

**EMAX HOLDINGS CORPORATION**  
**( a Holding company)**  
**un-audited**

**FINANCIAL STATEMENTS**

**AS AT DECEMBER 31, 2006**

# EMAX HOLDINGS CORPORATION

## BALANCE SHEET

AS OF DECEMBER 31, 2006

(UNAUDITED)

### ASSETS

#### CURRENT ASSETS

Cash and Equivalents	\$22,400
Accounts receivable	\$
Prepaid and deposits	

#### OTHER ASSETS

Capitalized Production costs	5,492,942
Investments into Media Companies	5,020,000
Gold Rush Network Group	557,500
Technology Rights	130,000
Furniture and Computers	22,421
Good Will Costs	11,408,871
Organization Costs	163,608

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Capital assets (Note 2)	\$ 24,080,044
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**\$24,102,444**

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### LIABILITIES AND SHAREHOLDERS' EQUITY

#### Current liabilities

Notes Payable Others (Note 4)	\$71,500
Accrued Interest	
Notes Due To Un- Related Parties (Note 5)	\$300,000
Accrued Salaries	\$202,216
Accounts Payable	\$62,450

<b>Total Current Liabilities</b>	<b>571,816</b>
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#### Shareholders' equity

Common Stock- authorized 300,00,000 Shares; \$.0000001 par value.; issued and outstanding 137,693,722 shares in 2006 and 27,848,497 shares in 2005 (Note 6)	23,850
Additional Paid In Capital	24,102,444
Accumulated Deficit	\$(14,329,152)

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<b>TOTAL STOCKHOLDER NET EQUITY</b>	<b>\$9,225,326</b>
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<b>TOTAL STOCKHOLDER LIBAILITIES AND ASSETS</b>	<b>\$ \$23,530,628</b>
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EMAX HOLDINGS CORPORATION.

2006

Financial Statements

Un-Audited

**EMAX HOLDINGS CORPORATION**  
**INTERIM STATEMENT OF OPERATIONS AND DEFICIT**  
**FOR THE TWELVE MONTH PERIOD ENDED AS OF DECEMBER 31, 2006**  
**(UNAUDITED)**

<b>Revenue</b>	<b>\$712,594</b>
Advertising Sponsorship Revenue	712,594
<b>Cost of goods sold</b>	<b>293,363</b>
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<b>Gross profit</b>	<b>419,231</b>
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<b>Operating expenses</b>	
Selling	<b>14,678</b>
Administrative	<b>252,682</b>
Interest on long-term debt	
Interest and bank charges	
Depreciation	24,482
Re-Locating Bad Debt Write-off	44,000
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	<b>335,842</b>
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<b>Net (loss) earnings</b>	<b>83,389</b>

**EMAX HOLDINGS CORPORATION**  
**INTERIM SCHEDULE OF COST OF GOODS SOLD**  
**FOR THE TWELVE MONTH PERIOD ENDED AS OF DECEMBER 31, 2006**

**(UNAUDITED)**

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<b>Cost of goods sold</b>	
Purchases	<b>\$132,925</b>
Labor	<b>\$160,440</b>
	<b>\$ 293,363</b>

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**EMAX HOLDINGS CORPORATION**  
**INTERIM SCHEDULE OF EXPENSES**  
**FOR THE TWELVE MONTH PERIOD ENDED AS AT OF DECEMBER 31, 2006**  
**(UNAUDITED)**

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**Selling**

Advertising	\$28,000
Telephone	\$ 7,189

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**\$ 35,189**

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**Administrative**

Insurance and taxes	1,980
Light, heat, and power	5,349
Office	174,364
Travel	39,078
Contract Labor	31,911
Depreciation	24,482
Re-Locating Bad Debt Write-off	44,000

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**\$ 321,166**

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## 1. Significant Accounting Policies

### (a) Inventories

Inventories are stated at the lower of cost (first-in, first-out method) and net realizable value.

### (b) Amortization

Annual amortization rates adopted by the Company are:

On the declining balance method:

1) Capitalized Production Costs	5%
2) Recorded master recordings	5%
3) Furniture and fixtures	20%
4) Computer	30%
5) Goodwill	5%

On the straight-line method:

1) leasehold improvements	term of lease - 5years
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### (c) Use of estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosures of contingencies at the date of the financial statements and the reported amounts of revenues and expenses during the year. Actual results could differ from these estimates.

## 2. Capital Assets

	<b>Accumulated</b>	<b>Net book</b>	
	<u>Cost</u>	<u>Amortization</u>	<u>Value</u>
Furniture and fixtures	90508	75000	15,508
Computer	12,575	7482	5093
	<u>\$ 103,083</u>	<u>\$ 82,482</u>	<u>\$ 20,601</u>

## 3. Bank Indebtedness

The company currently has no loans or outstanding bank liabilities

#### 4 Long-Term Debt

- a) The company has not outstanding long term debt at this time

#### 5. Capital Stock

- a) The Company was incorporated under the Laws of Delaware Corporations Act on February 24, 1988.

- b) Authorized:

300,000,000 number of authorized common stock, par at \$.000001/share

40,000,00 number of authorized preferred stock, par at \$.001/share

Issued and fully paid:

Common stock

\$137,693,722

Preferred stock

\$ \_\_\_\_\_

- c) As of the date 12/30/2006 the Company has issued 137,693,722 shares of common stock for a total cash consideration of \$24,102,444

#### 6. Commitments

The company currently has no rental or lease agreements. The Chief Operating Officer provides office rent at no expense to the company.

#### 7. Subsequent Events

In Year 2006 The company issued 27,635,225 shares of common stock to officers and directors in satisfaction of accrued salary and expenses totaling \$795,880 for years 2003 until year 2007 due to all employees from that period of time

In Year 2006, the Company under a former agreement issued 1,000,000 shares of common stock to Corporate Public Relations, an investor relations firm

EMAX WORLDWIDE INC  
CONSOLIDATED STATEMENT OF STOCKHOLDERS' EQUITY

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INFORMATION AS TO THE PERIODS ENDED DECEMBER 31, 2006 AND 2007 IS UNAUDITED

	COMMON STOCK		ADDITIONAL PREFERRED STOCK		PAID-IN CAPITAL	ADDITIONAL ACCUMULATED DEFICIT	TOTAL
	SHARES	AMOUNT	SHARES	AMOUNT			
<b>BALANCES JANUARY 1, 1994</b>	<b>13,729,551</b>	<b>\$ 13,730</b>	<b>--</b>	<b>\$ --</b>	<b>\$6,133,463</b>	<b>(4,152,204)</b>	<b>\$ 1,994,985</b>
Issuance of shares to directors and officers For accrued salaries and expenses at prices Ranging from \$.065-to \$.40 per share	8,088,665	8,086			1,629,547		1,537,633
Issuance of shares for notes and interest Payable at \$.25 Per share	400,000	400			99,600		100,000
Issuance of shares for consulting fees At \$1.00 per share.	267,958	268			267,690		267,959
Net loss for the year	--	--	--	--		(1,064,988)	(1,064,988)
<b>BALANCE DECEMBER 31, 1994</b>	<b>22,484,174</b>	<b>22,484</b>	<b>--</b>	<b>--</b>	<b>8,130,300</b>	<b>(5,217,193)</b>	<b>2,935,591</b>
Issuance of shares to directors and officers For accrued salaries and expenses at prices Ranging from \$.050-to \$1.00 per share	4,792,798	4,793			2,591,605		2,596,398
Issuance of shares for consulting fees At \$.25 per share.	400,000	400			99,600		100,000
Net loss for the year	--	--	--	--		(2,751,901)	(2,751,901)
<b>BALANCE DECEMBER 31, 1995</b>	<b>27,676,970</b>	<b>27,677</b>	<b>--</b>	<b>--</b>	<b>10,821,505</b>	<b>(7,963,094)</b>	<b>2,880,088</b>
Issuance of shares to directors and officers For accrued salaries and expenses at prices Ranging from \$.014 per share	13,043,721	13,043			1,826,121		1,839,164
Issuance of collateral shares Shares are being cancelled Ranging from \$.014 per share	18,720,000	18,720			1,629,547		2,620,800
Net loss for the year	--	--	--	--		(765,411)	( 765,411)
<b>BALANCES DECEMBER 31, 1996</b>	<b>59,440,693</b>	<b>59,440</b>	<b>--</b>	<b>--</b>	<b>12,647,626</b>	<b>(8,728,505)</b>	<b>6,574,411</b>
Net loss for the year	--	--	--	--			
<b>BALANCE DECEMBER 31, 1997</b>	<b>59,440,693</b>	<b>59,440</b>	<b>--</b>	<b>--</b>	<b>12,647,626</b>	<b>(8,728,505)</b>	<b>6,574,411</b>
Net loss for the year	--	--	--	--			

<b>BALANCES DECEMBER 31, 1998</b>	<b>59,440,693</b>	<b>59,440</b>	--	--		<b>12,647,626</b>	<b>(8,728,505)</b>	<b>6,574,411</b>
Issuance of shares for consultants at prices .0\$12 per share	1,200,000	1,200				142,800		144,000
Issuance of common stock in Exchange for Preferred A Stock at \$.11/share	4,731,836	4,731				515,771		520,502
Issuance of common stock in Exchange for Preferred B Stock at \$.11/share	7,782,809	7,783				848,326		856,109
Net loss for the year	--	--	--	--	--		(142,800)	(142,800)
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<b>BALANCE DECEMBER 31, 1999</b>	<b>73,155,338</b>	<b>73,155</b>	--	--		<b>14,287,723</b>	<b>(8,871,305)</b>	<b>7,952,222</b>
Reversed Shares 10:1 March 2000								
<b>BALANCE MARCH 30, 2000</b>	<b>7,315,533</b>	<b>7,315</b>	--	--		<b>14,287,723</b>	<b>(8,871,305)</b>	<b>7,952,222</b>
Reversed Shares 10:1 March 2000								
Issuance of shares to capitalize as investment in media companies at \$0.12 Per share	7,000,000	7,000				833,000		840,000
Issuance of shares for consulting fees At \$0.12 per share.	842,000	842				100,198		101,040
Net loss for the year	--	--	--	--	--		(809,198)	(809,198)
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<b>BALANCE DECEMBER 31, 2000</b>	<b>15,157,733</b>	<b>15,157</b>	--	--		<b>15,222,092</b>	<b>(9,680,503)</b>	<b>8,084,064</b>
Issuance of shares to capitalize as investment in media companies at \$0.12 Per share	18,000,000	18,000				2,142,000		2,160,000
Issuance of shares to directors and officers For accrued salaries and expenses at prices Ranging from \$.12 per share	1,150,000	1,150				136,850		138,000
Issuance of shares for consulting fees At \$0.12 per share.	1,912,000	1,912				234,638		236,550
Net loss for the year	--	--	--	--	--		(2,471,050)	2,471,050
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<b>BALANCE DECEMBER 31, 2001</b>	<b>36,219,733</b>	<b>36,219</b>	--	--		<b>17,735,580</b>	<b>(12,151,553)</b>	<b>8,023,364</b>
Issuance of shares for notes and interest Ranging from \$.05- \$.07 per share	835,000	835				47,615		48,450
Issuance of shares for consulting fees Ranging from \$.05- \$.07 per share.	5,900,000	5,900				368,707		374,607
Issuance of shares to directors and officers For accrued salaries and expenses at \$.05 per share	2,710,000	2,710				132,290		135,000
Net loss for the year	--	--	--	--	--		(471,612)	(471,612)

<b>BALANCE DECEMBER 31, 2002</b>	<b>45,664,733</b>	<b>45,664</b>	<b>--</b>	<b>--</b>	<b>18,284,192</b>	<b>(12,623,165)</b>	<b>8,110,809</b>
Issuance of shares for notes and interest Ranging from \$.02- \$.03 per share	14,900,000	14,900			287,000		302,000
Issuance of shares to directors and officers For accrued salaries and expenses at \$0.03 per share	3,780,000	3,780			109,620		113,400
Issuance of shares for consulting fees At \$.03 per share.	1,390,000	1,390			40,310		41,700
Net loss for the year	--	--	--	--		(436,930)	(436,930)
<b>BALANCE DECEMBER 31, 2003</b>	<b>65,734,733</b>	<b>65,734</b>	<b>--</b>	<b>--</b>	<b>18,721,122</b>	<b>(13,060,095)</b>	<b>8,130,979</b>
Issuance of shares to directors and officers For accrued salaries and expenses at \$0.02 per share	2,105,000	2,105			39,995		42,100
Issuance of shares for consulting fees At \$.02 per share.	4,445,000	4,445			95,455		99,900
Issuance of shares to capitalize as investment in media companies at \$0.02 Per share	4,000,000	4,000			76,000		80,000
Issuance of shares to capitalize as investment in Gold Rush companies at \$0.02 Per share	10,000,000	10,000			190,000		200,000
Issuance of shares for notes and interest Ranging from \$.02- \$.03 per share	12,700,000	12,700			241,300		254,000
Net loss for the year	--	--	--	--		(402,250)	(402,250)
<b>BALANCE MARCH 31, 2004</b>	<b>98,984,733</b>	<b>98,984</b>	<b>--</b>	<b>--</b>	<b>19,363,872</b>	<b>(13,462,345)</b>	<b>8,404,729</b>
Reversed Shares 14:1 March 2000							
<b>BALANCE JUNE 30, 2004</b>	<b>7,070,338</b>	<b>7070</b>	<b>--</b>	<b>--</b>	<b>19,363,872</b>	<b>(13,462,345)</b>	<b>8,404,729</b>
Issuance of shares for notes and interest Payable at \$.10 Per share	300,000	0			30,000		30,000
Issuance of shares for consulting fees At \$.10 per share.	8,368,159	8			836,807		836,815
Net loss for the year	--	--	--	--		(866,807)	(866,807)
<b>BALANCE DECEMBER 31, 2004</b>	<b>15,738,497</b>	<b>22,484</b>	<b>--</b>	<b>--</b>	<b>20,230,679</b>	<b>(5,217,193)</b>	<b>8,404,737</b>
Issuance of shares to capitalize as investment in media companies at \$0.10 Per share	10,000,000	10			999,990		1,000,000
Issuance of shares for consulting fees At \$.05 per share.	2,110,000	2			104,998		105,000
Net loss for the year	--	--	--	--		(994954)	(994954)
<b>BALANCE DECEMBER 31, 2005</b>	<b>27,848,497</b>	<b>22,484</b>	<b>--</b>	<b>--</b>	<b>21,230,669</b>	<b>(14,329,152)</b>	<b>8,514,783</b>

Issuance of shares to capitalize as investment in media companies at \$0.04 per share	8,500,000	8				339,992		340,000
Issuance of shares to capitalize as investment in Gold Rush companies at \$0.04 Per share	1,000,000	1				39,999		40,000
Issuance of shares for consulting fees At \$.04 per share.	1,325,000	1				33,124		33,125
Issuance of shares to directors and officers For accrued salaries and expenses at \$0.04 per share	7,896,896	7				302,415		302,422
Issuance of shares for notes and interest Payable at \$.04 per share	3,550,000	3				141,997		142,000
Issuance of shares to capitalize as investment in media companies at \$0.025 per share	24,000,000	24				599,976		600,000
Issuance of shares to capitalize as investment in technology companies at \$0.025per share	12,200,000	12				129,988		130,000
Issuance of shares to capitalize as investment in Gold Rush companies at \$0.025 per share	12,700,000	12				317,488		317,500
Issuance of shares for consulting fees at \$.025 per share.	9,085,000	9				227,116		227,125
Issuance of shares to directors and officers For accrued salaries and expenses at \$0.025 per share	19,738,329	19				493,439		493,458
Issuance of shares for notes and interest payable at \$.025 Per share	9,850,000	9				246,241		246,250
Net loss for the year	--	--	--	--	--		(2,788,775)	(2,788,775)
<b>BALANCE DECEMBER 31, 2006</b>	<b>137,693,722</b>	<b>22,484</b>				<b>24,102,444</b>	<b>(17,117,927)</b>	<b>8,597,888</b>