 January 2014
Closing Date	14 February 2014
Consolidation of the Company's Shares	19-21 February 2014
Completion of the Onwide Acquisition expected to occur	24 February 2014
Shares expected to be issued under the Public Offer	24 February 2014
Reinstatement of trading of the Shares (including Shares issued under the Public Offer) on ASX expected to commence^	28 February 2014

* These dates are indicative only. The Company reserves the right, in accordance with the ASX Listing Rules and Corporations Act and after consultation with the Sponsoring Broker, to vary these dates without notice, including to close the Public Offer early or to accept late Applications, either generally or in particular cases, without notifying any recipient of this Prospectus or any Applicants. Investors who wish to submit an Application are encouraged to do so as soon as practicable after the Public Offer opens.

^ No guarantee can be made that ASX will reinstate the Shares on the expected date, or at all. The Offers will not proceed if ASX does not reinstate the Shares to official quotation on ASX within three months after the date of this Prospectus (or such later date as applicable). ASX retains a general discretion as to whether or not to reinstate a company's shares to official quotation.

RISKS

An investment in the Company should be considered speculative. You should give full consideration to the detailed discussion of risks that is set out in Section 5 of the Prospectus before making any decision to invest in the Company and the Shares.

Investing in the Company involves material risk and, in a number of respects, the risks of investing in the Company are different to and potentially greater than investing in other companies listed on ASX.

The key risks associated with an investment in the Company are summarised in Section 5 of the Prospectus.

THIS IS AN IMPORTANT DOCUMENT AND SHOULD BE READ IN ITS ENTIRETY.
You may wish to consult your financial, legal or other professional adviser(s) about its contents.

IMPORTANT NOTICES

General

This is an important document which should be read in its entirety before making any investment decision. You should obtain independent advice if you have any questions about any of the matters contained in this Prospectus.

Iatia Limited (Iatia or Company) is a company incorporated in Australia.

Neither ASIC nor ASX takes any responsibility for the contents of this Prospectus. Admission to the official list of ASX is in no way an indication of the merits of the Offer or the Company.

Offers

This Prospectus contains an offer of up to 40,000,000 fully paid ordinary shares at an issue price of $0.20 per Share to raise up to $8,000,000, with a minimum subscription of $5,000,000. No Shares will be issued until the minimum subscription amount has been received. If the Company does not receive the minimum subscription amount within 4 months after the date of this Prospectus, the Offers will not proceed and all Application Monies will be refunded to Applicants as soon as practicable (without interest).

This Prospectus is issued by the Company. No person is authorised to provide any information or to make any representation in connection with the Company or the Offer that is not contained in the Prospectus. You should only rely on the information contained in the Prospectus. Any information or representation not contained in the Prospectus may not be relied on as having been authorised by the Company in connection with the Offers. Except as required by law and only to the extent required by such law, neither the Company nor any other person associated with the Company or the Offer guarantees or warrants the future performance of the Company or the return on an investment made under the Prospectus, the repayment of capital or the payment of dividends on the Shares.

Before deciding to invest in the Company, you should read the entire Prospectus. The information contained in individual Sections is not intended to and does not provide a comprehensive review of the business and the financial affairs of the Company or the Shares offered under the Prospectus. The Offer does not take into account the investment objectives, financial situation or particular needs of individual investors. You should carefully consider the risks (set out in Section 5) that impact on the Company in the context of your personal requirements (including your financial and tax position) and, if required, seek professional guidance from your financial adviser, stockbroker, solicitor, accountant or other professional adviser prior to deciding to invest in the Company.

The Offers and the issue of the Shares do not constitute financial product advice or a recommendation to acquire the Shares. No cooling-off regime (whether provided for by law or otherwise) applies in respect of the acquisition of Shares under this Prospectus. The Prospectus is of a general nature and the Offers do not take into account the investment objectives, financial situation, tax position and particular needs of the investor.

Lodgement and listing

This Prospectus is dated 10 December 2013 and was lodged with ASIC on that date. ASIC and ASX take no responsibility for the contents of this Prospectus.

The Company will apply for the Shares offered by this Prospectus to be listed for quotation on the ASX within 7 days following the date of this Prospectus. No Shares will be issued or sold on the basis of this Prospectus later than 13 months after the date of this Prospectus.

Restrictions on distribution

The distribution of this Prospectus in jurisdictions outside Australia may be restricted by law and, therefore, this Prospectus does not constitute an offer or invitation in any jurisdiction where, or to any person to whom, it would not be lawful to make such an offer or invitation. No action has been taken to register or qualify the Shares or the Offers, or to otherwise permit a public offering of the Shares, in any jurisdiction outside Australia.

The distribution of this Prospectus in jurisdictions outside Australia may be restricted by law and persons who come into possession of this Prospectus should seek advice on, and observe, any such restrictions. Any failure to comply with such restrictions may constitute a violation of applicable securities laws.

Prospectus availability

This Prospectus (without application form) is available to download and view by Australian residents only on the Company's web site at http://www.sunzchinagroup.com. Any person may obtain a paper copy of the Prospectus (including the Application Form) free of charge by telephoning the Company on + 61 3 9600 0081 or the Sponsoring Broker on + 61 3 8602 1700 with their request. Persons who access the electronic form of this Prospectus should ensure that they download and read the entire Prospectus.

Other than this Prospectus, no information or document on the Company's website is incorporated by reference into this Prospectus, and any information or document other than this Prospectus should not be relied on by potential investors.

Forward-looking statements

The Prospectus contains forward-looking statements which are often identified by words such as "believes", "estimates", "anticipates", "expects", "predicts", "intends", "plans", "goals", "targets", "aims", "outlook", "guidance", "forecasts", "may", "will", "would", "could", or "should" and other similar words that involve risks and uncertainties.

These statements are based on an assessment of present financial, economic and operating conditions, and on a number of assumptions regarding future events and actions that, as at the date of the Prospectus, are expected to take place.

Such forward-looking statements are not guarantees of future performance and involve known and unknown risks, uncertainties, assumptions, and other important factors, many of which are beyond the control of the Company and the Directors and management of the Company.

The Company cannot and does not give any assurance that the results, performance or achievements expressed or implied by the forward- looking statements contained in this Prospectus will actually occur and you are cautioned not to place undue reliance on these forward-looking statements.

The Company does not intend to update or revise forward-looking statements, or to publish prospective financial information in the future, regardless of whether new information, future events or any other factors affect the information contained in this Prospectus, except where required by law.

These forward-looking statements are subject to various risk factors that could cause the Company's actual results to differ materially from the results expressed or anticipated in these statements. Key risk factors are set out in Section 5. These and other factors could cause actual results to differ materially from those expressed in any forward-looking statements contained in this Prospectus.

Past Performance including the financial performance is not a guarantee for future performance.

Applications

The Application Form included in this Prospectus may only be distributed if it is included in, or accompanied by, a complete and unaltered copy of the Prospectus. Applications under the Public Offer must be made by completing and returning the Application Form which is accompanying this Prospectus in its paper copy form, or a print out of the form which formed part of, or was accompanied by, the complete and unadulterated electronic version of this Prospectus. Instructions for completing and returning the Application Form are set out in Section 11 of this Prospectus and the Application Form.

By making an Application, you declare that you were given access to the entire Prospectus, together with an Application Form. The Company will not accept a completed Application Form if it has reasons to believe that an Application Form lodged by an Applicant was not accompanied by, or attached to, the Prospectus or if it has reasons to believe that the Application Form has been altered or tampered with in any way.

Detailed instructions on completing the respective Application Forms can be found on the back of the Application Forms. The acceptance of an Application Form and the allocation of Shares are at the discretion of the Company.

Trading in Shares

It is your responsibility to determine your allocation of Shares before trading in the Shares to avoid the risk of selling Shares you do not own.

If you sell Shares before you receive confirmation of allotment of the Shares to you, you do so at your own risk.

Other important information

Definitions and glossary

Certain terms and abbreviations used in this Prospectus have defined meanings which are explained in the glossary. References to time are to time in Melbourne, Victoria unless stated otherwise.

Amounts

The financial amounts in this Prospectus are expressed in Australian dollars ($, A$ or AUS$), unless otherwise stated. Any discrepancies between totals and sums and components in tables contained in this Prospectus are due to rounding. For ease of comparison, on 30 June 2013, the exchange rate from RMB to AUD was RMB 1=AUD 0.17669 the exchange rate from HKD to AUD was HKD 1=AUD 0.14095, and the exchange rate from USD to AUD was USD 1=AUD 1.09339.

Post-Consolidation amounts

The Company is proposing to conduct a Consolidation of its Share capital on a 100 to 1 basis. The Consolidation proposal will be put forward for approval at the General Meeting of Shareholders which is proposed to be held on 29 January 2014. The Offers are subject to, and conditional upon, among other things, completion of the Consolidation.

Therefore, numbers and percentages in relation to the Share capital of the Company (including the number and percentage of Shares on issue) are on a post-Consolidation basis (and not the Share capital of the Company as at the date of this Prospectus).

Company website and photographs

Any references to documents included on the Company's website are provided for convenience only, and none of the documents or other information on the website is incorporated by reference into the Prospectus.

This Prospectus contains photographs and other reproductions which may not necessarily be owned by or have any relationship with the Company or the Directors. Photographs and illustrations are included in this Prospectus for illustrative purposes only and, if a photograph appears in the Prospectus without a description, it is for illustrative purposes only and is not intended to provide any form of endorsement of or purport to represent the Company and/or the Onwide Group.

Privacy

The privacy policy relating to this Prospectus is contained in the privacy disclosure statement in Section 11.18.

Information about the Onwide Group

This Prospectus contains certain information about the Onwide Group and the Key Employees. To the extent that the Prospectus includes the statements made by or about the Onwide Group or the Key Employees or includes statements based on any statement of, or information provided by the Onwide Group or the Key Employees, each of the Onwide Group and the Key Employees consents, and has not withdrawn that consent at any time prior to the lodgement of the Prospectus with ASIC, to each such statement being included in the Prospectus in the form and context in which it is included. Refer to Section 12.9 for specific details of the relevant consents.

1 CHAIRMAN'S LETTER

10 December 2013

Dear investors,

On behalf of the Board, I am pleased to offer you the opportunity to invest in the Company.

The Company was admitted to the ASX (ASX code: IAT) on 9 April, 2002. In the eight years immediately following its admission, the Company was engaged mainly in the imaging technology business. Due to cash flow limitations, on 18 January 2010 the Company requested and was granted a suspension of trading in its securities by the ASX. On 1 August 2010, the Company sold its operating subsidiary, including its imaging business and all the associated intellectual property, to Thorsol Pty Ltd.

Subsequently, the Company has not undertaken any material business activity (other than entry into the Share Sale Agreement for the Onwide Acquisition).

Acquisition of Onwide Limited

On 18 December 2012 the Company announced that it had agreed to acquire Onwide Limited (Onwide Acquisition). Onwide Limited is a Hong Kong company which focuses on the real estate and education industries in the PRC. Onwide Limited is involved in a property development project in the PRC (Property Project). It also intends to establish and operate a private school sited within the neighbourhood of the Property Project (Education Project).

The Public Offer

The Offers contained in this Prospectus include a Public Offer for up to 40,000,000 Shares at 20 cents ($0.20) per Share to raise up to $8 million (subject to a minimum subscription of $5 million). The primary purpose of the Public Offer is to raise working capital to enable the Company to progress both the Property Project and the Education Project, repay existing creditors and to achieve a spread of Shareholders sufficient to enable the Company to apply for re-quotation of its Shares on ASX.

The Offers are subject to and conditional upon approval (by the Shareholders of the Company at a General Meeting to be held on 29 January 2014 and subsequent completion of the following:

- completion of the Consolidation of the Company's Share capital on a 100:1 basis;
- the achievement of the minimum subscription under the Public Offer;
- completion of the Onwide Acquisition;
- approval of the Acquisition, the Offers and other related matters by the Shareholders; and
- ASX agreeing to reinstate the Shares to quotation on the Official List.

A General Meeting of Shareholders will be called on 29 January 2014 to approve the Onwide Acquisition and other related resolutions (including a change of the Company's name to "Sunz China Holdings Group Limited".)

The Prospectus contains detailed information about the Company, the Onwide Acquisition and the Public Offer. It also details the key risks associated with investing in the Shares.

I encourage you to carefully read the Prospectus before making an investment decision. Together with the Board, I encourage you to consider the Public Offer, recognizing of course that the risk profile of an investment in the Company (with Onwide having a very limited operational history and no record of earnings or revenue and both the Property Project and the Education Project being at a very early stage) will not suit all investors.

Yours sincerely

Li Shihao

Director
Iatia Limited

2 INVESTMENT OVERVIEW

The information provided in this Section is a summary introduction and overview of the Offers and the Company only. This Prospectus contains information about the Offers and you should read it in its entirety before deciding on whether to invest in the Shares. If you are unclear about any aspect of the Offers, in particular, the Public Offer, or if you are uncertain whether the Shares are a suitable investment for you, you should consult your financial adviser, stockbroker, solicitor, accountant or other professional advisers.

Topic	Summary	Where will I find further information?
A. Introduction		
Who is Iatia / the Company?	The Company is an Australian public company. It was registered as a public company in Victoria on 16 February 2000 and was admitted to the ASX (ASX code: IAT) on 9 April 2002. In the eight years immediately following its admission, the Company was engaged mainly in the imaging technology business. Due to cash flow limitations, on 18 January 2010 the Company requested and was granted a suspension of trading in its securities on the ASX. On 1 August 2010, the Company sold its operating subsidiary, including its imaging business and all the associated intellectual property, to Thorsol Pty Ltd. Since then the Company has not undertaken any material business activity (other than entry into the Share Sale Agreement for the Onwide Acquisition).	Section 4
Why are the Offers being conducted?	This Prospectus contains details and information relating to the: Public Offer; and Vendor Offer. Unless you are the Vendor, only the Public Offer will be relevant to you. The Public Offer is being conducted to raise funds to: • progress the development of the Property Project; • progress the Education Project; • repay existing creditors of the Company; • pay the costs of the Offers; and • provide working capital to the Company. In addition, the Public Offer is designed to achieve a spread of Shareholders sufficient to satisfy the ASX spread requirements (as part of the Company's application for re-instatement of the Shares to official quotation). The Vendor Offer is being conducted for the sole purpose of the issue of Shares to the Vendor on completion of the Onwide Acquisition. The Shares will be issued in accordance with the terms of the Share Sale Agreement – further details of the Onwide Acquisition and Share Sale Agreement are available in Section 4.2.	Section 3 and 11

Is the Public Offer subject to or conditional upon any other events?	Yes. The Public Offer will not proceed, and all Application Monies will be returned to Applicants in accordance with Section 11.8 if any of the following conditions of the Offers is not satisfied: • all the requisite Shareholder approvals under the Corporations Act and the Listing Rules relating to the Onwide Acquisition and the Offers are not obtained; • the Consolidation is not completed; • the minimum subscription under the Public Offer is not achieved; • Onwide Acquisition does not proceed; or • ASX does not agree to reinstate the Shares to official quotation. The Vendor Offer is similarly conditional upon the Company obtaining all necessary approvals to complete the Onwide Acquisition, the re-instatement of the Shares to official quotation and the completion of the Public Offer (as evidenced by the receipt of valid Applications for at least the minimum subscription amount of $5,000,000).	Section 3 and 11
B. The Company's business model		
What is the Company's business?	Details of the Company's prior business are set out in Item A in Section 2 above. Since then, the Company has not conducted any operational or revenue producing business. The Company has identified investment opportunities in the PRC real estate and education industries. Accordingly, on 18 December 2012, the Company announced that it had agreed to acquire Onwide Limited. The key features of the Company's business after the Onwide Acquisition are summarised below.	Section 4
What will be the Company's business after the acquisition of Onwide Limited? / What is the business of the Onwide Group?	After the acquisition of Onwide Limited, the Company's business will comprise entirely of the business operations of the Onwide Group. Onwide Limited is a Hong Kong company which was commenced, via its PRC joint venture company (Langfang Limited), a property development project (the Property Project) in the PRC. Its also intends to establish and operate a private school (the Education Project) within the neighborhood of the Property Project. The Onwide Group will be responsible for the completion of the Property Project from design, through to construction, sales and on-going maintenance. For the Education Project, the Onwide Group will be similarly responsible for all aspects of the Project from design, through to construction and on-going operation and management of the school. While the Property Project and the Education Project are separate components of the Company's business, there are many links and synergies between the development and operations of the projects, including, but not limited to: • the Education Project will be sited within the neighbourhood of the land available to the Property Project and serve as a 'added-value' for potential purchasers of the residential real estate within that Project; and • product differentiation and brand recognition for the Company; and • the nature of the Education Project will partially counterbalance the cyclical nature of the Property Project.	Section 4.2

What are the short and medium term objectives of the Company's proposed business model?	The Property Project and the Education Project are strategically located in area where the Company believes it is likely to see significant growth in population and demand for services (including education). The Company's proposed business model seeks to leverage those growth opportunities and, in respect of the Property Project, the natural synergies that are likely to result from incorporation of the Education Project into the neighbourhood of the residential development. The Property Project is focused on creating an environment attractive to families and then satisfying the expected natural demand of those families for education facilities for their school-aged children within the neighbourhood. If the initial Property Project and the initial Education Project are successful, the Company expects to be able to replicate its business model (and use its accumulated know-how and experience from the Property Project and the Education Project) in other locations that meet the Company's investment and development criteria, thereby creating the potential for future growth and expansion of the Company's business. The growth in population and demand for services (including education) may not be as significant as the Company believes. The synergies resulting from the incorporation of the Education Project into the neighbourhood of the residential development might not be significant as there might be a number of competitors in the education industry in the nearby cities.	Section 4.3
How does the Company intend to derive its revenue?	The Company intends to derive its revenue from the: • sale of residential real estate and ancillary property assets such as retail shops, parking lots and commercial properties from its Property Project; • school tuition and associated fees from the Education Project; and • rental income from the ancillary property assets in the Property Project (to the extent, if any, that those retail and commercial properties are retained by the Company).	Section 4
What are the Company's short and medium term business objectives?	In the short term the Company intends to focus on and progress the Property Project and the Education Project. In the medium term, the Company intends to expand its business by identifying and assessing appropriate sites for the development of additional property and/or educational facilities. In that context, it is intending to use and build on the approach, experience and expertise gained in the Property Project. The Company intends to replicate the Property Project model to other potential cities and intends to identify additional education partners to increase the variety and partnership network of its education business.	Section 4
What makes the Company an attractive investment?	Investors are offered at a price below the fair value of the net assets of the Company, based on the independent valuation of the real property assets of Onwide Limited (and assuming the Onwide Acquisition is completed). The Company offers investors an opportunity to acquire an interest in: • a company that has an exposure to the growth potential still evident in the on-going development and urbanisation of China; • the synergistic benefits that the Company believes arise from the inclusion of an education facility within the neighbourhood of a real estate development; and • a company that has an exposure to the growing wealth of the working families in China and their demand for services and facilities. In addition, the Company has in place an experienced management group which has valuable commercial relationships and expertise in the development of residential property and the commercial aspects of the provision of educational services.	Section 4

C. Key risks

What are the key risks of investing in the Company?	An investment in the Company should be considered speculative. You should give full consideration to the detailed discussion of risks that is set out in Section 5 of the Prospectus before making any decision to invest in the Company and the Shares. Investing in the Company is not without risk and, in a number of respects, the risks of investing in the Company are different to and potentially greater than investing in other companies listed on ASX. The key risks associated with an investment in the Company are summarised below.	Section 5
No Revenue history	The Onwide Group has no revenue history and the Company and the Onwide Group have not been involved in any property development or education project other than those detailed in the Prospectus. Further, the Property Project and the Education Project are at a very early stage in their development. Given the limited financial, operating and/or performance history of the Company and the Onwide Group in the real estate and education sectors, the Company will be reliant on the experience and expertise of the management team of the Onwide Group to profitably undertake the Property Project and the Education Project. There can be no guarantee that the Company will be able to successfully undertake or complete Property Project and/or the Education Project, in part or at all, or, if it is able to do so, that it will be able to derive profits from those Projects.	Section 5.1(m)
Regulatory risk	Certain permits that are required for the Property Project and the Education Project are currently in the application phase or will be applied for. There is a risk that the relevant Chinese regulatory bodies will not grant, or will delay the granting of, some or all of the permits that are required for the Property Project and the Education Project.	Section 5.2(a)
Compliance with the Agreements	Onwide Limited's control (other than conferred by its direct equity ownership in Langfang Limited) are conferred by its rights in the Agreements. The Agreements are designed to transfer the economic benefit of the Property Project and the Education Project to Onwide Limited (to the extent that those economic benefits are not already held through Onwide Limited's direct equity ownership in Langfang Limited). If, for any reason, any or all of the Agreements are breached or the Education Partners or Property Partner ceases business for any reason, the ability of the Education Partners and/or Property Partner to satisfy their obligations to Onwide Limited may be severely limited or completely negated. In addition, while the Agreements are currently permitted under PRC laws, a change in PRC laws or policy may result in significant disruption to any revenue ultimately derived by the Company.	Section 5.2(a)
Management of Property Project and Education Project	The key business of the Company will be the development of the Property Projects and the Education Project. There can be no assurance that the Company will be able to successfully manage the Property Project and the Education Project. Any failure to effectively and efficiently manage the Property Project and the Education Project, including any expansion of its operations, may materially and adversely affect the Company's ability to successfully complete the Property Project and the Education Project, which in turn may have a material adverse effect on the Company's financial position and performance.	Section 5.1(a)
Retention of Key Employees	The Company will be highly reliant on the Key Employees who have created valuable commercial relationships in developing the Property Project and the Education Project. The continued retention of the Key Employees will be critical to the ongoing viability of the Onwide Group's operations and therefore the economic benefit expected to be transferred to the Company. The loss of one or more of these Key Employees for any reason would be expected to have a material and adverse effect on the Company.	Section 5.1(d)

The Company will be controlled by one Shareholder	After Completion of the Onwide Acquisition and completion of the Offers, the Vendor will own between approximately 66.6% and 73.8% of the Company's Share capital. As the controlling Shareholder, the Vendor will be able to direct the election of all of the members of the Board of Directors and exercise a controlling influence over the Company's business and affairs.	Section 5.3
Geopolitical risk	While the Company will be listed in Australia, its principal assets and business are primarily located in the PRC. The Company may be affected by a multitude of geo-political factors and sovereign risks, including but not limited to changes to Australian and/or Chinese government policies and legislation, the risk of political instability in either the PRC or Australia, changes to taxation in the PRC, changes to Chinese and Hong Kong withholding taxes and changes to Australian taxes.	Section 5.4, 5.5(e) and 5.5(f)
Risk of Foreign Exchange Control and fluctuation in foreign exchange	Under the current PRC foreign exchange control system, foreign exchange transactions such as payment of dividends, do not required advance approval from SAFE, but we are required to present documentary evidence of such transactions and conduct such transactions at designated foreign exchange banks within China that have the licenses to carry out of foreign exchange business. Foreign exchange transactions such as , direct equity investments, loans and repatriation of investment, however, must be approved in advance by SAFE. There is no assurance that SAFE will not exercise discretionary powers in the approval process. If we fail to obtain approval from the SAFE to convert RMB into any foreign exchange and vice versa, for any of the above purposes, our capital expenditure plans, and even our business, operating results and financial condition, may be materially and adversely affected. Further details of the foreign exchange control are contained in section 5.4(b). Changes in foreign exchange rates may result in higher or lower revenue and profit. The Company does not presently intend to hedge this currency risk.	Section 5.4(b) and 5.5(a)

D. Financial information concerning the Company

What is the capital structure of the Company / what will be the effect of the Offers on the Company?

On completion of the Offers (assuming the conditions of the Offers are satisfied):

- the Company expects to have sufficient funds to progress the Property Project and the Education Project in the manner set out in Section 4.2 of the Prospectus; and
- the capital structure of the Company is expected to be as described below and in Section 6.

The table immediately below sets out the capital structure of the Company before and after completion of the Offers and the Onwide Acquisition. It assumes the Consolidation has taken place and full subscription of $8,000,000 is raised via the Sponsoring Broker under the Public Offer.

	Before Offers and Onwide Acquisition	%	After Offers and Onwide Acquisition	%
Existing Shareholders	11,855,187	100	11,855,187	7.4
New Shareholders (pursuant to the Public Offer)	-	-	40,000,000	25.1
Vendor Shares (pursuant to the Onwide Acquisition)	-	-	106,168,117	66.6
Sponsoring Broker Shares			1,450,000	0.9
Total	11,855,187	100	159,473,304	100

Notes:
If only the minimum subscription of $5,000,000 is raised via the Sponsoring Broker under the Public Offer, the number of Shares issued under the Public Offer would be 25,000,000 Shares (or 17.4% of the total number of Shares on issue on completion of the Offers and the Onwide Acquisition (i.e. 143,929,554 Shares)).

Section 4 and 9

Major Shareholders

Following completion of the Onwide Acquisition and the Offers (assuming full subscription of $8,000,000 under the Public Offer and that none of the major Shareholders participate in the Public Offer), the major Shareholders in the Company will be:

	Shareholder	No. of Shares after Offers and Onwide Acquisition	% after Offers and Onwide Acquisition
1	Vendor	106,168,117	66.6
2	Public Offer Shareholders	40,000.000	25.1
3	Victoria Property & Investment Group Pty Ltd	8,444,471	5.3
4	Sponsoring Broker	1,450,000	0.9

The above table assumes that no one person subscribes for more than 1,000,000 Shares under the Public Offer.

If only the minimum subscription of $5,000,000 is raised via the Sponsoring Broker under the Public Offer, the number of Shares issued under the Public Offer would be 25,000,000 Shares (or 17.4% of the total number of Shares on issue on completion of the Offers and the Onwide Acquisition), and the holdings of the Vendor and Victoria Property & Investment Group Pty Ltd would be 73.8% and 5.9% respectively of the total issued capital of the Company.

Section 44

Financial information	Pro-Forma Statement of Financial Position The pro-forma Statement of Financial Position set out below has been prepared to illustrate the effects of the Offer and the Onwide acquisition and assumes completion of the pro forma transactions set out in Section 6 of the Prospectus as if they had occurred on 30 June 2013.	Section 6 and 9

	Unaudited Pro-Forma $
Current Assets	
Cash and cash equivalents	6,024,380
Trade and other receivables	2,533,124
Capital raising prepayments	0
Properties under development for sale	58,275,733
Other current assets	23,070,027
Total Current Assets	**89,903,264**
Non-Current Assets	
Property, plant and equipment	1,907,379
Prepaid lease costs	6,253,247
Total Non-Current Assets	8,160,626
Total Assets	**98,063,890**
Current Liabilities	
Trade and other payables	729,255
Borrowings	63,827,295
Total Current Liabilities	**64,556,550**
Total Liabilities	**64,556,550**
Net Assets/(Liabilities)	**33,507,340**
Equity	36,407,845
Contributed Equity	4,187,431
Reserves	(7,122,730)
Accumulated Losses	33,472,546
Total equity attributable to members of the Company	0
Outside equity interests	34,794
Total Equity	**33,507,340**

The Consolidated Pro-Forma Statement of Financial Position represents the Audited Statement of Financial Position as at 30 June 2013 adjusted for the pro- forma transactions outlined in Section 6 of the Prospectus relating to the issue of shares pursuant to this Prospectus and other transactions.

E. Key Offer information

The Offers	This Prospectus relates to the Offers, being the Public Offer and the Vendor Offer. Further information on each of the Offers is set out below and in Sections 3 and 11 of the Prospectus.	Section 3 and 11
What is the Public Offer?	The Public Offer is open to members of the public generally (including Shareholders). The Public Offer invites investors to apply for up to 40,000,000 Shares at an issue price of 20 cents ($0.20) per Share to raise up to $8,000,000. The minimum subscription for the Public Offer is $5,000,000 (25,000,000 Shares). Applications under the Public Offer must be for a minimum of 10,000 Shares ($2,000) and thereafter in multiples of 2,500 Shares ($500). All Shares issued pursuant to this Prospectus will rank equally in all respects with the Shares already on issue. Applications under the Public Offer will only be accepted on the Application Form attached to this Prospectus. It is a condition of the Public Offer, and the Public Offer will not proceed (and all Application Monies received will be returned to Applicants in accordance with Section 11.8), if any one or more of the following events occur: • all the requisite Shareholder approvals under the Corporations Act and the Listing Rules relating to the Onwide Acquisition and the Offers (by vote of the Shareholders in the General Meeting) are not obtained; • the Consolidation is not completed; • the Onwide Acquisition does not proceed; or • ASX does not agree to reinstate the Shares to official quotation. No Shares will be issued until the minimum subscription has been received under the Public Offer and the above conditions have been satisfied. If the Shares are not admitted to quotation on ASX within three months, or if the Company does not receive the minimum subscription under the Public Offer (or any of the above conditions precedent to the Public Offer are not satisfied) within four months (or such after as maybe permitted under the Corporations Act) of the issue of this Prospectus (or later date as may be permitted under the applicable laws), all Application Monies will be refunded in full and without interest.	Section 3 and 11
What is the Vendor Offer?	Subject to satisfaction of the conditions precedent to completion of the Onwide Acquisition, on completion of that acquisition, the Company has agreed under the Share Sale Agreement to issue 106,168,117 Shares (the Vendor Shares) to the Vendor. The Vendor Shares will be issued under the Vendor Offer made in the Prospectus and, as such, only the Vendor may participate in, and be issued Shares under, the Vendor Offer. The Share Sale Agreement is similarly conditional upon the Company obtaining all necessary Shareholder approvals to complete the Onwide Acquisition, the re-instatement of the Shares to official quotation and the completion of the Public Offer (as evidenced by the receipt of valid Applications for at least the minimum subscription amount of $5,000,000). The Vendor will not be required to make any payment on Application for the Vendor Shares in accordance with this Prospectus. The consideration for the Vendor Shares will be the transfer, by the Vendor to the Company, of all of the shares on issue in the capital of Onwide Limited, which shares are legally and beneficially held by the Vendor. The Vendor Shares are expected to be subject to ASX imposed escrow restrictions.	Section 3, 4.2 and 11

<table>
<tr><td>What is the offer price?</td><td>The offer price per Share under the Public Offer is 20 cents ($0.20).
The number of Vendor Shares to be issued on completion of the Share Sale Agreement was also calculated on the basis of an effective issue price of 20 cents ($0.20) per Share.</td><td>Sections 11.1 and 4.2(c)</td></tr>
<tr><td>Is the Public Offer underwritten?</td><td>No. The Public Offer is not underwritten.
The Company has entered into a Sponsoring Broker Agreement with the Sponsoring Broker (refer Section 12.4 for details). The agreement obliges the Sponsoring Broker to use reasonable endeavours only to procure subscriptions under the Public Offer.</td><td>Section 12.4</td></tr>
<tr><td>How many shares will be issued to the Sponsoring Broker?</td><td>In accordance with the terms of the Sponsoring Broker Agreement, if the full amount of $8,000,000 is raised via the Sponsoring Broker under the Public Offer, the Company has agreed to issue a maximum 1,450,000 Shares to the Sponsoring Broker (or its nominees) on successful re-instatement of the Shares to official quotation.
If only the minimum subscription of $5,000,000 is raised and all of which are not introduced by the Sponsoring Broker under the Public Offer, the number of Shares agreed to be issued by the Company to the Sponsoring Broker (or its nominees) will be reduced to 156,250 Shares.
These Shares are expected to be subject to ASX imposed escrow restrictions.</td><td>Section 12.4</td></tr>
<tr><td>What will be the use of proceeds?</td><td>Set out in the table below is an estimated breakdown of the use by the Company of the proceeds if the Public Offer assuming the minimum raising of $5,000,000.
<table>
<tr><th>Use</th><th>Estimated Amount</th></tr>
<tr><td>Repayment of existing Iatia creditors</td><td>$500,000</td></tr>
<tr><td>Develop Property Project and Education Project</td><td>$4,000,000</td></tr>
<tr><td>Working capital</td><td>$500,000</td></tr>
<tr><td>Total</td><td>$5,000,000</td></tr>
</table>
To the extent that the Public Offer raises more than the minimum subscription of $5,000,000, the additional proceeds are expected to be used to further capitalise Onwide Limited and/or the Onwide PRC companies for future business expansion opportunities and additional working capital requirements.</td><td>Section 3 and 11.3</td></tr>
<tr><td>Will the Shares be listed?</td><td>The Company will apply for the Shares offered under the Prospectus to be listed for quotation on the ASX within 7 days of the date of this Prospectus.
The fact that the ASX may re-admit the Company to the Official List is not to be taken in any way as an indication of the merits of the Company or of the Shares offered by this Prospectus. Re-instatement of the Shares, including the Shares offered under this Prospectus, to official quotation (if granted by ASX) will commence as soon as practicable after the completion of the Consolidation, the Onwide Acquisition and the Offers.
If the Company is re-admitted to the Official List, it is anticipated the Shares will trade under the ASX code “SCG”.</td><td>Section 11.4</td></tr>
</table>

	Applicants are responsible for confirming their allocations prior to trading any Shares. Anyone who sells Shares prior to receiving confirmation of his or her allocation does so at his or her own risk. The Company and the Share Registry disclaim any liability arising to persons who trade Shares prior to receiving Holding Statements. If the ASX does not admit the Shares offered by this Prospectus to quotation on the ASX within three months after the date of this Prospectus, none of the Shares offered by this Prospectus will be issued unless ASIC grants the Company an exemption or modification permitting allotment or Issue. If no issue of Shares is made under the Public Offer, all Application Monies paid on Applications lodged for Shares will be dealt with in accordance with Section 724 of the Corporations Act.	
What is the Company's dividend policy?	The Company has not paid dividends since being admitted to the ASX. No determination regarding future dividend or dividend policy has been made by the Company. The Directors cannot give any assurances concerning the payment of future dividends as payment is dependent on the future earnings of the Company and its financial position. The dividend policy will be reconsidered once the Onwide Acquisition has been completed by the Company.	Section 11.14
What is the minimum/ maximum Application under the Public Offer?	Applications for Shares under the Public Offer must be for a minimum of 10,000 Shares ($2,000). Applications in excess of the minimum must be in multiples of 2,500 Shares ($500).	Section 11.7
How do I apply for Shares?	Applications for Shares can only be made by completing the Application Form attached to the Prospectus, which should be completed in accordance with the instructions set out in Section 11.	Section 11.7
F. Information on Directors and Management		
Who are the Directors?	The Board of Directors is responsible for the overall management and governance of the Company. The current Directors are Li Shihao, Kee Guan Saw and Gavin Boyd. Kee Guan Saw is also the Company secretary. Subject to the completion of the Offers and the Onwide Acquisition (and Shareholder approval at the General Meeting), Mr Xing Hongtao, the Chairman Designate, intends to join the Board.	Section 10.1
What are the interests and benefits payable to Directors?	Details of the interests of the Directors (and Chairman Designate), including details of the remuneration payable to them (for their services as Directors) and their shareholdings in the Company are set out in Sections 10.5 – 10.7 of the Prospectus.	Sections 10.5 - 10.7
G. Further information		
What are the taxation implications of investing in the Company?	The taxation implications of investing in Shares will depend on an investor's individual circumstances. Set out in Section 12.16 are some of the general taxation implications which may apply to investors. Investors are urged to consult their own financial and/or tax advisers.	Section 12.16
Where can I obtain further information on the Offers?	For further information or advice on the Company or the Offers you should speak to your accountant, stockbroker or other professional adviser. If you have any questions generally about the Offer, or require additional copies of this Prospectus, you should call the Share Registry’s offer information line on 03 9415 5000 (within Australia) or +61 3 9415 5000 (outside Australia), or the Sponsoring Broker on 03 8602 1700 (within Australia) or +61 3 8602 1700 (outside Australia) between 9.00 am and 5.00 pm AEST from Monday to Friday.	Section 11.19

3 IMPORTANT DATES & OFFER INFORMATION

Dates

Events	**Key Dates***
Date of Prospectus and Lodgement Date	10 December 2013
Opening Date – Public Offer	2 January 2014
General Meeting of the Shareholders	29 January 2014
Closing Date	14 February 2014
Consolidation of the Company's Shares	19-21 February 2014
Completion of the Onwide Acquisition expected to occur	24 February 2014
Shares expected to be issued under the Public Offer	24 February 2014
Reinstatement of trading of the Shares (including Shares issued under the Public Offer) on ASX expected to commence^	28 February 2014

* These dates are indicative only. The Company reserves the right, in accordance with the ASX Listing Rules and Corporations Act and after consultation with the Sponsoring Broker, to vary these dates without notice, including to close the Public Offer early or to accept late Applications, either generally or in particular cases, without notifying any recipient of this Prospectus or any Applicants. Investors who wish to submit an Application are encouraged to do so as soon as practicable after the Public Offer opens.

^ No guarantee can be made that ASX will reinstate the Shares on the expected date, or at all. The Offers will not proceed if ASX does not reinstate the Shares to official quotation on ASX within three months after the date of this Prospectus (or such later date as applicable). ASX retains a general discretion as to whether or not to reinstate a company’s shares to official quotation.

Offer Information

Key Offer Statistics*	Minimum Subscription of $5,000,000	Full Subscription of $8,000,000
Offer price per Share under Public Offer	20 cents ($0.20)	20 cents
($0.20) Number of Shares available to Public Offer investors	25,000,000	40,000,000
Cash proceeds (gross) from the Public Offer	$5,000,000	$8,000,000
Number of Shares to be issued under the Vendor Offer	106,168,117	106,168,117
Number of Shares to be issued to the Sponsoring Broker (under the Sponsoring Broker Agreement**)	906,250	1,450,000
Total number of Shares on issue following completion of the Offers and Completion of the Onwide Acquisition	143,929,554	159,473,304

* The Offers are conditional on completion of the Consolidation (of the Company’s Share capital on a 100 to 1 basis). The resolution to approve the Consolidation will be put before the Shareholders at the General Meeting of Shareholders (which is proposed to be held on 29 January 2014). If the resolution is approved by the Shareholders, the Consolidation will take as soon as practicable after the General Meeting.

Where a number of Shares or a percentage Shareholding is quoted or referred to in the Prospectus, the reference is to a number of Shares or percentage Shareholding on a post-Consolidation basis (i.e. after the 100:1 consolidation has taken place) and not, unless expressly stated to the contrary, on the basis of the number of Shares on issue on the date of this Prospectus.

**In accordance with the terms of the Sponsoring Broker Agreement, if the full amount of $8,000,000 is raised via the Sponsoring Broker under the Public Offer, the Company has agreed to issue 1,450,000 Shares to the Sponsoring Broker (or its nominees) on successful re-instatement of the Shares to official quotation. If only the minimum subscription of $5,000,000 is raised via the Sponsoring Broker under the Public Offer, the number of Shares agreed to be issued by the Company to the Sponsoring Broker (or its nominees) will be reduced to 906,250 Shares.

4 COMPANY OVERVIEW

4.1 Overview

The Company is an Australian listed public company (ASX: IAT). It was registered as a public company in Victoria on 16 February 2000 and was admitted to the ASX on 9 April 2002. In the eight years immediately following its admission, the Company was engaged mainly in the development, manufacture and marketing of imaging technology for defence, scientific, medical and industrial applications.

Due to cash flow constraints which threatened the Company's solvency, on 18 January 2010 the Company requested and was granted a suspension of trading in its securities by the ASX.

On 30 July 2010, the Shareholders approved the sale of the Company's wholly owned subsidiary, Iatia Imaging Pty Ltd, the imaging business and all associated intellectual property to Thorsol Pty Ltd. Settlement of the sale occurred on 1 August 2010. Since the disposal of its operations to Thorsol Pty Ltd, the Company has not undertaken any material business activity (other than entry into the Share Sale Agreement for the Onwide Acquisition).

On 30 June 2011, Shareholder approval was sought and obtained in relation to the issue of Shares and convertible notes (which have since been converted to Shares in the Company) to Victoria Property and Investment Group Pty Ltd. The considerations for Shares and notes issue were $550,000 and $75,000 respectively. The issue of these securities resulted in Victoria Property and Investment Group Pty Ltd acquiring 71.5% of the issued share capital in the Company.

Subsequent to its acquisition of a controlling interest in the Company, Victoria Property and Investment Group Pty Ltd has actively sought investment opportunities for the Company. In late 2011, the Company identified investment in the development of real estate in PRC as an area of interest.

On 18 December 2012, the Company announced that it had agreed to acquire all of the issued capital of Onwide Limited, a Hong Kong company with business interests in and opportunities for the development of new projects in the real estate and education sectors in PRC.
The Directors believe that the Onwide Acquisition offers the Company a very good opportunity to realise its desire to be involved in real estate development in the PRC and, at the same time via the opportunity to develop the Education Project, to diversify the risks implicit in doing so.

Details of the Onwide Acquisition, the Onwide business and both the Property Project and Education Project are set out in the following Sections of the Prospectus.

4.2 Onwide Acquisition – Overview

(a) Background

As announced to the ASX on 18 December 2012, the Company has agreed to acquire all of the issued shares of Onwide Limited pursuant to the Share Sale Agreement. Further details regarding the terms of the Share Sale Agreement are contained in Section 4.2(c) below.

Onwide Limited is a Hong Kong incorporated investment holding company – it focuses on the real estate and education sectors in the PRC. The current directors of Onwide Limited are Mr Chen Manhua and Mr Wong Ping Kuen. Onwide Limited is currently wholly owned by Innotech Group Limited, which is wholly owned by Mr Wong Ping Kuen.

From an operational perspective, Onwide Limited currently holds the following interests:

(i) as 99% beneficial owner of Langfang Limited, the entity which has commenced the Property Project (being the property development project in Langfang). Langfang is located in Hebei Province. Further details of the Property Project are set out in Sections 4.2(d) of the Prospectus; and

(ii) a controlling interest in Dongfang Limited through Langfang Limited's 100% interest in Dongfang Limited which, through the Education Agreements, intends to establish and operate a school in Langfang (to be developed on the site within the neighbourhood of the Property Project). The establishment and operation of the new school is referred to in the Prospectus as the Education Project. Further details of the Education Project are set out in Section 4.2(e).

Hebei Provinces is within the 'Bohai Economic Rim', a term used to describe the economic hinterland surrounding Beijing and Tianjin. The PRC Government has indicated that it intends to prioritise the economic development and integration of the cities in the Bohai Economic Rim.

Map Data © AutoNavi, GIS Innovatsia, DATA+, Google, Kingway, Mapking, SK M&C, ZENRIN, Tele Atlas.

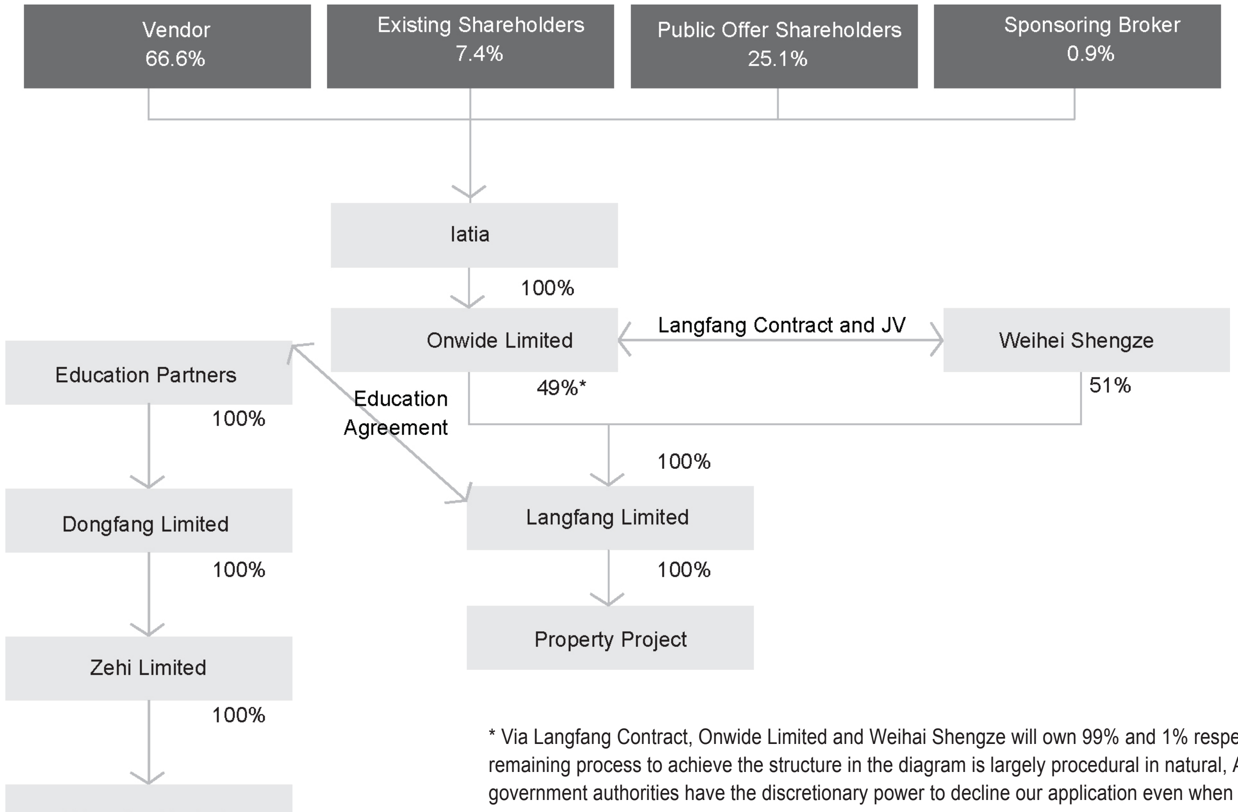
(b) The Onwide Acquisition

The Company has agreed to acquire all of the issued shares of Onwide Limited pursuant to the Share Sale Agreement. As described below in Section 4.2(c), in consideration for the transfer to it of all the issued shares of Onwide Limited, the Company has agreed to issue of 106,168,117 Shares (Vendor Shares) to the Vendor (Innotech Group Limited). Based on the issue price under the Public Offer of 20 cents ($0.20) per Share, the effective acquisition price for Onwide Limited is approximately $21.23 million.

Based on the independent valuation of the real property assets of Onwide Limited as at 30 September 2013, which was undertaken by Jones Lang LaSalle, Corporate Appraisal and Advisory Limited, 6/F Three Pacific Place, 1 Queens Road East, Hong Kong, the value of the Vendor Shares represents a 25.73% discount to the net asset value of Onwide Limited less minority interest based on the reviewed interim account of Onwide Limited at 30 June 2013, adjusted for the valuation of the real property assets of Onwide Limited. Further details regarding the valuation and the Vendor Shares are included in Sections 6 and 11.2 respectively of the Prospectus.

If the Onwide Acquisition proceeds, Onwide Limited will become a wholly owned subsidiary of the Company and, through Onwide Limited and its various subsidiaries, the Company will have an interest in the Property Project and the Education Project.

The diagram below summarises the structure of the Company and the Onwide Group upon Completion of the Onwide Acquisition (assuming that full amount of $8 million is raised under the Public Offer).



* Via Langfang Contract, Onwide Limited and Weihai Shengze will own 99% and 1% respectly. The remaining process to achieve the structure in the diagram is largely procedural in natural, Although the government authorities have the discretionary power to decline our application even when the application material are complete and valid, Onwide can still exercise the rights and benefits stated in the Langfang Contract but Onwide in the same time will continue to be exposed to the risks related to the breach of contract by the counterparty. Please refer to Section 4.2 (d) and 5.2 for details.

(c) Share Sale Agreement

On 18 December 2012, the Company and the Vendor entered into the Share Sale Agreement, under which the Company agreed to acquire all of the shares on issue in Onwide Limited (which are legally and beneficially held by the Vendor) from the Vendor. The purchase price for the shares in Onwide Limited is to be satisfied by the issue of 106,168,117 Shares (being the Vendor Shares) by the Company to the Vendor. The Vendor Shares will be issued under the Prospectus. The Vendor Shares are to be issued on the second business day after the date on which all of the relevant conditions under the Share Sale Agreement are fulfilled or waived (or such other date as agreed by the parties in writing).

The Share Sale Agreement is conditional on the Company obtaining all necessary Shareholder approvals to complete the Onwide Acquisition, the re- instatement of the Shares to official quotation on the ASX, the completion of the Public Offer (as evidenced by the receipt by the Company of valid Applications for at least the minimum subscription amount of $5,000,000) and other customary conditions for an agreement of this nature.

The Share Sale Agreement also contains the customary representations, warranties and indemnities for an agreement of this nature. The Company may immediately terminate the Share Sale Agreement if the Vendor defaults in the performance of any of its obligations under the Agreement.

The Onwide Projects

(d) Property Project

Ownership structure

On 1 March 2012, Onwide Limited and Weihai Shengze entered into the Langfang Joint Venture Agreement pursuant to which the parties agreed to establish a joint venture in the PRC (namely, Langfang Limited) to engage in real estate businesses in the PRC. Langfang Limited was incorporated in the PRC on 17 July 2012 with a registered capital of USD7.84 million, equivalent to $8.57 million. Under the Langfang Joint Venture Agreement, Onwide Limited owned 49% initially of the equity interest in Langfang Limited.The remaining 51% of Langfang Limited is currently owned by Weihai Shengze Limited, a company registered in PRC and associated with the following persons:

- Pan Guoming - who holds 90% of Weihai Shengze via a corporate structure; and
- Zhang Yifan - who holds 10% of Weihai Shengze via the same corporate structure.

Langfang Joint Venture Agreement

- On 1 March 2012, Onwide Limited and Weihai Shengze entered into the Langfang Joint Venture Agreement. Langfang Limited was incorporated in the PRC on 17 July 2012 with a registered capital of USD7.84 million (or $8.57 million)
- Under the Langfang Joint Venture Agreement, Onwide Limited owns 49% of the equity interest in Langfang Limited, a joint venture in the PRC to engage in real estate businesses in the PRC.
- Onwide Limited may terminate the Langfang Joint Venture Agreement if Weihai Shengze or Langfang Limited breach the terms of the agreement, cannot perform any of their obligations under the agreement, or become bankrupt/insolvent. The Langfang Joint Venture Agreement contains the same termination rights for Weihai Shengze.

On 31 Aug 2012, Onwide Limited and Weihai Shengze entered into a share transfer agreement (Langfang Contract), of which Weihai Shengze agreed to transfer 50% of shares on issue in Langfang Limited for a consideration of RMB25,000,000 (or $4,417,250).

Langfang Contract

Under the Langfang Contract, Onwide Limited and Weihai Shengze agreed to the following principal terms and conditions.

- Prior to the completion of equity transfer, Weihai Shengze has authorised Onwide or its designated person to exercise all rights attaching to the shares which Weihai Shengze has agreed to transfer to Onwide Limited under the Langfang Contract, prior to the completion of equity transfer. The rights include, but are not limited to, the entitlement to all economic benefits (dividends, distributions) and voting rights attaching to the shares to be transferred to Onwide.

- When Onwide Limited instructs Weihai Shengze to execute the equity transfer, Weihai Shengze must:

  1) sign the share transfer agreement attached to the Langfang Contract, which step will initiate the administrative procedures to transfer the shares in Langfang Limited to Onwide Limited; and

  2) apply to and get the approval from the relevant government authorities including the Local Tax Bureau, Administration of Industry and Commerce, Development and Reform Commission, Municipal Commission of Commerce and Administration of Foreign Exchange.

Onwide Limited and Weihai Shengze have to supply all the information needed by the government and regulatory authorities to ensure the approvals can be obtained in a timely manner.

In accordance with the Langfang Joint Venture Agreement, any transfer of equity interest in Langfang Limited by Weihai Shengze / Onwide Limited must comply with all relevant and applicable company laws, rules and regulations in the PRC in respect of the transfer of equity interests in a limited liability company. As of the date of this Prospectus, the transfer of the equity interests under the Langfang Contract has not been completed. The Directors are not aware of any reason why completion under the Langfang Contract will not occur. The completion of the share of equity interests has not yet occurred due to the common practice of the Langfang Commission of Commerce which is reluctant to approve entity to transfer the equity interests unless the whole registered capital has been paid up, even though such transfer before paying up is allowable under the PRC laws and regulations. Onwide intended to keep the cash in Hong Kong as long as allowable for the purpose of higher flexibility, thus the paying up of the remaining registered capital did not occur until early December in 2013; Onwide management is currently negotiating with the Langfang Commission of Commerce and anticipates that the transfer can be completed before March 2013.

If, on being requested to do so, Weihai Shengze refused to transfer of the shares to Onwide Limited or otherwise fails to comply with the terms of the Langfang Contract, it would be a breach of the Langfang Contract. In those circumstances, Onwide Limited would be entitled to claim damages for the loss suffered by it and requests the other party to continue to act under the terms even after the claim has been settled.

Onwide Limited is not aware of any circumstances or situations which may result in any relevant government and regulatory authorities exercising their discretionary powers to decline any application to approve the transfer of shares. In any event, even if the approvals cannot be obtained and Weihai Shengze cannot transfer the shares to Onwide, despite it not being entitled to a transfer of the shares and continuing to be exposed to the risks related to breach of contract by the counterparty, it would be entitled to the benefit arising from all rights attaching to those shares.

The Company believes the Langfang Contract complies with all applicable PRC laws and is enforceable on its terms.

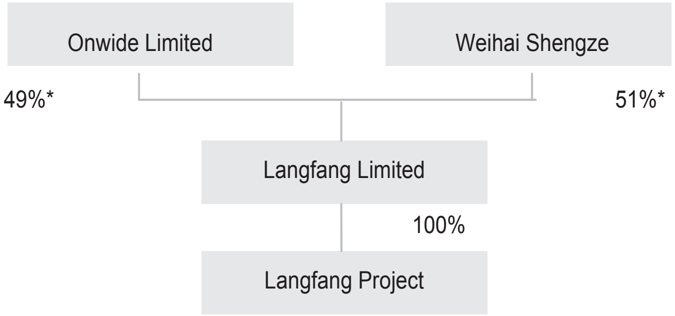
Weihai Disposal Agreement

On 2 August 2013, the Company and the Weihai Shengze entered into the Weihai Disposal Contract. As enforceable under PRC Laws, Onwide has agreed to transfer the Weihai Limited to Weihai Shengze. Onwide has agreed to transfer the Weihai Limited to Weihai Shengze for RMB25,000,000 (or $4,417,250) and HKD10,926,000 (or $1,540,020) (Great Profits has agreed to fully repay such considerations by agreeing with Weihai Shengze to cancel Onwide's whole liability of RMB25,000,000 (or $4,417,250) arising from the Langfang Contract and cancel Onwide's whole responsibility to repay the loan of HKD10,926,000 (or $1,540,020) owed to Great Profits and drawn down by Onwide in 2012). The consideration of RMB25,000,000 (or $4,417,250) in the Langfang Contract is considered to be fully repaid and the procedures for transfer of shares have been started. Onwide management has completed all the procedures and obtain all the necessary approvals for the disposal by 10 November 2013. Thus no additional consideration is payable as of the date of the Prospectus regarding the Langfang Contract, Weihai Contract and Weihai Disposal Agreement.The governing laws are that of PRC.

The process of the execution of the transfer of shares has been initiated and the consideration has been repaid via Weihai Disposal Agreement.

For further details of each of the Langfang Joint Venture Agreement, Langfang Contract and Weihai Disposal Agreement, please refer to Section 12.4 of the Prospectus.

The diagram below illustrates the current ownership structure of the Property Project (assuming completion of the Langfang Contract).



* Onwide Limited and Weihai Shengze respectively own 99% and 1% of the economic interest and, upon completion of transfer of shares, the equity of Langfang Limited. As a Chinese-foreign equity joint venture, Langfang Limited needs to have at least one Chinese investor (Weihai Shengze) and one non-Chinese investor (Onwide Limited).

Project status

A description of the Property Project, including an indicative timetable, project overview and the current status of the Property Project is contained in Section 4.6.

(e) Education Project

Ownership structure

Zehui Limited was incorporated in the PRC on 15 June 2012. It is a wholly owned subsidiary of Dongfang Limited, which was incorporated on 22 February 2012.

Xing Yanbo and Pei Ruiping (collectively, the Education Partners), who are PRC residents, own 99% and 1% (respectively) of Dongfang Limited's issued share capital.

As a result of legal restrictions in PRC which prevent the Onwide Group from directly owning a controlling interest in Dongfang Limited, Langfang Limited and the Education Partners have entered into agreements (the Education Agreements – refer below) which effectively transfer to Langfang Limited (and Onwide Limited as the controlling shareholder of Langfang Limited) control of Dongfang Limited and right to all the benefits (including the entitlement to vote and to receive dividends / distributions) of ownership of all the issued shares of Dongfang Limited.

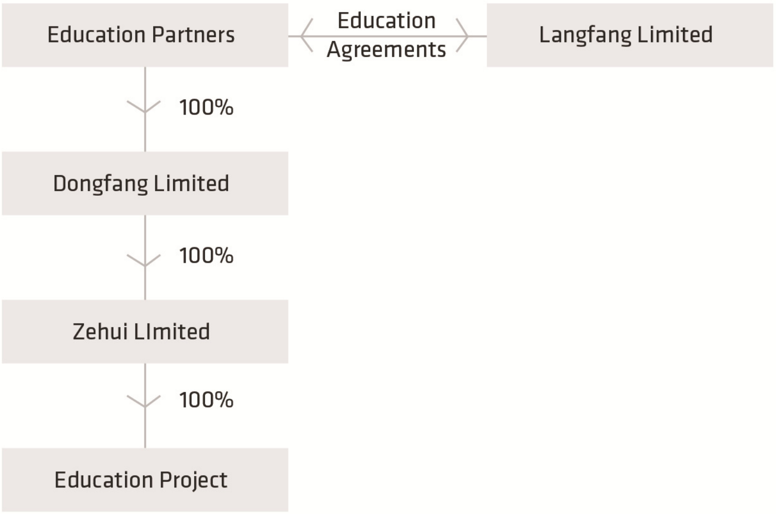
The Education Agreements are legal, valid and binding under PRC Laws, enforceable against the parties to the Education Agreements in accordance with their terms. The arrangements under the Education Agreements, taken as a whole, do not contravene any provision of PRC Laws (including those relating to foreign investment in education businesses).

Pursuant to the Education Agreements (which comprise the Proxy Agreement, the Dongfang Option and the Equity Interest Pledge Agreement) the Education Partners have granted Langfang Limited:

- an entitlement to 100% of the economic benefit of the Education Project;
- the right to control the exercise of the voting rights attaching to all issued shares in Dongfang Limited;
- the right to appoint the directors and other management in Dongfang Limited;
- a perpetual, irrevocable option to acquire 100% of the shares in Dongfang Limited; and
- security in the form of a pledge over all of the issued shares in Dongfang Limited to secure performance of the obligations of the Education Partners under the Education Agreements.

The restrictions imposed by the Equity Interest Pledge Agreement on the Education Partners' transfer of their equity interest in Donfang Limited constitute valid, legally binding obligations, enforceable in accordance with the terms, and do not contravene any provision of PRC Laws (including those relating to foreign investment in education businesses). See Section 5 and 12.4 for further information and the risks related to the Education Agreements.

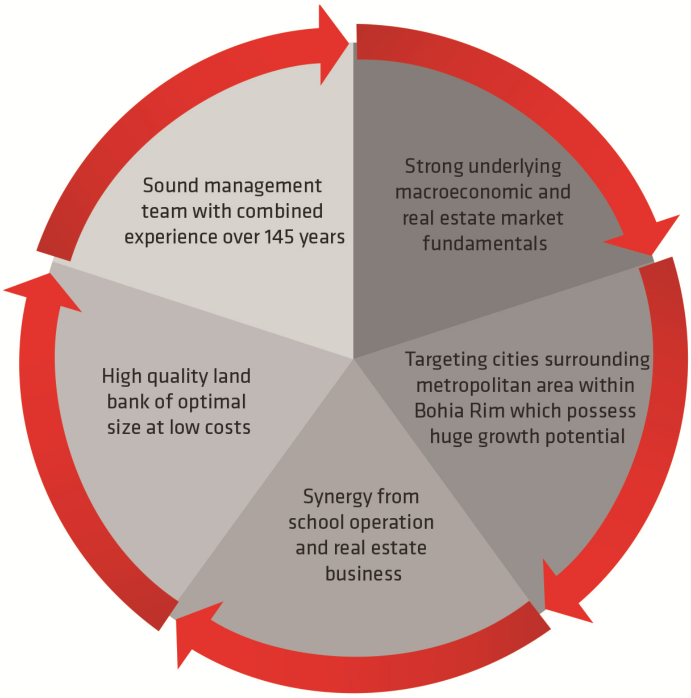
The diagram below illustrates the current ownership structure of the Education Project.



Project status

A description of the Education Project, including an indicative timetable, project overview and the current status of the Education Project is contained in Section 4.7.

4.3 Investment Highlights and Strategy



Onwide Group operates two business divisions - one focusing on residential real estate development and the otheron the development and operation of education facilities. In this Section of the Prospectus, references to Onwide and Onwide business are to Onwide Limited and/or the relevant Onwide PRC Companies through which Onwide Group conducts its business, including the Property Project and the Education Project. Details of the relationship between Onwide Limited and the Onwide PRC Companies are set out in Sections 4.2(d) and 4.2(e).

Onwide business strengths involve:

- A focus on strong underlying general macroeconomic and real estate specific market fundamentals

The two components of the Onwide business have been selected as those areas of business activity exhibit substantial opportunities to benefit from the potential economic growth of China and demand, through increasing wealth, for better residential properties and education.

- Local knowledge and experience

  The Key Employees are experienced in the property development and education industries. In addition, a number of the Key Employees have extensive experience and knowledge of the relevant geographical locations and markets in which the Property Project and the Education Project are located.

  The Key Employees have, among them, over 145 years of experience in relevant fields.

- Targeting high growth areas

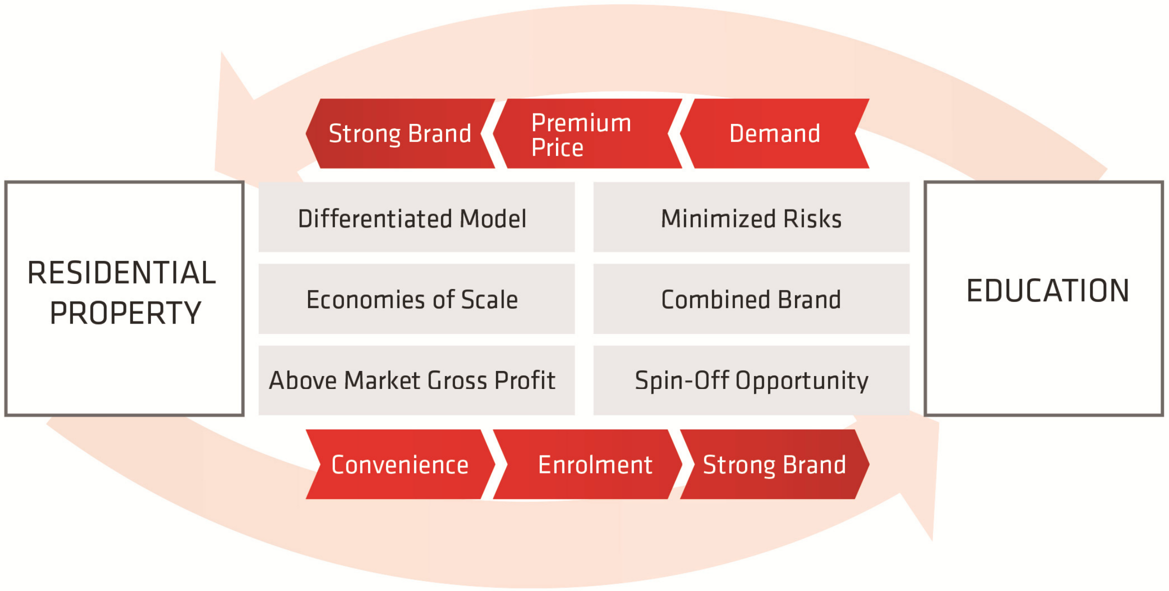
As part of Onwide internal investment and development criteria, it seeks to identify and target high growth cities as the locations for its real estate developments (and consequently, the location of its educational facilities which are built adjoining those real estate developments). Onwide seeks to target those locations which have been experiencing significant rates of growth, due to rapid urbanisation and the spill-over effect from proximate metropolitan areas.

- Low cost land bank of efficient size

  Onwide Group believed that a quality land bank acquired at competitive costs is crucial to long term success. The average GFA cost of the Property Project is around 1,293 RMB/m(or 228 AUD /m).

- Synergies

  Pairing an educational facility and residential property development creates significant synergies and potential value for Onwide customers and, importantly, its shareholders. Onwide believes that its business model creates an immediate point of difference between itself and its competitors by seeking to provide quality educational facilities within its real estate developments. In addition, Onwide has identified a demand in the market for locally provided education which is internationally recognised. In that context, it is proposed that the Education Project will seek to incorporate internationally recognised curriculum designed to cater for students who wish to continue their secondary or tertiary education overseas.



4.4 Property Development Model

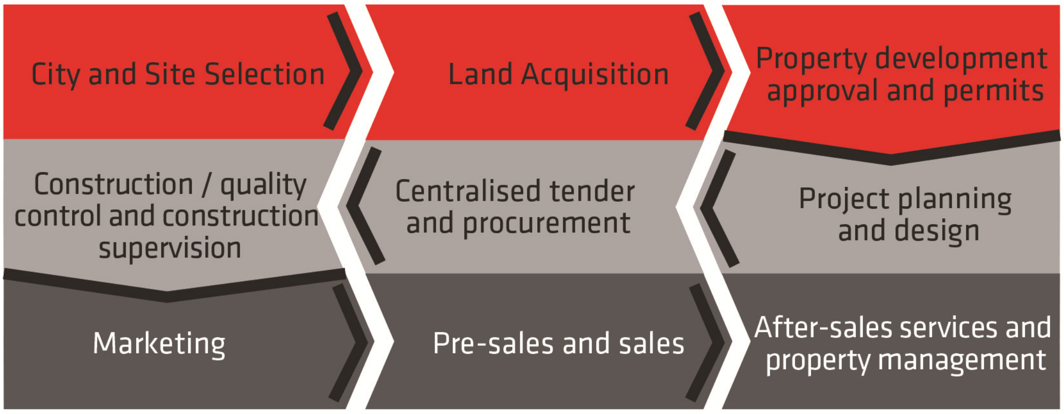
Key characteristics of the business

The property development division of Onwide Group employs a build-to-sell model. The Onwide business model integrates planning, design, construction and property management and follows the Company’s largely standardized process to ensure development speed and product quality.

The key components of the real estate development business model of Onwide Group are as follows:

1. city/location and site selection;
2. land acquisition;
3. development approval and permits;
4. project planning and design;
5. centralised tender and procurement;
6. construction / quality control and construction supervision;
7. marketing;
8. pre-sales and sales; and
9. after-sales services and property management.

The land acquisition, pre-construction costs and expenses and the cost of construction of the first phase of each project will be financed by the company's own capital, bank loans, trust loans and/or shareholder's loans, the operation and development costs afterward will be financed by the presale of the property on a rolling basis. Further details about the financing by presales will be included in the following paragraphs.



Onwide's residential real estate development usually comprises four types of residential properties: villas, townhouses, condominiums and high-rise residential buildings. The precise composition and breakdown of each specific real estate development will differ as each project is designed around a number of factors, including but not limited to the relevant size and parameters of the land available and the specific target market segment.

In addition to the Property Project, Onwide intends to identify further property development locations and opportunities. As its business model is a largely standardized process, the Onwide business model may be applied to any future real estate development projects.

The Onwide business model includes, wherever practical, diversification of revenue streams. While revenues are expected to be largely derived from the proceeds of the sale of properties within its Property Project, other than schooling fees and related charges (in relation to the Education Project within the neighbourhood of the Property Project), Onwide would also expect to derive revenue from ancillary property assets within its projects – for example parking lots and commercial (retail and office) properties that may be developed. Onwide's management's intentions are to retain, to the maximum extent possible, the ancillary revenue producing assets within its developments. However, it may, from time to time, sell the ancillary property assets if the obtainable sale price/market price meets or exceeds Onwide's management's internal price targets.

The components of Onwide Group's real estate development business model are described in greater detail below.

(1) Site selection and land acquisition process

For the purpose of identifying suitable development sites, Onwide relevantly experienced employees and/or third party consultancy firms appointed by Onwide Group will be dispatched to the target locations to conduct market research and economic analysis of the local area and market.

The employees and consultants will be responsible for collecting relevant land information and evaluating potential sites and locations for future property developments. Onwide Group has established a network of commercial contacts in the land reserves market to collect and assess information in preparation for potential negotiation on land acquisition.

A feasibility study will be conducted by Onwide Group based on the information collected and provided by the employees and consultants (as applicable). In the preparation and assessment of the feasibility study, Onwide Group's experienced team will assess each proposed site based upon extensive internal criteria. These include, but are not limited to, assessing each of the following:

Location and market:

- whether the site is located in a high growth area;
- distance from the nearest major metropolitan areas;
- historical and projected population and job growth in the relevant geographical area; and
- surrounding environment, including availability of supporting infrastructure and convenient transportation system;

Dimensions and nature of the available site:

- the size of the project's gross floor area;
- whether the site is appropriate for multi-phase development on a stage by stage basis;

- whether the site will be suitable with minimal or no demolition and resettlement works;
- whether the site is zoned for residential development; and
- the degree or amount of remedial or preliminary works required before development can commence (if any);

Price and supply/demand:

- purchase price; and
- assessment of the relevant national and local supply and demand dynamics (each to the extent applicable, and in relation to that specific site).

The feasibility study will encompass due diligence in relation to all phases of the property development project. Upon satisfactory completion of the feasibility study process, Onwide Group's property investment committee and internal finance department will make recommendations to the Onwide Limited board of directors regarding the feasibility of the proposed project, who will consider the recommendations and make a determination in relation to the proposed project.

Onwide Group expects that the costs and expenses incurred during Onwide Group's assessment and approval process for a real estate development project will be financed through internal resources as has been the case for the Property Project.

(2) Land acquisition

In accordance with common market practice in the PRC, the sites for Onwide Group's real estate developments will typically be acquired by one of two methods:

Private sale:

- Private sales of commercial land are typically affected through the acquisition, by Onwide Group, of the company which currently holds the land use rights certificate for the relevant site.
- Onwide Group's senior management will undertake negotiations with the target company.
- Appropriate professional advisers, including (for example) a qualified PRC law firm will be engaged to carry out a due diligence process.
- If the acquisition meets Onwide Group's investment criteria, the acquisition proposal will be provided to the Onwide Limited board of directors for approval.

Auction:

- Based on the feasibility study, Onwide Group's property investment committee will determine a maximum bid price.
- The Onwide Limited board of directors must approve the maximum bid price before the company bids under any auction (up to the maximum bid price so determined).

(3) Obtaining the relevant permits and approvals

Onwide begin applying the necessary permits and certificates prior to the commencement of construction and following the grant of the development rights to a parcel of land. A property developer is only permitted to commence construction of a property development upon obtaining the construction land planning permit, the construction work planning permit and the construction work commencement permit(which will only be issued after the land use rights certificate, the construction land planning permit and the construction work planning permit are obtained.

A property developer is only allowed for pre-sale after granting the pre-sale permit. The above are all the certificate and permits for property development in China

- Land Use Rights certificate: a certification evidencing the right of a party to use a parcel of land; Pursuant to the Property Rights Law promulgated in 2007, when the term of the land use rights for construction of residential building expires, it shall be renewed automatically. Government generally will not withdraw a land use rights before the expiration of its term of grant. Should the circumstance occurs for special reasons, such as for the public interest, it shall pay proper compensation for the properties on such land, and corresponding land premium shall be returned. According to the Law of Administration of Urban Real Property, when land use rights are acquired by means of grant, the land must be developed in line with the specified use for the land and the deadline for commencement of the development must be set out in the land use right contract. Where the development does not commence within two years from the specified date, the relevant land use rights may be withdrawn without compensation.

- Construction Land Planning Permit: a permit authorizing a developer to begin the survey, planning and design of a parcel of land;

- Construction Work Planning Permit: a permit evidencing government approval for a developer's overall planning and design of a project and allowing a developer to apply for a construction work commencement permit; and

- Construction Commencement Permit: a permit required for commencement of operation.
  Pursuant to the Measures for Administration of Construction Work Permit of Construction Projects enacted by the Ministry of Construction, Construction Commencement Permit can be revoked if the applicant fails to commence construction work in 3 months time after granting the permit and failed to apply for any extension.

- Pre-sale Permit: the pre-sale permit authorizing a developer to start the pre-sale of property under construction. Government authorities can revoke any of above permits if the application involved false statement.

Since the master plan of the Langfang project has been approved by local authorities and the Company has been granted all the certificate and permits related to property development for phase 1, the same administrative procedures should apply in obtaining certificate and permits related to phase 2 and phase 3 and Directors do not foresee any issue would hinder the receipt of these certificate and permits.

Details of the status of the certificate and permits of all 3 phases are set out in Section 4.6.

Further details of land rights in the PRC and the nature of a land use rights certificate are set out in Section 7.7

Licensing requirements for real property enterprises

The legal regime in the PRC does not permit the establishment of an all-purpose company. Instead, companies operate pursuant to a specified and approved scope of business. Therefore, an enterprise engaged in specific business activities within the property development industry in the PRC must comply with the relevant legislation which imposes qualification requirements applicable to such activities.

The "Development Qualification Provisions" contains the qualification requirements for companies engaged in real estate development in the PRC. The Development Qualification Provisions defines "real estate development" as:

- the construction of infrastructure and buildings on state-owned land within areas subject to urban plans; and
- the transfer of real estate development projects and the sale and lease of commodity housing.

The Development Qualification Provisions requires companies engaged in real estate development to obtain a real estate development qualification certificate.

As at the date of this Prospectus, only Langfang Limited, among the entities within the Onwide Group, has obtained a provisional development qualification certificate.

(4) Design and project planning

Design

A number of comprehensive design concepts must be finalised, and design documents must be prepared in accordance with the applicable laws and regulations, before commencing construction on a real estate development project.

Onwide Group's internal design team utilises the research conducted and findings produced during the feasibility study, and may conduct additional market research and analysis to ensure that the final design is appropriate and suitable for the requirements of the target customers of that real estate development.

Onwide Group's internal design team will prepare the master design concept, which specifies the relevant design philosophy for that real estate development. The master design concept will guide the general and overall design of the relevant development. Each real estate development may differ, both in terms of the dimensions of the available site and the inclusion of additional facilities (such as education facilities and other ancillary facilities).

Once the master design concept is finalised, Onwide Group invites designers, constructors, property agents and other contractors if necessary to participate in a bidding process to ensure high quality service at competitive prices. Further details of Onwide Group's tender and procurement processes are set out in Section 4.4 (5) below.

As part of that tender process, Onwide Group will appoint a qualified design and construction planning consultant to undertake the necessary works.

Project Planning

Onwide Group's internal design team will instruct the selected design and construction planning consultant on the master design concept, and work with the design and construction planning consultant in finalising the necessary architectural and interior design documents.

Design development documents must be approved by the relevant PRC government authorities and will form the basis for the detailed design and construction of the project.

The costs incurred in the design phase of the Property Project will be funded by Onwide Group's internal resources.

(5) Centralised tender and procurement

In accordance with Onwide Group's real estate development business model, any significant appointment by Onwide Group of its suppliers and service providers (including, for example, the project company or companies responsible for the construction of the properties) must undergo a centralized bidding process, supervised by Onwide Group's senior management team.

Onwide Group has established a screening and bidding process to select its suppliers and service providers. The management team will consider the applicants and typically select three to five contractors in each category to form the pre-qualified pool. Pre-qualified suppliers are then invited to submit formal bids based on Onwide Group's product specifications and requirements. All submitted bids are reviewed and evaluated by Onwide Group's bidding and tendering committee, which consists of members from Onwide Group's senior management, procurement department and design team. The bidding and tendering committee determines the successful application based on a set of internal standards described in Onwide Group's bid-solicitation documents. Onwide Group's internal standards may include product quality, price, supply lead time, financial strength, market reputation and after-sales services. The objective of this centralized procurement system is to obtain quality products and services at competitive prices.

Except for certain specific building materials which require Onwide Group's prior approval, procurement of basic building materials (such as steel and cement) is primarily outsourced to general contractors (provided it meets Onwide Group's specifications and design requirements).

Onwide Group does not own any construction equipment and does not maintain any inventory of building materials.

Timing and finance

The timing of the construction, configuration and selling phases of Onwide Group's real estate development projects will be adjusted in response to sales (and pre-sales) rates and applicable market conditions.

Currently, Onwide Group has only one property project, being the Property Project, or Langfang Project.

In accordance with PRC laws and regulations, upon satisfying the relevant requirements as set out in Section 4.4 (8), Onwide Group is permitted to fund its Property Project with the proceeds generated from the pre-sale of properties within the Property Project. If there is a shortfall between amounts received from pre-sales and deposits and expenses that need to be paid., Onwide can finance the shortfall via equity or debt instruments such as bank loans or trust loans. Compared to bank loans, trust financings offer greater flexibility in terms of availability. While drawdowns on bank loans usually depend on actual construction progress, drawdowns on trust financings may be made in full in one or multiple installments as agreed with the relevant trust companies. However, financing costs under trust financing agreements are generally higher than those under bank loans. Since the application of trust loan and bank loan are under common commercial terms, the Directors do not foresee any reason the Company would fail to access those debt facilities. Further details of the pre-sales process are set out in Section 4.4(8).

For future real estate development projects, Onwide Group may finance its projects primarily through a combination of capital contributions from its shareholders, bank loans, trust loans and internally generated cash flows, including proceeds from pre-sales of property under development.

Onwide Group's current policy will be to finance its property developments with internally generated cash flows to the extent practicable so as to reduce the level of external funding required (including any bank loans and trust loans).

(6) Construction / quality control and construction supervision

Onwide Group will outsource the construction work to independent contractors as set out in Section 4.4(5). The terms of appointment will be determined on a case by case basis, however, the construction contracts will typically contain terms which are typical of contracts of this nature, including warranties from the contractor in relation to quality and timely completion of the construction projects, construction schedule, cost and work quality and indemnities for any losses it incurs as a result of construction defects or delays by the contractor.

Appointed construction companies will be required to comply with all relevant PRC laws and regulations as well as any standards and specifications required by Onwide Group.

Onwide Group construction management department is responsible for closely monitoring the quality and construction progress as well as controlling costs during construction.

In addition, Onwide Group will use construction supervisor-engineers to monitor the construction process to ensure quality control. The construction engineers conduct on-site quality control inspections of the construction work.

(7) Marketing

Onwide Group has an internal marketing management team and from time to time may also appoint reputable property sales agencies to undertake sales (which include pre-sales) and Onwide Group's marketing campaigns.

Onwide Group's internal marketing management team is responsible for formulating sales and marketing strategies and supervising the execution of sales and marketing. The sales agencies are responsible for implementing the strategies as well as actual sales. The responsibilities of the marketing management team are:

- market research;
- brand promotion;
- sales planning;
- property pricing; and
- sales management.

Onwide Group's marketing management team will work closely with other Onwide Group teams and external agencies to determine the appropriate advertising and selling strategies for any particular project. They also monitor the sale and pre-sale procedures conducted by sales agencies.

Marketing campaigns are expected to be undertaken around one to three months prior to the earliest pre-sales date, and may be conducted throughout the pre-sales and sales period.

(8) Pre-sales and sales

Pre-sales

In accordance with market practice of property developers in the PRC, Onwide Group intends to pre-sell the properties within its Property Project prior to the completion of construction. Pre-sales is a process whereby a real estate developer is entitled to sell, based on the plans and designs that it has produced, relevant planned properties within its development to customers, including retail customers, prior to the completion of the construction of the relevant premises.

It is expected that the majority of the construction and other Property Project costs and expenses will be financed from the proceeds of pre-sales of the properties within Onwide Group's Property Project.

Under PRC pre-sale laws and regulations, real estate developers must satisfy certain conditions before they can commence pre-sales of the relevant properties. According to the Urban Real Property Law and the Measures for Administration of Pre-completion Sale of Commodity Buildings, the following conditions must be fulfilled before the pre-sale of a particular property can commence:

- the land premium has been paid in full;
- the land use rights certificates, the construction land planning permits, construction works planning permits and the construction permits have been obtained;
- at least 25% of the total project development investment has been made;
- the progress and the expected completion and delivery date of the construction are certain; and
- the developer obtains the pre-sale permit.

Under the Pre-completion Sale Measures and Urban Real Estate Law, the pre-sale proceeds of commodity buildings may only be used to fund the property development costs of relevant projects. The bank in which the pre-sale proceeds are deposited monitors the use of proceeds to ensure that they are used for the relevant project or otherwise in compliance with relevant regulations.

Under the pre-sales arrangement, customers may be permitted to pay the purchase price either by:

- **lump sum:**

  Customers who pay the entire amount of the purchase price during the pre-sales stage may enjoy a greater discount than the customers who pay by mortgage financing.

  To the extent that a customer has paid the entire amount of the purchase price during the pre-sales stage, those customers will have the rights given to them under their sale and purchase agreement with Onwide Group.

  Under the Pre-completion Sale Measures and Urban Real Estate Law, the pre-sale proceeds of commodity buildings may only be used to fund the property development costs of the relevant projects.

- **mortgage financing:**

  Customers who have arranged mortgage financing are typically required, subject to the specific requirements of individual banks and relevant laws, regulations and policies in force at the material time, to provide at least 30% of the purchase price as their initial payment.

  The outstanding balance of the purchase price will be subject to the mortgage requirements. Subject to the completion of the relevant procedures and pre-approval of the loans and mortgages, the banks will usually pay the remaining balance of the purchase price to Onwide Group within 2 months. Onwide Group has arrangements with various banks for the provision of mortgage facilities to its customers. However customers have full discretion to arrange their own mortgages. Onwide Group does not conduct independent credit checks on its customers but rely on credit checks conducted by the relevant banks.

Sales

To the extent that any of the properties within the Property Project are not sold during the pre-sales procedure, sales of the relevant properties will continue during and post-completion of the construction.

(9) After-sales

Onwide Group's after sales department is responsible for managing after-sales services including assisting customers with their applications for mortgages and obtaining their property ownership certificate.

Onwide Group's real estate development business model includes the appointment of property management companies to manage its properties as an interim measure until the property owners have established a homeowner's association to choose their own property management company. The property management services usually include maintenance of common facilities, cleaning, security, gardening, landscaping and other services.

4.5 Education Project model

Overview

The PRC School System

It is a legal requirement in the PRC that all children complete middle school. The average standard school ages in the PRC are (for reference only):

- preschool: ages 3 – 6;
- primary school: ages 7 – 12;
- middle school: ages 13 – 15; and
- high school: ages 16 – 18.

Currently, Onwide anticipates that its education facilities will only be operated as high schools. The Education Project envisages the development of the Langfang School and the provision of quality and internationally recognised high school education to students.

Subject to various commercial and other factors, it is anticipated that construction of the Langfang School will commence in 2014, with completion of the project and the commencement of the schooling operations in 2015 (to fit in with the PRC school year). The initial internal target for the first year of operation of the Langfang School is an initial enrolment of approximately 300 students.

Costs

The timing of the construction, configuration phase of Onwide Group's real estate development and recruiting of teachers and students process will be adjusted in response to the financial status of Onwide Group, which is largely affected by the sales progress of the Property Project.

The expected construction cost for the Langfang School is approximately RMB100 million (or $17.67 million). The costs of the current Education Project will be financed by a variety of sources, including Onwide Group's own capital, the funds raised from the Public Offer and sales from the Property Project.

The marketing expenses associated with the Education Project are approximately RMB500,000 (or $88,345) . The cost and expenses incurred during the assessment and approval processes will be financed by Onwide Group's own capital.

The expenses connected with the operation and maintenance of the Langfang School will be financed by tuition fees paid by the students of that school, which will be payable at the beginning of each school year.

The Education Project business model

As set out in Section 4.2(e), due to PRC legal restrictions, Onwide is unable to directly own or operate the Education Project / Langfang School. Langfang Limited is, however, entitled, under the Education Agreements with the Education Partners, to 100% of the economic benefit of the Education Project and certain other rights, including the ability to appoint the directors of Dongfang Limited and the ability to direct the operations of Dongfang Limited's business.

Therefore, whilst the Education Project will be directly managed and operated by Zehui Limited (which is a wholly owned subsidiary of Dongfang Limited), Langfang Limited will have effective control of the project through the rights granted to it under the Education Agreements.

To differentiate its product offering and to meet a demand in the market for locally provided curriculum which is internationally recognised, Onwide is considering cooperating with foreign partner schools in the operation of the proposed Langfang School and its other education facilities. Onwide anticipates the cooperation will extend to:

- discussions and mutual assistance in the design of the curriculum;
- potential student exchange opportunities;
- staff development and secondment; and
- recognition of the curriculum of the Langfang School in foreign jurisdictions including, for example, enabling students of the Langfang School to undertake tertiary education and examinations which are recognised in foreign jurisdictions.

The Education Project business model integrates experienced education professionals and property development and marketing professionals to ensure that quality education can be provided at reasonable prices. Again, it is a largely standardized process and it is Onwide's expectation that its business model will be able to be applied to future school projects (subject to identification and acquisition of suitable properties).

Onwide will determine, on a case by case basis for each property project, whether to expand its education business, including in relation to the construction and provision of educational facilities within or adjoining its other real estate developments, taking into account the relevant commercial considerations. This decision will also depend upon certain external factors including the economic environment, the size of the relevant real estate development and available land, as well as internal factors such as Onwide Group's financial position from time to time.

Onwide Group's key areas of responsibility, and competence, in relation to the Education Project and any similar future projects includes the site selection, seeking and obtaining the relevant approvals, designing of school syllabus and operating the school under the guidance of its experienced education professionals.

The key components of the Education Project business model include:

- Internal assessment;
- Obtaining approvals;
- Design of the school;
- Construction of the school;
- Design of the curriculum;
- Recruitment of teachers;
- Enrolment of students; and
- Teaching and accommodation.

Internal assessment

After the Onwide board of directors determine that a property project is worth investing after hearing the recommendations from the property investment committee and finance department, the board will instruct the finance department and education committee to undergo a feasibility study and submit their report and recommendations including whether to develop an education project there and/or whether to develop within the property project or on a site near to the property project. If the board thinks that an education project near the property project is profitable and creates synergy with the property project after hearing to the recommendations and studying the feasibility study report, the board will undergo the same land acquisition procedures as detailed in Section 4.4(1) in order to acquire the land for the development of an education project.

The first step in any project is a feasibility study to determine the economic benefits of developing the education facilities within or adjoining real estate developments. The study will include an assessment of factors including:

- the analysis of demand based on the existing and potential population of the relevant area;
- competition.
- availability of financial resources;
- support from the local government (if any); and
- availability of relationships and/or cooperation with foreign high schools and universities.

The feasibility analysis will ordinarily be undertaken by Onwide finance department and education committee.

Obtaining approvals

A number of approvals and permits are required to operate a private secondary education facility in the PRC, including, but not limited to the following:

- local government approvals including but not limited to approval for school establishment and planning;
- private school operation license;
- private non-enterprise organisation registration certificate; and
- Chinese-foreign cooperation in operating the school permit (if there will be any foreign schools cooperating with, or involved in, the operation of an education facility).

Design of the school

Zehui Limited uses external designers and architects for the design of its education facilities school by way of tender. Further details of Onwide Group's tender and procurement processes are set out in Section 4.4(5) above.

Construction of the school

Construction of a school will generally be contracted to an independent contractor (once the relevant permits and approvals are obtained) by way of tender. Zehui Limited will be responsible for monitoring the quality, construction progress and overall project costs during the construction phase.

Appointed construction companies will be required to comply with the relevant PRC laws and regulations as well as any standards and specifications required by Zehui Limited. Further details of Onwide Group's tender and procurement processes are set out in Section 4.4(5) above.

Design of curriculum

Zehui Limited instructs its education coordinator and advisors to design and recommend school curriculums to it for approval. The curriculum design will include the Teaching of English as a Foreign Language, a number of extra-curricular activities and a balance between a typical Chinese syllabus and a syllabus in the United States of America or other countries.

Recruitment of teachers

Zehui Limited will recruit suitably qualified teachers and tutors through a multi-step recruitment process. Teachers and tutors may be subject to probationary periods where their teaching abilities and techniques and knowledge of the subject materials are monitored and tested.

Zehui Limited will provide on the job training to its teachers and tutors so that they can remain abreast of changes in student demands, admissions and assessments standards and other skills and knowledge necessary to teach effectively.

Enrolment of students

Zehui Limited may employ a variety of marketing and recruiting methods to attract students and increase student enrolments at its school(s) to be developed. It is anticipated that students will primarily come from the relevant real estate development near which the school is located, as well as from local areas or those who will have learned of the school through advertisement in local media, on-campus promotion and through connections with other schools.

Teaching and accommodation

The focus of the subjects and areas tested in the Chinese high school examinations, as well as the format and manner that these examinations are administered, changes from time to time. Zehui Limited will constantly update and enhance its curriculum and test preparation materials and teaching methods (in consultation with its education consultants) to ensure that its curriculum remains relevant.

Zehui Limited may also provide residential accommodation, within the relevant real estate development, as an option for students attending its school.

4.6 Property Project

Location	Langfang, Hebei, PRC
Total saleable area of residential property	approximately 348,328m^2
Number of residential units	approximately 3,648
Zoning	Residential/Commercial.

City/location and site selection

The site of the Property Project is located within the rapidly growing city of Langfang which is south of the Beijing metropolitan area. Langfang is approximately 45 kilometers from the central business district of Beijing. Travel time by the existing high speed rail connecting Langfang to the city centre of Beijing is approximately 20 minutes. Langfang is located on plain terrain with a temperate, continental monsoon climate and free from flooding and other watery disasters.

The target customers for the Property Project are young working families and end users looking for a housing upgrade. Given that the average selling price of residential units in Langfang is only 1/8 of the average price for similar residential units in the city centre of Beijing, the price differentiation has attracted many newly married couples to suburban areas surrounding Beijing, such as Langfang. Buying restrictions in Beijing also prohibit non-Beijing registered families who do not have a residence permit from acquiring a new home in Beijing. Given its proximity to Beijing, non-Beijing registered families who work in Beijing may find Langfang an attractive option. Langfang do not has any requirement for home buyers to obtain local resident permits or has any buying restrictions imposed on people outside the local residential zone or suburb.

The total size of Property Project is approximately 180,207m^2 with a total saleable residential gross floor area of approximately 348,328m^2. The Property Project involves the proposed development of approximately 3,648 residential units. It is anticipated that there will be approximately 3,812 two- bedroom residential units and 836 three-bedroom residential properties upon completion.

Land acquisition

Onwide Group intends to develop the Property Project in 3 separate phases

Phase 1

Onwide Group acquired the land in phase 1 in May 2012 for RMB146 million (or $25.8million) . It is zoned residential/commercial. Langfang Limited holds development rights of phase 1 land of 56,436m^2 (as indicated on the land certificate reference number: Lang Guo Yong (2012) Di No.00014 issued on 12 December 2012).

Phase 2

Onwide Group acquired the land in phase 2 in April 10, 2013 for RMB 147.7 million (or $26.1 million). It is zoned residential/commercial. Langfang Limited holds development rights of phase 2 land of 54,377m^2 (as indicated on the land certificate reference number: Lang Guo Yong (2013) Di No.00006 issued on 5 July 2013).

Phase 3

Langfang Limited has applied for the acquisition of 68,879m of land adjacent to the land for phase 3, which is to accommodate phase 3 of the Property Project. Since the master plan of Langfang Project has been approved by the local government authorities, the directors of Onwide do not expect any issue in acquiring the land for phase 3. However, if there is any delay for acquiring land of phase 3, the construction and pre-sale schedule will be delay accordingly, which may have an adverse impact on financial position and future expansion plan.

The total site area for all phases as approved by the Langfangland authorities is as follows:

Phase	Site area (m^2)	Planned total gross floor area attributed to saleable residential units (m^2)
Phase 1	56,950	103,781
Phase 2	54,377	101,156
Phase 3 (not yet acquired)	68,879	143,391

Note: the slight discrepancy of 514m^2 of the site area in phase 1 between the master plan approved by the Langfang City mayor and the land certificate granted is due to the decision of the relevant government bodies and Langfang Limited will try its best to claim it back in the later phases.

Property development certificate and permits

Since Onwide has already obtained all the permits required for phase 1, Onwide believes apply for the certificate and permits for the remaining phase would be much easier than phase 1. Permits will be issued normally within 2 months after submitting application.

Phase 1 certificate and permits required	Status
Land use rights certificate	Obtained on 12 December 2012
Construction land planning permit	Obtained on 17 December 2012
Construction work planning permit	Obtained on 3 April 2013
Construction commencement permit	Obtained on 17 May 2013
Pre-sale permit	Obtained on 3 June 2013

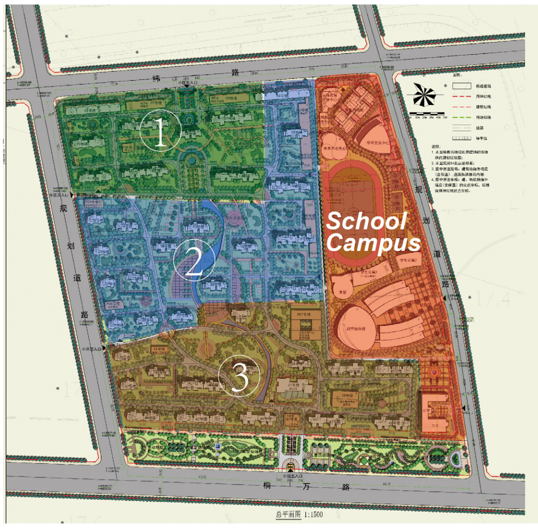
Phase 2 Certificate and permits required	Status
Land use rights certificate	Obtained on 5 July 2013
Construction land planning permit	Commenced in October 2013
Construction work planning permit	Commenced in October 2013
Construction commencement permit	Commenced in November 2013
Pre-sale permit	To commence in January 2014

Phase 3 certificate and permits required	Status
Land use rights certificate	To commence in May 2014
Construction land planning permit	To commence in June 2014
Construction work planning permit	To commence in June 2014
Construction commencement permit	To commence in July 2014
Pre-sale permit	To commence in October 2014

Note: the status includes items and dates which are indicative only, Onwide Group may vary these dates based on a number of factors, including market conditions and other commercial considerations. The Directors of the Company are not aware of any reason why these permits will not be granted.

Project planning and design

Below is an approximate land parcel allocation for the three phases for residential properties of the Property Project and the Education Project:



Centralised tender and procurement

In accordance with the Onwide property development model, Onwide Group has outsourced the majority of its construction, design and planning and property management works for the Property Project to independent contractors.

Onwide Group has completed the tender and procurement process for the Property Project. Onwide Group has engaged Shanghai Yong Chen Planning and Architectural Design Co., Ltd. for the designing works, Jiangsu Hong Jian Group Co., Ltd and Hebei Metallurgical Construction Group Co., Ltd for the construction works, for Property Project.

Construction

The estimated construction periods for phases 1, 2 and 3 are as follows:

Phase	Estimated Construction period
Phase 1	May 2013 – December 2015
Phase 2	December 2013 – September 2016
Phase 3	September 2014 – June 2017

Sales and marketing

Onwide Group has an internal sales and marketing management team and also contracts with reputable property sales agencies for its sales and marketing campaign for the Property Project.

Pre-sale

Onwide Group intends to pre-sell the properties in the Property Project prior to completion of construction. After obtaining all the required licenses and permits, Onwide Group expects to commence the pre-sale for phases 1, 2 and 3 of the Property Project as follows:

Phase	Expected commencement of pre-sale	Approximate number of units
Phase 1	Commenced in July 2013	1,084
Phase 2	To commence in February 2014	992
Phase 3	To commence in October 2014	1,572

The pre-sales of phase 1 of Property Project was well received by our customers, a total GFA of approximately 67,397.73m^2 have been pre-sold from July to September 2013 to various third parties for a total consideration of RMB395,336,741 (or $69,852,048), achieving an average selling price of RMB5,865/m^2 (or AUD1,036/m^2).

After-sales services and property management

Onwide Group has engaged China World Property & Hotel Management Company Limited, to provide property management services in respect of the Property Project.

Capital Expenditure and Financing

The aggregate budgeted development expenditure for the Property Project is estimated to be approximately RMB1.8 billion(or $247.37 million). Since the Company has already paid the land premium of phase 1 and phase 2 in full, the remaining expenditure such as construction cost will be paid in installments based on the stages of completion. Almost all of the funding can be generated by pre-sales, for example, phase 1 of Property Project has a saleable gross floor area and average selling price of 103,781m^2 and RMB5,900 (or $1,042) respectively. The pre- sales income from phase 1 will be approximately RMB0.6 billion (or $106 million) which is sufficient to cover construction expense for phase 1 and land acquisition cost of phase 2. The upfront pre-sales income can help to financing those payable in the later stages on a rolling basis. If the pre-sales income is lower than expected and insufficient for future development, the Company intends to seek shareholder loan and debt financing from financial institutions to meet the shortfall. As set out in Section 4.4(c) any additional fund raised will be used to speed up the progress and pay the supplier to help to improve the financial status of the Onwide Group. Details about the risk relating to pre-sales are set out in Section 5.1(c).

4.7 Education Project

Note: this design in the picture above has not yet been finalized.

Onwide Group has commenced/proposes to commence each of the following stages as follows:

	Stage	Status
1.	Internal Assessment	Completed
2.	Obtaining approvals	Commenced in August 2013
3.	Design of school	Commenced in August 2013
4.	Construction of the school	To commence in August 2014
5.	Design of curriculum	To commence in September 2014
6.	Recruitment of teachers	To commence in April 2015
7.	Enrolment of students	To commence in May 2015
8.	Teaching and accommodation	To commence in September 2015

Note: the status includes items and dates which are indicative only, these date may be varied from time to time based on a number of factors, including market conditions and other commercial considerations.

Overview and internal assessment

Dongfang Limited, through its wholly owned subsidiary Zehui Limited, intends to establish and operate a high school in Langfang, within the neighbourhood of the Property Project development. The estimated construction cost for the Education Project is approximately RMB100 million (or $17.67 million). This will be funded by Onwide Group's internal resources and, if inadequate, debt financing.

There are no private high school targeting international curriculum in Langfang, but due to Langfang's proximity to Beijing, Education Project may face competition from private schools that offer similar products from Beijing.

Onwide Group's education investment committee and finance department have jointly undertaken a feasibility study

and submitted their report and recommendations to the Onwide Limited board of directors for its determination. Onwide Group has determined that the Education Project is feasible and has proposed that the name of the school will be "Masters Private School at Langfang". It is proposed that the school will have a gross floor area of approximately 76,472m^2, and will be constructed on the land within the neighborhood of the Property Project. Dongfang acquired one of the land parcels of the Education Project on 18 May 2012 and the land premium has been fully paid and Zehui acquired the remaining land parcel of the Education Project 10 April 2013 for RMB35,600,000 (or $6,290,164), half of the land premium has been paid, the remaining land premium is expected to be paid before the end of 2013.

Obtaining approvals

Approvals required	Status
Approval for school establishment and planning	To commence in August 2013
Private school operation license	Application to commence in August 2014, subject to the timing of completion of the construction of the school
Private non-enterprise organisation registration certificate	Application to commence in August 2014, subject to the timing of completion of the construction of the school
Chinese-foreign cooperation in operating school permit	Application to commence in August 2014, subject to the timing of completion of the construction of the school

Design of school

Zehui Limited has completed the tender for the design of the Langfang School and has engaged Shanghai Yong Chen Planning and Architectural Design Co., Ltd.

Construction of school

Subject to various commercial and other factors, it is anticipated that construction of the school will commence in second half of 2014. Zehui Limited has not completed the tender for the construction of the school.

Design of curriculum

Zehui Limited will commence the design of the school curriculums in September 2014. The education coordinator and the education advisors of Zehui Limited will analyse and make recommendations to the board of directors of Zehui Limited regarding the design of the curriculum, including, but not limited to, the extent of extra-curricular activities, inclusion of the Teaching of English as a Foreign Language, SAT and/or Advanced Placement, and a balanced syllabus incorporating the Chinese high school syllabus and an additional overseas syllabus.

The board of directors of Zehui Limited will consider the proposals in determining the appropriate curriculum.

Recruitment of teachers

Zehui Limited anticipates that it will commence recruitment of suitably qualified teachers and tutors in April 2015 through a multi-step recruitment process.

Enrolment of students

It is proposed that the Education Project will cater for approximately 900 students.

Zehui Limited's internal target is for an initial enrolment of approximately 300 students in the first school year after the completion of the school. The school will open ten classes with 30 students each in 2015 and is expected reach full capacity of 900 students by 2017. Zehui Limited intends to commence its marketing in second half of 2014.

Teaching and accommodation

Zehui Limited will continue to update and enhance its curriculums, test preparation materials and teaching methods with advisory from its experienced education consultants. Teachers will be trained accordingly to provide a conducive and supportive education environment for students. Zehui Limited may also provide residential accommodation, within the school area, as an option for students attending the school.

Capital Expenditure and Financing

The aggregate budgeted development expenditure for the Education Project is estimated to be approximately RMB100 million (or $17.67 million). Almost all of the funding can be generated by sales in the Property Project. If the sales income is lower than expected and insufficient for future development, the Company intends to seek shareholder loan and debt financing from financial institutions to meet the shortfall. Any additional fund raised will be used to speed up the progress and pay the supplier to help to improve the financial status of the Onwide Group.

5 RISKS

If the Onwide Acquisition proceeds, there will be a change in the risk profile of the Company.

Existing Shareholders are currently exposed to various risks as a result of their investment in the Company. If the Onwide Acquisition proceeds, the Company's operating business will significantly and materially change from that which was pursued previously. As a consequence, Shareholders will be exposed to risks relating to the Onwide Group and to certain additional risks relating to the integration of the Company, Onwide Limited and their respective corporate groups.

There are various risks, both risks that are specific to the Company, the Iatia Group and the Onwide Group, and general investment risks, which may materially and adversely affect the financial performance and/or financial position of the Iatia Group.

As the performance the Company is largely dependent on the successful acquisition and the sustained profitability of the Onwide Group, the risks identified in this section include, and primarily relate to, the risks faced by the Iatia Group upon Completion of the Onwide Acquisition.

Prospective investors should note that, as it is not possible to identify all risks, this list of risks is not exhaustive. The risks identified in this Section have been separated into:

- specific Company related risks (described in Sections 5.1 to 5.4); and
- general risks associated with an investment in shares (described in Section 5.5).

Identification of each risk was based on an assessment by the Directors of the probability of the risk occurring and the impact of the risk if it did occur. That assessment was based on the knowledge of the Directors as at the date of this Prospectus and there is no guarantee or assurance that the relative importance of the various risks will not change.

Prior to making an investment decision, prospective investors should carefully read this Prospectus in its entirety and consider the risks identified in this Section. Investors should have regard to their own investment objectives and the advice of their financial adviser, stockbroker, lawyer or other independent professional adviser before deciding whether to invest. This Prospectus does not take into account the investment objectives, financial situation, particular needs or risk profiles of individual prospective Shareholders.

5.1 Risks relating to the business of the Company

(a) Management of the Property Project and the Education Project

As described in Section 4, the key business of the Iatia Group will be the development of the Property Project and the Education Project. There can be no assurance that the Iatia Group will be able to successfully manage the Property Project and the Education Project. Any failure to effectively and efficiently manage the Property Project and the Education Project, including any expansion of its operations, may materially and adversely affect Iatia Group's ability to successfully complete the Property Project and the Education Project, which in turn may have a material adverse effect on the Iatia Group's financial position and performance.

In addition to the Property Project and the Education Project, the Iatia Group's future ability to substantially grow its business is expected to be dependent on the Iatia Group's:

- ability to identify further real estate development locations and opportunities;
- ability to apply and/or adapt its real estate development business model and education project model to those new locations and opportunities; and
- successfully complete any new projects.

(b) Project risk

Property development projects require substantial capital expenditure prior to and during the construction period. In addition to external financing, Onwide Group utilise pre-sale proceeds and funds generated from our operations as an important source of funding for our Property Project. There can be no assurance that we can achieve sufficient pre-sale proceeds, or at all, to finance current or future development projects.

Construction of a property project may take many months or several years before it generates positive cash flow through pre-sales or sales. The progress and cost for a development project can be adversely affected by many factors, including:

- delays in obtaining necessary licenses, permits or approvals from governmental agencies or authorities;
- relocation of existing residents and/or demolishment of existing structures;
- shortages of materials, equipment, contractors and skilled labour;
- labour disputes;
- construction accidents;
- natural catastrophes; and
- adverse weather conditions.

Construction delays or failure to complete the construction of a project according to its planned specifications, schedules or budgets as a result of the above factors may adversely affect the Iatia Group's results and financial position, and may also cause reputational damage.

Purchasers who have entered into binding sale and purchase agreements with Onwide Group in relation to properties within the Property Project may be entitled to legal recourse against the relevant Onwide Group entity if it cannot complete and deliver the property in accordance with the terms and conditions of that agreement.

(c) Pre-sale risk

Under the real estate development business model, the Iatia Group intends to pre-sell properties before actual completion of construction.

As noted in Section 4.4(5) and 4.4(8), it is expected that substantial amount of the construction and other property project costs and expenses will be financed from the proceeds of pre-sales of the properties within the Property Project.

As noted in Section 4.4(8), the Company must fulfill certain requirements in order to be granted the pre-sale permit, there is no guarantee that the Company will satisfy these conditions. Given that pre-sale proceeds have been an important source of our funding for the Property Project, if the Company does not have any pre-sale proceeds from Property Project, our revenue from other operations may not be sufficient to maintain Iatia Group's operations or fund future development when opportunities arise. Such risks, if realized, could have a material adverse effect on our business, operation and future prospects.

(d) Retention of key personnel

The Iatia Group will be highly reliant on the Key Employees to develop the Property Project and the Education Project. The continued retention of the Key Employees will be critical to the ongoing viability of the Iatia Group's operations. The loss of one or more of these Key Employees would be expected to have a material and adverse effect on the Iatia Group.

The Iatia Group's prospects also depend in part on its ability to attract and retain additional highly qualified management personnel and continue to implement and improve operational, financial and management systems. Iatia Group competes with other contracting services and project development companies to recruit and retain key executives, professional staff and other employees and third party contractors with appropriate skills and managerial experience necessary to continue to operate its business. Additionally, the education professionals employed by the Onwide Group are critical to maintaining the quality of its educational services offerings and maintaining its brand and reputation.

The inability to attract and retain the services of a sufficient number of suitably qualified personnel could be disruptive to the Iatia Group's development and could materially adversely affect its operating results.

(e) Success of the Property Project

The success of the Property Project is dependent on a number of factors, including the Iatia Group's ability to obtain and hold (through the relevant Onwide PRC Companies) the necessary permits and approvals for the completion of the Property Project, the Iatia Group's ability to sell and/or lease the properties in the Property Project and the sale prices of the properties. The Iatia Group's ability to attract customers in its marketing campaigns and the government policies will be critical to the continued success and growth of the business. There can be no assurance that the Iatia Group will be able to attract customers and to respond to changing market trends, government policies and customers' demands. If the Iatia Group is unable to attract customers and respond quickly to the government policies, this may have an impact on the success of the Property Project, and the operations and financial performance of the Iatia Group.

(f) Success of the Education Project

The success of the Education Project is dependent on a number of factors, including the Iatia Group's ability to obtain and hold (through the relevant Onwide PRC Companies) the necessary permits and approvals for the construction and operation of the Langfang School, the number of student enrolments at the Langfang School and the amount of tuition fees received. The Iatia Group's ability to attract and retain student enrolments in its programs will be critical to the continued success and growth of its business. There can be no assurance that the Iatia Group will be able to attract students and to respond to changing market trends and student demands. If the Iatia Group is unable to attract and retain student enrolments, this may have an impact on the success of the Education Project, and the operations and financial performance of the Iatia Group.

(g) Capital requirements

The Iatia Group requires substantial capital resources (in addition to the funds raised under the Public Offer) to fund the development of the Property Project and Education Project. As noted in Sections 4.4(5) and 4.4(8), it is expected that the majority of the construction and other Property Project costs and expenses will be financed from the proceeds of pre- sales of the properties within the Property Project, however, there can be no assurance that the Company will not raise additional capital, whether for the purpose of the Property Project, the Education Project or to exploit further business opportunities.

Further, there can be no assurance that the Iatia Group will be able to raise such capital on favourable terms (or at all) or, if it is able to raise the capital, that it will be able to invest that capital efficiently. If the Iatia Group is unable to obtain or invest such additional capital, the Iatia Group may be required to reduce the scope of its investment activities or forego an investment opportunity, which could adversely affect its business, financial condition and the results of its operation.

The Board believes that the Company's cash position following the Public Offer and the cash inflow from pre-sale will be sufficient to meet the Iatia Group's anticipated cash needs in the next 12 months. The Iatia Group may, however, require additional cash resources to finance its continued growth or other future developments. The amount and timing of such additional financing needs will vary principally on the availability of land acquisition opportunities. If the Company's resources are insufficient to satisfy its cash requirements, the Board may seek to raise additional capital. The issue of additional equity could result in dilution to Shareholders.

(h) Fluctuation in demand

The Iatia Group's business and financial performance is dependent on numerous factors beyond the Iatia Group's control. There is no assurance that the demand for property and private school education in China will continue to grow, or that the markets for property and private school education will not experience excess supply.

(i) Labour and building materials

Wages for construction workers in China and the price of building materials (including, but not limited to, cement and steel) have increased substantially in recent years due to market pressures and the introduction of new laws and regulations. If Langfang Limited is unable to pass on these cost increases, the profitability of the Property Project and the Education Project will be adversely affected which in turn will adversely and materially affect Iatia Group's financial performance.

(j) Insurance risk

The Iatia Group has limited insurance to cover its potential losses and claims. Onwide Limited does not carry insurance against all potential forms and causes of losses or damages with respect to its properties before delivery to customers. In addition, Onwide Limited does not maintain insurance coverage against liability from tortuous acts or other personal injuries related to the Property Project and the Education Project. No assurances can be provided that one or more members of the Iatia Group, including Onwide Limited, would not be sued or held liable for damages due to such tortuous acts and other personal injuries. If the Iatia Group suffers from any losses, damages or liabilities in the course of its operations and property development which is not covered by insurance, the Iatia Group may not have sufficient financial resources to remedy the damages or to satisfy its potential obligations. In addition, any payments the Iatia Group is legally required to make to cover any losses, damages or liabilities may have a materially adverse effect on its business and financial performance.

(k) Delays

According to PRC law, property developers must meet various requirements within 90 days after the delivery of a property or such other time period provided in sales contracts so that the customer can apply for property ownership certificates, including passing various governmental clearances, formalities and procedures. The delivery dates are usually stipulated in the sales contracts to leave sufficient time for it to complete the formalities and obtain the relevant approvals. However, there can be no assurance that there will not be delays, including as a result of factors beyond the Iatia Group's control, which may delay the delivery of property ownership certificates. Under current PRC laws and regulations and under the Iatia Group's property sale contracts, Onwide Group is required to compensate its customers for delays in delivery. In the case of material delays on one or more Property Project, Iatia Group's business, financial performance and reputation may be harmed.

(l) Competition

There is no assurance that the business of the Iatia Group will be able to continue to compete effectively against other competitors.

The Iatia Group operates in a competitive market. Competition in the property development industry is based on factors such as price, supply capacity, property type, quality and reputation. The education industry in China is rapidly evolving, highly fragmented and competitive. The Iatia Group faces competition from other domestic and foreign competitors who are in these industries. Such domestic and foreign competitors may have greater access to financial resources, larger reserves, better operating efficiency, more advanced technologies, or longer operating histories.

For example, if the Iatia Group is unable to identify profitable projects, cannot raise enough funds to complete its projects, cannot retain key management personnel or there is damage to the Iatia Group's reputation or the reputation of any of the subsidiaries, the Iatia Group may become uncompetitive which will have adverse implications in respect of the Iatia Group's financial performance.

(m) Past performance

Onwide Group has no revenue or income history and has not been involved in any real estate development or education projects other than those detailed in this Prospectus. There is also a risk that the Property Project and/or the Education Project may fail or losses may be incurred in completing the Property Project and/or the Education Project. No assurance can be made that profits will be achieved or that losses will not be incurred by the Iatia Group.

Although Property Project commenced pre-sale in July 2013 and start to generate positive cash flows, due to accounting policy of revenue recognition, no revenue is recognized in respect of the sale of property until its development has been completed and the property has been delivered to the customer. Since first delivery of the property would not be happened until the end of 2014, no revenue would be recognized before 2015

(n) Brand and reputation

The Iatia Group's operational and financial performance and the successful growth of the Iatia Group's business are dependent on market awareness of its brand, and whether it is able to demonstrate and create an association between its brand and reputation with a consistency and quality of its offering. Negative publicity or brand association regarding Iatia Group's services, properties, schools or learning centres, regardless of its veracity, may harm its brand image and reputation, and may have a material adverse effect on Iatia Group's business and its financial performance.

(o) Ability to respond to changing market trends

From time to time, there may be changes in the market trends for, in relation to the Property Project, various aspects of real estate, including aesthetics, design philosophy, size and location, and in relation to the Education Project, the subjects offered and the teaching style and facilities. These changes may require the Iatia Group to respond to changing market trends, including in the formulation of its real estate design philosophy and planning, and to update and enhance its curriculum, test preparation materials and teaching methods. Any inability to track and respond to these changes in a timely and cost-effective manner would render its services and products less attractive to its customers, which may adversely affect the Iatia Group's reputation business and financial performance.

5.2 Legal and regulatory risk associated with the Company's business

(a) Compliance with, and enforcement of, the Agreements

Upon completion of the Onwide Acquisition, the Iatia Group's exercising of control on the Property Project and the Education Project is mainly conferred by the Agreements (other than conferred by its direct equity ownership in Langfang Limited). The income stream underpinning the Agreements is the Property Project and the Education Project. The Agreements are designed to transfer 50% of the economic benefits of the Property Project to Onwide Limited, and 100% of the economic benefits of the Education Project to Langfang Limited, resulting in Onwide Limited holding, either via its direct equity interest in the Onwide PRC Companies or the Agreements, 99% of the economic benefits of the Property Project and the Education Project. In particular, Onwide Limited is not the controlling shareholder of Dongfang Limited, the corporate entity undertaking the Education Project. In relation to the share capital of Dongfang Limited, the economic benefit that Onwide Limited obtains from the Education Project is derived through the Education Agreements between Langfang Limited and the Education Partners. Refer to Sections 4.2(d), 4.2(e) and 12.4 for further information on the Agreements and the circumstances in which they may be terminated.

The Company considers that the Agreements complies with all applicable PRC laws and is enforceable on items. There is a risk that, if the Property Partner and/or the Education Partners are unable or unwilling to comply with their obligations under the relevant Agreement(s) and Onwide Limited is not able to obtain adequate legal recourse, this may have an impact on Iatia Group's financial performance and operations.

(b) Obtaining and maintaining all relevant permits and approvals

Certain permits and approvals that are required for the completion of the Property Project and the Education Project are currently in the application phase or will be applied at the relevant point of progress of the Property Project and the Education Project.

There can be no assurances that the relevant PRC regulatory bodies will grant, or will not delay the granting of, some or all of the permits and approvals that are required for the Property Project and the Education Project. Even if required permits and approvals are granted, they may be subject to conditions that are unacceptable or onerous to the Iatia Group. If this occurs, the future of the Property Project and the Education Project will be jeopardised and this is likely to have a material adverse effect on Iatia Group's financial performance and operations.

(c) Industry regulation

The Onwide Group is subject to national, provincial and local governmental regulations, policies and controls. The liabilities, costs, obligations and requirements associated with these laws and regulations may be significant and may delay the commencement of, or cause interruptions to the Iatia Group's operations and therefore adversely and materially affect Iatia Group's business and financial performance.

Additionally, there can be no assurance that the relevant government agencies will not change such laws or regulations or impose additional or more stringent laws or regulations. Compliance with such laws or regulations may require the Iatia Group to incur significant capital expenditures or other obligations or liabilities. No assurance can be provided as to whether Iatia Group's ownership structure and contractual arrangements will be in violation with any future PRC laws or regulations.

(d) Regulation of tuition, accommodation and other fees

The tuition, accommodation and other fees charged by schools and student enrolment in education facilities is subject to regulation by the PRC government. The Education Project's revenue is dependent on the level of these fees and student enrolment. New regulations could adversely impact the fees that the Iatia Group receives from the Education Project. Furthermore, tuition, accommodation and other fees are subject to various price controls administered by local price-control authorities and student enrolment is subject to annual enrolment quotas established by the Ministry of Education. If the tuition charges cannot be decreased or if they are not allowed to increase in line with increases in costs incurred by the Iatia Group, Iatia Group's financial performance and operations will be adversely affected.

(e) Intellectual property

The Iatia Group's trademarks, trade names, copyrights, trade secrets and other intellectual property rights are important to its success, and unauthorized use of any of Iatia Group's intellectual property may adversely affect its business and reputation. There can be no assurances that the Iatia Group will be unable to prevent the unauthorized use of its intellectual property through litigation. Failure to adequately protect Iatia Group's intellectual property could materially adversely affect its financial performance and operations.

5.3 Risks associated with corporate structure and ownership of the Company

After the Onwide Acquisition and Offers, the Vendor will own between 66.6% and 73.8% of the Company's Share capital. As the controlling Shareholder, the Vendor will be able to direct the election of all of the members of the Board of Directors and exercise a controlling influence over the Company's business and affairs.

Shortly after completion of the Public Offer and the Onwide Acquisition, Mr Xing Hongtao, a nominee of the Vendor, will join the Board. Mr Xing is required to submit himself for Shareholder approval at the first annual general meeting of the Company following his appointment. To the extent that the Vendor appoints directors to the Board at a future time and serve concurrently as owners and managers of Onwide Limited, there may be an appearance of conflicts of interest and the Company cannot give any assurance that such appointees will not vote in a way that appears to favour the Vendor.

As noted above, the Vendor will own between 66.6% and 73.8% of the Company's Share capital. As a result, the Vendor, as Shareholder, could exert substantial influence over matters requiring approval by the Company's Shareholders, including electing directors, and in doing so it may not act in the best interests of other minority Shareholders. This concentration of ownership may also discourage, delay or prevent a change in control of the Company, which could deprive Shareholders of an opportunity to receive a premium for their shares as part of a sale of the Company and might reduce the price for Shares. These actions may be taken even if they are opposed by the Company's other Shareholders.

In addition, a sale of a significant number of Shares by the Vendor (subject to any escrow restrictions) is likely to put downward pressure on the market price of the Company's Shares.

5.4 Risks relating to the PRC

Following the Onwide Acquisition, substantially all of the Iatia Group's revenues, costs and assets will be located in the PRC.

Investors should pay particular attention to the fact that Onwide Limited is a Hong Kong-incorporated company and the business operations of the Onwide Group occur in the PRC and therefore will largely be governed by legal and regulatory environments that may differ substantially from that of Australia and that most, and possibly all, of the Iatia Group's revenues and much of the Iatia Group's costs will be in RMB, a currency which is not yet freely convertible. The Iatia Group's business, its financial performance, its financial position and its operations could be materially and adversely affected by any of these risks.

(a) Adverse changes in the PRC's economic, political and social conditions as well as governmental policies could adversely affect the Onwide Group and the Iatia Group

The Chinese economy differs from the economies of most developed countries in several important respects, including: structure, government involvement, allocation of resources, and its stage of development, rate of growth, foreign exchange controls and socio-political culture.

The Chinese economy continues to change from a centrally planned economy to a market oriented economy. As a result, the current structure of the Chinese economy has elements of both. It is unclear whether such a change from centrally planned economy to a market oriented economy will accelerate, slow or even continue.

Government intervention may result in unintended, unanticipated positive or negative impacts on the real estate development and education industries, Onwide Limited and the Iatia Group.

(b) Foreign Exchange Regime

RMB still cannot be freely converted into any foreign currency, and conversion and remittance of foreign currencies are subject to PRC foreign exchange regulations. It cannot be guaranteed that under a certain exchange rate, we will have sufficient foreign exchange to meet our foreign exchange requirements.

Under the current PRC foreign exchange control system, dividends payment and payments for goods and services do not required advance approval from SAFE, but we are required to present documentary evidence of such transactions and conduct such transactions at designated foreign exchange banks within China that includes majority of the big state owned banks that the Company can easily access. Foreign exchange transactions such as direct equity investments, loans and repatriation of investment, however, must be approved in advance by SAFE before the designated banks can settle those foreign exchange transactions.

Given the current foreign exchange regulations, the Company will seek financing the capital expenditures from domestic financial institutions within PRC that will not involve foreign exchange transaction if necessary. Secondly, the Company will retain most of the cash flow from operation to fund future capital expenditure plan even though that will limit Iatia's PRC subsidiaries' ability from transferring any profit from the Property Project to Iatia in the form of dividend. Thirdly, the Company can establish foreign-invested PRC subsidiaries and remit the foreign exchange to PRC subsidiaries via equity contribution. The Company believes all of the above arrangements are legal and enforceable.

The relevant PRC government authorities, which have significant administrative discretion in implementing the laws, may restrict or eliminate the ability of foreign invested enterprises to purchase and remit foreign currencies in the future. Thus, there is no assurance that foreign exchange policies regarding payment of dividends in foreign currencies will continue in the future. Such restrictions, if imposed, may have a material adverse effect on Iatia's ability to receive payments from its PRC subsidiaries. If we fail to obtain approval from the SAFE to convert RMB into any foreign exchange and vice versa for any of the above purposes, our capital expenditure plans, and even our business, operating results and financial condition, may be materially and adversely affected.

(c) CSRC Approval

The approval of the China Securities Regulatory Commission ("CSRC") may be required in connection with this Public Offer. Any requirement to obtain prior CSRC approval could delay, or create uncertainties regarding, this offering, and Onwide Limited's failure to obtain this approval, if required, could have a material adverse effect on its business, operating results, reputation and the trading price of the Shares.

According to the Provisions Regarding Mergers and Acquisitions of Domestic Enterprises by Foreign Investors issued in 2006 by six PRC government and regulatory authorities ("2006 M&A Rules"), a Special Purpose Vehicle ("SPV") is an overseas company controlled directly or indirectly by domestic companies or individuals for purposes of overseas listing of equity interests in "domestic companies" (defined as enterprises in the PRC other than foreign invested enterprises). If an SPV purchases, for the purpose of overseas listing and by means of paying consideration in shares of such SPV, domestic interests held by PRC domestic companies or individuals controlling such SPV, then the overseas listing by the SPV must obtain the approval of the CSRC. However, the applicability of the 2006 M&A Rules with respect to CSRC approval is unclear. The CSRC currently has not issued any definitive rule concerning whether offerings such as the acquisition and offering contemplated by Onwide Limited are subject to the 2006 M&A Rules and related clarifications.

Onwide Limited understands that the 2006 M&A Rules do not require it to obtain prior CSRC approval for the acquisition and offering, as Onwide Limited has not acquired any equity interests or assets of a PRC company that is owned by PRC companies or individuals that are also Onwide Limited's beneficial owners.

However, if the CSRC subsequently determines that its prior approval is required, Onwide Limited may face regulatory actions or other sanctions from the CSRC or other PRC regulatory agencies. These regulatory agencies may impose fines and penalties in the amount of 1% to 5% of the net proceeds of this offering on Onwide Limited's operations within the PRC, delay or restrict sending the proceeds from this offering into China, or take other actions that could have a material adverse effect on Onwide Limited's business, financial condition, results of operations, reputation and prospects, as well as the trading price of the Shares. The CSRC or other PRC regulatory agencies also may take action requiring or making it advisable for Onwide Limited to halt the Public Offer.

Onwide Limited cannot predict when the CSRC may promulgate additional rules or other guidance, if at all. If implementing rules or guidance is issued prior to the completion of this Public Offer and consequently Onwide Limited concludes that it is required to obtain CSRC approval, this Public Offer will be delayed until Onwide Limited obtains CSRC approval, which may take several months or longer. Moreover, implementing rules or guidance, to the extent issued, may fail to resolve current ambiguities under this new PRC regulation. Uncertainties and/or negative publicity regarding this new PRC regulation could have a material adverse effect on the trading price of the Shares.

(d) The PRC legal system

The PRC legal system continues to evolve and has inherent uncertainties, thus the legal protections available to the Company's Shareholders may be limited.

The Company is incorporated under Australian law. Onwide Limited is incorporated under Hong Kong law. Iatia Group's main operating companies, the Onwide PRC Companies, are incorporated under Chinese law. Substantially all of the Iatia Group's businesses are conducted in the PRC and are thus governed by Chinese laws and regulations.

The Chinese legal system is based on written statutes, and prior court decisions can only be cited as reference. Since 1979, the Chinese Government has promulgated laws and regulations in relation to economic matters such as foreign investment, corporate organisation and governance, commerce, taxation and trade, with a view to developing a comprehensive system of commercial laws. However, due to the fact that these laws and regulations have not been fully developed, and due to the limited volume of published cases and their non-binding nature, the interpretation of Chinese laws and regulations still involves a degree of uncertainty.

The legal framework to which the Onwide PRC Companies and Onwide Limited are subject is materially different from the Corporations Act and other company law in Australia with respect to certain areas, including the protection of minority shareholders. In addition, the mechanisms for enforcement of rights are also relatively undeveloped and untested. China does not have treaties providing for the reciprocal recognition and enforcement of judgments in other jurisdictions, such as Australia, therefore any judgment made outside the PRC may be difficult or impossible to enforce.

5.5 General risk factors

(a) The liquidity and market price of the Shares following the restructuring may be thin or volatile

The new business of the Iatia Group, in whole or in part, has not been previously listed on any stock exchange. Thus the Iatia Group does not know how much interest, if any, there will be in the Shares. Further, many foreign businesses listed on the ASX are thinly traded. The Iatia Group is unable to give any assurance or indication as to the amount of Shares that will be traded.

Whilst Shares will be traded in Australian dollars, the Onwide Group's business and assets, and therefore the cash flow of the Company (via Onwide Limited), at post-completion of the Onwide Acquisition, will be in RMB. As a result, the price of the Shares in the Company will also be influenced by changes in the AUD/RMB exchange rate.

(b) Forward-looking information included in this Prospectus may prove inaccurate

This Prospectus contains certain forward-looking statements and information relating to the Iatia Group and the Onwide Group. When used in this Prospectus, the words 'aim',' 'anticipate', 'believe', 'continue', 'could', 'estimate', 'expect', 'going forward', 'intend', 'ought to', 'may', 'plan', 'potential', 'predict', 'project', 'seek', 'should', 'will', 'would' and similar expressions, as they relate to the Iatia Group's businesses or the Iatia Group's management, are intended to identify forward-looking statements. These statements are subject to certain risks, uncertainties and assumptions, including the other risk factors as described in this Prospectus. Investors are strongly cautioned against significant reliance on any or all forward-looking statements as they involve known and unknown risks and uncertainties.

(c) Share price variations

Subject to ASX's approval, the Shares are expected to be requoted on ASX, where their price may rise or fall. The Company cannot provide any guarantees in respect of profitability, dividends, return of capital or the price at which they may trade on ASX. The value of the Shares will be determined by the market and will be subject to a range of factors beyond the control of the Company and the Directors. Share market fluctuations in Australia and other stock markets around the world may negatively affect the value of the Shares. Factors that may influence the investment climate in shares, which may not relate to actual performance of the Company, include general economic outlook, changes in government fiscal, monetary and regulatory policies, movements in commodity prices, exchange rate movements, interest rates, inflation and political developments.

(d) Economic conditions

The performance of the Iatia Group may be significantly affected by changes in economic conditions, particularly conditions which affect the property and education industries in China. Profitability of the business may be affected by factors such as market conditions, interest rates, inflation and consumer demand.

(e) Geo-political factors

The Iatia Group may be affected by the impact that geo-political factors have on the various world economies or the Australian or Chinese economies or on the financial markets and investments generally or specifically.

(f) Australian and foreign government policies and legislation

The Company may be affected by changes to government policies and legislation (both in Australia and in foreign jurisdictions including, but not limited to, the PRC) concerning property, education, the environment, superannuation, taxation and the regulation of trade practices and competition, government grants and incentive schemes.

(g) ASX listing

As a public company listed on ASX (and assuming that the Company is reinstated to quotation on ASX), the Company will incur accounting, legal and other expenses in order to comply with its corporate governance obligations under the Corporations Act and Listing Rules.

(h) Other risks

Other risk factors include those normally found in conducting a business, including litigation resulting from the breach of agreements or in relation to employees or contractors or any other cause, including strikes, loss of service of key management or operational personnel, non- insurable risks, delay in resumption of activities after reinstatement following the occurrence of an insurable risk and other matters that may interfere with the business or trade of the Iatia Group.

The above risk factors ought not to be taken as exhaustive of the risks faced by the Company and the Iatia Group, or by investors in the Company. Investors are strongly advised to regard any investment in the Company as highly speculative and should be aware that substantial fluctuations in the value of their investment may occur over different periods of time.

The Prospectus provides information for investors to enable them to decide if they wish to invest in the Company. The Prospectus should be read in its entirety. If you have any questions about the desirability of, or procedure for investing in the Company, please contact your stockbroker, accountant or other independent financial adviser.

6 FINANCIAL INFORMATION OF THE COMPANY

Historical Statement of Comprehensive Income

Set out below is the historical audited Statement of Comprehensive Income of the Company for the year ended 30 June 2011, the year ended 30 June 2012 and the year ended 30 June 2013.

	Audited Year ended 30-Jun-13 $	**Audited Year ended 30-Jun-12 $**	**Audited Year ended 30-Jun-11 $**
Revenue from continuing operations	-	104	556
Business acquisition costs	(133,248)	(71,646)	-
Consulting expenses	-	(22,500)	(101,231)
Depreciations and amortisation expenses	-	-	(1,182)
Employee benefits expense	(23,778)	(24,083)	(214,515)
Finance costs	(681)	(41,773)	(38,114)
Impairment losses	-	-	(3,387,298)
Insurance expenses	(35,589)	(47,624)	(32,815)
Occupancy expenses	-	-	(9,745)
Professional fees	(46,890)	(91,640)	(112,011)
Share registry expenses	(32,306)	(25,830)	(36,427)
Travel expenses	-	(4,304)	(1,412)
Other expenses	-	(13,901)	(17,116)
Loss from continuing operations before income tax	(272,492)	(343,197)	(3,951,310)
Income tax expense	-	-	-
Loss from continuing operations after income tax expense	(272,492)	(343,197)	(3,951,310)
Profit from discontinued operations	-	-	3,443,187
Loss for the year	(272,492)	(343,197)	(508,123)
Other comprehensive income net of tax	-	-	-
Total comprehensive loss for the year attributable to members	**(272,492)**	**(343,197)**	**(508,123)**

Note: The Statement of Comprehensive Income should be read in conjunction with the notes to the financial information.

Historical Statement of Financial Position

Set out below is the historical audited Statement of Financial Position of the Company as at 30 June 2012 and 30 June 2013.

	Notes	Audited 30-Jun-13 $	Audited 30-Jun-12 $
Current Assets			
Cash and cash equivalents	4	282,681	363,402
Trade and other receivables	5	8,196	8,308
Capital raising prepayments	6	125,792	89,700
Other current assets	8	61,830	39,006
Total Current Assets		478,499	500,416
Current Liabilities			
Trade and other payables	11	31,244	99,291
Borrowings	12	1,027,759	709,137
Total Current Liabilities		1,059,003	808,428
Net Assets/(liabilities)		**(580,504)**	**(308,012)**
Equity			
Contributed equity	13	16,791,001	16,791,001
Reserves	14	99,474	99,474
Accumulated Losses	15	(17,470,979)	(17,198,487)
Total Equity		**(580,504)**	**(308,012)**

Note: The Statement of Financial Position should be read in conjunction with the notes to the financial information.

Historical Pro-Forma Statement of Comprehensive Income

Set out below is the historical Pro-Forma Statement of Comprehensive Income for the year ended 31December 2011, the year ended 31 December 2012 and the six months ended 30 June 2013. The pro-forma has been prepared to illustrate the combined historical results of the Company and Onwide assuming the acquisition of Onwide occurred on 1 January 2011.

	Reviewed Six months ended 30-Jun-13 $	Reviewed Year ended 31-Dec-12 $	Reviewed Year ended 31-Dec-11 $
Revenue from continuing operations	7,947	489,109	1,017
Selling expenses	(720,160)	(790,262)	(12,576)
Administration expenses	(602,236)	(1,229,033)	(348,599)
Share of results of an associate	-	(108,884)	(196,614)
Business acquisition costs	1,166	(206,060)	-
Employee benefits expense	(12,000)	(27,778)	(70,199)
Finance costs	(334,393)	(165,925)	(58,929)
Impairment losses	-	-	(3,374,544)
Loss from continuing operations before income tax	(1,659,676)	(2,038,833)	(4,060,444)
Income tax expense	-	-	-
Loss from continuing operations after income tax expense	(1,659,676)	(2,038,833)	(4,060,444)
Other comprehensive income net of tax			
Exchange difference arising from translation of foreign operations	428,546	(19,211)	-
Total comprehensive loss for the year attributable to members	**(1,231,130)**	**(2,058,044)**	**(4,060,444)**

Note:

The Pro-Forma Statement of Comprehensive Income has been prepared based on:

- the reviewed financial statements of the Company for the six months ended 31 December 2010, six months ended 31 December 2011 and six months ended 31 December 2012;
- the audited financial statements of the Company for the year ended 30 June 2011, the year ended 30 June 2012 and the year ended 30 June 2013;
- the audited financial statements of Onwide for the period from incorporation 2 August 2010 to 31 December 2011 and the year ended 31 December 2012; and
- the reviewed financial statements of Onwide for the six months ended 30 June 2013.

The results of the Company have been adjusted to present the Statement of Comprehensive Income for an accounting year end consistent with that of Onwide.

The audited/reviewed statements of financial position of Onwide have been translated AUD from HK$using an exchange rate of $1 : HK$7.08 for the years ended 31 December 2011 and 31 December 2012 and an exchange rate of $1 : HK$7.96 for the six months ended 30 June 2013.

The Pro-Forma Statement of Comprehensive Incomeshould be read in conjunction with the notes to the financial information.

Pro-Forma Statement of Financial Position

The Pro-Forma Statement of Financial Position, set out below, has been prepared to illustrate the effects of the Offer and the Onwide acquisition and assumes completion of the pro-forma transactions set out in Note 2 as if they had occurred on 30 June 2013.

	Notes	Iatia Audited 30-Jun-13 $	Onwide Reviewed 30-Jun-13 $	Consolidation Adjustments $	Pro-Forma Transactions $	Unaudited Pro-Forma $
Current Assets						
Cash and cash equivalents	4	282,681	2,839,696	-	2,902,003	6,024,380
Trade and other receivables	5	8,196	6,067,782	(437,450)	(3,105,404)	2,533,124
Capital raising prepayments	6	125,792	-	-	(125,792)	-
Properties under development for sale	7	-	94,802,153	-	(36,526,420)	58,275,733
Other current assets	8	61,830	23,952,210	-	(944,013)	23,070,027
Total Current Assets		478,499	127,661,841	(437,450)	(37,799,626)	89,903,264
Non-Current Assets						
Property, plant and equipment	9	-	2,331,094	-	(423,715)	1,907,379
Prepaid lease costs	10	-	3,179,832	-	3,073,415	6,253,247
Total Non-Current Assets		-	5,510,926	-	2,649,700	8,160,626
Total Assets		478,499	133,172,767	(437,450)	(35,149,926)	98,063,890
Current Liabilities						
Trade and other payables	11	31,244	15,283,571	-	(14,585,560)	729,255
Borrowings	12	1,027,759	89,123,190	(437,450)	(25,886,204)	63,827,295
Total Current Liabilities		1,059,003	104,406,761	(437,450)	(40,471,764)	64,556,550
Total Liabilities		1,059,003	104,406,761	(437,450)	(40,471,764)	64,556,550
Net Assets/(Liabilities)		**(580,504)**	**28,766,006**	**-**	**5,321,838**	**33,507,340**
Equity						
Contributed Equity	13	16,791,001	28,124,541	-	(8,507,697)	36,407,845
Reserves	14	99,474	4,187,431	-	(99,474)	4,187,431
Accumulated Losses	15	(17,470,979)	(3,720,762)	-	14,069,011	(7,122,730)
		(580,504)	28,591,210	-	5,461,840	33,472,546
Total equity attributable to members of the Company				-		-
Outside equity interests		-	174,796	-	(140,002)	34,794
Total Equity		**(580,504)**	**28,766,006**	**-**	**5,321,838**	**33,507,340**

The Consolidated Pro-FormaStatement of Financial Position represents the Reviewed or Audited Statement of Financial Position as at 30 June 2013 adjusted for the pro-forma transactions outlined in Note 2 relating to the issue of shares pursuant to this Prospectus and other transactions. The Statement of Financial Position should be read in conjunction with the notes to the financial information.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The significant accounting policies that have been adopted in the preparation of financial information are:

a. Basis of Preparation

The financial information has been prepared in accordance with the recognition and measurement, but not all the disclosure requirements of Australian Accounting Standards (including Australian Accounting Interpretations), and the Corporations Act 2001.

Iatia Limited is listed on the Australian Securities Exchange. The Pro-Forma Statement of Financial Position assumes completion by Iatiaof the legal acquisition of Onwide (H.K.) Investment Group Limited ("Onwide").

For accounting purposes, the legal acquisition of Onwide by Iatia Limited does not represent a business combination as outlined in Australian Accounting Standard AASB 3 "Business Combinations" ("AASB 3"). At the time of the transaction, Iatia Limited will not constitute a business in its own right and its only assets were cash and other receivables. The effect of the legal acquisition of Onwide is a form of capital reconstruction and group reorganisation. To recognise the effects of this transaction, the financial information has been prepared using 'reverse acquisition accounting principles' (as set out in AASB 3), in accordance with the International Financial Reporting Interpretation Committee's Interpretation guidance dated March 2013.

Accordingly, the consolidated financial statements of Iatia Limited have been prepared as a continuation of the consolidated financial statements of Onwide. Onwide (as the deemed acquirer) has accounted for the acquisition of Iatia Limited from the acquisition date. However, as Iatia Limited did not constitute a business at the acquisition date, no goodwill can be recognised as a result of the transaction and the excess of the notional transaction consideration paid over the assets and liabilities of Iatia Limited acquired has been recognised as an expense in the income statement.

Historical cost convention

The financial information has been prepared under the historical cost convention, as modified by the revaluation of certain assets, where appropriate.

Critical accounting estimates and judgements

The preparation of financial information in conformity with Australian Accounting Standards requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Company's accounting policies.

Basis of consolidation

The consolidated financial statements comprise the financial statements of Iatia Limited and its subsidiaries at each period end ("the Group"). Subsidiaries are 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. Potential voting rights that are currently exercisable or convertible are considered when assessing control. Consolidated financial statements include all

subsidiaries from the date that control commences until the date that control ceases. The financial statements of subsidiaries are prepared for the same reporting period as the parent, using consistent accounting policies.

All intercompany balances and transactions, including unrealised profits arising from intragroup transactions have been eliminated. Unrealised losses are also eliminated unless costs cannot be recovered. Non-controlling interest in the results and equity of subsidiaries are shown separately in the consolidated profit or loss and balance sheet respectively.

b. Reverse assets acquisition

In accordance with the principles of AASB 3, the proposed acquisition by Iatia (the legal parent) of Onwide (the legal subsidiary), is deemed a reverse asset acquisition since the substance of the transaction is that the existing shareholders of Onwide will have effectively acquired Iatia. Under reverse acquisition accounting, the consolidated financial statements are prepared as if Onwide had acquired Iatia, not vice versa as represented by the legal position. However, as Iatia Limited did not constitute a business at the acquisition date, no goodwill can be recognised as a result of the transaction.

In reverse acquisition accounting, the cost of the business is deemed to have been incurred by the legal subsidiary (the acquirer for accounting purposes) in the form of equity instruments issued to the owners of the legal parent (the acquiree for accounting purposes).

As a consequence:

- an exercise is performed to fair value the assets and liabilities of the accounting acquiree, Iatia;
- the cost of investment held by the legal parent (Iatia) in the legal subsidiary (Onwide) is reversed on consolidation and the cost of the reverse acquisition is eliminated on consolidation against the consolidated equity and reserves of Iatia and its consolidated entities at the date control is passed. The effect of this is to restate the consolidated equity and reserves balances to reflect those of Onwide at the date of acquisition;
- the amount recognised as issued equity instruments is determined by adding the deemed cost of the combination, calculated by reference to the fair value of Onwide, to the issued equity of the legal subsidiary (Onwide) immediately before the proposed acquisition; and
- the consolidated financial statements are issued under the name of the legal parent(Iatia) but are a continuation of the financial statements of the deemed acquirer (Onwide) under the reverse acquisition rules.

c. Borrowing costs

Borrowing costs incurred for the construction of any qualifying assets are capitalised during the period of time that is required to complete and prepare the asset for its intended use or sale. All other borrowing costs are recognised in profit or loss in the period in which they are incurred.

d. Cash and cash equivalents

Cash comprises cash on hand and demand deposits. Cash equivalents are short-term, highly liquid investments that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value. Bank overdrafts are shown within borrowings in current liabilities in the balance sheet.

e. Contributed equity

Ordinary shares are classified as equity. Costs directly attributable to the issue of new shares or options are shown as a deduction from the equity proceeds, net of any income tax benefit.

f. Employee Benefits

Wages and salaries, annual leave and sick leave

Liabilities for wages and salaries, including non-monetary benefits, annual leave and accumulating sick leave expected to be settled within 12 months of balance sheet date are recognised in other liabilities in respect of employees' services rendered up to balance sheet date and are measured at amounts expected to be paid when the liabilities are settled. Liabilities for non-accumulating sick leave are recognised when leave is taken and measured at the actual rates paid or payable. Liabilities for wages and salaries and annual and sick leave are included as part of Sundry Creditors.

Long service leave

Liabilities for long service leave are recognised as part of the provision for employee benefits and measured as the present value of expected future payments to be made in respect of services provided by employees to the balance sheet date using the projected unit credit method. Consideration is given to expected future salaries and wages levels, experience of employee departures and periods of service. Expected future payments are discounted using national government bond rates at balance sheet date with terms to maturity and currency that match, as closely as possible, the estimated future cash outflows.

Retirement benefit Obligations

The Group has a defined contribution superannuation fund. Contributions are recognised as expenses as they become payable. Prepaid contributions are recognised as an asset to the extent that a cash refund or a reduction in future payments is available.

g. Financial instruments issued by the company

Debt and equity instruments

Debt and equity instruments are classified as either liabilities or as equity in accordance with the substance of the contractual arrangement.

Compound instruments

The component parts of compound instruments are classified separately as liabilities and equity in accordance with the substance of the contractual arrangement. At the date of issue, the fair value of the liability component is estimated using the prevailing market interest rate for a similar non-convertible debt. The equity component initially brought to account is determined by deducting the amount of the liability component from the amount of the compound instrument as a whole.

Transaction costs on the issue of equity instruments

Transaction costs arising on the issue of equity instruments are recognised directly in equity as a reduction of the proceeds of the equity instruments to which the costs relate. Transaction costs are the costs that are incurred directly in connection with the issue of those equity instruments and which would not have been incurred had those instruments not been issued.

Interest and dividends

Interest and dividends are classified as expenses or as distributions of profit consistent with the statement of financial position classification of the related debt or equity instruments or component parts of compound instruments.

h. Foreign currency

The presentation and functional currency of the consolidated entity is Australian dollars. All foreign currency transactions during the financial year are brought to account using the exchange rate in effect at the date of the transaction. Foreign currency monetary items at reporting date are translated at the exchange rate existing at reporting date. Non-monetary assets and liabilities carried at fair value that are denominated in foreign currencies are translated at the rates prevailing at the date when the fair value was determined. Exchange differences are recognised in profit or loss in the period.

i. Goods and services tax (GST)

Revenues, expenses and assets are recognised net of the amount of GST except:

- where the GST incurred on a purchase of goods and services is not recoverable from the taxation authority, in which case the GST is recognised as part of the cost of acquisition of the asset or as part of the expense item as applicable; and
- receivables and payables are stated with the amount of GST included.

The net amount of GST recoverable from, or payable to, the taxation authority is included as part of receivables or payables in the balance sheet.

Cash flows are included in the cash flow statement on a gross basis and the GST component of cash flows arising from investing and financing activities, which is recoverable from, or payable to, the taxation authority are classified as operating cash flows.

Commitments and contingencies are disclosed net of the amount of GST recoverable from, or payable to, the taxation authority.

j. Property, plant and equipment

Property, plant and equipment including buildings held for use in the production or supply of goods or services, other than construction in progress, are stated at cost less subsequent accumulated depreciation and accumulated impairment losses.

Depreciation is recognised so as to write off the cost of items of property, plant and equipment other than construction in progress less their residual values over their estimated useful lives, using the straight-line method. The estimated useful lives, residual values and depreciation method are reviewed at the end of each reporting period, with the effect of any changes in estimate accounted for on a prospective basis.

Construction in progress includes property, plant and equipment in the course of construction for production, supply or administrative purposes are carried at cost, less any recognised impairment loss. Costs include professional fees and, for qualifying assets, borrowing costs capitalised in accordance with the Group's accounting policy. Such properties are classified to the appropriate categories of property, plant and equipment when completed and ready for intended use.

Depreciation of these assets, on the same basis as other property assets, commences when the assets are ready for their intended use. An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in profit or loss.

k. Prepaid lease payments

Prepaid lease payments of leasehold interest in land are under operating lease arrangements and are amortised on a straight-line basis over the lease term.

l. Properties under development for sale

Properties under development for sales are stated at lower of cost and net realisable value. Cost comprises both the land use rights and development cost of the property. Net realisable value takes into account the price ultimately expected to be realised, less applicable selling expenses and the anticipated costs to completion.

Development cost of property comprises the related land cost, construction costs, borrowing costs capitalised according to the Group's accounting policy and directly attributable costs incurred during the development period. On completion, the properties are transferred to properties held for sale.

The normal operating cycle of the property industry in the PRC is 24 to 36 months. Properties under development for sale that are expected to be realised within one operating cycle are classified under current assets.

m. Impairment of assets

At each reporting date, the consolidated entity reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where the asset does not generate cash flows that are independent from other assets, the consolidated entity estimates the recoverable amount of the cash-generating unit to which the asset belongs.

Goodwill, intangible assets with indefinite useful lives and intangible assets not yet available for use are tested for impairment annually and whenever there is an indication that the asset may be impaired. An impairment of goodwill is not subsequently reversed.

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised in profit or loss immediately. Where an impairment loss subsequently reverses, the carrying amount of the asset (cash-generating unit) is increased to the revised estimate of its recoverable amount, but only to the extent that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (cash generating unit) in prior years. A reversal of an impairment loss is recognised in profit or loss immediately.

n. Income tax

Current tax

Current tax is calculated by reference to the amount of income taxes payable or recoverable in respect of the taxable profit or tax loss for the period. It is calculated using tax rates and tax laws that have been enacted or substantively enacted by reporting date. Current tax for current and prior periods is recognised as a liability (or asset) to the extent that it is unpaid (or refundable).

Deferred tax

Deferred tax is accounted for using the comprehensive balance sheet liability method in respect of temporary differences arising from differences between the carrying amount of assets and liabilities in the financial statements and the corresponding tax base of those items. In principle, deferred tax liabilities are recognised for all taxable temporary differences. Deferred tax assets are recognised to the extent that it is probable that sufficient taxable amounts will be available against which deductible temporary differences or unused tax losses and tax offsets can be utilised. However, deferred tax assets and liabilities are not recognised if the temporary differences giving rise to them arise from the initial recognition of assets and liabilities (other than as a result of a business combination) which affects neither taxable income nor accounting profit.

Furthermore, a deferred tax liability is not recognised in relation to taxable temporary differences arising from goodwill. Deferred tax liabilities are recognised for taxable temporary differences arising on investments in subsidiaries, branches, associates and joint ventures except where the consolidated entity is able to control the reversal of the temporary differences and it is probable that the temporary differences will not reverse in the foreseeable future.

Deferred tax assets arising from deductible temporary differences associated with these investments and interests are only recognised to the extent that it is probable that there will be sufficient taxable profits against which to utilise the benefits of the temporary differences and they are expected to reverse in the foreseeable future. Deferred tax assets and liabilities are measured at the tax rates that are expected to apply to the period(s) when the asset and liability giving rise to them are realised or settled, based on tax rates (and tax laws) that have been enacted or substantively enacted by reporting date. The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the consolidated entity expects, at the reporting date, to recover or settle the carrying amount of its assets and liabilities.

Deferred tax assets and liabilities are offset when they relate to income taxes levied by the same taxation authority and the company/consolidated entity intends to settle its current tax assets and liabilities on a net basis.

Current and deferred tax for the period

Current and deferred tax is recognised as an expense or income in the profit or loss, except when it relates to items credited or debited directly to equity, in which case the deferred tax is also recognised directly in equity, or where it arises from the initial accounting for a business combination, in which case it is taken into account in the determination of goodwill or excess.

Tax consolidation

Iatia Limited and its controlled entities have formed an income tax consolidated group under the Tax Consolidation Regime effective from 1 July 2003, which was notified to the Australian Taxation Office on 20 May 2005. Iatia Limited is the head entity in the tax-consolidated group. Tax expense/income, deferred tax liabilities and deferred tax assets arising from temporary differences of the members of the tax consolidated group are recognised in the separate financial statements of the members of the tax-consolidated group using the 'separate taxpayer within group' approach. Current tax liabilities and assets and deferred tax assets arising from unused tax losses and tax credits of the members of the tax-consolidated group are recognised by the company (as head entity in the tax-consolidated group).

A tax funding arrangement between members of the tax consolidated group is effective from 1 July 2003. Due to this tax funding arrangement between the entities in the tax consolidated group, amounts are recognised as payable to or receivable by the company and each member of the group in relation to the tax contribution amounts paid or payable between the parent entity and the other members of the tax-consolidated group in accordance with the arrangement.

o. Interest bearing liabilities

All loans and borrowings are initially recognised at fair value, net of transaction costs incurred. Borrowings are subsequently measured at amortised cost. Any difference between the redemption amount is recognised in the profit or loss over the period of the loans and borrowings using the effective interest method.

The fair value of a liability portion of a convertible note is determined using a market rate of interest for an equivalent nonconvertible note and stated on an amortised cost basis until conversion or maturity of the notes. The remainder of the proceeds is allocated to the conversion option and is shown as equity. Issue costs are apportioned between the liability and equity components based on the allocation of proceeds to the liability and equity components when the instruments are first recognised.

All borrowings are classified as current liabilities unless the Group has an unconditional right to defer settlement of the liability for at least 12 months after the balance sheet date.

p. Leases

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee. All other leases are classified as operating leases.

Operating leases

Operating lease payments are recognised as an expense on a straight-line basis over the lease term, except where another systematic basis is more representative of the time pattern in which economic benefits from the leased asset are consumed.

Finance leases

Assets held under finance leases are initially recognised at their fair value or, if lower, at amounts equal to the present value of the minimum lease payments, each determined at the inception of the lease. The corresponding liability to the lessor is included in the balance sheet as a finance lease obligation. Lease payments are apportioned between finance charges and reduction of the lease obligation so as to achieve a constant rate of interest on the remaining balance of the liability. Finance charges are charged directly against income.

Finance leased assets are amortised on a straight line basis over the estimated useful life of the asset.

q. Other liabilities

Other liabilities comprises non-current amounts due to related parties that do not bear interest and are repayable in 366 days from balance sheet date. As these are non-interest bearing, fair value at initial recognition requires an adjustment to discount these loans using a market-rate of interest for a similar instrument with a similar credit rating (Group's incremental borrowing rate). The discount is credited to the profit or loss immediately and amortised using the effective interest method.

r. Payables

Trade and other payables represent liabilities for goods and services provided to the Group prior to the year end and which are unpaid. These amounts are unsecured and have 30-60 day payment terms.

s. Revenue recognition

Interest

Interest revenue is recognised as interest accrues using the effective interest method. The effect interest method uses the effective interest rate which is the rate that exactly discounts the estimated future cash receipts over the expected life of the financial asset.

t. Trade receivables

Trade receivables are recognised at original invoice amounts less an allowance for uncollectible amounts and have repayment terms between 30 and 90 days. Collectability of trade receivables is assessed on an ongoing basis. Debts which are known to be uncollectible are written off. An allowance is made for doubtful debts where there is objective evidence that the Group will not be able to collect all amounts due according to the original terms. Objective evidence of impairment include financial difficulties of the debtor, default payments or debts more than 90 days overdue. On confirmation that the trade receivable will not be collectible the gross carrying value of the asset is written off against the associated provision.

From time to time, the Group elects to renegotiate the terms of trade receivables due from customers with which it has previously had a good trading history. Such renegotiations will lead to changes in the timing of payments rather than changes to the amounts owed and are not, in the view of the directors, sufficient to require the derecognition of the original instrument.

u. New accounting standards and interpretations

At the date of this financial report the following standards and interpretations, which may impact the entity in the period of initial application, have been issued but are not yet effective.

These new standards will unlikely have a significant impact on the entity.

Reference	**Title**	**Summary**	**Application date (financial years beginning)**
AASB 9	*Financial Instruments*	Replaces the requirements of AASB 139 for the classification and measurement of financial assets. This is the result of the first part of Phase 1 of the IASB's project to replace IAS 39.	1 January 2015
2009-11	*Amendments to Australian Accounting Standards arising from AASB 9*	Amends AASB 1, 3, 4, 5, 7, 101, 102, 108, 112, 118, 121, 127, 128, 131, 132, 136, 139, 1023 and 1038 and Interpretations 10 and 12 as a result of the issuance of AASB 9.	1 January 2015
2010-7	*Amendments to Australian Accounting Standards arising from AASB 9 (December 2010)*	Amends AASB 1, 3, 4, 5, 7, 101, 102, 108, 112, 118, 120, 121, 127, 128, 131, 132, 136, 137, 139, 1023 & 1038 and Interpretations 2, 5, 10, 12, 19 & 127 for amendments to AASB 9 in December 2010	1 January 2015

AASB 13	*Fair Value Measurement*	Provides a clear definition of fair value, a framework for measuring fair value and requires enhanced disclosures about fair value measurement.	1 January 2013
2011-8	*Amendments to Australian Accounting Standards arising from AASB 13*	Amends AASB 1, 2, 3, 4, 5, 7, 9, 101, 102, 108, 110, 116, 117, 118, 119, 120, 121, 132, 133, 134, 136, 138, 139, 140, 141, 1004, 1023 & 1038 and Interpretations 2, 4, 12, 13, 14, 17, 19, 131 & 132 as a result of issuance of AASB 13 *Fair Value Measurement*.	1 January 2013
2011-4	*Amendments to Australian Accounting Standards to Remove Individual Key Management Personnel Disclosure Requirements*	This Standard amends AASB 124 *Related Party Disclosures* to remove all the individual key management personnel (KMP) disclosures contained in Aus paragraphs 29.1 to 29.9.3.	1 July 2013
2012-5	*Amendments to Australian Accounting Standards arising from Annual Improvements 2009-2011 Cycle*	This Standard makes amendments to AASB 1, 101, 116, 132, 134 & Interpretation 2 as a result from 2009-2011 Annual Improvements Cycle.	1 January 2013
2012-6	*Amendments to Australian Accounting Standards – Mandatory Effective Date of AASB 9 and Transition Disclosures*	This Standard amends the mandatory effective date of AASB 9 *Financial Instruments* so that AASB 9 is required to be applied for annual reporting periods beginning on or after 1 January 2015 instead of 1 January 2013.	1 January 2013
2012-9	*Amendment to AASB 1048 arising from the Withdrawal of Australian Interpretation 1039*	This Standard amends AASB 1048 Interpretation of Standards as a consequence of the withdrawal of Australian Interpretation 1039 Substantive Enactment of Major Tax Bills in Australia.	1 January 2013

2. PRO-FORMA STATEMENT OF FINANCIAL POSITION ADJUSTMENTS

The Pro-Forma Statement of Financial Position as at 30 June 2013 has been prepared by adjusting the Statement of Financial Position as at that date to reflect the financial effects of the following transactions as if they had occurred at 30 June 2013:

i) The consolidation of the Company's share capital prior to undertaking the Public Offer and Onwide acquisition on a 100:1 basis.

ii) The issue of 106,118,117 fully paid ordinary shares at $0.20 each as consideration for the total issued share capital of Onwide.

iii) The Public Offer issue of 25,000,000 fully paid ordinary shares (minimum subscription) at $0.20 each to raise $5,000,000 before expenses of the issue. The pro-forma adjustments assume that the Public Offer is fully subscribed. All shares issued pursuant to the Prospectus will be issued as fully paid.

iv) The issue of 906,250fully paid ordinary shares at $0.20 as consideration for capital raising costs (minimum subscription) assuming the full amount of the Public Offer is raised via the sponsoring broker.

v) Cash costs of undertaking the Public Offer of $660,750 (minimum subscription)inclusive of costs incurred and capitalised of $125,792.

vi) Cash costs in relation to the acquisition of Onwide of $402,259 inclusive of costs already incurred and expensed to the income statement of $204,894.

vii) The completion of a share sale agreement and a termination of the Equity Transfer Framework Agreement with WeihaiShengze Real Estate Development Co., Ltd to dispose of Onwide's 99% equity holding in Weihai Green Bay Real Estate Development Ltd for total consideration of $15,154,623 (HK$10,960,000 translated at $1 : HK$7.09 and RMB 77,246,173 translated at $1 : RMB 8.87) payable through the reduction of amounts payable by Onwide to WeihaiShengze Real Estate Development Co., Ltd.

viii) The payment of the remaining balance of RMB 17,800,000 ($3,136,138) in relation long term lease payment for the land rights associated with Onwide's Education Project. As at 30 June 2013, this amount was included in the Onwide financial statements as a deposit within trade and other payables.

The audited financial position of Onwide has been translated to AUD from HK$ using the approximate spot AUD:HK$rate at the date of this report of $1 : HK$7.09.

3. REVERSE ASSETS ACQUISITION

The proposed acquisition by Iatia (the legal parent) of Onwide (the legal subsidiary) is deemed to be a reverse asset acquisition under the principles of AASB 3 "Business Combinations" since the substance of the transaction is that the existing shareholders of Onwide have effectively acquired Iatia. As a result of the reverse acquisition Onwide is considered to be the acquirer and Iatia is considered to be the accounting acquiree, therefore this Financial Information has been prepared as a continuation of the financial statements of Onwide.

However, as Iatia Limited did not constitute a business at the acquisition date, no goodwill can be recognised as a result of the transaction and the excess of the notional transaction consideration paid over the assets and liabilities of Iatia Limited acquired has been recognised as an expense in the income statement.

The following accounting treatment has been adopted on the basis that the acquisition of Onwide is deemed to be completed prior to the capital raising as set out in note 2 (iii).

	$	**$**
Issued share capital as at 30 June 2013 post consolidation (refer note 13)	11,855,187	
Number of shares issued as consideration for the acquisition of Onwide (note 2 (ii))	106,118,117	
Percentage ownership of Iatia by Onwide shareholders (rounded)	89.95%	
Percentage of shares Onwide would have to issue (100 x ((100% - 89.95%)/89.95%)) (rounded) ("Notional share percentage")	11.17%	
Net assets of Onwide at 30 June 2013	28,766,006	
*Adjustment to reflect fair value of land less deferred tax liability **	6,543,342	
Fair value of net assets of Onwide at 30 June 2013	35,309,348	
Notional consideration ((Notional share percentage) x $35,309,348)		3,944,054
Less: Net liabilities of Iatia at 30 June 2013		(580,504)
Excess of notional consideration over net liabilities acquired – expensed to the income statement		**4,524,558**

* The fair value of land of Onwide has been determined based on an independent valuation dated 30 September 2013 undertaken by Jones Lang LaSalle, Corporate Appraisal and Advisory Limited.

* A deferred tax liability has been applied to the increase in value of the land based on the applicable tax rate upon crystallisation of such gain in the PRC of 47.5%

4. Cash and cash equivalents

	Audited 30-Jun-12 $	Audited 30-Jun-13 $	Unaudited Pro-forma $
Cash at bank	363,402	282,681	6,024,380
Cash at 30 June 2013			282,681
Adjustments arising in the preparation of the pro-forma balance are summarised as follows:			
Proceeds from the issue of 25,000,000 ordinary shares in relation to the Public Offer pursuant to the Prospectus (note 2 (iii))			5,000,000
Cash acquired in Onwide acquisition			2,839,696
Cash commission costs of undertaking the Public Offer (note 2 (v))			(534,958)
Cash costs in relation to the acquisition of Onwide (note 2 (vi))			(197,365)
Cash disposed on sale of Weihai Green Bay Real Estate Development Ltd (note 2 (vii) and note 18)			(1,365,674)
			5,741,699
Pro-forma balance			**6,024,380**

5. Trade and other receivables

	Audited 30-Jun-12 $	Audited 30-Jun-13 $	Unaudited Pro-forma $
Trade and other receivables	8,308	8,196	2,533,124
Trade and other receivables at 30 June 2013			8,196
Adjustments arising in the preparation of the pro-forma balance are summarised as follows:			
Trade and other receivables acquired on Onwide acquisition			6,067,782
Trade and other receivables disposed on sale of Weihai Green Bay Real Estate Development Ltd (note 18)			(31,989)
Transfer of land acquisition deposit to non current prepaid lease costs (note 2 (viii))			(3,073,415)
Elimination of amounts owed to Onwide by Iatia upon consolidation (refer note 12)			(437,450)
			2,524,928
Pro-forma balance			**2,533,124**
The Pro-forma balance at 30 June 2013 comprises of the following balances:			
Prepayments made to suppliers in relation to construction of Education project			692,950
Prepayments made to suppliers in relation to construction of Langfang project			1,640,306
Prepaid lease costs (refer note 10)			128,970
Other debtors			70,898
			2,533,124

6. Capital Raising Prepayments

	Audited 30-Jun-12 $	Audited 30-Jun-13 $	Unaudited Pro-forma $
Capital raising prepayments	89,700	125,792	-
Balance at 30 June 2013			125,792
Adjustments arising in the preparation of the pro-forma balance are summarised as follows:			
Transfer of capital raising costs to issued equity (note 2 (v))			(125,792)
Pro-forma balance			-

7. Properties under development for sale

	Audited 30-Jun-12 $	Audited 30-Jun-13 $	Unaudited Pro-forma $
Properties under development for sale	-	-	58,275,733
Balance at 30 June 2013			-
Adjustments arising in the preparation of the pro-forma balance are summarised as follows:			
Acquired in Onwide acquisition			94,802,153
Properties under development disposed on sale of Weihai Green Bay Real Estate Development Ltd (note 2 (vii) and note 18)			(36,526,420)
			58,275,733
Pro-forma balance			**58,275,733**
Properties under development for sales of which:			
Amounts expected to be realised within 12 months			-
Amounts expected to be realised after 12 months			58,275,733
			58,275,733

Properties under development for sale relates to costs to date in relation to property development undertaken by Onwide on land use rights under medium-term leases located in the PRC.

The Pro-forma balance relates entirely to Onwide's Langfang project.

8. Other Current Assets

	Audited 30-Jun-12 $	Audited 30-Jun-13 $	Unaudited Pro-forma $
Other current assets	39,006	61,830	23,070,027
Other assets at 30 June 2013			61,830
Adjustments arising in the preparation of the pro-forma balance are summarised as follows:			
Other assets acquired on Onwide acquisition			23,952,210
Other assets disposed on sale of Weihai Green Bay Real Estate Development Ltd (note 2 (vii) and note 18)			(944,013)
			23,008,197
Pro-forma balance			**23,070,027**
The Pro-forma balance at 30 June 2013 comprises of the following balances:			
Amount due from an immediate holding company - Innotech Group Limited			23,008,197
Prepayments			61,830
			23,070,027

Amounts due from an immediate holding company, are unsecured, interest-free and repayable on demand.

9. Property, plant and equipment

	Audited 30-Jun-12 $	Audited 30-Jun-13 $	Unaudited Pro-forma $
Property, plant and equipment written down value	-	-	1,907,379
Property, plant and equipment at 30 June 2013			-
Adjustments arising in the preparation of the pro-forma balance are summarised as follows:			
Property plant and equipment acquired on Onwide acquisition			2,331,094
Other assets disposed on sale of Weihai Green Bay Real Estate Development Ltd (note 2 (vii) and note 18)			(423,715)
			1,907,379
Pro-forma balance			**1,907,379**

The written down value of Property, plant and equipment in the unaudited pro-forma comprises of:	
Leasehold improvements	1,145,075
Construction in progress	566,126
Furniture, fixtures and equipment	146,508
Motor vehicles	49,670
	1,907,379

Construction in progress relates costs to date occurred in relation to the development of Onwide's Education project.

10. Prepaid lease payments

	Audited 30-Jun-12 $	Audited 30-Jun-13 $	Unaudited Pro-forma $
Prepaid lease payment	-	-	6,253,247

Prepaid lease payments relate to the long term lease payment for the land rights associated with Onwide's Education Project.

An amount of $128,970 has been included in current assets in relation to the portion to be amortised in the following twelve months (note 5).

The prepaid lease payments are held under medium-term lease in the PRC and amortised over the term of the lease of 50 years.

11. Trade and other payables

	Audited 30-Jun-12 $	Audited 30-Jun-13 $	Unaudited Pro-forma $
Trade Creditors and accrued charges	12,528	21,299	719,310
Sundry creditors and accrued expenses	86,763	9,945	9,945
	99,291	**31,244**	**729,255**

Trade and other payables at 30 June 2013	31,244
Adjustments arising in the preparation of the pro-forma balance are summarised as follows:	
Acquired in Onwide acquisition	15,283,571
Trade and other payables disposed on sale of Weihai Green Bay Real Estate Development Ltd (note 2 (vii) and note 18)	(14,585,560)
	698,011
Pro-forma balance	**729,255**

Trade and other payables acquired in the Onwide acquisition principally comprise amounts outstanding for ongoing costs.

12. Borrowings

	Audited 30-Jun-12 $	Audited 30-Jun-13 $	Unaudited Pro-forma $
Insurance finance - unsecured	11,548	-	-
Loans from Ex-directors and executives	5,365	5,365	5,365
Loans from major shareholders	692,224	1,022,394	584,944
Other loans	-	-	63,236,986
	709,137	**1,027,759**	**63,827,295**

Borrowings at 30 June 2013	1,027,759
Adjustments arising in the preparation of the pro-forma balance are summarised as follows:	
Borrowings acquired as part of Onwide acquisition	89,123,190
Elimination of intra-group borrowings on consolidation	(437,450)
Borrowings disposed on sale of Weihai Green Bay Real Estate Development Ltd (note 2 (vii) and note 18)	(10,731,581)
Loan reduced as consideration for the sale of Weihai Green Bay Real Estate Development Ltd (note 2 (vii) and note 18)	(15,154,623)
	62,799,536
Pro-forma balance	**63,827,295**

The Borrowings of Iatia at 30 June 2013, included an amount of $437,450 in relation to amounts loaned by Onwide. A corresponding balance is recognised by Onwide in Note 5. Therefore, upon acquisition of Onwide, these borrowings will be eliminated upon consolidation.

The Pro-forma balance at 30 June 2013 comprises of the following balances:

Loans from Ex-directors and executives	5,365
Loans from major shareholders	584,944
Amount due to Weihai Shengze Real Estate Development Co., Ltd	40,922,399
Amount due to Hebei Shengze Real Estate Development Co., Ltd	22,314,587
	63,827,295

Loans from major shareholders included in the Pro-Forma balance sheet comprises a loan from Victoria Property & Investment Group Pty Ltd. The loan is interest free and is repayable on demand.

The amounts due to Weihai Shengze Real Estate Development Co., Ltd and to Hebei Shengze Real Estate Development Co., Ltd are unsecured, interest-free and repayable on demand.

13. Contributed Equity

	Number of ordinary shares	$
Issued share capital as at 30 June 2012 and 2013	1,185,518,733	16,791,001
Share consolidation at 100:1 ratio (note 2 (i))	(1,173,663,546)	-
Issued share capital as at 30 June 2013 post consolidation	11,855,187	16,791,001

Adjustments arising in the preparation of the pro-forma balance are summarised as follows:

	Number of ordinary shares	$
Acquisition of Onwide		
Elimination of existing Iatia share capital balance	-	(16,791,001)
Onwide Share Capital balance acquired	-	28,124,541
Fully paid ordinary shares issued at $0.20 as consideration for the acquisition of Onwide (note 2 (ii)) *	119,384,880	3,944,054
Fully paid ordinary shares issued in relation to the Public Offer at $0.20 pursuant to the Prospectus (note 2 (iii))	25,000,000	5,000,000
Fully paid ordinary shares issued at $0.20 in consideration for capital raising costs (note 2 (iv))	906,250	-
Cash costs of undertaking the Public Offer (note 2(v))	-	(534,958)
Transfer of prepaid capital raising costs (note 2(v))	-	(125,792)
	145,291,130	19,616,844
Pro-forma balance	**157,146,317**	**36,407,845**

* Measured by reference to the fair value of the accounting acquirer (Onwide) (refer Note 3)

Oversubscription - Maximum

The Prospectus has provision to accept oversubscriptions of up to a further 15,000,000 shares to raise up to a further $3.0 million.

In this situation:

- the cash at bank balance would increase by $3,000,000 (before additional cash costs are paid);
- additional cash costs of undertaking the Public Offer of $168,750 will be paid;
- the contributed equity would increase by $2,831,250 to $39,239,095;
- an additional 543,750 fully paid ordinary shares issued at $0.20 will be issued in consideration for capital raising costs, on the assumption that the full amount is raised via the sponsoring broker; and
- the total number of shares on issue would be 172,690,067.

14. Reserves

	Audited 30-Jun-12 $	Audited 30-Jun-13 $	Unaudited Pro-forma $
Other reserves	99,474	99,474	-
Foreign currency translation reserve	-	-	4,187,431
	99,474	99,474	4,187,431

15. Accumulated losses

	Audited 30-Jun-12 $	Audited 30-Jun-13 $	Unaudited Pro-forma $
Accumulated losses	(17,198,487)	(17,470,979)	(7,122,730)

Adjustments arising in the preparation of the pro-forma balance are summarised as follows:

Accumulated losses at 30 June 2013	(17,470,979)
Elimination of Iatia losses upon acquisition of Onwide under reverse acquisition accounting	17,470,979
Accumulated losses of Onwide on acquisition	(3,720,762)
Excess of notional consideration over net liabilities acquired – expensed to the income statement (note 3)	(4,524,558)
Cash costs related to the acquisition of Onwide (note 2 (vi))	(197,365)
Gain on sale of Weihai Green Bay Real Estate Development Ltd (note 2 (vii) and note 18)	1,319,955
	10,348,249
	(7,122,730)

16. Investments in Subsidiaries

Details of Onwide's subsidiaries included within the Pro-Forma Balance Sheet are as follows

Name of subsidiary	**Place/country of incorporation**	**Proportion of nominal value of issued capital held**	**Principal activities**
Weihai Green Bay Real Estate Development Co Ltd	The PRC	99% *	Property development in the PRC
Langfang Fruit Range Property Development Co Ltd	The PRC	99%	Property development in the PRC
Beijing Shengze Dongfang Education Investment Management Company Ltd (note 1)	The PRC	100%	Investment Holding
Langfang City Zehui Investment Consulting Co Limited	The PRC	100%	Dormant

* The disposal of the 99% investment in Weihai Green Bay Real Estate Development Co Ltd has been included as a pro-forma adjustment (note 2 (vii) and note 18).

Note 1 - This subsidiary is a domestic enterprise with limited liabilities established in the PRC. The subsidiary is indirectly held by the Company through the declarations of trust executed with the legal owners of the issue share capital. Further details of this structure is outlined in section 4.2 (e) of the Prospectus.

17. Commitments

At 30 June 2013. Onwide had expenditure contracted for but not provided for in the pro-forma balance sheet in respect of:

	$
Properties under development for sale	10,732,625
Property, plant and equipment	391,756
	11,124,381

18. Disposal of subsidiary

On 2 August 2013 Onwide entered into a share sale agreement and a termination of the Equity Transfer Framework Agreement with Weihai Shengze Real Estate Development Co., Ltd to dispose of its 99% equity holding in Weihai Green Bay Development Ltd for total consideration of $15,154,623 payable through the reduction of amounts payable by Onwide to Weihai Shengze Real Estate Development Co., Ltd (note 12).

The impact of the proposed disposal is set out below:

Assets and liabilities disposed	$
Cash and cash equivalents	1,365,674
Trade and other receivables	31,989
Other receivables	944,013
Property under development for sale	36,526,420
Property Plant and Equipment	423,715
Trade and other payables	(14,585,560)
Amounts due to non controlling shareholder	(10,731,581)
	13,974,670
Less: Minority interest share of assets (1%)	(139,747)
Net book value of assets sold	13,834,923
Consideration payable	15,154,623
Net profit on disposal	1,319,700

19. Related Party Disclosure

(a) The Directors of Iatia at the date of this report are:

- Mr Gavin Boyd (Non Exec. Director);
- Mr Kee Guan Saw (Non Exec. Director); and
- Mr Li Shihao (Director).

(b) Directors' holdings of shares, directors' remuneration and other directors' interests are set out in Section 12 of the Prospectus.

7 PRC REAL ESTATE INDUSTRY OVERVIEW

7.1 Overview

China is the second largest economy in the world, with a GDP in 2012 of RMB51.9 trillion (or $9,170 billion). GDP per capita in 2012 stood at RMB38,355, (or $6,777) an increase of 9% as compared to that of 2011.

China is one of the fastest growing major economies in the world. From 2005 to 2012, China achieved an average annual GDP growth of 10.6%, or in other words its nominal GDP more than doubled from RMB18.4 trillion (or $3,251 billion) in 2005 to RMB51.9 trillion (or $9,170 billion) in 2012. It is estimated that China will overtake the United States of America as the world's largest economy within the next 20 years.

Growth in the PRC economy has fuelled the expansion of the PRC real estate market. Investment in real estate has registered a compound annual growth rate of 24% from 2005 to 2012, expanding from RMB1,591 billion (or $281 billion) in 2005 to RMB7,180 billion (or $1,269 billion) in 2012. During the same period, the national average selling price and gross floor areas of residential housing sold has increased by a compound annual growth rate of 9% and 10.5% respectively.

The table below sets out various economic indicators detailing the expansion of the PRC economy over the period from 2005 until 2012:

China Major Economic Indicators (2005 - 2012)

	2005	2006	2007	2008	2009	2010	2011	2012	"2005-2012 CAGR"
Population (million)	1,308	1,314	1,321	1,328	1,335	1,341	1,347	1,354	0.50%
Nominal GDP (Trillion RMB)	18.4	21.6	26.6	31.6	34.0	40.0	47.2	51.9	16%
Real GDP Growth (%)	11.3	12.7	14.2	9.6	9.2	10.3	9.3	7.8	N.A.
GDP/Capita (RMB)	14,185	16,500	20,169	23,708	25,608	30,015	35,181	38,355	15.3%
Urbanization (%)	43	44	45	46	47	50	51	53	N.A.
Housing Investment (bn RMB)	1,591	1,942	2,529	3,120	3,624	4,826	6,179	7,180	24%
GFA of Commodity Housing Completed (m^2)	534	558	606	665	727	787	926	994	9.3%
GFA of Commodity Housing Sold (m^2)	555	619	774	660	948	1,048	1,094	1,113	10.5%
Average Selling Price of Commodity Price	3,168	3,367	3,864	3,800	4,681	5,032	5,357	5,791	9.0%

Source: National Bureau of Statistics, PRC

During 2005 to 2011, the compound annual growth rate of the nominal GDP of Langfang was approximately 17.68%. Further, from 2005 to 2011, the average selling price of housing in Langfang achieved a compounded annual growth rate of approximately 17.3%, whereas gross floor areas of commodity housing sold in Langfang increased by approximately 21.2%.

Langfang City, Hebei Province	2005	2006	2007	2008	2009	2010	2011	"2005-2011 CAGR"
Nominal GDP (billion, Rmb)	61.0	71.6	88.4	106.1	114.7	135.1	161.1	17.6%
Disposable Income/Capita (RMB)	10,165	11,255	13,808	12,311	17,752	19,576	22,818	14.4%
GFA of Commodity Housing Sold (sqm m)	2.3	2. 7	3.6	4.2	6.3	8.2	7.3	21.2%
Average Selling Price of Commodity Price	2,057	2,583	3,622	3,904	4,157	4,877	5,345	17.3%

Source: Hebei Provincial Bureau of Statistics, PRC.

Despite the introduction of policies by the PRC central government which are designed to alleviate the steadily increasing property values in China, the Directors consider that continued urbanisation of PRC, demographic changes with the emergence of a middle class population in China and the growth of lower tier cities will ensure that the property market remains resilient for the foreseeable future.

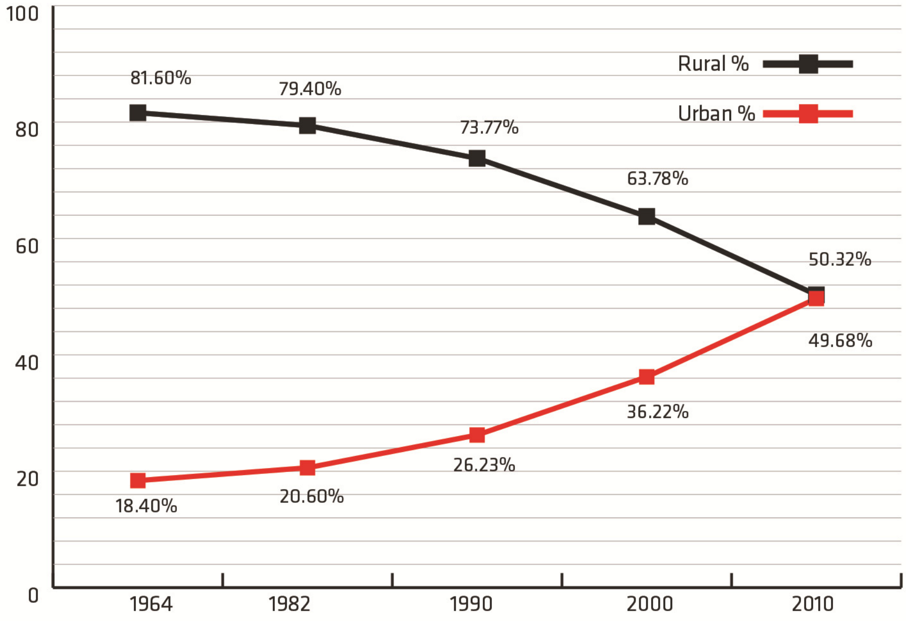
7.2 Urbanisation

China’s urban population, as a percentage of its total population, has increased from approximately 20.6% in 1982 to approximately 52.4% in 2012. It is estimated that approximately 360 million people in China have relocated from rural areas to urban centres in the last 30 years.

Notwithstanding the physical growth of urban areas in China as a result of rural migration, China’s urbanisation levels of approximately 51% in 2011 remain relatively low compared with developed countries such as the United States of America and Japan, where urbanisation level stood at approximately 85% and 74% respectively. Assuming that the Chinese urbanisation process follows the path undertaken in the United States of America and Japan, this discrepancy suggests a continuing urbanisation and rural migration into cities in China such that, by 2030, it is expected that urban residents will account for close to two-thirds of China’s population. If this eventuates, it will equate to approximately 13 million more ‘urbanites’ each year.

The Directors consider that growth in urban areas will support sustainable demand for real estate in the long term.

The graph below details China’s urban and rural population ratio from 1964 to 2010.



Source: Chin Popultion Census

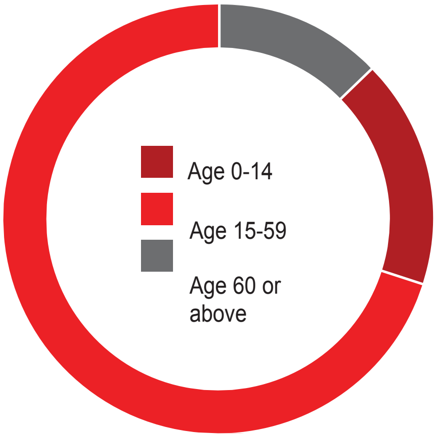
7.3 2010 Demographic Changes

China is expected to experience significant demographic changes over the next decade, which the Directors believe will have positive implications for the real estate sector in China.

China is the most populous country in the world and its population surpassed 1.34 billion in 2010. Although China's population growth slowed considerably following the introduction of the 'one child policy' in 1979, working aged people (15 to 59 years old) now account for 70% of China's total population. Further, according to the last national population census conducted in 2010, people aged between 20 to 39 years represent close to 33.3% of China's total population.

The average household has also reduced from 3.44 people in 2000 to 3.1 people in 2010.

The graph below details China's demographic composition in 2010:



Source: China Population Census, 2010

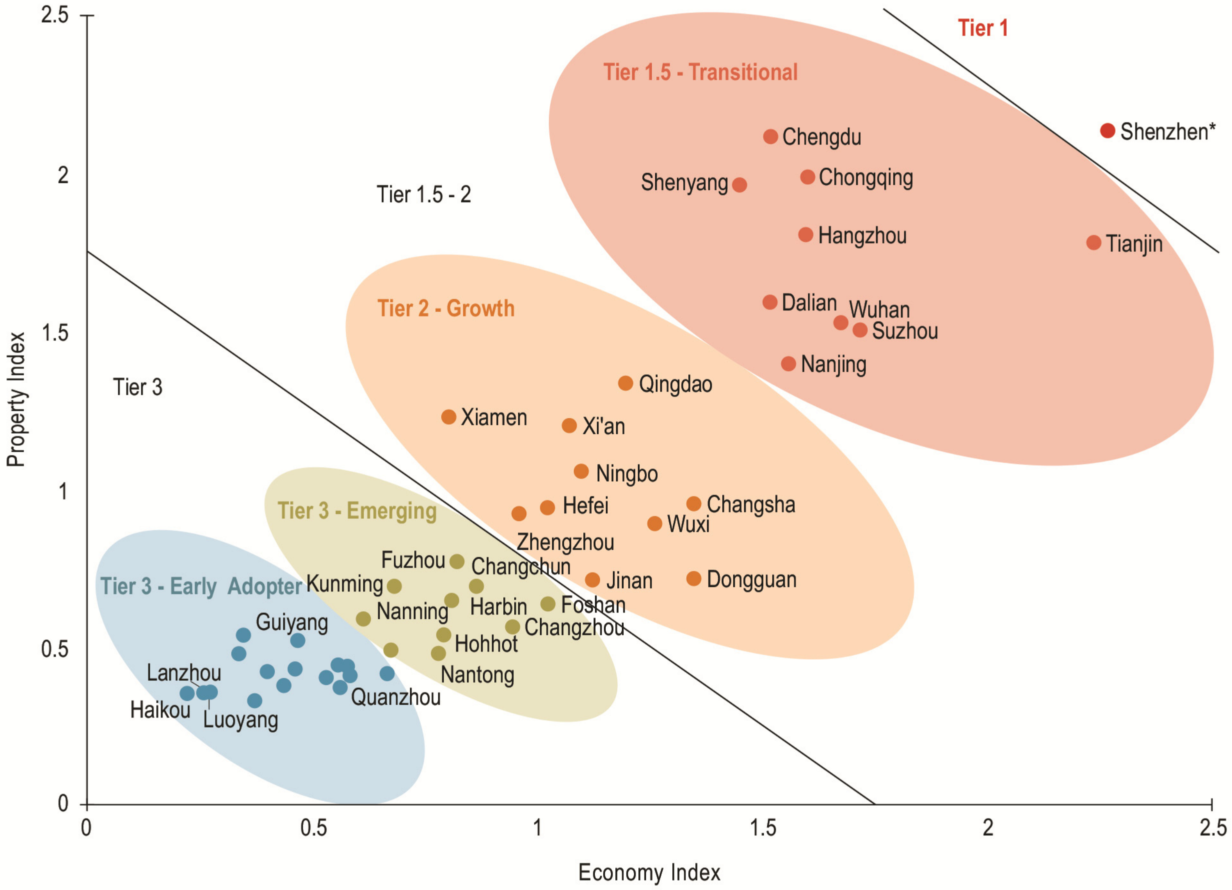
As the population is growing, this implies a material increase in the number of households. As these individuals marry and start families, the Directors believe that they represent a large pool of potential home buyers.

The Directors also believe that these factors will support sustainable demand for real estate in the long term.

7.4 The Rise of High Growth Cities in China

In its 2012 publication "China 50: Fifty Real Estate Markets that Matter", published by Jones Lang LaSalle, categorises the major cities in the PRC as falling into one of three tiers - tiers 1 to 3. The categorisation of China's cities was done by Jones Lang LaSalle based on a broad range of economic and real estate indicators.

City Evolution Curve 2012. A City Hierarchy Taking Shape



Source: China 50, 2012, Jones Lang LaSalle

Rising wages for unskilled workers in China, as well as the rising importance of the domestic markets in inland provinces, have caused many businesses to relocate and establish operations in lower tier cities, where the cost of labour is lower and the supply of land is more readily available (in comparison to China's tier 1 cities).

Improved infrastructure in China has ensured that individuals who work or reside in lower tier cities are able to access the major metropolitan centres efficiently. As a consequence of these developments, improvements in the local job markets and living standards in lower tier cities have resulted in an increased willingness of workers to remain and seek employment in their home cities.

The Onwide Group (including in relation to the Property Project) intends to target the less developed areas (Tier 3 cities or areas around higher tier cities) as it believes these areas have demonstrated, over the past three years, higher growth potential.

The Directors believe that the rise of lower tiered cities, including Langfang and Weihai, will support sustainable demand for real estate in the long term.

7.5 An Emerging Middle Class Population

It is expected that economic growth in China will continue to impact positively on China's emerging middle class.

With the assistance of the central government's initiatives in the form of tax breaks designed to facilitate income equality, the middle class in China is expected to double in the next decade. In turn, the Directors believe that this will support demand for new assets such as real estate.

7.6 Competition and Barriers to Entry

The real estate and property development industry in China is highly competitive and fragmented in nature. In the first half of 2013, the top 10 property developers accounted for only 15.21% of the total market share. Regional property developers have established a niche in their respective local markets through the development of close relationships with local governments and by addressing the specific needs of local buyers.

Lower barriers to entry have in the past encouraged a large number of new players to enter the property development market in China. However, the central government has recently adopted measures to tighten the availability of credit, which with increased regulation, have materially raised the barriers to entry.

7.7 Ownership of Real Estate

Under the constitution of the PRC, the ownership of all urban lands in China is held by the PRC government. Individuals, companies and other entities can, however, acquire for valuable consideration land use rights (Granted Land Use Rights) for a fixed period of up to 70 years.

Overview

The maximum term of Granted Land Use Rights is determined according to their use purposes:

- 70 years for residential purposes;
- 50 years for industrial purposes;
- 50 years for the purposes of education, science, culture, public health and physical education;
- 50 years for comprehensive utilisation or other purposes; and
- 40 years for commercial, tourist and recreational purposes.

The Granted Land Use Rights can be acquired through means of contractual agreement and tendering and auction by qualified property developers. The grantees are required to enter into a Granted Land Use Rights contract with the local land administration authorities. Granted Land Use Rights contracts often set tight deadlines for payment of the land premium and the commencement and completion of construction. They also contain planning parameters for the development of land and describe the location of the land, identify the type of usage of the land and prescribe the grant period.

Applying for the Land Use Rights Certificate

The document that evidences ownership of land use rights following a Granted Land Use Rights contract is called a land use rights certificate. First, the Company first must submit a project proposal and a feasibility study report to the relevant Development and Reform Commission. Upon approval, the Development and Reform Commission will issue the project approval, and that Company must then apply to the relevant department in charge of the administration of construction for the issuance of a land location selection opinion letter.

The Company must then apply to the Land Authority for issuance of a construction project land use pre-approval report. Under the Regulations for the Administration of the Environmental Protection of Construction Projects, a detailed environmental impact report, or an environmental impact registration form, must be submitted for review and approval by the relevant department in charge of the administration of environmental protection prior to the commencement of construction.

Upon signing the Granted Land Use Rights contract, the Company may apply to the relevant department in charge of urban planning. Upon issuance of a construction land planning opinion letter, the Company must apply to the Land Authority for the issuance of the land use right certificate. Once the land use right certificate is vested in the Company, the transfer of land use right is completed and the whole process normally takes 3 to 4 months.

Applying for the Property Ownership Certificate

In relation to the ownership of buildings and structures built on the land, a certificate of property ownership will be issued to the land use rights holder (i.e. property buyers).

In China the term “real property” refers to the land use rights together with buildings and structures on the land, as evidenced by a certificate of property ownership. Subject to the provisions of the relevant laws and administrative consents, real property can be transferred, leased or charged with the valid property ownership certificate.

Upon completion of the construction project, the developer and the property buyers must arrange for inspection and acceptance of the construction project. A construction project planning inspection will then occur and a clearance certificate will be issued by the local urban zoning and planning bureau or relevant authorities with respect to the completion of Property Project, subsequent to their on-site examination and inspection. Upon completion of the inspection and acceptance procedures, the property buyers may apply to the local construction bureau to obtain a “Property Ownership Certificate” for the property purchased, which indicates the right to use and transfer the property purchased and the land allocated to the property normally within 90 days after delivery of the property.

8 PRC EDUCATION INDUSTRY OVERVIEW

8.1 The PRC School System

The Law on Compulsory Education (2006 Revised) guaranteed school-age children the right to receive at least nine years of education (six years of primary education and three years of secondary education). It is a legal requirement in the PRC that all children complete middle school. The standard school ages in the PRC are:

- pre-school: ages 3 – 6;
- primary school: ages 7 – 12;
- middle school: ages 13 – 15; and
- high school: ages 16 – 18.

The typical school year in the PRC is from September to July. The school year is comprised of two semesters, each with around three weeks of holidays. The high school examinations occur throughout the three years of high school and involve eight subjects. If students pass all eight subjects, they obtain a certificate of high school graduation, and are eligible to sit for the national higher education entrance examination which is held annually in the PRC. The successful completion of the national higher education entrance examination is a prerequisite for entrance into most higher education institutions at the undergraduate level in the PRC and is usually taken by students in their last year of high school. Students wishing to undertake the national higher education entrance examination must take the following subjects:

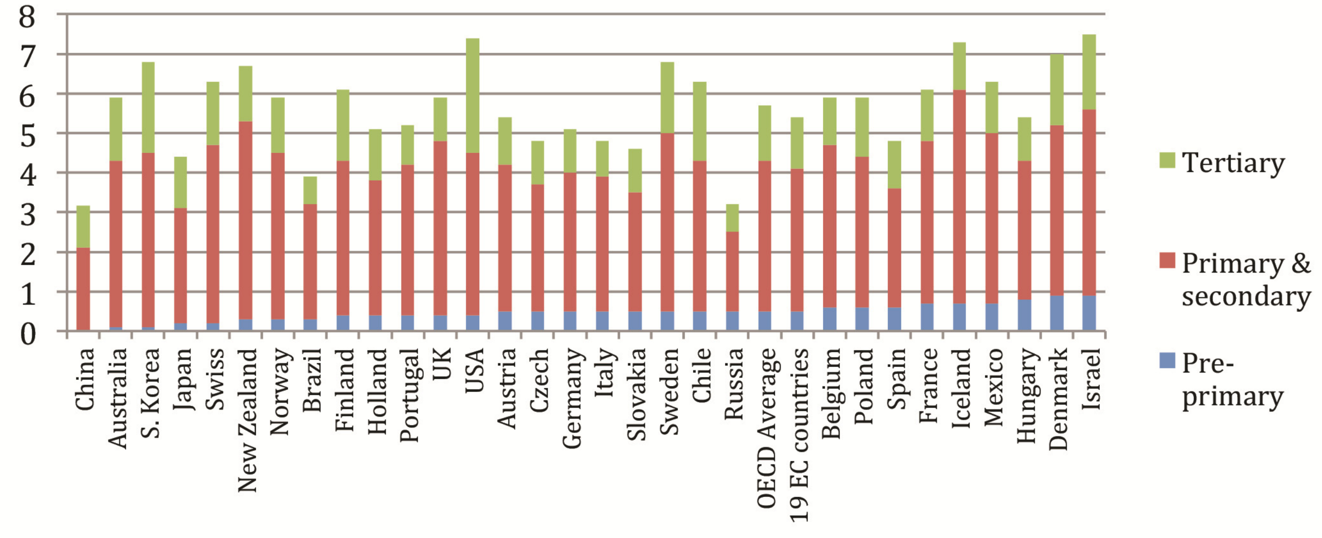
- Chinese;
- Mathematics; and
- English.

In addition, Chinese students who wish to complete their tertiary education in English speaking countries may have to complete additional courses such as, for example, integrated courses of the Teaching of English as a Foreign Language, Advanced Placement, SAT and take the relevant examinations in order to receive recognition for their qualifications.

8.2 PRC Education Industry Overview

(a) Overview

Education is a key governmental priority in the PRC. In its 12th five year plan (2011-2015), the PRC central government targeted an increase in the high school enrolment ratio from 82.5% in 2010 to 87% in 2015.

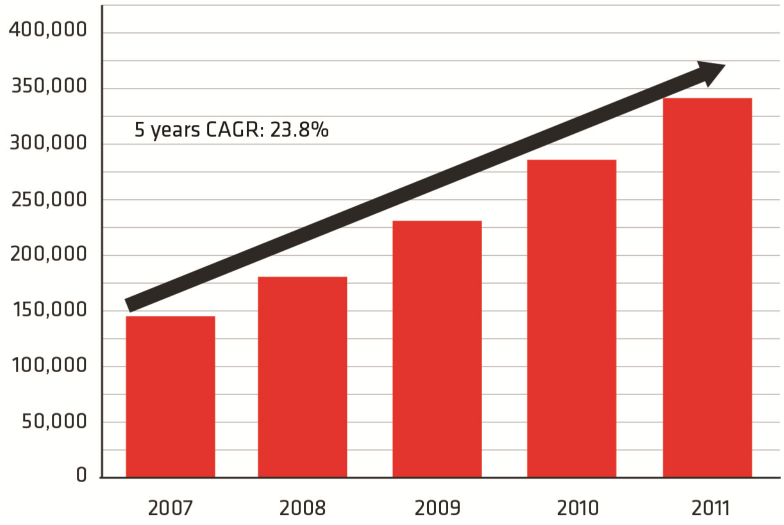


Source: World Bank (2010)

China's population is in excess of 1.34 billion people; however there are only approximately 2,100 tertiary education institutions in the PRC. The deficiency of tertiary education institutions remains one of the key reasons why an increasing number of Chinese students are seeking tertiary education overseas. This increased demand for foreign tertiary education is also reflected in middle and high school education, and has been precipitated by the rapid industrialisation of, and economic growth in, the PRC.

According to the Chinese Ministry of Education, 339,700 Chinese students studied abroad in 2011. In the past five years, the compound annual growth of Chinese students choosing to study overseas exceeded 23%.

The diagram below represents the number of Chinese middle school students choosing to study abroad: Number of students studying abroad



Source: Ministry of Education of the PRC

This increased demand for foreign education is emblematic of a broader shift of focus from domestic education institutions within the PRC towards domestic international schools within the PRC. Domestic international schools offer the benefit of providing educational facilities locally, whilst enabling its students to undertake studies which are recognised in foreign jurisdictions (and therefore providing those students with the ability to apply to undertake their tertiary education in that foreign jurisdiction).

This trend is consistent with global developments, such that the market for domestic international education has experienced significant growth over the past 10 years with the number of international schools more than doubling across the globe. As of December 2012, there were 339 international schools in the PRC, about half of which were located in Beijing and Shanghai.

(b) Hebei Province

At the end of 2010, there were 95 privately run high schools in Hebei Province, which accounted for approximately 15.4% of the total number of high schools operating in Hebei. New student enrolment at private high schools in 2010 was 37,079, only approximately 8.8% of the total student enrolment. The private education market in China has historically been smaller than the public education market, but has experienced growth in the past few years.

rivate schools, whilst heavily regulated in some respects, have greater flexibility than public schools to teach additional subjects, run specific subjects to meet their students' particular needs, and deliver education in a small-group setting. For example, private schools in the PRC may customize their curriculum to increase the focus on assisting students with improving their English capabilities.

Hebei Province High School (K10-K12) Statistic 2010

	Privately Owned	**Total (Public + Private + others)**
No. of Schools	95	615
New Student Enrolment	37,079	420,199
Total Student Enrolment	113,053	1,275,146

Source: Hebei Provincial Bureau of Statistics, 2010, PRC

(c) Regulations governing operation of schools in the PRC

The principal regulations governing private education in China are as follows:

- Education Law of the PRC;
- Law for Promoting Private Education (2003);
- Implementation Rules for the Law for Promoting Private Education (2004); and
- Regulations on Chinese-Foreign Cooperation in Operating Schools.

Education Law of the PRC

On 18 March 1995, the National People's Congress enacted the Education Law of the PRC, or the "Education Law". The Education Law governs the education system of the PRC, including:

- pre-school education;
- primary education;
- secondary education
- higher education;
- a nine-year compulsory education; and
- a system of education certificates.

The Education Law stipulates that the central government formulates plans for the development of education in the PRC, and establishes and operates schools and other institutions of education. This includes enterprises, social organisations and individuals who are encouraged to operate schools and other types of education organisations. The Education Law also provides that no organisation or individual may establish or operate a school or any other education institution for profit- making purposes. However, according to the Law for Promoting Private Education (2003) (described below), private schools may be operated for "reasonable returns".

Law for Promoting Private Education (2003) and Implementation Rules for the Law for Promoting Private Education (2004)

The Law for Promoting Private Education became effective on 1 September 2003, and the Implementation Rules for the Law for Promoting Private Education became effective on 1 April 2004. Under this law and these regulations, "private schools" are defined as "schools established by social organisations or individuals using non-government funds". In addition, private schools providing certificates, pre-school education, education for self-study aid and other academic education are subject to approval by the education authorities. Private schools engaging in occupational qualification training and occupational skill training are subject to approvals from the authorities in charge of labour and social welfare. A duly approved private school will be granted a private school operation license by local or provincial-level counterparts of the Ministry of Education for the operation a private school. It must be registered with the local or provincial-level counterparts of the Ministry of Civil Affairs as a privately run non-enterprise institution and be issued a private non-enterprise organisation registration certificate. The duration of the private school operation licenses vary from 2 years to 30 years and the duration of the private non-enterprise organisation registration certificates vary from 1 year to 5 years, depending on the location of the private schools.

Under the laws and regulations, private schools have the same status as public schools, although private schools are prohibited from providing military, police, political and other kinds of education which are of a special nature. Government- run schools that provide compulsory education are not permitted to be converted into private schools.

Under PRC laws, a private school is a separate legal entity which is capable of suing and being sued in its own capacity, in which case both the private school and the persons responsible are directly liable (including but not limited to members of the board, legal representatives, and the principal of the school).

The operation of a private school is highly regulated. For example, the items and criteria of fees charged by a private school for those students receiving degree education must be approved by the governmental pricing authority and is required to be publicly disclosed.

Private schools are divided into three categories:

- private schools established with donated funds;
- private schools that require reasonable returns; and
- private schools that do not require reasonable returns.

While private education is treated as a public welfare undertaking under the regulations, in the case of private schools choosing to require "reasonable returns", investors of these schools may choose to require "reasonable returns" from the annual net balance of the school after deduction of costs, donations received, government subsidies (if any), the reserved development fund and other expenses as required by the regulations.

The election to establish a private school requiring reasonable returns is provided in the articles of association of the school. The percentage of the school's annual net balance that can be distributed as a reasonable return is to be determined by the school's board of directors, taking into consideration the following factors:

- items and criteria for the school's fees;
- the ratio of the school's expenses used for educational activities and improving the educational conditions to the total fees collected; and
- the admission standards and educational quality of the school.

This information must be publicly disclosed before the school's board determines the percentage of the school's annual net balance that can be distributed as reasonable returns. Such information and the decision to distribute reasonable returns is also required to be filed with the approval authorities within 15 days from the decision made by the board. However, none of the current PRC laws and regulations provides a formula or guidelines for determining "reasonable returns". In addition, none of the current PRC laws and regulations provide different requirements or restrictions on a private school's ability to operate its education business based on such school's status as a school that requires reasonable returns or a school that does not require reasonable returns.

At the end of each fiscal year, every private school is required to allocate a certain amount to its development fund for the construction or maintenance of the school or procurement or upgrade of educational equipment. In the case of a private school that requires reasonable returns, this amount shall be no less than 25% of the annual net income of the school, while in the case of a private school that does not require reasonable returns, this amount shall be not less than 25% of the annual increase in the net assets of the school, if any.

Private schools that do not require reasonable returns are entitled to the same preferential tax treatment as public schools, while the preferential tax treatment policies applicable to private schools requiring reasonable returns are formulated by the relevant PRC authorities. However, currently there are no regulations in respect of tax preferential policy for private schools established by investors requiring reasonable returns.

Foreign investment in education service industry

In accordance with the Foreign Investment Industries Guidance Catalogue, which became effective on 30 January 2012,foreign investment is encouraged to participate in higher education in the PRC. Currently, high school education (year 16-18) is a restricted industry. Foreign investment in education including high school education has to take the form of a sino-foreign equity or co-operative joint venture. Foreign investment is banned in relation to compulsory education (year 7-15), but is allowed for after-school tutoring services and training services which do not grant diplomas. If schools for high school education are discovered to breach the foreign ownership restriction mentioned, the permits for running the schools will be withdrawn and the schools will not be able to go on without the permits.

Dongfang Limited conducts its education business in the PRC primarily through Zehui Limited and other contractual arrangements.

Regulations on Chinese-foreign Cooperation in Operating Schools

Chinese-foreign cooperation in operating schools or training programs is specifically governed by the Regulations on Operating Chinese- foreign Schools, promulgated by the PRC State Council in 2003, and the Implementing Rules for the Regulations on Operating Chinese- foreign Schools, which were issued by the Ministry of Education in 2004.

The regulations encourage substantive cooperation between overseas educational organisations (with relevant qualifications and experience in providing high-quality education) and Chinese educational organisations to jointly operate various types of schools in the PRC. Chinese- foreign cooperative schools are not permitted to engage in compulsory education, military, police, political and other kinds of education that are of a special nature in the PRC, and Onwide management has not engaged and has no intention to engage in such aforementioned business.

Permits for Chinese-foreign cooperation in operating schools are obtained from the relevant education authorities or from the authorities that regulate labour and social welfare in the PRC.

9 INVESTIGATING ACCOUNTANT'S REPORT

RSM Bird Cameron Corporate Pty Ltd

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5 December 2013

The Directors
Iatia Limited
Level 9, 167 Queen Street
MELBOURNE VIC 3000

Dear Sirs

Investigating Accountant's Report

1. Introduction

1.1 This report has been prepared at the request of the Directors of Iatia Limited ("Iatia" or "the Company") for inclusion in a prospectus to be dated on or about 5 December 2013 ("the Prospectus) relating to the proposed offer of between 25,000,000 and 40,000,000 fully paid ordinary shares in the Company at an issue price of $0.20 per share, to raise between $5,000,000 and $8,000,000 (prior to costs of the issue) ("the Public Offer"), the relisting of the shares of the Company on the Australian Securities Exchange ("ASX"), the proposed acquisition of Onwide (HK) Investment Group Limited ("Onwide") and the proposed issue of between 906,250 and 1,450,000 fully paid ordinary shares in the Company at an issue price of $0.20 as consideration for capital raising costs.

1.2 The Financial Information as set out Section 6 of the Prospectus has been prepared in accordance with the general disclosure requirements of the Corporations Act 2001 to assist investors make an informed assessment of the financial position and performance of Iatia.

1.3 The future prospects of Iatia, assuming completion of the proposed transactions, are not addressed in this report. This report also does not address the rights attaching to the shares to be issued pursuant to the Prospectus, nor the risks associated with the investment.

2. Background

2.1 Iatia is an ASX listed company domiciled in Melbourne, Australia. The Company listed on the ASX through an Initial Public Offering on 8 April 2002.

2.2 Iatia's principal activity from the date of listing until mid 2010 was the development, manufacture and marketing of scientific and medical products using phase imaging technology. The Company owned Quantitative Phase Imaging ("QPI") technology and image enhancing technology with applications in the life sciences, nanotechnology, ophthalmology and defence markets.

2.3 On 18 January 2010, IAT's shares were suspended from trading on the ASX, at the request of the Company, due to uncertainty over the financial position of the Company and the Company's ability to continue trading.

2.4 On 11 June 2010, Iatia entered into an agreement to sell its 100% owned operating subsidiary Iatia Imaging Pty Ltd, and its QPI technology and all associated intellectual property to Thorsol Pty Ltd ("Thorsol"), with the sale completing after shareholder approval on 1 August 2010. As consideration for the sale, IAT received 5.1% of the shareholding of Thorsol which had an estimated value of $3.6 million.

2.5 In April 2011, Thorsol was placed into external administration, and subsequently in July 2011 was entered into creditors' voluntary liquidation. IAT's investment in Thorsol was written down to $nil at 30 June 2011.

2.6 Iatia's shares have remained suspended on the ASX from 18 January 2010 onwards. Subsequent to the sale of Iatia Imaging Pty Ltd, the Company's activities have related to seeking investment opportunities to enable the Company to obtain approval from the ASX for the re-quotation of its shares and compliance with ASX listing requirements.

2.7 On 18 December 2012 IAT announced that it had signed a term sheet with Innotech Group Limited to acquire Onwide.

2.8 Onwide's principal activities are planned to include property development projects and the establishment of a school in China.

2.9 Iatia is therefore now seeking to raise between $5,000,000 and $8,000,000 and apply for readmission to the Official List of the ASX. The funds raised will be used to cover the costs of the offer and to fund the development of the Onwide business. Iatia is additionally issuing additional shares to acquire 100% of the issued share capital of Onwide and issuing additional shares to settle broker commission costs associated with the share offer.

3. Scope of Examination

3.1. You have requested RSM Bird Cameron Corporate Pty Ltd to prepare an Investigating Accountant's Report ("Report") for inclusion in the Prospectus covering the following information included in the Financial Information Section of the Prospectus (Section 6):

- the Audited Statement of Comprehensive Income of Iatia for the years ended 30 June 2011, 30 June 2012 and 30 June 2013;
- the Audited Statement of Financial Position of Iatia as at 30 June 2013 and the Audited Statement of Financial Position of Iatia as at 30 June 2012

together the Historical Financial Information;

- The Pro-Forma Statement of Financial Performance of Iatia for the year ended 31 December 2011 and 31 December 2012 and the six months ended 30 June 2013, assuming the acquisition of Onwide occurred on 1 January 2011; and
- The Pro-Forma Statement of Financial Position of Iatia as at 30 June 2013, assuming the completion of transactions summarised in Section 6 Note 2 of the Prospectus

together, the Pro-Forma Financial Information.

3.2. The financial information has been prepared and presented in accordance with the accounting policies set out in Note 1 to the Financial Information.

3.3. The Historical Financial Information of Iatia for the year ended 30 June 2013 is extracted from the financial report for the year ended 30 June 2013, which was audited by RSM Bird Cameron Partners and on which an unqualified audit opinion was issued

3.4. The Historical Financial Information of Iatia for the year ended 30 June 2012 is extracted from the financial report for the year ended 30 June 2012, which was audited by Grant Thornton Audit Pty Ltd and on which an unqualified audit opinion was issued.

3.5. The Historical Financial Information of Iatia for the year ended 30 June 2011 is extracted from the financial report for the year ended 30 June 2011, which was audited by BDO Audit (NSW-VIC) Pty Ltd and on which a qualified audit opinion was issued.

3.6. The audit report issued by BDO Audit (NSW-VIC) Pty Ltd in relation to the year ended 30 June 2011 included the following qualification:

"Basis for Qualified Opinion

The entity's investment in Thorsol Pty Ltd was initially carried at $3,374,544 in the entity's statement of financial position. As disclosed in Note 1(n) in the financial report, at initial recognition, the carrying amount represented the initial cost of the investment in Thorsol Pty Ltd based on the directors' best estimate of fair value at the date of acquisition. The directors have been unable to obtain sufficient evidence to support this cost and, consequently, the resulting profit on sale of subsidiaries recognised in the statement of comprehensive income.

As at 30 June 2011, the directors have concluded that indicators of impairment exist and as a result the investment in Thorsol Pty Ltd has been impaired in full. The $3,374,544 impairment recognised in the statement of comprehensive income has been based on the initial cost of the investment in Thorsol Pty Ltd.

Given the directors have been unable to obtain sufficient appropriate evidence to support the initial cost of investment and resulting profit on sale of subsidiaries and consequent impairment of investment, we were unable to determine whether any adjustments to these amounts were necessary."

3.7. The aforementioned audit opinions included an emphasis of matter in respect of material uncertainty regarding the Company's ability to continue as a going concern and the consequential need for the Company to seek additional funding.

3.8. The Pro Forma Financial Information has been derived from the historical financial information, as described above, after reflecting the pro forma adjustments detailed in section 6 Note 2 of the Prospectus.

3.9. The Pro Forma Financial Information is presented in abbreviated form insofar as it does not include all of the disclosures required by Australian Accounting Standards applicable to annual financial reports prepared in accordance with the *Corporations Act 2001.*

3.10. We have reviewed the Historical Financial Information and Pro Forma Financial Information (the Financial Information) in order to report whether anything has come to our attention which causes us to believe that the Financial Information, as set out in section 6 of the Prospectus, is not presented fairly in accordance with the basis of preparation as disclosed in section 6 of the Prospectus and the accounting policies adopted by the company as disclosed in section 6 of the Prospectus.

3.11. Our review has been conducted in accordance with the Australian Auditing Standard on Review Engagements ASRE 2405 "Review of Historical Financial Information Other than a Financial Report". We made such enquiries and performed such procedures as we, in our professional judgment, considered reasonable in the circumstances including:-

- an analytical review of all the financial information presented, including a review of the reasonableness of the adjustments used to compile the unaudited Pro-Forma Statement of Financial Position as at 30 June 2013;
- a comparison of consistency in the application of the recognition and measurement principles in Accounting Standards (including Australian Accounting Interpretations) and the accounting policies adopted by the Company and disclosed in Note 1 to the Financial Information;
- inspection of financial records; and
- enquiries of directors and management.

3.12. These procedures do not provide all the evidence that would be required in an audit, thus the level of assurance provided is less than that given in an audit. We have not performed an audit and accordingly, we do not express an audit opinion on the Financial Information.

Responsibility

3.13. The Directors are responsible for the preparation and presentation of the Historical Financial Information and Pro-Forma Financial Information, including the determination of the pro forma adjustments.

3.14. It is our responsibility to review the Historical and Pro-Forma Financial Information and report thereon. We disclaim any responsibility for any reliance on this report or the financial information to which it relates for any other purpose other than for which it is prepared. This report should be read in conjunction with the rest of the Prospectus.

4. Subsequent Events

4.1. Since 1 July 2013, Onwide has continued to incur operational costs (primarily employment costs) in relation to the development of its projects.

4.2. Apart from the matters dealt with in this report, having regard to the scope of our work, to the best of our knowledge and belief, no material transactions or events outside the ordinary business of the Company have come to our attention that are not otherwise disclosed in this Prospectus, which require further comment upon or adjustment to, the information referred to in this report, or which would cause the information in this report to be misleading or deceptive.

6. Review Statement on Historical and Pro-Forma Financial Information

6.1. Based on our review, which is not an audit, , nothing has come to our attention that causes us to believe that the Financial Information set out in Section 6 of the Prospectus is not presented fairly in accordance with the basis of preparation as disclosed in section 6 of the Prospectus.

7. Declaration

7.1. RSM Bird Cameron Corporate Pty Ltd is a licensed investment adviser under the Corporations Act 2001 and is beneficially owned by the directors of RSM Bird Cameron, a large national firm of chartered accountants.

7.2. Mr Glyn Yates is a director and representative of RSM Bird Cameron Corporate Pty Ltd and a director of RSM Bird Cameron. He has professional qualifications and experience appropriate to the advice offered.

7.3. RSM Bird Cameron Corporate Pty Ltd has acted as Investigating Accountant for the Company but has not been involved in the preparation of any other part of this Prospectus. Accordingly, we make no representations as to the completeness and accuracy of the information in any other part of this Prospectus. RSM Bird Cameron Corporate Pty Ltd has not made and will not make any recommendation, through the issue of this report, to potential investors in the Company as to the merits of the investment.

7.4. RSM Bird Cameron Corporate Pty Ltd will receive a fee for the preparation of this report based on actual hours spent on the assignment at normal professional rates. With the exception of the above fees, neither Mr Glyn Yates nor RSM Bird Cameron Corporate Pty Ltd will receive any other benefits, either directly or indirectly, from the preparation of this report and have no pecuniary or other interest which could be regarded as affecting the ability to provide an unbiased opinion in relation to the proposed transaction.

7.5. RSM Bird Cameron Corporate Pty Ltd has consented to the inclusion of this report in the Prospectus in the form and context in which it appears. At the date of this report, this consent has not been withdrawn.

Yours faithfully

Glyn Yates

Glyn Yates
Director

10 BOARD OF DIRECTORS AND SENIOR MANAGEMENT

10.1 Current Directors

The Board of Directors is responsible for the overall management and governance of the company. The current Directors are Li Shihao, Kee Guan Saw and Gavin Boyd. Kee Guan Saw is also the Company secretary.

Gavin Boyd, Non-Executive Director

Mr Boyd is a seasoned international experienced real estate developer with a diverse background and experience in the full life-cycle of a development and construction projects: from acquisitions, planning, finance, design, delivery as well as sales to marketing and business performance.

Mr Boyd has been a Chief Operating Officer of Asset1 WTC from December 2010 to present, where he has been responsible for all acquisitions, master planning, town planning, development delivery and financial modelling for WTC Melbourne and associated assets such as MCEC, North Wharf and WTC Wharf Retail developments. In addition, he has been responsible for the management and coordination of all existing lease and future tenant pre-commitments, asset and facility management requirements; the liaison and focal point for the WTC Melbourne joint venture partners and stakeholders.

Mr Boyd has been a director of Development Consulting and Cape GMC from June 2010 to the present, and is responsible for giving advice to developers on current and future projects, including the Pentridge Village Redevelopment Coburg, Retirement Village Development and Operations and Residential Developments.

Mr Boyd has also been a development director and general manager for a number of real estate businesses for many years. The sound knowledge and experience of Mr Boyd in the real estate industry in the world has been very well recognised.

Kee Guan Saw, Non-Executive Director

Mr Saw is an MBA from Monash University. He is currently the managing partner at KST Partner and a member of Institute of Chartered Accountants in Australia, a registered tax agent and an ASIC registered company auditor. Mr Saw previously worked at RSM Bird Cameron and Deloitte Touche Tohmatsu. He has extensive experience in a variety of areas including audit, tax, financial reporting and company secretarial services.

Li Shihao, Executive Director

Mr. Li Shihao holds a Bachelor of Engineering. Mr. Li has engaged in real estate industry for almost 20 years, with extensive experience in project construction management, planning and design, bidding and management. During this time Mr. Li participated in the completion of the Nanjing Yangzi Petrochemical 600,000 tons / year catalytic cracking unit building, led the national repository construction Hebei project, supervised the residential construction and project management of Hebei Academy of Agricultural Sciences and the Provincial Price Bureau, managed 300,000 square meters site of Century Fangzhouyi and Yian, and also took responsibilities of the green bay project from planning, design, pre-program, to on-site construction management.

10.2 Chairman Designate

Xing Hongtao, Chairman Designate

Subject to the completion of the Public Offer and the Onwide Acquisition, and Iatia shareholder approval, Mr Xing Hongtao, a nominee of the Vendor, will join the Board.

Mr Xing Hongtao is a Master of World Economics from Hebei University and has been working in real estate industry in the PRC since 2003. He is currently the Member of the Hebei Provincial Committee of the Chinese People's Political Consultative Conference.

Prior to his involvement in residential development, Mr Xing was involved in the building decoration industry in the PRC from 1994 to 2007. He owned and operated a decoration engineering company and developed it into a leading company in the building decoration industry in Shijiazhuang, Hebei, China. Mr Xing successfully sought, and obtained, internationally recognised quality compliance recognition for the company, including ISO 9001:2000 certificate of quality control system, ISO 14001:1996 certificate of environment management system and GB/T 28001-2001 certificate of vocational healthy and safety management system.

In addition, under his leadership, the projects undertaken by this company received various awards, including the: "Municipal High Quality Project", "Municipal Advanced Designed Project" and more than 60 honorary certificates from Hebei Province.

Mr Xing's experience and expertise has been recognised by his appointment as the vice president of the Building Decoration Association of Hebei Province and the Member of the Hebei Provincial Committee of the Chinese People's Political Consulting Conference.

10.3 Senior Management

Qiao Lei, Marketing Director

Ms. Qiao Lei holds a Bachelor of International Trading in Renmin University of China. Ms. Qiao has engaged in real estate marketing for over 10 years, with extensive experience in real estate products, specialised in marketing, planning, and management. She has served as Marketing Director in Junefield (Holdings) Limited, in charge of the sales of 50,000 square meters commercial real estate of Beijing Junfiled Sogo, where she made an opening-day sales record of over 100 million. She has also worked as leasing manager for Daofeng International Group, responsible for marketing and commercial real estate leasing.

Guo Lianrong, Operation Management Director

Mr. Guo Lianrong graduated from Beijing Construction Engineering College in 1996. He is a seasoned real estate development manager, with experience in the full life-cycle of development process, including project management, technical solution, and cost control. He served as deputy general manager of Boda Dongfang Real Estate Company, he was in charge of the land development of Tianhe Town. He also served as the deputy general manager of Shanghai City Development Group, responsible for engineering, techniques, cost, bidding, etc., where he accomplished the development of project s over 800,000 square meters.

Zhang Xiaoyang, Chief Architect

Ms Zhang Xiaoyang holds a Bachelor from Shenyang College of Architecture, a registered National First-Class Architect. She has 14 years of working experience in state-owned A-class design institute and management in real estate corporations, responsible for architectural design and project management.

Ben Yip, Vice President and Head of Investment and risk management

Mr Yip is a Bachelor of Economics from Hong Kong University and an MBA from the Fox School of Business, Temple University. He is also a CFA Charter Holder.

Mr Yip has more than a decade of experience in finance and investment management, in relation to equities, bonds, financial derivatives and private equity. Mr Yip has also performed the roles of a fund analyst, fund manager and finance director in both private and public funds which involved advising on asset allocations for a multi-billion dollar trust, tracking investments of private equity funds and researching and recommending high performing mutual funds.

Ricky Wong, Financial Controller

Mr Wong studied at the University of Texas at Austin, and is a BBA in Professional Accounting and Information Systems from the Hong Kong University of Science and Technology. He is also a member of the Hong Kong Institute of Certified Public Accountants and previously worked in PricewaterhouseCoopers and Deloitte Touche Tohmatsu.
He is experienced in various statutory assurance services related to Hong Kong stock exchange listings, mergers and acquisitions and fund raising with particular focus in real estate and energy industries.

10.4 Corporate Governance

Directors are responsible for the corporate governance practices of the Company, and the overall management and governance of the Company.

The Board believes that the Company's policies and practices comply in all substantial respects with the ASX Corporate Governance Council Principles of Good Corporate Governance. Where the Company's corporate governance practices do not correlate with the practices recommended by the Council, the departure is primarily due to the size of the Company and the nature and operational history of the Company. The Board considers that the Company is not currently of a size, nor are its affairs of such complexity to justify the expense of the appointment of an Independent Non Executive Chairman. Due to the current size of the Company and its level of activity, the audit committee consists of 2 Independent Non-Executive Directors and 1 Executive Director rather than that consisted of only non-executive directors which set out in the Principles of Good Corporate Governance.

Copies of the corporate governance policies can be obtained at the Company's registered office at, KST Partners Level 9, 167 Queen Streey Melbourne VIC 3000 during office hours.

10.5 Board of Directors

The Board carries out its responsibilities according to the following mandate:

- the Board should be comprised of a majority of non-executive directors;
- the Directors should possess a broad range of skills, qualifications and experience;
- the Board should meet on a regular basis; and
- all available information in connection with items to be discussed at a meeting of the Board shall be provided to each Director prior to that meeting.

The primary responsibilities of the Board include:

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

10.6 Independent professional advice

With the prior approval of the chairman, each Director has the right to seek independent legal and other professional advice at the Company's expense concerning any aspect of the Company's operations or undertakings in order to fulfill their duties and responsibilities as Directors.

10.7 Remuneration and Nomination Committee

The Board has established a remuneration and nomination committee consisting of the following Directors:

- Gavin Boyd;
- Kee Guan Saw; and
- Li Shihao.

The remuneration and nomination committee reviews the composition of the Board and remuneration policies applicable to all Directors and executive officers on an annual basis and makes recommendations to the Board, where considered necessary, to ensure that the Board is comprised of a majority of non-executive directors with an appropriate mix of skills and experience and on remuneration packages and terms of employment. Remuneration packages, which consist of base salary, fringe benefits, incentive schemes (including performance-related bonuses), superannuation, and entitlements upon retirement or termination, are reviewed with due regard to performance and other relevant factors. Where necessary, the committee seeks the advice of external advisers in connection with suitability of applicants for Board membership.

The terms and conditions of the appointment of non-executive directors are set out in a formal letter of appointment which deals with the following matters:

- duration of appointment (subject to approval of Shareholders);
- remuneration;
- expectations concerning preparation and attendance at Board meetings;
- conflict resolution; and
- the right to seek independent legal and professional advice (subject to the prior approval of the chairman).

10.8 Audit Committee

The Board has established an audit committee consisting of three Directors. The current members of the audit committee are:

- Li Shihhao;
- Kee Guan Saw; and
- Gavin Boyd.

The audit committee provides a forum for the effective communication between the Board and external auditors. The audit committee reviews:

- the annual and half-year financial report prior to their approval by the Board;
- the effectiveness of management information systems and systems of internal control; and
- the efficiency and effectiveness of the external audit function, including reviewing the annual audit plan.

The audit committee generally invites the Chief Operating Officer, Chief Executive Officer or Chief Financial Officer (as the case may be) and the external auditors to attend audit committee meetings. The audit committee also meets with and receives regular reports from the external auditors concerning any matters which arise in connection with the performance of their respective roles, including the adequacy of internal controls.

10.9 Risk Management

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 and, through the audit committee, the Board considers the recommendations and advice of external auditors and other external advisers on the operational and financial risks that face the Company.

The Board ensures that recommendations made by the external auditors and other external advisers are investigated and, where considered necessary, 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 and the employment and training of suitably qualified and experienced personnel.

10.10 Code of conduct

As part of the Board's commitment to the highest standard of conduct, the Company adopts a code of conduct to guide executives, management and employees in carrying out their duties and responsibilities. The code of conduct covers such matters as:

- responsibilities to Shareholders;
- compliance with laws and regulations (including ASX Listing Rules obligations);
- relations with customers and suppliers;
- ethical responsibilities;
- employment practices; and
- responsibilities to the environment and the community.

The Board and the Company intend to fully comply with its continuous disclosure obligations.

11. THE OFFERS

This Section provides an overview of each of the Offers made under this Prospectus and must be read in conjunction with the remainder of this Prospectus. Importantly, if Shareholders do not approve the Onwide Acquisition and the issue of the Shares under each of the respective Offers at the General Meeting to be convened on 29 January 2014 or at any subsequent adjournment of that meeting, neither the Onwide Acquisition nor either of the Offers made under this Prospectus will proceed.

11.1 Public Offer

The Public Offer is open to all public investors including Shareholders. The Public Offer invites investors to apply for up to 40,000,000 Shares at an issue price of 20 cents ($0.20) per Share to raise up to $8 million. The minimum subscription for the Public Offer is $5 million (i.e. 25,000,000 Shares). The proceeds of the Public Offer will be paid to the Company.

All Shares issued pursuant to this Prospectus will rank equally in all respects with the Shares already on issue.

Applications under the Public Offer will only be accepted on the Application Form attached to this Prospectus.

The Public Offer is not underwritten. There is no provision to accept over-subscriptions.

It is a condition of the Public Offer, and the Public Offer will not proceed (and all Application Monies received will be returned to Applicants in accordance with Section 11.8), if any one or more of the following events occur:

(a) all the requisite approvals under the Corporations Act and the Listing Rules in relation to the Onwide Acquisition and the Offers (by vote of the Shareholders at the General Meeting) are not obtained;

(b) the Consolidation is not approved by the Shareholders at the General Meeting;

(c) the Onwide Acquisition does not proceed; or

(d) ASX does not agree to reinstate the Shares to official quotation.

No Shares will be issued until the minimum subscription has been received under the Public Offer and the above conditions have been satisfied.

If the Company does not receive the minimum subscription under the Public Offer or any of the above conditions precedent to the Public Offer are not satisfied within three months of the issue of this Prospectus, all Application Monies will be refunded in full and without interest.

11.2 Vendor Offer

Subject to Completion of the Onwide Acquisition, 106,168,117 Shares will be issued under the Prospectus to the Vendor (as part of Completion under the Share Sale Agreement). Completion under the Share Sale Agreement is conditional upon the Company obtaining all necessary approvals to complete the Onwide Acquisition, the re-admission of the Company to the Official List, the Company remaining admitted to the Official List and the Company's Shares remaining quoted on ASX.

These Vendor Shares will be issued only to the Vendor. No payment will be required to be made by the Vendor when lodging the Vendor Offer Application Form. The Vendor Shares are expected to be subject to ASX imposed escrow.

11.3 Use of proceeds of the Public Offer / Purpose of the Offers

As described in Section 4, Onwide Group has commenced:

(a) the Property Project – being the property development project in the PRC; and

(b) the Education Project – being the establishment and operation of a school near the Property Project.

The funds raised by the Public Offer will be used to advance the Property Project and Education Projects, in the manner described in Section 4. The Public Offer will also provide the Company with working capital and allow the Company to repay existing creditors.

Set out in the table below is an estimated breakdown of the use by the Company of the proceeds of the Public Offer assuming the minimum raising of $5,000,000:

Use	Estimated Amount
Repayment of existing Iatia creditors	$500,000
Develop Property Project and Education Project	$4,000,000
Working capital	$500,000
Total	$5,000,000

To the extent that the Public Offer raises more than the minimum subscription of $5,000,000, the additional proceeds are expected to be used to further capitalise Onwide Limited and/or the Onwide PRC Companies for future business expansion opportunities and additional working capital requirements.

11.4 ASX Listing

The Company will apply for the Shares offered by this Prospectus to be listed for quotation on the ASX within 7 days of the date of this Prospectus.

The fact that the ASX may re-admit the Company to the Official List is not to be taken in any way as an indication of the merits of the Company or of the Shares offered by this Prospectus.

Quotation of the Shares offered by this Prospectus (if granted) will commence as soon as practicable after the issue of Holding Statements to successful Applicants.

If the Company is re-admitted to the Official List, it is anticipated the Shares will trade under the ASX code “SCG”.

Applicants are responsible for confirming their allocations prior to trading any Shares. Anyone who sells Shares prior to receiving confirmation of his or her allocation does so at his or her own risk. The Company and the Share Registry disclaim any liability arising to persons who trade Shares prior to receiving Holding Statements.

If the ASX does not admit the Shares offered by this Prospectus to quotation on the ASX within three months after the date of this Prospectus, none of the Shares offered by this Prospectus will be allotted or issued unless ASIC grants the Company an exemption or modification permitting allotment or Issue.

If no allotment or issue is made, all monies paid on Application for the Shares will be dealt with in accordance with Section 724 of the Corporations Act.

11.5 Capital Adequacy

The Company is not aware of any matter that makes it believe that there will not be adequate working capital to support the stated objectives at completion of the Public Offer.

11.6 Allocation policy

The Company has absolute discretion regarding the allocation of Shares under the Public Offer to Applicants under the Public Offer. In determining to which Applicants to allocate Shares under this Prospectus, the Company will have regarded to a number of factors, including but not limited to the number of Shares applied for, the overall level of demand under the Public Offer, the desire for an informed market and the desire for an active and orderly secondary market.

11.7 How to apply for Shares

Application for Shares under the Public Offer

You can make an Application by completing and lodging the Application Form. Applications under the Public Offer must be for a minimum of 10,000 Shares ($2,000) and thereafter in multiples of 2,500 Shares ($500).

Your Application Form must be accompanied by a cheque in Australian dollars, crossed ‘not negotiable’ and made payable to ‘Iatia Limited – Share Subscription Account’. The amount payable on Application will be deemed not to have been received until the Company is in receipt of clear funds. Payment in cash will not be accepted. Payment for the Shares must be made in full at the Public Offer price of 20 cents ($0.20) for each Share. Applications that do not meet these requirements may be refused at the discretion of the Directors.

Completed Application Forms and accompanying cheques should be returned as soon as practicable after the Public Offer opens by mail to:
Attention: Ben Yeo
Novus Capital Ltd
Level 8, 330 Collins Street
Melbourne, Victoria 3000
Telephone: +61 3 8602 1700

Duly completed Application Forms must be received by no later than 5.00pm on the Closing Date or such later date as the Company may specify. However, the Company reserves the right to close the Public Offer at any time after the Public Offer opens. Investors are urged, therefore, to lodge their Applications as soon as possible. The Company and the Share Registrar accept no responsibility for delayed or misdelivered Application Forms or payments.

Cheques may be processed on the day of receipt and as such, sufficient cleared funds must be held in your account when you return your completed Application Form. Cheques returned unpaid may not be re-presented and may result in your Application being rejected. Alternatively, and at the Company’s discretion, the Company may treat you as having applied for as many Shares as the cleared funds will pay for.

Application for Shares under the Vendor Offer

The Vendor will be deemed to have made an Application for all of the Vendor Shares upon lodgement of this Prospectus. No payment will be required to be made by the Vendor when lodging the Vendor Offer Application Form.

11.8 Allotment and transfer

Shares applied for under this Prospectus will be issued as soon as practicable after the Closing Date. Application Monies will be held in a trust account until Shares are issued. Interest on Application Monies will be for the benefit of the Company and will be retained by the Company irrespective of whether Shares are issued.

No allotment of Shares will be made until permission has been granted by the ASX for the quotation of the Shares on terms acceptable to the Directors.

Investors should note that the Directors retain an overriding right to accept any Application under the Public Offer in full, to accept any lesser number of Shares or to decline any Application. Applicants must not assume that the Shares they apply for, or any number of Shares, will be issued to them in response to their Application. Before dealing in any Shares, Applicants must satisfy themselves as to their actual holding of Shares.

If any Application under the Public Offer is rejected, in whole or in part, the relevant Application Monies will be refunded without interest. Where the number of Shares issued is less than the number applied for by the Applicant, the surplus Application Monies will be returned by cheque within 14 days after the Closing Date. Where no Shares are issued, the Application Monies will be returned in full by cheque within 30 days of the Closing Date.

11.9 CHESS and issuer sponsored sub-register

The Company maintains an electronic CHESS sub-register and an electronic issuer sponsored sub-register.

As soon as practicable after allocation, successful Applicants will receive a Holding Statement that sets out the number of Shares that have been allocated to them pursuant to this Prospectus. The Holding Statement will also set out the relevant successful Applicant's unique holder identifier number –in the case of a holding on the CHESS sub-register, or shareholder reference number in the case of a holding on the issuer sponsored sub-register.

Shareholders will be provided with periodic Holding Statements showing any changes to their holdings of Shares. Shareholders may request a Holding Statement at any time (although an administration fee may be charged for these additional statements). It is the responsibility of Shareholders to determine their holding prior to trading in any Shares.

11.10 Taxation

The Australian taxation consequences of any investment in Shares will depend on an Applicant's particular circumstances. It is the obligation of potential investors to make their own enquiries concerning the taxation consequences of an investment in the Company. If you have any questions about the taxation consequences of an investment in the Company, please contact your stockbroker, accountant or independent financial advisor. See Section 12.16 for further information on the taxation implications of investing in Shares pursuant to this Prospectus.

11.11 No brokerage, commission or stamp duty

No brokerage, commission or stamp duty is payable for Shares under the Public Offer by Applicants.

11.12 Foreign selling restrictions

The distribution of this Prospectus in jurisdictions outside Australia may be restricted by law. If you come into possession of this Prospectus in a jurisdiction outside Australia, you should seek advice on, and observe any such restrictions. If you fail to comply with such restrictions, that failure may constitute a violation of applicable securities laws.

No action has been taken to register or qualify the Shares, or otherwise to permit a public offering of the Shares, in any jurisdiction outside Australia and the Offers are not an offer or invitation in any jurisdiction where, or to any person whom, such an offer or invitation would be unlawful.

11.13 Withdrawal

The Company may at any time decide to withdraw this Prospectus and the Public Offer in which case all Application Monies will be returned to the Applicants as soon as practicable. No interest will be paid on any Application Monies refunded as a result of the withdrawal of this Prospectus and the Public Offer.

11.14 Dividend policy

The Company has not paid dividends since being admitted to the ASX. The Company's dividend policy will be determined once the Onwide Acquisition has completed and the Company has had suitable time to integrate operations and consider the future prospects of the Company.

Ultimately, the payment of dividends will depend on the successful performance of the Company. In determining the optimum dividend policy and specific dividends to be paid at the relevant time, the Directors will take into account various factors affecting the Company including its internal funding needs.

No assurance as to future dividends can be given, as it is dependent on the future earnings of the Company. Other factors beyond the control of the Directors, such as market conditions, may also affect profitability and therefore the ability of the Company to pay dividends. Consequently, the Directors can give no assurance to investors concerning the future payment of dividends.

11.15 Risk Factors

Prospective investors in the Company should be aware that an investment in the Company involves a number of risks. These are set out in detail throughout this Prospectus, including Section 5. Investors are advised to consider these risk factors carefully before deciding whether to invest or maintain an investment in the Company.

11.16 ASX escrow

Vendor Shares issued to the Vendor may be classified as restricted securities by the ASX. If so classified, such Vendor Shares will be required to be held in escrow for a period to be determined by ASX and will not be able to be sold, assigned or transferred by the holder of the Shares for that period without prior approval of ASX.

11.17 General Meeting

The Onwide Acquisition and the Offers are conditional on the approval by the Shareholders of certain resolutions to be put before the Shareholders at the General Meeting.

The relevant resolutions will be put before the Shareholders pursuant to and in order to obtain all necessary approvals under the Corporations Act and the Listing Rules. Without those approvals, the Onwide Acquisition and the Offers will not be capable of being implemented.

11.18 Privacy Disclosure Statement

If you apply for Shares, you will be required to provide personal information to the Company and the Share Registry. The Company and the Share Registry will collect, hold and use your personal information in order to assess your Application, service your needs as an investor, provide the facilities and services that you request and carry out appropriate administration.

All personal information will be collected in accordance with the ‘National Privacy Principles’ as set out under the Privacy Act 1988. Company and tax law requires some of the information to be collected. If you do not provide the information requested, your Application may not be able to be processed. If the Company is obliged to do so by law, investors’ personal information will be passed on to other parties strictly in accordance with legal requirements.

By submitting an Application Form, each Applicant agrees that the Company may use the information provided by an Applicant on the Application Form for the purposes set out in this privacy disclosure statement and may disclose it for those purposes to the Share Registry, the Company’s related bodies corporate, agents, contractors and third party service providers, including mailing houses and professional advisers and to the ASX and other regulatory authorities.

Where information is disclosed to the Company’s related companies and/or to their agents and service providers, it will be on the basis that they deal with such information in accordance with the Company’s privacy policy. Once personal information is no longer needed for the Company’s records, subject to all other applicable laws, the Company will destroy or de-identify it.

Under the Privacy Act 1988, you may request access to your personal information held by (or on behalf of) the Company or the Share Registry. You can request access to your personal information by telephoning the Company on +61 3 9600 0081 or by writing to the Company via the Share Registry.

11.19 Enquiries

If you have any questions regarding the content of this Prospectus or how to complete the Acceptance Form, please contact the Company on +61 3 9600 0081 or the Sponsoring Broker on +61 3 8602 1700. Alternatively, you should contact your stockbroker, accountant or independent professional financial, legal or other professional adviser prior to accepting the Public Offer.

12 ADDITIONAL INFORMATION

12.1 Incorporation

The Company was registered in Victoria on 16 February 2000 as a public company limited by shares.

12.2 Rights attaching to Shares

The Shares will be fully paid ordinary shares in the capital of the Company and will rank equally with and have the same rights and liabilities as existing Shares in the capital of the Company.

The rights and liabilities attaching to the Company's Shares are set out in the Constitution of the Company and are affected by the Corporations Act, the Listing Rules, statute and general law. A copy of the Company's Constitution has been lodged with ASIC.

The following is a summary of key rules in the Constitution.

(a) Voting at meetings

Each Shareholder is entitled to receive notice of and to attend general meetings of the Company.

Subject to any restriction agreement entered into between the Company and a Shareholder, every Shareholder present in person or by proxy, attorney or representative at a meeting of Shareholders has one vote on a show of hands and one vote on a poll for every Share held. A poll may be demanded by the chairman of the meeting, three Shareholders entitled to vote on the resolution, or Shareholders who together hold at least 5% of the votes that may be cast on the resolution on a poll.

(b) Dividends

Where dividends are payable out of the Company profits they will be declared by the Board or the Company in a general meeting provided the Board has recommended a dividend and the dividend is not a greater amount than that recommended. Dividends declared will (subject to any special rights or restrictions attaching to a class of Shares created under any arrangement as to dividend) be payable on the Company's Shares in accordance with the Corporations Act.

(c) Transfer of the Shares

A Shareholder may transfer Shares by instrument in writing or any other form approved by the ASTC Settlement Rules or the Board. The Board may refuse to register a transfer of Shares where the refusal to register the transfer is permitted under the Constitution.

(d) Issue of Shares

The Board may (subject to the restrictions on the issue of Shares imposed by the Constitution or the Corporations Act) issue, grant options in respect of, or otherwise dispose of further Shares as they see fit.

(e) Winding up

Subject to any special or preferential rights attaching to any class or classes of Shares, on a winding up of the Company a liquidator may divide among the Shareholders in kind the whole or any part of the property of the Company in proportions to the Shares held by them respectively. The liquidator may vest the whole or any part of the assets in trust for the benefit of Shareholders as the liquidator thinks fit, but so that no Shareholder is compelled to accept any Shares or other securities in respect of which there is liability.

(f) Directors

The minimum number of Directors is three unless the Company in general meeting determines otherwise (provided the number does not fall below three). A Director is not required to hold any Shares in the Company.

(g) Directors' indemnity

To the extent permitted by law and without limiting the powers of the Company, it may indemnify each person who is or has been a Director or officer of the Company out of the property of the Company for every liability incurred by the person in that capacity.

12.3 Deeds of Access and Indemnity

The Company has executed deeds of access and indemnity in favour of each Director. The indemnity is subject to the restrictions prescribed in the Corporations Act. The deeds also give each Director a right of access to Board papers, and permit the Company to maintain insurance cover for the Directors. Such insurance is in place.

12.4 Material Agreements

The Directors consider that certain agreements are material to the Company or are of such a nature that an investor may wish to have particulars of them when making an assessment as to whether to participate in the Public Offer ("Material Agreements").

The provisions of the Material Agreements are summarised below. This Section contains only a summary of the provisions of each Material Agreement. To understand fully all rights and obligation arising under or pertaining to the Material Agreements, it would be necessary to read them in full.

Sponsoring Broker Agreement

On 10 January 2013, the Company and the Sponsoring Broker entered into a binding mandate agreement ("Sponsoring Broker Agreement"). The Sponsoring Broker agreed to act as lead manager and sponsoring broker for the Public Offer, to approach potential investors and solicit offers to subscribe for Shares under the Public Offer and to assist the Company with investor road shows and presentations. The Sponsoring Broker agreed to :

1. act as lead manager and sponsoring broker for the Public Offer;
2. to approach potential investors and solicit offers to subscribe for Shares under the Public Offer;
3. to assist the Company with investor road shows and presentations.

The Company agreed to pay the Sponsoring Broker

1. an amount equal to 5% (excluding GST) of total funds raised excluding those funds invested by investors introduced by the Company ("TFRB") at the date of relisting;
2. a sponsoring broker fee of $75,000 (excluding GST) upon successful relisting;
3. pay the success fee of $25,000 (excluding GST) if the Sponsoring Broker introduces a minimum of 100 shareholders to the Company;
4. issue to the Sponsoring Broker shares to the value of 1.5% of the TFRB, upon the successful relisting of the Company, if the TFRB is less than $2,000,000;
5. issue to the Sponsoring Broker shares to the value of 3% of the TFRB, upon the successful relisting of the Company, if the TFRB is $2,000,000 or more;
6. pay the Sponsoring Broker a monthly retainer of $10,000 (excluding GST);
7. pay the Sponsoring Broker a management fee of 0.625% in cash (excluding GST) and 0.625% in shares (excluding GST) of the total funds raised upon relisting.

The Sponsoring Broker Agreement contains standard indemnities and warranties given by the Company for an agreement of this nature.

Share Sale Agreement

On 18 December 2012, the Company and the Vendor entered into the Share Sale Agreement. Under which the Company agreed to acquire all of the shares on issue in Onwide Limited (which are legally and beneficially held by the Vendor) from the Vendor. The purchase price for the shares in Onwide Limited, is the issue of 106,168,117 Shares in the Company (being the Vendor Shares) under the Prospectus to the Vendor.
The Vendor Shares are to be issued on the later of:

1. the date on which the allotment and issue of the Vendor Shares pursuant to the Prospectus occurs;
2. the second business day (or such other date agreed by the parties) after the date on which all the relevant conditions under the Share Sale Agreement are fulfilled or waived, or such other date agreed by the parties in writing.

The Share Sale Agreement is subject to a number of conditions (and each party must use all reasonable efforts within its own capacity to ensure that each condition is fulfilled before 5.00pm on 31 March 2014), including but not limited to:

1. the Company obtaining all necessary consents and approvals required to complete the transactions contemplated by the Share Sale Agreement (including but not limited to the Onwide Acquisition, the issue of the Vendor Shares and the carrying on of the relevant business after the Onwide Acquisition). The consents and approvals include, but are not limited to, all necessary shareholder and regulatory approvals;
2. ASX issuing or providing all necessary consents or approvals for the re-instatement of the Shares to quotation on the Official List;
3. completion of the Consolidation; and
4. the Purchaser receiving subscriptions under the Prospectus of not less than $5 million, and from such number of subscribers as required satisfying the minimum spread requirements of the ASX for the re-instatement of the Shares to quotation on the Official List.

The Share Sale Agreement contains customary representations, warranties and indemnities for an agreement of this nature. The Company may immediately terminate the Share Sale Agreement if the Vendor defaults in the performance of any of its obligations under the agreement.

The governing laws of the Share Sale Agreement are that of PRC.

Langfang Joint Venture Agreement

On 1 March 2012, Onwide Limited and Weihai Shengze entered into the Langfang Joint Venture Agreement. Langfang Limited was incorporated in the PRC on 17 July 2012 with a registered capital of USD7.84 million (or $8.57 million).

Under the Langfang Joint Venture Agreement, Onwide Limited owns 49% of the equity interest in Langfang Limited, a joint venture in the PRC to engage in real estate businesses in the PRC. Onwide Limited may terminate the Langfang Joint Venture Agreement if Weihai Shengze or Langfang Limited breach the terms of the agreement, cannot perform any of their obligations under the agreement, or become bankrupt/insolvent. The Langfang Joint Venture Agreement contains the same termination rights for Weihai Shengze and Langfang Limited.

Langfang Contract

On 31 August 2012, the Company and the Weihai Shengze entered into the Langfang Contract. As enforceable under PRC Laws, Weihai Shengze agreed to transfer 50% of the shares on issue in Langfang Limited to Onwide Limited for a consideration of RMB25,000,000 (or $4,417,250) which is has been agreed to be repaid by the disposal of Weihai Limited, for details, please refer to the Weihai Disposal Agreement in this section .

Onwide Limited will own 99% of Langfang Limited (with the remaining 1% owned by Weihai Shengze) and will be entitled to the share of 99% of the profit generated from the sales of property in the Langfang project. Any transfer of equity interest in Langfang Limited by Onwide Limited would need to comply with, the Chinese-Foreign Equity Joint Venture Enterprise law, and other applicable rules and regulations in the PRC in respect of transfer of equity interest in a Chinese-foreign equity joint venture company.

On 1 August 2013, Onwide has instructed Weihai Shengze to execute the transfer of shares and both signed the share transfer agreement attached to the Langfang Contract. On 2 August 2013, Onwide has agreed to transfer the Weihai Limited to Great Profits for RMB25,000,000(or $4,417,250) and HKD10,926,000, or $1,540,020 (Great Profits has fully repaid such considerations by agreeing with Weihai Shengze to cancel Onwide's whole liability of RMB25,000,000(or $4,417,250) arising from the Langfang Contract and cancel Onwide's whole responsibility to repay the loan of HKD10,926,000 (or $1,540,020) owed to Great Profits and drawn down by Onwide in 2012). Thus, the consideration of RMB25,000,000(or $4,417,250) in the Langfang Contract is considered to be fully repaid when the liability offsetting was completed on 25 August 2013 and the procedures for transfer of shares have been started. No additional consideration is payable as of the date of the Prospectus regarding the Langfang Contract, Weihai Contract and Weihai Disposal Agreement.

The Directors do not expect completion of the administrative procedures of the share transfer process of Langfang Limited under the Langfang Contract to occur before 31 March 2014 although the controlling power and the related rights and benefits of the shares have already been transferred in accordance with the Langfang Contract.

Under the Langfang Contract, Weihai Shengze can only unwind the transfer of shares only with the written consent from Onwide Limited.

For the details of the proceeds of executing the transfer of shares, the legal enforceability of the transfer of the economic benefits and the recourse to Onwide, please refer to Property Project under Section 4.2(d). In case the approvals cannot be obtained, Onwide can still exercise the rights and benefits stated in the Langfang Contract but Onwide in the same time will continue to be exposed to the risks related to the breach of contract by the counterparty. For more details related to the risk disclosures about the breach of contract, please refer to Section 5.2.

The governing laws are that of PRC.

Weihai Disposal Agreement

On 2 August 2013, the Company and the Weihai Shengze entered into the Weihai Disposal Contract. As enforceable under PRC Laws, Onwide has agreed to transfer the Weihai Limited to Weihai Shengze.

Onwide has agreed to transfer the Weihai Limited to Weihai Shengze for RMB25,000,000 (or $4,417,250) and HKD10,926,000 (or $1,540,020) (Great Profits has agreed to fully repay such considerations by agreeing with Weihai Shengze to cancel Onwide's whole liability of RMB25,000,000 (or $4,417,250) arising from the Langfang Contract and cancel Onwide's whole responsibility to repay the loan of HKD10,926,000 (or $1,540,020) owed to Great Profits and drawn down by Onwide in 2012).

The consideration of RMB25,000,000 (or $4,417,250) in the Langfang Contract is considered to be fully repaid and the procedures for transfer of shares have been started. Onwide management has completed all the procedures and obtained all the necessary approvals for the disposal. Thus no additional consideration is payable as of the date of the Prospectus regarding the Langfang Contract, Weihai Contract and Weihai Disposal Agreement.

The governing laws are that of PRC.

Education Agreements

Due to legal restrictions imposed on foreign entities engaged in the business of education in the form other than sino-foreign entity, the Onwide Group is unable to directly own a 100% interest in Dongfang Limited's issued share capital. Pei Ruiping and Xing Yanbo (collectively, the Education Partners), who are PRC residents, own 1% and 99% (respectively) of Dongfang Limited's issued share capital. To plan ahead for the 100% control of the education business in the future via Wholly Foreign Owned Entity and to save tax in restructuring in the future, a series of Education Agreements have been arranged, so that the Onwide Limited is able to control the Education Project via Langfang Limited through the agreements as enforceable under and not contravening PRC Laws.

The Education Agreements entered into between Langfang Limited and the Education Partners are intended to allow the Onwide Group to obtain the economic benefit including the entitlement to the profits derived from related transactions and voting power in the usage of the assets in the company derived from Education Project. Pursuant to the Education Agreements (which comprise the Proxy Agreement, the Dongfang Option and the Equity Interest Pledge Agreement), Langfang Limited has a 100% interest in the Education Project through the Education Partners granting to Langfang Limited shareholder voting rights and the right to appoint directors and other management of Dongfang Limited. The Education Partners have also granted Langfang Limited an option to acquire 100% of the shares in Dongfang Limited and pledged 100% of the shares in Dongfang Limited to Langfang Limited. Pursuant to the pledge, the Education Partners are restricted from selling or transferring their shares in Dongfang Limited to third parties.

On 1 July 2013, Langfang Limited and Education Partners entered into the Proxy Agreement, Dongfang Option and Equity Interest Pledge Agreement.

Proxy Agreement

The Education Partners have executed an irrevocable power of attorney, appointing Langfang Limited’s designated representative as their attorney-in-fact to exercise their shareholder rights in Dongfang Limited, including (without limitation) the power to appoint directors and other management of Dongfang Limited, and vote on their behalf on all matters requiring shareholder approval under PRC laws and the articles of association of Dongfang Limited. Each power of attorney will remain in force for as long as the Education Partners remain a shareholder of Dongfang Limited.

The attorney-in-fact may exercise the shareholder rights in its own discretion, without prior consent or advice from the Education Partners. The proxy agreement will remain in full force and effect until Dongfang Limited or the Education Partners breach their contractual obligations or all of the equity interests in Dongfang Limited have been acquired by Langfang Limited according to the Dongfang Option.

Each of the Education Agreements is in compliance with all applicable requirements under PRC Laws for the lawful formation and effectiveness. The execution, delivery and effectiveness of the Education Agreements do not require any approvals from or filings with PRC Authorities, except the Equity Interest Pledge Agreement which has been properly filed with the relevant Administration for Industry and Commerce. The governing laws are that of PRC.

Dongfang Option

Pursuant to an option agreement entered into between Langfang Limited and the Education Partners on 1 July 2013 (the Dongfang Option), the Education Partners have irrevocably granted Langfang Limited or its designated representative(s) an option to purchase, to the extent permitted under PRC law, all or part of their equity interests in Dongfang Limited. The exercise price shall be calculated on the basis of Dongfang Limited’s registered capital at the time of exercising. Subject to then applicable PRC law and the Dongfang Option, Langfang Limited (or its designated representative(s)) has sole discretion to decide the time and method of exercising the option, and it can exercise such option by itself or designate any third party to exercise it, in whole or in part. Without Langfang Limited’s written consent, the Education Partners may not transfer, pledge, or otherwise dispose of their equity interests in Dongfang Limited in any way, terminate any material agreement to which Dongfang Limited is party, appoint or remove any of Dongfang Limited’s directors, supervisors or management members, cause or endorse the declaration or actual distribution of any profit, bonus, dividends or interests of Dongfang Limited. The Dongfang Option will remain in full force and effect until all of the equity interests in Dongfang Limited have been acquired by Langfang Limited or its designated representative(s).

The Option Agreement is a valid and legally binding agreement under PRC Laws, enforceable in accordance with its terms. PRC Laws currently in force impose restrictions on foreign investment in education businesses. It is provided in the Option Agreement that Langfang Limited or its designated representatives may exercise the option to purchase the equity interest in Dongfang Limited if and only if it is permitted under PRC law. Such arrangements under the Option Agreement and the existence of such option do not contravene any applicable PRC Laws currently in force (including those relating to foreign investment in education businesses).

Equity Interest Pledge Agreement

The Education Partners have pledged all of their equity interests in Dongfang Limited to Langfang Limited to guarantee Dongfang Limited’s and the Education Partners’ performance of their obligations under, where applicable, the Proxy Agreement and the Dongfang Option. If any of Dongfang Limited or the Education Partners breach their contractual obligations under these agreements, Langfang Limited (as pledgee) will be entitled to certain rights, including the right to sell or auction the pledged equity interests. Without Langfang Limited’s prior written consent, due to the pledge of Dongfang Limited to Langfang Limited as enforceable under PRC Laws, the Education Partners may not transfer, accept, incur or allow any encumbrance on the pledged equity interests or obtain dividends from Dongfang Limited.

The Equity Interest Pledge Agreement is a valid and legally binding agreement under PRC Laws, enforceable in accordance with its terms. The pledge under the Equity Interest Pledge Agreement has been registered with the relevant Administration for Industry and Commerce and has taken legal effect. The existence of such pledge does not contravene any applicable PRC Laws. The restrictions imposed by the Equity Interest Pledge Agreement on the Education Partners’ transfer of their equity interest in Donfang Limited constitute valid, legally binding obligations, enforceable in accordance with the terms, and do not contravene any provision of PRC Laws (including those relating to foreign investment in education businesses).

Construction Related Agreements

Main Construction Contractor Agreement

On 11 March 2013, Langfang Limited entered into main contractor agreements with Jiangsu Hong Jian Group Co., Ltd and Hebei Metallurgical Construction Group Co., Ltd for the construction project of phase 1 of the residential area and the ancillary facilities of the Property Project. Jiangsu Hong Jian and Heibei Metallurgical Construction are responsible for the construction of gross floor area of 46,382m^2 and 41,643m^2 respectively. The estimated cost is around RMB1,400/m^2 (or \$247/m^2) and it is subject to further adjustment by the fluctuation of the price of the materials. Each main contractor shall provide a quality guarantee deposit of RMB1 million (or $176,690). The deposit is refundable upon completion of various safety and quality inspection.

Construction planning contract

On 15 March 2013, Langfang Limited entered into a construction planning contract for Phase 2 and 3 of Property Project with Beijing Zhong Cheng Ting Architectural Design Co., Ltd., with the contract amount of RMB4 million (or $706,760). The Company has the right to terminate the contractor's work, but has to pay for the work done by the contractor. The Company has the right to claim the loss from the contractor if their work fail to meet the authorities' requirement and predetermined timetable, the maximum amount will be limited to 40% of the contract amount.

Heating network contract

On 13 May 2013, Langfang Limited has entered into a heating network contract with Evergreen Heating Ltd. Langfang City with the estimated contract amount of RMB25.2 million(or $4,452,588), subject to the actual area measured by the Housing Administration Bureau after the construction of buildings is finished. Contract payments are by installments according to area delivered and completion date. RMB3 million (or $530,070) will be withheld as a deposit, which will be used as payment for the contract upon passing of quality inspection.

Elevator Purchase Contract

On 3 June 2013, Langfang Limited entered into an elevator purchase contract with Di Sen Elevator Limited, with the contract amount of RMB 5,972,936 (or $1,055,358). 5% of the contract amount will be paid within 7 days after the signing of the contract, another 15% within 14 days after the contract date, 60% within 20 days after delivery of the elevators, 17% within 7 days after the acceptance of installment and permit from local quality supervision authority, the remaining 3% within 3 days after the contractor provide a bank guarantee equal to 5% of the contract to the Company after 12 months upon satisfactory completion of installment, such guarantee will expire in the next 12 months.

Design and Planning Contract

On 9 May 2012, Dongfang Limited engaged Shanghai Yong Chen Planning and Architectural Design Co., Ltd. for the design of Property Project with the contract amount of RMB2.82 million (or $498,265). Contract payments are due on different stages of the design progress and upon the acceptance of design quality. The payment schedule is: 10% will be paid as deposit within 3 days after signing the contract, 20% after the conceptual plan, 20% after the detailed plan, 20% after the approval of plan by the government 20% after delivery of the plan to the construction contractor, 10% after the review and approval of the construction plan. The Company has the right to terminate the contractor's work, but has to pay for the work done by the contractor.

Showroom Decoration Contract

On 18 September 2012, Langfang Limited has entered into a showroom decoration contract with Shijiazhuang Bo Hong Decoration Engineering Co., Ltd. Beijing Branch, with the contract amount of RMB3.4 million (or $600,746). 20% of the contract amount should be paid within 7 days after construction started; 25% after wires and pipes are set and decoration of main structure is completed; 30% after carpentry and plastering; another 20%, leading to 95% accumulated, after construction completed, the 5% left will be quality guarantee deposit and paid 2 years after completion.

The Construction Related Agreements contains standard business terms for an agreement of similar natures.

12.5 Interest of Directors

Except as disclosed in this Prospectus, no Director or proposed Director has, or has had within two years before lodgement of this Prospectus, any interest in:

(a) the promotion or formation of the Company;
(b) property acquired or proposed to be acquired by the Company in connection with its promotion or formation or the Offers under this Prospectus; or
(c) the Offers under this Prospectus. Except as set out in this Prospectus, no amounts have been paid or agreed to be paid and no benefits have been given or agreed to be given to any Director or proposed Director:
(d) to induce him or her to become, or to qualify him or her as, a Director of the Company; or
(e) for services rendered by him or her in connection with the formation or promotion of the Company of the Offers under this Prospectus.

12.6 Holdings of Directors

At the date of this Prospectus, none of the current Directors and the Chairman Designate (including companies and trusts associated with the Directors) hold any relevant interests in the Shares of the Company.

Nothing in this Prospectus will be taken to preclude Directors, officers, employees or advisers of the Company from applying for Shares on the same terms and conditions as offered pursuant to this Prospectus.
A proportion of these securities will be subject to ASX escrow.

12.7 Remuneration of Directors

Directors are entitled to receive directors' fees and other remuneration (which may include consulting fees) from the Company in relation to services provided to the Company.

The Constitution provides that the Directors' remuneration must not exceed the maximum aggregate sum determined by the Company in general meeting. This maximum sum cannot be increased without Shareholders' approval by ordinary resolution at a general meeting.

(a) Payment of expenses

In addition to remuneration, Directors are entitled to receive reimbursement for travelling and other expenses that they properly incur in attending Directors' meetings, attending any general meetings of the Company or in connection with the Company's business.

(c) Payment for extra services

Any Director called upon to perform extra services or undertake any executive or other work for the Company beyond his or her general duties, may be remunerated either by a fixed sum or a salary as determined by the Directors. This may be in addition to or in substitution for the Director's share in the usual remuneration provided.

(d) Financial benefit

A Director must ensure that the requirements of the Corporations Act are complied with in relation to any financial benefit given by the Company to the Director or to any other related party of the Director. The Company must not make loans to Directors or provide guarantees or security for obligations undertaken by Directors except as may be permitted by the Corporations Act.

The following table sets out the total amounts paid or payable (excluding GST) to current Directors as fees and executive service remuneration in the two year period prior to lodgement of this Prospectus.

Director	Amount
Li Shihao	$Nil
Kee Guan Saw	$15,000
Gavin Boyd	$15,000

Upon admission to the Official List, the non-executive Directors will be paid remuneration annually as follows:

Director	Amount
Xing Hongtao (Chairman Designate)	$Nil
Li Shihao	$Nil
Kee Guan Saw	$24,000
Gavin Boyd	$24,000

12.8 Interests of professionals, experts, advisers and promoters

Other than as set out below or elsewhere in this Prospectus:

(a) no person named in the Prospectus as performing a function in a professional, advisory or other capacity in connection with the preparation or distribution of this Prospectus or as a promoter of the Company has, or during the last two years before the date of this Prospectus has had, any interest in:

(i) in the formation or promotion of the Company;

(ii) property acquired or proposed to be acquired by the Company in connection with its formation or promotion or the Offers; or

(iii) the Offers; and

(b) no amount, whether in cash or shares or otherwise, has been paid or agreed to be paid and no value or benefit has been given or agreed to be given to any person named in the Prospectus as performing a function in a professional, advisory or other capacity in connection with the preparation or distribution of this Prospectus for services provided in connection with the formation or promotion of the Company or the Offers.

Minter Ellison has acted for the Company as its Australian legal adviser in respect of the Public Offer. The Company has paid or agreed to pay Minter Ellison estimated fees of approximately $85,000 in respect of services performed in relation to the Public Offer and the Prospectus. Further amounts may be paid to Minter Ellison for other legal services provided in relation to the Onwide Acquisition in accordance with its usual time based charge out rates.

Jun He Law Offices has acted for the Company as its PRC legal adviser in respect of the Onwide Acquisition, including legal due diligence in relation to the Onwide Group's PRC Companies and the Material Agreements signed and executed by Onwide PRC Companies. The Company has paid or agreed to pay Jun He Law Offices estimated fees of approximately $26,000 in respect of these services. Further amounts may be paid to Jun He Law Offices for other legal services provided in relation to the Onwide Acquisition in accordance with its usual time based charge out rates.

RSM Bird Cameron Corporate Pty Ltd has been engaged by the Company to provide the Investigating Accountant's report in Section 9. The Company has paid and agreed to pay RSM Bird Cameron Corporate Pty Ltd estimated fees of a total of approximately $20,000 in respect of services performed in relation to the Prospectus.

RSM Bird Cameron Partners has been engaged by the Company as its auditor. The Company will pay RSM Bird Cameron Partners in accordance with standard commercial terms.

Computershare Investor Services Pty Limited ("Computershare") has been engaged by the Company to maintain its share register, both in relation to the Public Offer and generally. The Company will pay Computershare fees in accordance with Computershare's standard commercial terms.

Novus Capital Limited has been appointed as the Sponsoring Broker for the Public Offer in relation to this Prospectus. The Sponsoring Broker will be paid management and advisory fees for its services.

Jones Lang LaSalle Corporate Appraisal and Advisory Limited has been appointed as the independent valuer in relation to the Public Offer in relation to this Prospectus. Jones Lang LaSalle Corporate Appraisal and Advisory Limited will be paid approximately $63,000 for its services.

12.9 Consents to be named and the inclusion of information

Each of the parties referred to in this Section:

(a) has not authorised or caused the issue of this Prospectus;

(b) does not make, or purport to make, any statement in this Prospectus, nor is any statement in this Prospectus based on any statement by any of those parties, other than as specified in this Section; and

(c) to the maximum extent permitted by law, expressly disclaims and takes no responsibility for any part of this Prospectus other than a reference to its name and a statement included in this Prospectus with the consent of that party as specified in this Section.

Onwide Limited and its sole shareholder, Innotech Group Limited have given and, at the time of lodgement of this Prospectus, have not withdrawn their respective consents to the inclusion of all information and statements contained within the Prospectus relating to Onwide Limited, Langfang Limited, Dongfang Limited, Zehui Limited and the Key Employees, including but not limited to all information concerning financial performance, business operations, corporate status and legal compliance.

Minter Ellison has given and, at the time of lodgement of this Prospectus, has not withdrawn its consent to be named in the Prospectus as the Australian Legal Advisers in respect of the Public Offer, in the form and context in which it is named.

Jun He Law Offices has given and, at the time of lodgement of this Prospectus, has not withdrawn its consent to be named in the Prospectus as the PRC legal advisers to the Company, in the form and context in which it is named.

RSM Bird Cameron Corporate Pty Ltd has given and, at the time of lodgement of this Prospectus, has not withdrawn its consent to be named in the Prospectus as the Investigating Accountant to the Company in relation to the Offers, in the form and context in which it is named.

RSM Bird Cameron Partners has given and, at the time of lodgement of this Prospectus, has not withdrawn its consent to be named in the Prospectus as the auditor of the Company and to the inclusion of the references in this Prospectus to the reviewed financial statements of the Company.

Computershare Investor Services Pty Limited has given and, at the date of this Prospectus, has not withdrawn its consent to be named in this Prospectus as the Share Registry of the Company in the form and context in which it is named.

Novus Capital Limited has given and, at the date of this Prospectus, has not withdrawn its consent to be named in this Prospectus as the Sponsoring Broker of the Public Offer.

Jones Lang LaSalle Corporate Appraisal and Advisory Limited has given and, at the date of this Prospectus, has not withdrawn its consent to be named as the valuer for Property Project and Education Project of the Company.

12.10 Costs of the Issue

The total estimated expenses of the Public Offer payable by the Company, including share placement commissions and fees, accounting fees, legal fees, lodgement fees, listing fees, fees for other advisers, prospectus design, printing, advertising and other miscellaneous expenses (including taxes and other government charges), will be approximately $1,059,750 to $1,228,500, as further described in the table below.

Description	Minimum subscription	Fully subscribed
Australian corporate advisory fees	$86,500	$86,500
Sponsoring Broker fees*	$381,250	$550,000
Australian legal fees	$174,000	$174,000
PRC legal fees	$72,000	$72,000
Valuation fee	$63,000	$63,000
Investigating Accountant's Report	$33,000	$33,000
Independent Expert Report	$50,000	$50,000
Other – including registry fees, listing fees, printing and travel expenses	$200,000	$200,000
TOTAL	$1,059,750	$1,228,500

Note: It is based on the assumption that all of the funds raised are introduced by Novus Capital Limited directly or indirectly and more than 100 investors are introduced by Novus Capital Limited. In addition to the fees noted in this Section 12.4, in accordance with the terms of the Sponsoring Broker Agreement and based on the above assumptions, the Company will issue and allot between 906,250 and 1,450,000 Shares to the Sponsoring Broker or its nominees upon a successful re-admission of the Company to the Official List.

These Shares are expected to be subject to ASX imposed escrow for a period of approximately 24 months. Further information regarding the Lead Manager Agreement is contained in Section 12.4.

12.11 ASX admission and quotation

The Company will apply to the ASX for admission to the Official List and quotation of the Shares on the ASX within 7 days of the date of this Prospectus.

12.12 Escrow

The following persons have agreed to enter into escrow deeds with the Company (subject to any ASX imposed escrow) whereby they will agree not to dispose of their securities for the period set out in the table below:

Holder	Escrowed Securities	Escrowed Period
Sponsoring Broker	1,450,000 Shares	Expiry 24 months from date of re-quotation
Vendor	106,168,117 shares	Expiry 24 months from date of re-quotation

Note: It is based on the assumption that Novus Capital Limited has introduced $8 Million to the Company.

12.13 Documents available for inspection

Copies of the following documents are available for inspection free of charge during normal office hours at the registered office to the Company at Level 9, 169 Queen Street, Melbourne, Victoria 3000 for a period of not less than 12 months from the date of this Prospectus:

(a) Directors' consents for the lodgement of this Prospectus;
(b) the Constitution; and
(c) the consents referred to in Section 12.9.

12.14 Directors' statement

The Directors' report that, in their opinion, after having made relevant inquiries:

(a) except as disclosed in this Prospectus, they are not aware of any circumstances that have materially affected or will materially affect the assets and liabilities, the financial position, the profits and losses, or the prospects of the Company on completion of the Offers; and
(b) they have reasonable grounds to, and do, believe that this Prospectus contains no statements that are false or misleading and that there are no material omissions from this Prospectus.

12.15 Authorisation

This Prospectus is issued by Iatia Limited. Each Director has consented to the lodgement of this Prospectus with ASIC and has not withdrawn his consent as at the date of this Prospectus.

12.16 Taxation

All investors should consult their tax advisers about the Australian (and / or in their specific jurisdiction for international investors), taxation implications of investing in the Company relevant to their own particular circumstances.

Australia has a variety of taxation rules which may apply to the profit or loss upon the disposal of assets such as shares in an Australian company. The applicable Australian taxation rules will depend both on the type of entity investing in the shares and on whether the particular investor holds their shares on capital account (i.e. – generally speaking as a long term investment) or on revenue account (i.e. – generally speaking for an investor who is in the business of share trading, or who has a profit making intention in respect of the Shares).

International investors may also need to apply both the applicable Australian taxation rules and the taxation rules in their home jurisdiction on a future disposal of the Shares in the Company.

Australia also has specific taxation rules with respect to possible taxation credits (known as 'franking credits') which may attach to dividends declared by the Company. These rules also vary depending on a range of factors, including whether the investor is a resident of Australia or not. Such dividends and taxation credits may also have taxation implications in the home jurisdiction of international investors.

Due to the variety of applicable rules in Australia (and in another jurisdiction for international investors), we reiterate that all investors should seek specific taxation advise in investing into the Company relevant to their own unique circumstances.

GLOSSARY

In this Prospectus the following terms and abbreviations have the following meanings unless the context requires otherwise.

$, A$ or AUD means Australian dollars, the official currency of the Commonwealth of Australia.

Agreements mean the Langfang Joint Venture Agreement, the Langfang Contract and the Education Agreements.

Applicant means a person who lodges an Application Form pursuant to this Prospectus and, for the avoidance of doubt, includes the Vendor.

Application means a valid application made to subscribe for a specified number of Shares in accordance with the Public Offer or the Vendor Offer.

Application Form means the application form enclosed with and forming part of this Prospectus.

Application Monies means the amount accompanying an Application Form submitted by an Applicant under the Public Offer.

ASIC means the Australian Securities and Investments Commission.

ASTC Settlement Rules means the operating rules of the ASX Settlement and Transfer Corporation Pty Ltd ACN 008 624 691.

ASX means ASX Limited ABN 98 008 624 691 or the share exchange operated by it.

Board means the Board of Directors of the Company.

CHESS means the Clearing House Electronic Sub-register System.

China or PRC means the People's Republic of China.

Closing Date means 5.00pm on 14 February 2014 (subject to the right of the Directors to close the Public Offer earlier or to extend this date without notice).

Company or **Iatia** means Iatia Limited ACN 091 608 025.

Completion means completion of the Onwide Acquisition under the terms of the Share Sale Agreement.

Consolidation means the 100:1 consolidation of the share capital of the Company to be undertaken by the Company before Completion.

Constitution means the constitution of the Company.

Corporations Act means the Corporations Act 2001 (Cth).

Chairman Designate means Mr Xing Hongtao, a proposed director and chairman of the Company (subject to the completion of the Public Offer and the Onwide Acquisition and Iatia shareholder approval at the General Meeting).

Development Qualification Provisions means the legislation governing qualification requirements for developers in China described in Section 4.4.

Director means a director of the Company as at the date of the Prospectus.

Dongfang Limited means Beijing Shengze Dongfang Education Investment Management Co Limited, a company incorporated in the PRC on 22 February 2012 that owns all of the share capital in Zehui Limited.

Dongfang Option means the Dongfang option entered into between the Education Partners and Langfang Limited on 1 July 2013, as further described in Section 12.4.

Education Agreements means the Proxy Agreement, the Dongfang Option and the Equity Interest Pledge Agreement entered into between Langfang Limited and the Education Partners on 1 July 2013, which are intended to allow the Onwide Group to obtain the economic benefit derived from Education Project.

Education Law means the law governing the education system in the PRC described in Section 8.2(c).

Education Partners means Pei Ruiping and Xing Yanbo, PRC residents who own 1% and 99% (respectively) of Dongfang Limited's issued share capital.

Education Project means the private school that is intended to be established by Dongfang Limited through its wholly owned subsidiary, Zehui Limited, as described in Section 4.2(e).

Equity Interest Pledge Agreement means the equity interest pledge agreement entered into between the Education Partners and Langfang Limited on 1 July 2013, as further described in Section 12.4.

Existing Shareholders means the holders of Existing Shares.

Existing Shares means the 11,855,187 Shares on issue at the date of this Prospectus.

GDP means gross domestic product.

General Meeting means the general meeting of Shareholders (to be convened in accordance with the Notice of Meeting) and to be held on 29 January 2014 (or any adjournment of that meeting) for the purpose of approving the Onwide Acquisition, the Offers, the Consolidation, the change of name of the Company and other ancillary resolutions.

HKD means Hong Kong dollars, the official currency of Hong Kong.

Holding Statements means holding statements for Shares under CHESS.

Iatia Group means the Company and entities controlled by the Company or otherwise has a significant interest in including, following Completion of the Onwide Acquisition, the Onwide Group.

Investigating Accountant means RSM Bird Cameron Corporate Pty Ltd ABN 82 050 508 024.

Investigating Accountant's Report means the report described in Section 9.

Innotech Group Limited means Innotech Group Limited, a company incorporated in Vanuatu and the current holding company of Onwide Limited.

Key Employees means Mr Xing Hongtao, the Chairman Designate of the Company, and the senior managers detailed in Section 10.3.

Langfang Contract means the share transfer agreement between Onwide Limited and Weihai Shengze described in Section 4.2(d), which is intended to allow the Onwide Group to obtain the economic benefit derived from Property Project.

Langfang Joint Venture Agreement means the joint venture agreement entered into between Onwide Limited and Weihai Shengze on or around 1 March 2012, described in Section 4.2(d).

Langfang Limited means Langfang Fruit Range Property Development Co Ltd, a company incorporated in the PRC on 17 July 2012 that owns the Property Project.

Property Project means the real estate business conducted by Langfang Limited as described in Section 4.2(d).

Langfang School means the school to be constructed within the Langfang real estate development in accordance with the Education Project.

Law on Nine-Year Compulsory Education means the law which took effect on 1 July 1986, which established requirements and deadlines for attaining universal education in the PRC.

Listing Rules means the official listing rules of the ASX.

Material Agreements means the agreements listed in Section 12.4.

Notice of Meeting means the notice of meeting dated 29 January 2014 (and the accompanying explanatory statement) which sets out the resolutions to be put before the Shareholders at the General Meeting.

Offers mean the Public Offer and the Vendor Offer.

Official List means the official list of companies that the ASX has admitted and not removed from listing.

Onwide Acquisition means the Company's proposed acquisition of Onwide Limited pursuant to the Share Sale Agreement.

Onwide Group means Onwide Limited and the Onwide PRC Companies.

Onwide Limited means Onwide (H.K.) Investment Group Limited, a company incorporated in Hong Kong.

Onwide PRC Companies means Langfang Limited, Dongfang Limited and Zehui Limited.

Opening Date means 9.00am on 2 January 2014 (subject to the right of the Directors to amend the opening date and time of the Public Offer without notice).

Property Project means the Langfang Project

Property Partner means Weihai Shengze.

Prospectus means this prospectus dated 10 December 2013 (and any replacement prospectus) as varied or modified by any supplementary prospectus.

Proxy Agreement means the proxy agreement entered into between the Education Partners and Langfang Limited on 1 July 2013, as further described in Section 12.4.

Public Offer means the offer to the public of up to 40,000,000 Shares to be issued by the Company pursuant to this Prospectus, as described in Section 2.1.

RMB means Renminbi, the official currency of the PRC.

Share Sale Agreement means the agreement of that name entered into by the Company and the Vendor dated 18 December 2012 in relation to the Onwide Acquisition and summarised in Section 4.2(c).

Shares means fully paid ordinary shares in the capital of the Company.

Share Registry means Computershare Investor Services Pty Limited.

Shareholder means a holder of a Share.

Sponsoring Broker means Novus Capital Limited ACN 006711995.

Sponsoring Broker Agreement means the binding management agreement between the Company and the Sponsoring Broker dated 10 January 2013, as further described in Section 12.4.

Sponsoring Broker Shares means the 156,250 or 1,450,000 Shares to be issued to the Sponsoring Broker, subject to the terms and conditions of the Sponsoring Broker Agreement.

USD means US dollars, the official currency of the United States of America.

Vendor Offer means the offer of Shares to the Vendor pursuant to the Onwide Acquisition described Section 4.2(c).

Vendor means Innotech Group Limited.

Vendor Shares means 106,168,117 Shares that will be issued to the Vendor upon Completion of the Onwide Acquisition.

Weihai Contract means the share transfer agreement between Onwide Limited and Weihai Shengze, which is intended to allow the Onwide Group to obtain the economic benefit derived from Weihai Project.

Weihai Shengze means Weihai Shengze Property Development Co Ltd, a company incorporated in the PRC on 18 May 2011 that is party to the Langfang Joint Venture Agreement and the Weihai Joint Venture Agreement.

Zehui Limited means Langfang City Zehui Investment Consulting Co Limited, a company incorporated in the PRC on 15 June 2012 that owns and operates the Education Project.

CORPORATE DIRECTORY

Directors	Mr Li Shihao Mr Kee Guan Saw Mr Gavin Boyd
Chairman Designate	Mr Xing Hongtao
Company Secretary	Mr Kee Guan Saw

Registered office

KST Partners
Level 9, 167 Queen Street
Melbourne VIC 3000

Telephone: +61 3 9600 0081
Facsimile: +61 3 9642 5688

Website: www.sunzchinagroup.com

Corporate Advisor
Novus Capital Ltd
Level 8, 330 Collins Street
Melbourne VIC 3000

Sponsoring Broker
Novus Capital Ltd
Level 8, 330 Collins Street
Melbourne VIC 3000

Share registry

Computershare Investor Services Pty Limited
452 Johnston Street
Abbotsford VIC 3067

Auditor and Investigating Accountants
RSM Bird Cameron

Proposed ASX Code
SCG

IATIA
VISION SCIENCES

Iatia Limited
ABN 27 091 608 025

Application Form

This Application Form is important. If you are in doubt as to how to deal with it, please contact your stockbroker or professional adviser without delay. You should read the entire Prospectus carefully before completing this form. To meet the requirements of the Corporations Act, this Application Form must not be distributed unless included in, or accompanied by, the Prospectus.

X

If you are a current Shareholder in Iatia Limited and wish to apply for Shares under your current Shareholding, please mark X in the box and complete your Securityholder Reference Number (SRN) or Holder Identification Number (HIN).

If you wish to apply for Shares under a different name other than your current shareholding, please complete Section C.

Broker Code

Adviser Code

A **I/we apply for**

Number of Shares in Iatia Limited at $0.20 per Share or such lesser number of Shares which may be allocated to me/us.

B **I/we lodge full Application Money**

A$.

C **Individual/Joint applications - refer to naming standards overleaf for correct forms of registrable title(s)**

Title or Company Name | Given Name(s) | Surname

Joint Applicant 2 or Account Designation

Joint Applicant 3 or Account Designation

D **Enter your postal address - Include State and Postcode**

Unit | Street Number | Street Name or PO Box /Other Information

City / Suburb / Town | State | Postcode

E **Enter your contact details**

Contact Name

Telephone Number - Business Hours / After Hours

( )

F **CHESS Participant**

Holder Identification Number (HIN)

X

Please note that if you supply a CHESS HIN but the name and address details on your form do not correspond exactly with the registration details held at CHESS, your application will be deemed to be made without the CHESS HIN, and any securities issued as a result of the Capital Raising will be held on the Issuer Sponsored subregister.

Payment details – Please note that funds are unable to be directly debited from your bank account

G

Drawer	Cheque Number	BSB Number	Account Number	Amount of Cheque
				A$

Make your cheque or bank draft payable to Iatia Limited - Share Subscription A/C

By submitting this Application Form, I/we declare that this application is completed and lodged according to the Prospectus, a copy of which I/we have read in its entirety, and a copy which was distributed with, or accompanied by, this Application Form, and the declarations/statements on the reverse of this Application form and I/we declare that all details and statements made by me/us (including the declaration on the reverse of this Application Form) are complete and accurate. I/we agree to be bound by the Constitution of the Company.

See back of form for completion guidelines

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How to complete this form

A Shares Applied for

Enter the number of Shares you wish to apply for. The application must be for a minimum of 10,000 Shares ($2,000). Applications for greater than 10,000 Shares must be in multiples of 2,500 Shares ($500).

B Application Monies

Enter the amount of Application Monies. To calculate the amount, multiply the number of Shares by the price per Share.

C Applicant Name(s)

Enter the full name you wish to appear on the statement of share holding. This must be either your own name or the name of a company. Up to 3 joint Applicants may register. You should refer to the table below for the correct forms of registrable title. Applications using the wrong form of names may be rejected. Clearing House Electronic Subregister System (CHESS) participants should complete their name identically to that presently registered in the CHESS system.

D Postal Address

Enter your postal address for all correspondence. All communications to you from the Registry will be mailed to the person(s) and address as shown. For joint Applicants, only one address can be entered.

E Contact Details

Enter your contact details. These are not compulsory but will assist us if we need to contact you.

F CHESS

Iatia Limited (the Company) will apply to the ASX to participate in CHESS, operated by ASX Settlement and Transfer Corporation Pty Ltd, a wholly owned subsidiary of Australian Securities Exchange Limited. In CHESS, the company will operate an electronic CHESS Subregister of security holdings and an electronic Issuer Sponsored Subregister of security holdings. Together the two Subregisters will make up the Company's principal register of securities. The Company will not be issuing certificates to applicants in respect of Shares allotted. If you are a CHESS participant (or are sponsored by a CHESS participant) and you wish to hold Shares allotted to you under this Application on the CHESS Subregister, enter your CHESS HIN. Otherwise, leave this section blank and on allotment, you will be sponsored by the Company and allocated a Securityholder Reference Number (SRN).

G Payment

Make your cheque payable to Iatia Limited - Share Subscription A/C in Australian currency and cross it 'Not Negotiable'. Your cheque must be drawn on an Australian Bank.

Complete the cheque details in the boxes provided. The total amount must agree with the amount shown in box B. **Please note that funds are unable to be directly debited from your bank account.**

Cheques will be processed on the day of receipt and as such, sufficient cleared funds must be held in your account as cheques returned unpaid may not be re-presented and may result in your Application being rejected. Paperclip (do not staple) your cheque(s) to the Application Form where indicated. Cash will not be accepted. Receipt for payment will not be forwarded.

Before completing the Application Form the applicant(s) should read this Prospectus to which this application relates. By lodging the Application Form, the applicant agrees that this application for Shares in Iatia Limited is upon and subject to the terms of the Prospectus and the Constitution of Iatia Limited, agrees to take any number of Shares that may be allotted to the Applicant(s) pursuant to the Prospectus and declares that all details and statements made are complete and accurate. It is not necessary to sign the Application Form.

Lodgement of Application

Completed Application Forms and accompanying cheques must be received by no later than 5pm AEST on 14 February 2014 (unless the offer is extended in accordance with the Prospectus). You should allow sufficient time for this to occur. Completed Application Forms and accompanying cheques should be returned as soon as practicable after the Public Offer opens by mail to the Sponsoring Broker, Novus Capital:

Attention: Ben Yeo
Novus Capital Ltd
Level 8, 330 Collins Street
Melbourne, Victoria 3000

Neither Computershare Investor Services Pty Limited ("CIS") nor Iatia Limited accepts any responsibility if you lodge the Application Form at any other address or by any other means.

Enquiries

If you have any questions regarding the content of this Prospectus or how to complete the Acceptance Form, please contact the Company on +61 3 9600 0081 or the Sponsoring Broker on +61 3 8602 1700 between 9.00am and 5.00pm AEST from Monday to Friday. Alternatively, you should contact your stockbroker, accountant or independent professional financial, legal or other professional adviser prior to accepting the Public Offer.

If you have any questions generally about the Offer, or require additional copies of this Prospectus, you should call the Share Registry's offer information line on 1300 850 505 (within Australia) or +61 3 9415 4000 (outside Australia) between 9.00am and 5.00pm AEST from Monday to Friday.

Privacy Statement

Personal information is collected on this form by CIS, as registrar for securities issuers ("the issuer"), for the purpose of maintaining registers of securityholders, facilitating distribution payments and other corporate actions and communications. Your personal information may be disclosed to our related bodies corporate, to external service companies such as print or mail service providers, or as otherwise required or permitted by law. If you would like details of your personal information held by CIS, or you would like to correct information that is inaccurate, incorrect or out of date, please contact CIS. In accordance with the Corporations Act 2001, you may be sent material (including marketing material) approved by the issuer in addition to general corporate communications. You may elect not to receive marketing material by contacting CIS. You can contact CIS using the details provided on the front of this form or e-mail privacy@computershare.com.au

Correct forms of registrable title(s)

Note that ONLY legal entities are allowed to hold Shares. Applications must be made in the name(s) of natural persons, companies or other legal entities in accordance with the Corporations Act. At least one full given name and the surname is required for each natural person. The name of the beneficial owner or any other registrable name may be included by way of an account designation if completed exactly as described in the examples of correct forms of registrable title(s) below.

Type of Investor	Correct Form of Registration	Incorrect Form of Registration
Individual - Use given name(s) in full, not initials	Mr John Alfred Smith	J.A Smith
Joint - Use given name(s) in full, not initials	Mr John Alfred Smith & Mrs Janet Marie Smith	John Alfred & Janet Marie Smith
Company - Use company title, not abbreviations	ABC Pty Ltd	ABC P/L ABC Co
Trusts - Use trustee(s) personal name(s) - Do not use the name of the trust	Ms Penny Smith <Penny Smith Family A/C>	Penny Smith Family Trust
Deceased Estates - Use executor(s) personal name(s) - Do not use the name of the deceased	Mr Michael Smith <Est John Smith A/C>	Estate of Late John Smith
Minor (a person under the age of 18) - Use the name of a responsible adult with an appropriate designation	Mr John Alfred Smith <Peter Smith A/C>	Peter Smith
Partnerships - Use partners personal name(s) - Do not use the name of the partnership	Mr John Smith & Mr Michael Smith <John Smith & Son A/C>	John Smith & Son
Clubs/Unincorporated Bodies/Business Names - Use office bearer(s) personal name(s) - Do not use the name of the club etc	Mrs Janet Smith <ABC Tennis Association A/C>	ABC Tennis Association
Superannuation Funds - Use the name of trustee of the fund - Do not use the name of the fund	John Smith Pty Ltd <Super Fund A/C>	John Smith Pty Ltd Superannuation Fund

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