

www.edu-chn.com is a functional education resources portal website in China. It provides numerous resources and strong brand promotion for business development. Under the website, there are four modules, eight alliances, nine platforms and eight columns of interactive entertainment columns. It has provided informative educational products through the updated communication tools under www.edu-chn.com. It provides multi-media resources such as college, middle school and elementary school test papers, courseware, and video data since the 1980's, owning intellectual property rights for more than 300,000 sets of courseware and test papers. www.edu-chn.com is an enterprise-class comprehensive education network platform which is based on network video technology and the large data sources of elementary education resources. It provides on-line education and material to download for customers by integrating "the big classroom of the famed instructors".

Heilongjiang Zhonghe Education Center engages in on-site training services and face-to-face tutorship under "The Big Classroom of the Famed Instructors" program and its VOD courseware resources. The useable area for the training center is about 3,400 square meters, with 17 modern classrooms that has a capacity for 1,200 students. The courses cover each phase of compulsory education, of which junior, middle and high school as the key part.

~~The Company also provides new services to fulfill the market needs of on-line vocational training services. The core business~~ for its vocation education is in three main areas: vocation education enrollment, vocational certification, and career development for college graduates. The Company has collaborated with the China Vocation Education Society in setting up www.360ve.com. This website is a substantial site for vocational education enrollment providing customers with reliable information regarding vocational training schools and vocation trainings both on-line and on-site. Pilot version of the www.360ve.com, a "high-quality vocational teaching resource supermarket", has been launched. The Company leverages the existing resources of China Vocational Education Society which has numerous members, including provincial education bureaus and more than one thousand vocational training schools across China. The Company intends to expand its strategic cooperation with training agencies, especially in the aspects of joint enrollment, the exchange of resources and on-site training agencies facilities. The Company has carried out various levels of cooperation with over one thousand professors in their respective expertise fields, more than two thousand membership schools, over three thousand school principals, over fifty thousand school teachers, as well as over one hundred news media and twenty scholarly research organizations.

Through the authorization of the China Vocation Education Society, the vocational certificating center contacts and coordinate with the education ministry, labor ministry and other authorized government agencies to draw up benchmarks for different education training sectors and organize performance evaluation. The Company has been become not only the provider of on-line vocational education but also the administrator for various vocational certifications.

The Company's "Millions of College Students Employment Crossroad" program has been developed in response to the high jobless rate for China's current college graduates. More than 35% of college graduates can not find a job in the year of graduation. Many of the college graduates pursue vocational training after college education. The Company's "Millions of College Students Employment Crossroad" program is designed to establish a long term training program for college students to build connections with corporations and complete education programs prescribed by the hiring corporations.

Recent Acquisition and Expansion

During December 2006, the Company acquired all of the fixed assets and franchise rights of Harbin Nangang Compass Computer Training School ("HNCC") for \$1,010,230. HNCC has been engaged in the business of providing on-line education resources to computer vocational training school students. The expansion of its on-line education programs into the vocational training market is expected to complement its on-line education programs in elementary schools, middle schools, high schools, and colleges.