

VIAGOLD CAPITAL LIMITED

(Incorporated in Bermuda with limited liability)

(ARBN: 070 352 500)

Preliminary Final Report
For the year ended March 31, 2013
ASX Appendix 4E

VIAGOLD CAPITAL LIMITED

PRELIMINARY FINAL REPORT **FOR THE YEAR ENDED MARCH 31, 2013**

<u>CONTENTS</u>	<u>PAGE(S)</u>
RESULTS FOR ANNOUNCEMENT TO THE MARKET	1
OTHER INFORMATION	2
CONSOLIDATED INCOME STATEMENT	3
CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME	4
CONSOLIDATED STATEMENT OF FINANCIAL POSITION	5
CONSOLIDATED STATEMENT OF CHANGES IN EQUITY	6
CONSOLIDATED STATEMENT OF CASH FLOWS	7
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS	8 - 14

VIAGOLD CAPITAL LIMITED

PRELIMINARY FINAL REPORT FOR THE YEAR ENDED MARCH 31, 2013

RESULTS FOR ANNOUNCEMENT TO THE MARKET

1. Name of Entity	VIAGOLD CAPITAL LIMITED
ARBN:	070 352 500
Financial year ended (reporting period)	March 31, 2013
Financial year ended (previous corresponding period)	March 31, 2012

2. Results for announcement to the market

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

	<u>2013</u>	<u>2012</u>	<u>Change</u>	<u>Change</u>
	<u>A\$'000</u>	<u>A\$'000</u>	<u>A\$'000</u>	<u>%</u>
2.1 Revenue from ordinary activities	1,011	2,052	(1,041)	-51%
2.2 Loss from ordinary activities after tax attributable to members	(2,417)	(3,946)	1,529	-39%
2.3 Net loss for the reporting period attributable to members	(2,417)	(3,946)	1,529	-39%
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	

EXPLANATION OF RESULTS

Revenue for the year ended March 31, 2013 was approximately A\$1,011,000 (2012: Approximately A\$2,052,000). The significant decrease in revenue was due to the downsizing in both vocational and high education industries in general in this financial period.

Moreover, the loss attributable to the equity holder of the Company for the year ended March 31, 2013 was approximately A\$2,417,000 (2012: a loss of approximately A\$3,946,000). The loss is mainly resulted from the reduction in revenue from the education business unit of the Company.

VIAGOLD CAPITAL LIMITED

PRELIMINARY FINAL REPORT FOR THE YEAR ENDED MARCH 31, 2013

OTHER INFORMATION

1. Net tangible assets per security	Current Period	Previous Corresponding Period
Net tangible assets backing per ordinary security	A\$0.08	A\$0.11

2. Dividends

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

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

N/A

4. Details of associates and joint venture entities

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

VIAGOLD CAPITAL LIMITED

PRELIMINARY FINAL REPORT FOR THE YEAR ENDED MARCH 31, 2013

CONSOLIDATED INCOME STATEMENT

	2013 A\$'000	2012 A\$'000
Turnover	1,011	2,052
Cost of services	(505)	(491)
Gross profit	506	1,561
Other income	23	90
Administrative expenses	(2,853)	(943)
Other operating expenses	(168)	(30)
(Loss)/profit before income tax	(2,492)	678
Income tax expenses	-	-
(Loss)/profit for the year from continuing operations	(2,492)	678
Discontinued operations		
Loss for the year from discontinued operations	-	(4,667)
Loss for the year	(2,492)	(3,989)
Attributable to:		
Equity holders of the Company	(2,417)	(3,946)
Non-controlling interests	(75)	(43)
	(2,492)	(3,989)
Loss per share for loss attributable to the equity holders of the Company		
- basic		
From continuing operations	(A\$0.08)	A\$0.02
From discontinued operations	-	(A\$0.15)
	(A\$0.08)	(A\$0.13)
- diluted		
From continuing operations	N/A	N/A
From discontinued operations	N/A	N/A
	N/A	N/A

The Consolidated income statement is to be read in conjunction with the Notes to the preliminary final report set out on pages 8 - 14.

VIAGOLD CAPITAL LIMITED

PRELIMINARY FINAL REPORT FOR THE YEAR ENDED MARCH 31, 2013

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

	2013 A\$'000	2012 A\$'000
Loss for the year	(2,492)	(3,989)
Other comprehensive (loss)/income for the year		
Exchange differences on translation of:		
- Financial statements of overseas subsidiaries	(55)	121
- Reserve released upon disposal of interests in subsidiaries	-	4,220
	(55)	4,341
Total comprehensive (loss)/income for the year	(2,547)	352
Attributable to:		
Equity shareholders of the Company	(2,494)	376
Non-controlling interests	(53)	(24)
	(2,547)	352

The Consolidated income statement is to be read in conjunction with the Notes to the preliminary final report set out on pages 8 - 14.

VIAGOLD CAPITAL LIMITED

PRELIMINARY FINAL REPORT FOR THE YEAR ENDED MARCH 31, 2013

CONSOLIDATED STATEMENT OF FINANCIAL POSITION As at March 31, 2013

	2013 A\$'000	2012 A\$'000
ASSETS		
Non-current assets		
Fixed assets		
- Investment property	533	588
- Other property, plant and equipment	824	506
	<u>1,357</u>	<u>1,094</u>
Current assets		
Trade and other receivables	406	1,617
Cash and cash equivalents	1,163	1,154
	<u>1,569</u>	<u>2,771</u>
Total assets	<u>2,926</u>	<u>3,865</u>
EQUITY		
Share capital	6,131	6,131
Reserves	(4,066)	(3,213)
Capital and reserves attributable to the owners of the Company	<u>2,065</u>	<u>2,918</u>
Non-controlling interests	<u>530</u>	<u>583</u>
Total equity	<u>2,595</u>	<u>3,501</u>
LIABILITIES		
Current liabilities		
Other payables	331	364
Income tax payable	-	-
Total liabilities	<u>331</u>	<u>364</u>
Total equity and liabilities	<u>2,926</u>	<u>3,865</u>

The Consolidated income statement is to be read in conjunction with the Notes to the preliminary final report set out on pages 8 - 14.

**PRELIMINARY FINAL REPORT
FOR THE YEAR ENDED MARCH 31, 2013**

Attributable to equity holders of the Company

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 8 to 14.

VIAGOLD CAPITAL LIMITED

PRELIMINARY FINAL REPORT FOR THE YEAR ENDED MARCH 31, 2013

CONSOLIDATED STATEMENT OF CASH FLOWS

	<u>2013</u> A\$'000	<u>2012</u> A\$'000
Cash flows from operating activities		
continuing and discontinued operation		
Net cash generated from operating activities	<u>232</u>	<u>17</u>
Cash flows from investing activities		
Acquisition of fixed assets	(877)	(39)
Proceeds from disposal of other property, plant and equipment	311	104
Disposal of subsidiaries, net of cash disposed of	-	(1,134)
Interest received	<u>3</u>	<u>2</u>
Net cash used in investing activities	<u>(563)</u>	<u>(1,067)</u>
Cash flows from financing activities		
Proceeds from issuance of warrants	<u>399</u>	<u>-</u>
Net cash from financing activities	<u>399</u>	<u>-</u>
Net increase/(decrease) in cash and cash equivalents	68	(1,050)
Cash and cash equivalents at the beginning of the year	1,154	2,162
Exchange (losses)/gains on cash and cash equivalents	<u>(59)</u>	<u>42</u>
Cash and cash equivalents at the end of the year	<u><u>1,163</u></u>	<u><u>1,154</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 8 to 14.

VIAGOLD CAPITAL LIMITED

PRELIMINARY FINAL REPORT FOR THE YEAR ENDED MARCH 31, 2013

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

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, 2012.

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, 2013 while the prior year is the year ended March 31, 2012.

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
- 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, 2013****NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (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:

	HK	PRC	PRC Provision of consultancy and management services to educational institutions	Unallocated	Consolidated
	Investment holding and administration AS'000	Leasing and capital financing 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 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, 2013****NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)****Note 2. Segment reporting (continued)**

The segment information provided to the management for the reporting segments for the year ended March 31, 2012 is as follows:

	HK	PRC	PRC Provision of consultancy and management services to educational institutions	Unallocated	Consolidated
	Investment holding and administration AS'000	Leasing and capital financing AS'000	AS'000	AS'000	AS'000
Segment revenue	-	414	1,638	-	2,052
Inter-segment revenue	-	-	-	-	-
Revenue from external customers	-	414	1,638	-	2,052
Reportable segment profit/ (loss) before income tax	(602)	(141)	1,269	-	526
Depreciation and amortisation	-	(277)	-	-	(277)
Guaranteed profit paid	-	-	-	-	-
Net loss on financial assets at fair value through profit or loss	(147)	-	-	-	(147)
Income tax expense	-	-	-	-	-
Interest income	-	2	-	-	2
Gain on disposal of property, plant and equipment	-	27	-	-	27
As at March 31, 2012					
Total assets	216	1,991	1,658	-	3,865

VIAGOLD CAPITAL LIMITED

PRELIMINARY FINAL REPORT FOR THE YEAR ENDED MARCH 31, 2013

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

Note 2. Segment reporting (continued)

	HK	PRC	PRC Provision of consultancy and management services to educational institutions	Unallocated	Consolidated
	<u>Investment holdings</u>	<u>Leasing and capital financing</u>	<u>AS'000</u>	<u>AS'000</u>	<u>AS'000</u>
	AS'000	AS'000	AS'000	AS'000	AS'000
Non-current assets (Other than financial instruments and deferred tax assets)	-	1,094	-	-	1,094
Additions to non-current assets (Other than financial instruments and deferred tax assets)	-	39	-	-	39
Total liabilities	248	46	70	-	364

In February 2012, the Group disposed of certain of its subsidiaries which engaged in investment holdings and administration, therefore no segment information for them is presented.

A reconciliation of the reportable segment results to the (loss)/profit before income tax is provided as follows:

	2013	2012
	AS'000	AS'000
Reportable segment (loss)/profit before income tax	(2,492)	526
Loss on disposal of subsidiaries	-	(681)
Loss before income tax	(2,492)	(155)

VIAGOLD CAPITAL LIMITED

PRELIMINARY FINAL REPORT FOR THE YEAR ENDED MARCH 31, 2013

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

Note 3. Employee share option scheme

On December 19, 2007, ordinary resolutions were passed by the shareholders at the annual general meeting to approve the adoption of a new share option scheme (the "New Scheme") and the termination of the old scheme (the "Old Scheme") which was adopted on November 28, 1995.

On December 19, 2007, share options were granted to certain employees and directors of the Group pursuant to the Group's New Scheme. Share options with rights to subscribe for a total of 1,898,792 shares were granted to certain employees with an exercise price at A\$2.00 per share on December 19, 2007. The share options can be exercised from April 8, 2008 and expire on April 8, 2018.

On December 17, 2008, share options were granted to a director of the Group pursuant to the Group's New Scheme. Share options with rights to subscribe to a total of 50,000 shares were granted to a director with an exercise price of A\$2.00 per share on December 17, 2008. The share options can be exercised from December 17, 2008 and expire on December 16, 2018.

On November 29, 2010, share options were granted to employees and consultants of the Group pursuant to the Group's New Scheme. Share options with rights to subscribe to a total of 4,200,000 shares were granted to employees and consultants with an exercise price of A\$1.00 per share on November 29, 2010. The share options can be exercised from November 29, 2010 and expire on November 29, 2015.

On November 1, 2012, share options were granted to consultants of the Group pursuant to the Group's New Scheme. Share options with rights to subscribe to a total of 4,500,000 shares were granted to employees and consultants with an exercise price of A\$1.00 per share on November 1, 2012. The share options can be exercised from November 1, 2012 and expire on November 1, 2017.

Movements in the share options outstanding and their related weighted average exercise prices are as follows:

	Weighted average exercise price per share	Number of underlying shares
	A\$	
As at April 1, 2011 and March 31, 2012	1.29	<u>5,948,792</u>
As at April 1, 2012	1.29	5,948,792
Granted	1.00	4,500,000
Exercised	-	-
Lapsed	-	-
As at March 31, 2013	1.17	<u>10,448,792</u>

VIAGOLD CAPITAL LIMITED

PRELIMINARY FINAL REPORT FOR THE YEAR ENDED MARCH 31, 2013

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

Note 3. Employee share option scheme (Continued)

Share options outstanding at the end of the year have the following expiry dates and exercise prices:

Expiry date	Exercise price per share A\$	2013 Number of underlying shares	2012 Number of underlying shares
April 8, 2018	2.00	1,698,792	1,698,792
December 16, 2018	2.00	50,000	50,000
November 29, 2015	1.00	4,200,000	4,200,000
November 1, 2017	1.00	<u>4,500,000</u>	<u>-</u>

The estimated fair value of the share options granted for the year ended March 31, 2013 amounted to approximately A\$1,242,000. It was estimated as at the date of grant by using the Binomial Option Pricing Model, taking into account the terms and conditions upon which the options were granted. The significant assumptions and inputs used in the valuation model are as follows:

	2013
Spot price	A\$0.79
Exercise price	A\$1.00
Expected volatility	47.00%
Expected life	5 years
Risk free rate	2.652%

The expected volatility was based on the historical volatility of the share price of the Company.

The risk-free interest rate was determined with reference to the yield of Australian Sovereign Curve yield.

The expected life was determined based on the information provided by the management of the Company.

The Binomial Pricing Model is subject to certain fundamental limitations because of the subjective nature of and uncertainty relating to the assumptions and inputs to the model as well as certain inherent limitations of the model itself. Any changes in the above assumptions or inputs may materially affect the fair value estimation.

The fair value of the share options granted and recognised for the years ended March 31, 2013 and 2012 are as

	2013 A\$'000	2012 A\$'000
Directors' remuneration	-	-
Employees	-	-
Consultants	<u>1,242</u>	<u>-</u>
	<u>1,242</u>	<u>-</u>

VIAGOLD CAPITAL LIMITED

PRELIMINARY FINAL REPORT FOR THE YEAR ENDED MARCH 31, 2013

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

Note 4. Additions to Property, Plant and Equipment

During the year, the Group acquired property, plant and equipment at a cost of approximately A\$877,000 (Year ended March 31, 2012: approximately A\$39,000).