



ViaGOLD Capital Limited
ARBN 070352500

25 February 2010

Australian Stock Exchange
Companies Announcement Office
10th Floor, 20 Bond Street
Sydney NSW 2000

Signing of Memorandum of Understanding

We wish to advise that the company has recently issued a Memorandum of Understanding as per the attached.

Yours faithfully

J A Wigginton
Director

Suite 501, 100 Victoria Parade
East Melbourne Vic 3002
Tel (613) 9662 4049 Fax (613) 9662 4933

Viagold Capital Limited
(Incorporated in Bermuda with limited Liability)

**MEMORANDUM OF UNDERSTANDING IN RESPECT OF THE POSSIBLE
ACQUISITION OF LUCK PRO LIMITED**

The Board announces that on 18 February 2010 the Company (the “Purchaser”) has entered into the non-legally binding MOU with the Vendor (Capital Luck Group Ltd) in relation to the Possible Acquisition of Luck Pro Ltd. (the Target)

The Target is incorporated in British Virgin Islands. . It is principally engaged in the educational field in China. The group has two schools in ZhuHai City, GuangDong Province China under its management and have a total of more than 8,000 students, with two campuses providing boarding for full time students up to some 4,000;

According to the Directors, Capital Luck Group Limited and its related parties are independent third parties to the Company and the Company’s related parties.

Major terms of the MOU

Under the MOU, it is proposed that the Purchaser will acquire all the Shares in the Target from the Vendor free from any claims, liens and encumbrances.

Under the MOU, both the Purchaser and the Vendors will negotiate a legally-binding Formal Agreement on or before the date falling 60 days from the date of the MOU (or such later date to be agreed by the parties thereto). The Formal Agreement will be subject to (including but not limited to) a satisfactory valuation of the Target and the result of the due diligence to be conducted by the Purchaser on the Target.

The MOU does not constitute any legally-binding commitment in respect of the Possible Acquisition. The Acquisition is subject to the execution and completion of the Formal Agreement.

The consideration payable for the Shares shall be subject to further negotiation between the parties, such consideration shall be payable by the Purchaser in cash and/or by the issue of new shares in the capital of the Company..

If the Formal Agreement is entered into, it is expected that the Acquisition will constitute a notifiable transaction on the part of the Company pursuant to the Australia Listing Rules. In this

regard, the Company will comply with the reporting, disclosure and Shareholders' approval requirements under the Australia Listing Rules in the event the Formal Agreement is signed.

Reasons for the Possible Acquisition

As advised by the Vendor, the Target is principally engaged in the educational field in China. The group have two schools in China under its management and have a total of more than 8,000 students, with two campuses providing boarding for some 4,000 full time students.

The education group entered into the Higher Education field in 2001. The group started its first vocational training centre with approximately 400 students, and grew to 2,000 students in 2005 with two schools in full operation. In 2006, the group started to focus on management team building; curriculum standardization; professional teaching skills, teaching method technique and development and school administration system development. Since then, the number of students has grown to 8,000 in 2009. The schools are well-run and profitable.

The education group has built up an excellent reputation in the private school sector. Over the years, numerous honours have been awarded. Capitalizing on its success and reputation, the education group is ready to expand nationwide.

Subject to the due diligence to be conducted by the Purchaser on the Target, the directors expect that the Acquisition, if it materializes, will mark a significant step to realize the strategy to build it into a leading education enterprise from management team building; curriculum standardization; professional teaching skill, teaching method technique and development and school administration system development. Taking into account of the following factors

- (i) the prospect of vocational education industry in the PRC;
- (ii) the continuous robust growth of the economy in the PRC, the Board is of the view that the terms and conditions of the Possible Acquisition are fair and reasonable and the Possible Acquisition is in the interests of the Company and the Shareholders as a whole.

Signed

Kenneth Tang
Company Secretary
25 February 2010