

**VIAGOLD CAPITAL LIMITED**  
**Interim Financial Report**  
**For the Half -Year Ended September 30, 2010**  
**ASX Appendix 4D**  
**ARBN: 070 352 500**

VIAGOLD CAPITAL LIMITED

INTERIM FINANCIAL REPORT  
FOR THE HALF -YEAR ENDED SEPTEMBER 30, 2010

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# VIAGOLD CAPITAL LIMITED

## Appendix 4D

### Interim Financial Report For The Half-Year Ended September 30, 2010

<b>1. Name of Entity</b>	<b>VIAGOLD CAPITAL LIMITED</b> ARBN: Half-year ended (reporting period) Half-year ended (previous corresponding period)
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**2. Results for announcement to the market**  
*(Amount and percentage change up or down from the previous corresponding period)*

		Six months to 30 September (Restated)			
		2010 A\$'000	2009 A\$'000	Change A\$'000	Change %
2.1	Revenue from ordinary activities	178	-	178	100%
2.2	Profit from ordinary activities after tax attributable to members	477	1,680	(1,203)	(71.61%)
2.3	Profit for the reporting period attributable to members	16,204	3,468	12,736	367%

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
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<b>3. Net tangible assets per security</b>	<table> <tr> <th style="text-align: center;">Current period</th><th style="text-align: center;">Previous corresponding period</th></tr> <tr> <td style="text-align: center;">A\$0.55</td><td style="text-align: center;">A\$0.36</td></tr> </table>	Current period	Previous corresponding period	A\$0.55	A\$0.36
Current period	Previous corresponding period				
A\$0.55	A\$0.36				
Net tangible assets backing per ordinary security					

**4. Control gain/loss over entities having a material effect**

There was a loss of control of the following subsidiaries:

<u>Name of the entities</u>	<u>Attributable equity interests held by the company before disposal</u>
ViaGOLD (USA) Limited	100%
罗定市丰智发展有限公司 (Luoding Fengzhi Development Company Limited*)	100%
Yun Tong Gold Mind Technology Co Ltd	100%
岑溪市豐智昌順房地產開發有限公司 (Fengzhi Chang Shun Real Estate Development Co., Limited*)	100%

\* The English names are for identification purpose only

## VIAGOLD CAPITAL LIMITED

### Appendix 4D

Interim Financial Report For The Half-Year Ended September 30, 2010

#### **4. Control gain/loss over entities having a material effect (continued)**

The Group gained the control of the following companies:

<u>Name of the entities</u>	<u>Attributable equity interests acquired by the company</u>
ViaGOLD International Education Management Group Limited (Formerly known as Luck Pro Limited)	100%
Win Horse Investments Limited	100%
Longda Education Management Group Limited	100%
珠海眾智企業管理服務有限公司 ( Zhongzhi Enterprise Management Service Co. Limited*)	100%
珠海大智網絡科技有限公司 (Dazhi Network Technology Co. Limited*)	100%
珠海藍白金智業諮詢服務有限公司 (Lanbaijin Education Consulting Service Co. Limited*)	100%

\* The English names are for identification purpose only

#### **5. Dividends**

There was no dividend paid during the current period.

#### **6. 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.

#### **7. Details of associates and joint venture entities**

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

#### **8. Basis of preparations**

The interim financial report does not include all the notes of the type normally included in an annual financial report. Accordingly, it is recommended that this report be read in conjunction with the annual financial report for the year ended March 31, 2010 and the public announcements, if any, made by ViaGOLD Capital Limited during the half-year in accordance with the continuous disclosure requirements under the Listing Rules of the Australian Securities Exchange Limited ("ASX").

#### **9. Comparative figures**

The figures for the previous corresponding period are restated because an adjusting event occurred after the reporting period of the interim financial report for the half-year ended September 30, 2009.

#### **Compliance Statement**

10. The information provided in this report has been prepared in accordance with the International Financial Reporting Standards which is acceptable to the ASX for foreign reporting entities.
11. The Interim Financial Report of ViaGOLD Capital Limited for the half-year ended September 30, 2010 has been subject to review. A copy of the independent review report to the members of ViaGOLD Capital Limited is attached.

## VIAGOLD CAPITAL LIMITED

### DIRECTORS' REPORT

The Directors present their interim financial report together with the condensed consolidated financial statements of ViaGOLD Capital Limited (the "Company") and its controlled entities (collectively the "Group") for the half-year ended September 30, 2010.

#### DIRECTORS

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

##### Executive directors:

Mr. Pierre Seligman	
Mr. Jack Chik Ming Chu	
Dr. Longguang Shi (Chairmen)	(Appointed on September 16, 2010)
Ms. Mulei Shi (Chief Executive Officer)	(Appointed on October 8, 2010)
Mr. King Choi Leung	(Appointed on October 8, 2010)

##### Non-executive directors:

Mr. William Kam Biu Tam	
Mr. Henry Chang Manayan	(Resigned on August 31, 2010)
Dr. Xiang Wei	(Appointed on May 4, 2010)

##### Independent non-executive director:

Mr. James Anthony Wigginton

#### PRINCIPAL ACTIVITIES OF THE GROUP

The Company and its subsidiaries are principally engaged in investment holding, the provision of consultancy and management services to educational institutions and leasing and capital financing.

#### DIVIDENDS

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

VIAGOLD CAPITAL LIMITED

CONSOLIDATED RESULTS AND REVIEW OF OPERATIONS

The consolidated profit before income tax for the six months ended September 30, 2010 was approximately A\$16.2 million (Period ended September 30, 2009: approximately A\$3.4 million ).

The revenue from ordinary activities for the six months ended September 30, 2010 was approximately A\$178,000 (Period ended September 30, 2009: NIL revenue).

The increase in turnover was attributed to our leasing service which was started steadily since last December. The substantial increase in profit for the period was mainly due to the gain on disposal of subsidiaries which was approximately A\$15.7 million. (Period ended September 30, 2009: approximately A\$1.8 million).

As China will continue the policy of boosting domestic demand to maintain a stable and rapid economic development, it will lead to an increase in spending and will have a significant positive effect on China's economy and business environment. In addition, the Chinese government is putting more effort in promoting and supporting private education and vocational education. Hence, the Group will actively develop its education programs and will continue to develop its leasing business in a prudent way. We are confident that the educational industry and leasing business will have positive results in the foreseeable future.

The board will plan the years with caution and will keep our focus mainly on the educational market in China.



Pierre Seligman  
Director

November 30, 2010

VIAGOLD CAPITAL LIMITED

DIRECTORS' DECLARATION

The Directors of the Company declare that, for the half-year ended September 30, 2010:

1. The attached financial statements and notes thereto as set out on pages 6 to 19:
  - (a) comply with the International Accounting Standard ("IAS") 34 "Interim Financial Reporting"; and
  - (b) give a true and fair view of the Group's financial position as at September 30, 2010 and of its performance for the half-year then ended;
2. In the Directors' opinion, there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.

Signed on behalf of and in accordance with a resolution of the Board of Directors.



Pierre Seligman  
Director

November 30, 2010

VIAGOLD CAPITAL LIMITED

CONDENSED CONSOLIDATED INCOME STATEMENT  
FOR THE HALF-YEAR ENDED SEPTEMBER 30, 2010

	<u>Note</u>	Six months ended September 30	
		<u>2010</u> A\$'000	(Restated) <u>2009</u> A\$'000
Turnover		178	-
Cost of services		(152)	-
Gross profit		26	-
Other income		1	1
Net gains on financial assets at fair value through profit or loss		777	1,830
Gain on disposal of subsidiaries		15,727	1,788
Administrative expenses		(239)	(231)
Other operating income		12	31
Finance costs		(21)	(1)
Profit before income tax		16,283	3,418
Income tax expenses		(104)	(299)
Profit from continued operations		16,179	3,119
Profit from discontinued operations	11(b)	-	263
Profit for the period		16,179	3,382
Attributable to:			
Equity holders of the Company		16,204	3,468
Non-controlling interests		(25)	(86)
		16,179	3,382
Earnings per share for profit attributable to the equity holders of the Company			
-basic		A\$0.81	A\$0.27
-diluted		N/A	N/A
Earnings per share for profit from continuing operations attributable to the equity holders of the Company			
-basic		A\$0.81	A\$0.25
-diluted		N/A	N/A

The notes on pages 11 to 19 form an integral part of this condensed consolidated interim financial report.

VIAGOLD CAPITAL LIMITED

CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME  
FOR THE HALF-YEAR ENDED SEPTEMBER 30, 2010

	Six months ended September 30	
	<u>2010</u>	(Restated) <u>2009</u>
	A\$'000	A\$'000
Profit for the period	16,179	3,382
Other comprehensive (loss)/ income for the period		
Exchange differences on translation of:		
- Financial statements of overseas subsidiaries	(1,306)	(832)
- Release of reserve upon disposal of interests in subsidiaries	(16,183)	(248)
	<u>(17,489)</u>	<u>(1,080)</u>
Total comprehensive (loss)/ income for the period	<u>(1,310)</u>	<u>2,302</u>
Attributable to:		
Equity shareholders of the Company	(1,263)	2,598
Non-controlling interests	<u>(47)</u>	<u>(296)</u>
	<u>(1,310)</u>	<u>2,302</u>

The notes on pages 11 to 19 form an integral part of this condensed consolidated interim financial report.

**VIAGOLD CAPITAL LIMITED**

**CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION  
AS AT SEPTEMBER 30, 2010**

		As at September 30 2010 A\$'000	As at March 31 2010 A\$'000
<b>ASSETS</b>	<b>Note</b>		
<b>Non-current assets</b>			
Leasehold land and land use rights		-	215
Available-for-sales financial assets		-	-
Property, plant and equipment		1,558	2,474
Goodwill under measurement period	12	13,826	-
		<u>15,384</u>	<u>2,689</u>
<b>Current assets</b>			
Leasehold land and land use rights		-	7
Inventories		-	2,758
Financial assets at fair value through profit or loss		2,796	2,193
Other receivables		261	1,074
Cash and cash equivalents		1,036	2,640
		<u>4,093</u>	<u>8,672</u>
<b>Total assets</b>		<u>19,477</u>	<u>11,361</u>
<b>EQUITY</b>			
Share capital	13	6,131	3,291
Other reserves		44,603	50,694
Accumulated losses		(33,797)	(50,001)
Capital and reserves attributable to the owners of the Company		16,937	3,984
<b>Non-controlling interests</b>		672	719
<b>Total equity</b>		<u>17,609</u>	<u>4,703</u>
<b>LIABILITIES</b>			
<b>Current liabilities</b>			
Borrowings	7	-	2,662
Other payables		401	2,550
Income tax payable		1,467	1,446
<b>Total liabilities</b>		<u>1,868</u>	<u>6,658</u>
<b>Total equity and liabilities</b>		<u>19,477</u>	<u>11,361</u>

The notes on pages 11 to 19 form an integral part of this condensed consolidated interim financial report.

# VIA GOLD CAPITAL LIMITED

## CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE HALF-YEAR ENDED SEPTEMBER 30, 2010

	Attributable to equity holders of the Company								
	Reserves								
	Share Capital A\$'000	Share premium A\$'000	Translation reserve A\$'000	Contributed surplus A\$'000	Share-based compensation reserve A\$'000	Total A\$'000	Accumulated losses A\$'000	Non-controlling interests A\$'000	Total equity A\$'000
As at April 1, 2009	2,531	17,576	(15,287)	48,103	1,914	54,837	(52,841)	1,091	3,087
- Total comprehensive income	-	-	(870)	-	-	(870)	3,468	(296)	2,302
Transactions with owners in their capacity as owners:									
- Cancellation of share options during the year	-	-	-	-	(207)	(207)	207	-	-
As at September 30, 2009	2,531	17,576	(16,157)	48,103	1,707	53,760	(49,166)	795	5,389
Attributable to equity holders of the Company									
	Reserves								
	Share Capital A\$'000	Share premium A\$'000	Translation reserve A\$'000	Contributed surplus A\$'000	Share-based compensation reserve A\$'000	Total A\$'000	Accumulated losses A\$'000	Non-controlling interests A\$'000	Total equity A\$'000
	Share Capital A\$'000	Share premium A\$'000	Translation reserve A\$'000	Contributed surplus A\$'000	Share-based compensation reserve A\$'000	Total A\$'000	Accumulated losses A\$'000	Non-controlling interests A\$'000	Total equity A\$'000
As at April 1, 2010	3,291	17,196	(16,312)	48,103	1,707	53,985	(50,001)	719	4,703
- Disposal of subsidiaries	-	-	-	(458)	-	(458)	-	-	(458)
- Total comprehensive income	-	-	(17,467)	-	-	(17,467)	16,204	(47)	(1,310)
Transactions with owners in their capacity as owners:									
- Issuance of ordinary shares capital	2,840	11,834	-	-	-	-	-	-	14,674
As at September 30, 2010	6,131	29,030	(33,779)	47,645	1,707	50,734	(33,797)	672	17,609

The notes on pages 11 to 19 form an integral part of this condensed consolidated interim financial report.

VIAGOLD CAPITAL LIMITED

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS  
FOR THE HALF-YEAR ENDED SEPTEMBER 30, 2010

	Six months ended September 30	
	<u>2010</u>	<u>2009</u>
	A\$'000	A\$'000
Net cash (used in) / generated from operating activities	(544)	3,050
Net cash generated from/ (used in) investing activities	750	(540)
Net cash used in financing activities	<u>(1,815)</u>	<u>-</u>
Net (decrease)/increase in cash and cash equivalents	(1,609)	2,510
Cash and cash equivalents at the beginning of the period	2,640	3,130
Exchange gains/ (losses) on cash and cash equivalents	<u>5</u>	<u>(788)</u>
Cash and cash equivalents at the end of the period	<u><u>1,036</u></u>	<u><u>4,852</u></u>

The notes on pages 11 to 19 form an integral part of this condensed consolidated interim financial report.

## **1. GENERAL INFORMATION**

ViaGOLD Capital Limited (the “Company”) was incorporated in Bermuda as an exempted company with limited liability and its shares are listed on the Australian Securities Exchange Limited (the “ASX”). Its ultimate holding company is Harvest Smart Overseas Limited, which was incorporated in the British Virgin Islands. The address of its registered office is Suite 501, 100 Victoria Parade, East Melbourne Vic 3002, Australia.

The Company and its subsidiaries (together the “Group”) are principally engaged in investment holding, the provision of consultancy and management services to educational institutions and leasing and capital financing.

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

## **2. BASIS OF PREPARATION**

This condensed consolidated interim financial report for the half-year ended September 30, 2010 has been prepared in accordance with International Accounting Standard (“IAS”) 34 “Interim Financial Reporting”. The condensed consolidated interim financial report does not include notes of the type normally included in an annual financial report and should be read in conjunction with the annual financial report of the Group for the year ended March 31, 2010 and any public announcements made by the Group during the half-year.

The interim financial report has been prepared in accordance with the same accounting policies adopted in the annual financial report for the year ended March 31, 2010, except for the accounting policy changes that are expected to be reflected in the annual financial report for the year ending March 31, 2011. Details of these changes in accounting policies are set out in note 3.

The interim financial report contains condensed consolidated financial statements and selected explanatory notes. The notes include an explanation of events and transactions that are significant to an understanding of the changes in financial position and performance of the Group since annual financial report for the year ended March 31, 2010. The condensed consolidated interim financial statements and notes thereon do not include all of the information required for full set of financial statements prepared in accordance with International Financial Reporting Standards (“IFRSs”).

The interim financial report is unaudited, but have been reviewed by Lau and Au Yeung C.P.A. Limited (“L&AY”) in accordance with International Standard on Review Engagements 2410, “Review of Interim Financial Information Performed by the Independent Auditor of the Entity”. L&AY’s independent review report to the members of the Company is included on page 20.

## **3. ACCOUNTING POLICIES**

The following new standards, amendments to standards or interpretations are mandatory for the first time for the financial year beginning April 1, 2010.

IFRS 3 (Revised), “Business Combinations”, and consequential amendments to IAS 27, “Consolidated and Separate Financial Statements” are effective prospectively to business combinations for which the acquisition date is on or after the beginning of the first annual reporting period beginning on or after July 1, 2009.

### **3. ACCOUNTING POLICIES (continued)**

The revised standard continues to apply the acquisition method to business combinations but with some significant changes compared with IFRS 3. For example, all payments to purchase a business are recorded at fair value at the acquisition date, with contingent payments classified as debt subsequently re-measured through the income statement. There is a choice on an acquisition-by acquisition basis to measure the non-controlling interest in the acquiree either at fair value or at the non-controlling interest's proportionate share of the acquiree's net assets. All acquisition-related costs are expensed.

As the Group has adopted IFRS 3 (revised), it is required to adopt IAS 27 (revised), "Consolidation and Separate Financial Statements", at the same time. IAS 27 (revised) requires the effects of all transactions with non-controlling interests to be recorded in equity if there is no change in control and these transactions will no longer result in goodwill or gains and losses. The standard also specifies the accounting treatment when control is lost. Any remaining interest in the equity is re-measured to fair value, and a gain or loss is recognised in profit or loss. There has been no impact of IAS 27 (revised) on the current period, as none of the non-controlling interests have a deficit balance. There have been no transactions whereby an interest in an entity is retained after the loss of control of that entity; there have been no transactions with non-controlling interests.

### **4. SEGMENT REPORTING**

The Group manages its business by divisions, which are organised 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
- Leasing and capital financing
- Property development
- Retailing
- Administration of the Group
- Provision of consultancy and management to 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, intangible assets and current assets excluding the interests in subsidiaries, intra-group current accounts and goodwill arising from business combinations.

VIAGOLD CAPITAL LIMITED

NOTES TO THE INTERIM FINANCIAL REPORT  
FOR THE HALF -YEAR ENDED SEPTEMBER 30, 2010

4. SEGMENT REPORTING (continued)

The segment information for the reporting segments for the half-year ended September 30, 2010 is as follows:

	Investment holdings 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
Revenue from external customers	-	178	-	-	178
Inter-segment revenue	-	-	-	-	-
Reportable segment revenue	-	178	-	-	178
Reportable segment profit/ (loss) before income tax	658	(90)	(12)	-	556
Income tax expenses					(104)
Profit for the half year					452
As at September 30, 2010					
Reportable segment assets	17,061	2,312	104	-	19,477

In April 2010, the Group disposed of its subsidiaries which engaged in the property development, administration of the Group and retailing business, therefore no segment information for them were presented. In September 2010, the Company commenced a new segment of provision of consultancy and management services to educational institutions.

VIAGOLD CAPITAL LIMITED

NOTES TO THE INTERIM FINANCIAL REPORT  
FOR THE HALF -YEAR ENDED SEPTEMBER 30, 2010

4. SEGMENT REPORTING (continued)

The segment information for the reporting segments for the half-year ended September 30, 2009 is as follows:

	Investment holdings A\$'000	Leasing and capital financing A\$'000	Unallocated A\$'000	Consolidated A\$'000
Revenue from external customers	-	-	-	-
Inter-segment revenue	-	-	-	-
Reportable segment revenue	-	-	-	-
Reportable segment profit/ (loss) before income tax	1,814	(121)	(63)	1,630
Income tax expenses				(299)
Profit for the half year				1,331
As at March 31, 2010				
Reportable segment assets	3,044	2,450	-	5,494

NOTES TO THE INTERIM FINANCIAL REPORT  
FOR THE HALF -YEAR ENDED SEPTEMBER 30, 2010

**4. SEGMENT REPORTING (continued)**

A reconciliation of the reportable segment results to the profit before income tax and discontinued operations is provided as follows:

	Six months ended September 30	
	<u>2010</u>	<u>2009</u>
	A\$'000	A\$'000
Reportable segment profit before income tax	556	1,630
Gain on disposal of subsidiaries	15,727	1,788
Profit before income tax and discontinued operations	<u>16,283</u>	<u>3,418</u>

**5. SEASONALITY OF OPERATIONS**

Since the leasing and capital financing business segment does not have any seasonal trend, no analysis of operation is presented.

**6. ADDITIONS TO PROPERTY, PLANT AND EQUIPMENT**

During the half-year ended September 30, 2010, the Group acquired property, plant and equipment at a cost of approximately A\$690,000 (Year ended March 31, 2010: approximately A\$1,613,000). Moreover, the Group disposed of property, plant and equipment through the disposal of subsidiaries with a net book value of approximately A\$1,400,000 (Year ended March 31, 2010: A\$ Nil).

**7. BORROWINGS**

During the period, the Group repaid the whole amount of borrowings of approximately A\$2,662,000.

**8. CONTINGENT LIABILITY**

The Group has entered into an agreement with the non-controlling shareholder of its subsidiary, Beijing Hua Bao International Leasing Company Limited\* ("HBI"), to guarantee the amount of attributable profit. If the profit attributable to the non-controlling shareholder of HBI as shown in the audited financial statements of HBI for the year ending December 31, 2010 prepared in accordance with the accounting principles generally accepted in the PRC is less than HK\$2,640,000 (i.e. 22% of the consideration), the Group will compensate the non-controlling shareholder of HBI in cash on a dollar for dollar basis.

\* The English name is for identification purpose only

NOTES TO THE INTERIM FINANCIAL REPORT  
FOR THE HALF -YEAR ENDED SEPTEMBER 30, 2010

**9. MATERIAL RELATED PARTY TRANSACTIONS**

<u>Related party</u>	<u>Nature of transactions</u>	Six months ended September 30	
		<u>2010</u>	<u>2009</u>
		A\$'000	A\$'000
Ultimate holding company	Interests paid and payable	2	3
	Consultancy fee paid and payable	-	35
Directors of the company	Key management compensation	<u>26</u>	<u>29</u>

**10. DIVIDENDS**

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

**11. DISCONTINUED OPERATIONS**

On April 9, 2010, the Group disposed of some subsidiaries which engaged in the property development, administration of the Group and retailing business to an independent third party.

(a) Carrying amounts of assets and liabilities of the disposed group

	As at April 9, 2010 A\$'000
Property, plant and equipment	1,400
Inventories	2,768
Leasehold land and land use rights	222
Other receivables	912
Cash and cash equivalents	456
<b>Total assets</b>	<u><u>5,758</u></u>
	As at April 9, 2010 A\$'000
Other payables	(1,751)
<b>Total liabilities</b>	<u><u>(1,751)</u></u>
<b>Net assets</b>	<u><u>4,007</u></u>

NOTES TO THE INTERIM FINANCIAL REPORT  
FOR THE HALF -YEAR ENDED SEPTEMBER 30, 2010**11. DISCONTINUED OPERATIONS (continued)**

## (b) Financial performance

	Six months ended September 30	
	<u>2010</u>	<u>2009</u>
	A\$'000	A\$'000
Revenue	-	-
Other income	-	68
Negative goodwill	-	773
Administrative expenses	-	(524)
Finance costs	-	(49)
Other operating expenses	-	(5)
Profit before income tax of discontinued operations	-	263
Income tax expenses	-	-
Profit after income tax of discontinued operations	-	263

## (c) Details of the disposal of business

	Six months ended September 30	
	<u>2010</u>	<u>2009</u>
	A\$'000	A\$'000
Cash consideration received	(3,093)	-
Carrying amount of net assets (Note 11 (a))	4,007	-
Reserve	(16,641)	-
Gain on disposal before income tax	(15,727)	-
Income tax expenses	-	-
Gain on disposal after income tax	(15,727)	-

**12. BUSINESS COMBINATIONS**

On September 8, 2010, the Group acquired 100% of the issued shares of ViaGOLD International Education Management Group Limited (Formerly known as Luck Pro Limited) together with its subsidiaries at a purchase consideration of approximately A\$14,713,000. These subsidiaries provide consultancy services to educational institutions.

Details of the purchase consideration, the net assets acquired and goodwill are as follows:

Purchase consideration:	A\$'000
- Cash paid	1,213
- Issuance of ordinary shares (Note 13)	13,500
	14,713

NOTES TO THE INTERIM FINANCIAL REPORT  
FOR THE HALF -YEAR ENDED SEPTEMBER 30, 2010

**12. BUSINESS COMBINATIONS (continued)**

The assets and liabilities recognised as a result of the acquisition are as follows:

	Fair value A\$'000	Acquiree's carrying amount A\$'000
Cash and cash equivalents	15	15
Other receivables	114	114
Other payables	(100)	(100)
Fair value of net assets	29	29
Goodwill under measurement period	14,684	
Total purchase consideration	14,713	

Since the acquisition of subsidiaries was completed in early September of 2010, the initial measurement and recognition for the business combination was incomplete by the end of the reporting period because the fair value of the intangible assets, contingent income tax payables and corresponding indemnification assets are not yet available until the receipts of the final valuation for those assets.

The acquisition-related costs of A\$21,697 have been recognised in the income statement.

The acquired business contributed a net loss of A\$12,366 to the Group for the period from September 9, 2010 to September 30, 2010. If the acquisition had occurred on 1 April 2010, consolidated revenue and consolidated loss for the half-year ended September 30, 2010 would have been nil and A\$85,298 respectively.

Balance of the goodwill under measurement period

	A\$000
As at April 1, 2010	-
Acquisition of subsidiaries	14,684
Exchange adjustment	(858)
As at September 30, 2010	13,826

For the half-year ended September 30, 2009

On June 10, 2009, the Group acquired 100% of the equity interests of 岑溪市豐智昌順房地產開發有限公司 (Fengzhi Chang Shun Real Estate Development Co., Limited\*). Details of this business combination were disclosed in note 32 of the Group's annual financial report for the year ended March 31, 2010.

\*The English name is for identification purpose only.

NOTES TO THE INTERIM FINANCIAL REPORT  
FOR THE HALF -YEAR ENDED SEPTEMBER 30, 2010**13. SHARE CAPITAL**

	Number of <u>shares</u> in thousands	Ordinary <u>shares</u> A\$'000
<u>Issued and fully paid</u>		
As at April 1, 2009	12,659	2,531
Placement of shares (Note a)	3,797	760
As at March 31, 2010	16,456	3,291
Placement of shares (Note b)	14,200	2,840
As at September 30, 2010	30,656	6,131

**Note a**

On January 14, 2010, the company issued approximately 3,797,000 ordinary shares at a discounted price of A\$0.10 each so as to raise for working capital for the company. These shares rank passu with the existing shares. Net proceeds from the issuance of ordinary shares were amounting to approximately A\$380,000.

**Note b**

On June 28, 2010 and September 9, 2010, the Company issued a total of 4,200,000 and 10,000,000 ordinary shares with a par value of A\$0.20 each at prices of A\$0.22 and A\$1.35 each respectively. The 10,000,000 ordinary shares issued at A\$1.35 is part of the purchase consideration for the acquisition of subsidiaries, ViaGOLD International Education Management Group Limited (Formerly known as Luck Pro Limited) together with its subsidiaries. These shares rank passu with the existing shares. Net proceeds from the issuance of ordinary shares were amounting to approximately A\$924,000.

**14. COMPARATIVE FIGURES**

As a result of the adoption of IFRS 5, "Non-Current Assets Held for Sales and Discontinued Operations" and IFRS 8, "Operating Segments", certain comparative figures have been reclassified to conform to current period's presentations and to provide comparative amounts in respect of items disclosed for the first time for the period ended September 30, 2010.

劉歐陽會計師事務所有限公司

LAU & AU YEUNG C.P.A. LIMITED

## REPORT ON REVIEW OF INTERIM FINANCIAL INFORMATION TO THE MEMBERS OF VIAGOLD CAPITAL LIMITED

### Introduction

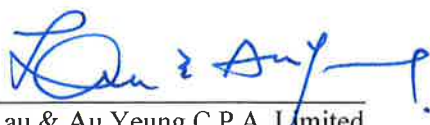
We have reviewed the interim financial information set out on pages 6 to 19 which comprises the condensed consolidated statement of financial position of ViaGOLD Capital Limited ("the Company") as of September 30, 2010 and the related condensed consolidated statements of financial performance, comprehensive income, changes in equity and cash flows for half-year period then ended, and a summary of significant accounting policies and other explanatory notes. The directors are responsible for the preparation and fair presentation of this interim financial information in accordance with International Accounting Standard 34, "Interim Financial Reporting". Our responsibility is to express a conclusion on this interim financial information based on our review.

### Scope of Review

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

### Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying interim financial information does not present fairly, in all material respects, the financial position of the Company as at September 30, 2010, and of its financial performance and its cash flows for the half-year period then ended in accordance with International Accounting Standard 34.



Lau & Au Yeung C.P.A. Limited  
Certified Public Accountants  
Hong Kong, November 30, 2010

Au Yeung Tin Wah  
Practising Certificate Number P02343