

VIAGOLD CAPITAL LIMITED

(Incorporated in Bermuda with limited liability)

(ARBN: 070 352 500)

Preliminary Final Report

For the year ended March 31, 2014

ASX Appendix 4E

VIAGOLD CAPITAL LIMITED

PRELIMINARY FINAL REPORT **FOR THE YEAR ENDED MARCH 31, 2014**

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VIAGOLD CAPITAL LIMITED

PRELIMINARY FINAL REPORT FOR THE YEAR ENDED MARCH 31, 2014

RESULTS FOR ANNOUNCEMENT TO THE MARKET

1. Name of Entity

ARBN:

Financial year ended (reporting period)

Financial year ended (previous corresponding period)

VIAGOLD CAPITAL LIMITED

070 352 500

March 31, 2014

March 31, 2013

2. Results for announcement to the market

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

	<u>2014</u>	<u>2013</u>	<u>Change</u>	<u>Change</u>
	<u>AS'000</u>	<u>AS'000</u>	<u>AS'000</u>	<u>%</u>
2.1 Revenue from ordinary activities	1,182	1,011	171	17%
2.2 Loss from ordinary activities after tax attributable to members	(854)	(2,417)	1,563	-65%
2.3 Net loss for the reporting period attributable to members	(854)	(2,417)	1,563	-65%
2.4 Dividends	Amount per security		Franked amount per security	
Final dividend	Nil		N/A	
Interim dividend	Nil		N/A	
Previous corresponding period	Nil		N/A	
2.5 Record date for determining entitlements to the dividend	N/A			

VIAGOLD CAPITAL LIMITED

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EXPLANATION OF RESULTS

I am pleased to present the 2013/2014 annual results of ViaGOLD Capital Limited (VIA) and its subsidiaries collectively referred to as the "Group" and the outlook for 2014.

Review

The principal activities of the Group are provision of management and consulting services to education institutions, asset leasing as well as mineral trading business in China. Revenue was A\$1,182,000 for the year ended 31 March 2014 as compared to A\$1,011,000 for the year ended 31 March 2013.

For the year ended 31 March the loss attributable to the equity holder of the Group for the year ended 31 March 2014 was A\$854,000 (2013: a loss of approximately A\$2,417,000). Within which, the loss in the major operations for A\$266,000 was mainly a result of continuous industrial downsizing in both vocational and higher education in general and the intense competition in this period and the balance loss for A\$588,000 was mainly the annual mandatory statutory and professional fees, director remuneration for the period.

Prospect

Looking forward, the Group will continue to strengthen the marketing development and the management in its current education management business so as to have a stable growth and at the same time the Group will adopt new business strategies which is to focus on penetrating the mineral mining, processing and trading markets for a significant improvement in the Group's operating results.

Appreciation

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

VIAGOLD CAPITAL LIMITED

PRELIMINARY FINAL REPORT FOR THE YEAR ENDED MARCH 31, 2014

OTHER INFORMATION

1. Net tangible assets per security

	Current Period	Previous Corresponding Period
Net tangible assets backing per ordinary security	A\$0.07	A\$0.08

2. Dividends

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

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

N/A

4. Details of associates and joint venture entities

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

VIAGOLD CAPITAL LIMITED

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CONSOLIDATED STATEMENT OF PROFIT OR LOSS

	<u>2014</u>	<u>2013</u>
	<u>A\$'000</u>	<u>A\$'000</u>
Turnover	1,182	1,011
Cost of services	<u>(889)</u>	<u>(505)</u>
Gross profit	293	506
Other income	5	23
Administrative expenses	(1,154)	(2,853)
Other operating expenses	(60)	(168)
Finance costs	<u>(3)</u>	<u>-</u>
Loss before income tax	(919)	(2,492)
Income tax expenses	<u>-</u>	<u>-</u>
Loss for the year	<u><u>(919)</u></u>	<u><u>(2,492)</u></u>
Attributable to:		
Equity holders of the Company	(854)	(2,417)
Non-controlling interests	<u>(65)</u>	<u>(75)</u>
	<u><u>(919)</u></u>	<u><u>(2,492)</u></u>
Loss per share attributable to the equity holders of the Company		
- Basic	<u><u>(A\$0.03)</u></u>	<u><u>(A\$0.08)</u></u>
- Diluted	<u><u>N/A</u></u>	<u><u>N/A</u></u>

The consolidated statement of profit or loss is to be read in conjunction with the Notes to the preliminary final report set out on pages 9 to 12.

VIAGOLD CAPITAL LIMITED

PRELIMINARY FINAL REPORT FOR THE YEAR ENDED MARCH 31, 2014

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

	<u>2014</u>	<u>2013</u>
	<u>A\$'000</u>	<u>A\$'000</u>
Loss for the year	(919)	(2,492)
Other comprehensive loss for the year		
Items that may be reclassified subsequently to profit or loss		
Exchange differences on translation of:		
- Financial statements of overseas subsidiaries	<u>381</u>	<u>(55)</u>
Total comprehensive loss for the year	<u>(538)</u>	<u>(2,547)</u>
Total comprehensive loss attributable to:		
Equity shareholders of the Company	(592)	(2,494)
Non-controlling interests	<u>54</u>	<u>(53)</u>
	<u>(538)</u>	<u>(2,547)</u>

The consolidated statement of profit or loss and other comprehensive income is to be read in conjunction with the Notes to the preliminary final report set out on pages 9 to 12.

VIAGOLD CAPITAL LIMITED**PRELIMINARY FINAL REPORT
AS AT MARCH 31, 2014****CONSOLIDATED STATEMENT OF FINANCIAL POSITION**

	<u>2014</u> A\$'000	<u>2013</u> A\$'000
ASSETS		
Non-current assets		
Fixed assets		
- Investment property	588	533
- Plant and equipment	678	824
	<u>1,266</u>	<u>1,357</u>
Current assets		
Trade and other receivables	372	406
Cash and cash equivalents	968	1,163
	<u>1,340</u>	<u>1,569</u>
Total assets	<u>2,606</u>	<u>2,926</u>
EQUITY		
Share capital	6,131	6,131
Reserves	(4,506)	(4,066)
Capital and reserves attributable to the owners of the Company	<u>1,625</u>	<u>2,065</u>
Non-controlling interests	584	530
Total equity	<u>2,209</u>	<u>2,595</u>
LIABILITIES		
Current liabilities		
Other payables	397	331
Total equity and liabilities	<u>2,606</u>	<u>2,926</u>

The consolidated statement of financial position is to be read in conjunction with the Notes to the preliminary final report set out on pages 9 to 12.

VIAGOLD CAPITAL LIMITED

PRELIMINARY FINAL REPORT FOR THE YEAR ENDED MARCH 31, 2013

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

	Attributable to equity holders of the Company								Non-	
	Share capital A\$'000	Share premium A\$'000	Translation reserve A\$'000	Contributed surplus A\$'000	Warrant reserve A\$'000	Share-based compensation reserve A\$'000	Accumulated losses A\$'000	Total A\$'000	controlling interests A\$'000	Total equity A\$'000
As at April 1, 2012	6,131	29,020	(28,701)	47,645	-	5,979	(57,156)	2,918	583	3,501
- Total comprehensive loss	-	-	(77)	-	-	-	(2,417)	(2,494)	(53)	(2,547)
Transactions with owners in their capacity	6,131	29,020	(28,778)	47,645	-	5,979	(59,573)	424	530	954
- Issuance of share options during the year	-	-	-	-	-	1,242	-	1,242	-	1,242
- Issuance of warrants during the year	-	-	-	-	399	-	-	399	-	399
As at March 31, 2013	6,131	29,020	(28,778)	47,645	399	7,221	(59,573)	2,065	530	2,595
As at April 1, 2013	6,131	29,020	(28,778)	47,645	399	7,221	(59,573)	2,065	530	2,595
- Total comprehensive loss	-	-	262	-	-	-	(854)	(592)	54	(538)
Transactions with owners in their capacity	6,131	29,020	(28,516)	47,645	399	7,221	(60,427)	1,473	584	2,057
- Issuance of warrants during the year	-	-	-	-	152	-	-	152	-	152
As at March 31, 2014	6,131	29,020	(28,516)	47,645	551	7,221	(60,427)	1,625	584	2,209

The consolidated statement of changes in equity is to be read in conjunction with the Notes to the preliminary final report set out on pages 9 to 12.

VIAGOLD CAPITAL LIMITED**PRELIMINARY FINAL REPORT
FOR THE YEAR ENDED MARCH 31, 2014****CONSOLIDATED STATEMENT OF CASH FLOWS**

	<u>2014</u> A\$'000	<u>2013</u> A\$'000
Cash flows from operating activities		
Net cash generated from operating activities	<u>(388)</u>	<u>232</u>
Cash flows from investing activities		
Acquisition of fixed assets	(157)	(877)
Proceeds from disposal of plant and equipment	-	311
Interest received	5	3
Net cash used in investing activities	<u>(152)</u>	<u>(563)</u>
Cash flows from financing activities		
Interest paid	(3)	-
Proceeds from issuance of warrants	152	399
Net cash from financing activities	<u>149</u>	<u>399</u>
Net (decrease)/increase in cash and cash equivalents	(391)	68
Cash and cash equivalents at the beginning of the year	1,163	1,154
Effect of foreign exchange rate changes, net	<u>196</u>	<u>(59)</u>
Cash and cash equivalents at the end of the year	<u><u>968</u></u>	<u><u>1,163</u></u>

The consolidated statement of cash flows is to be read in conjunction with the Notes to the preliminary final report set out on pages 9 to 12.

VIAGOLD CAPITAL LIMITED

PRELIMINARY FINAL REPORT FOR THE YEAR ENDED MARCH 31, 2014

NOTES TO THE PRELIMINARY FINAL REPORT

Note 1. Statement of Significant Accounting Policies

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

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

The preliminary final report has been prepared under the historical cost convention, as modified by the revaluations of financial assets and financial liabilities at fair value through profit or loss (if any). The accounting policies adopted in this report is the same as those disclosed in the condensed consolidated interim financial statements for the half-year ended September 30, 2013.

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

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

The current reporting in the preliminary final report is the year ended March 31, 2014 while the prior year is the year ended March 31, 2013.

Note 2. Segment Reporting

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

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

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

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

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

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

VIAGOLD CAPITAL LIMITED
**PRELIMINARY FINAL REPORT
FOR THE YEAR ENDED MARCH 31, 2014**
NOTES TO THE PRELIMINARY FINAL REPORT (continued)
Note 2. Segment Reporting (continued)

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

	Hong Kong and Macao	Hong Kong	PRC	PRC		
	Investment holding and administration A\$'000	Trading of minerals A\$'000	Leasing and capital financing A\$'000	Provision of consultancy and management services to educational institutions A\$'000	Unallocated A\$'000	Consolidated A\$'000
Segment revenue	-	240	487	455	-	1,182
Inter-segment revenue	-	-	-	-	-	-
Revenue from external customers	-	240	487	455	-	1,182
Reportable segment loss before income tax	(588)	(5)	(221)	(105)	-	(919)
Depreciation and amortisation	-	-	(438)	(1)	-	(439)
Interest income	3	-	1	1	-	5
Loss on disposal of plant and equipment	-	-	-	-	-	-
As at March 31, 2014						
Total assets	169	-	1,851	586	-	2,606
Non-current assets (Other than financial instruments and deferred tax assets)	-	-	1,238	28	-	1,266
Additions to non-current assets (Other than financial instruments and deferred tax assets)	-	-	128	29	-	157
Total liabilities	239	-	138	20	-	397

VIAGOLD CAPITAL LIMITED

PRELIMINARY FINAL REPORT FOR THE YEAR ENDED MARCH 31, 2014

NOTES TO THE PRELIMINARY FINAL REPORT (continued)

Note 2. Segment Reporting (continued)

The segment information provided to the management for the reporting segments for the year ended March 31, 2013 is as follows:

	Hong Kong and Macao	Hong Kong	PRC	PRC		
	Investment holding and administration	Trading of minerals	Leasing and capital financing	Provision of consultancy and management services to educational institutions	Unallocated	Consolidated
	AS'000	AS'000	AS'000	AS'000	AS'000	AS'000
Segment revenue	-	-	364	647	-	1,011
Inter-segment revenue	-	-	-	-	-	-
Revenue from external customers	-	-	364	647	-	1,011
Reportable segment profit/ (loss) before income tax	(1,830)	-	(251)	(411)	-	(2,492)
Depreciation and amortisation	-	-	(304)	-	-	(304)
Interest income	1	-	1	1	-	3
Loss on disposal of property, plant and equipment	-	-	(3)	-	-	(3)
As at March 31, 2013						
Total assets	317	-	1,796	813	-	2,926
Non-current assets (Other than financial instruments and deferred tax assets)	-	-	1,357	-	-	1,357
Additions to non-current assets (Other than financial instruments and deferred tax assets)	-	-	877	-	-	877
Total liabilities	208	-	107	16	-	331

VIAGOLD CAPITAL LIMITED

**PRELIMINARY FINAL REPORT
FOR THE YEAR ENDED MARCH 31, 2014**

NOTES TO THE PRELIMINARY FINAL REPORT (continued)

Note 3. Additions to Plant and Equipment

During the year, the Group acquired plant and equipment at a cost of approximately A\$157,000 (Year ended March 31, 2013: approximately A\$877,000).