

**EMAX WORLDWIDE INC**  
**( a Holding company)**  
**un-audited**

**FINANCIAL STATEMENTS**

**AS AT DECEMBER 31, 2007**

**EMAX WORLDWIDE INC**  
**BALANCE SHEET- AS OF DECEMBER 31, 2007**  
**(UNAUDITED)**

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**ASSETS**

**CURRENT ASSETS**

Cash and Equivalents	12,000
Securities held in Investments	\$4,662,618
Accounts receivable	
Prepaid and deposits	
<b>TOTAL CURRENT ASSETS</b>	<b>\$4,684,618</b>

**OTHER ASSETS**

Capitalized Production costs	\$ 5,492,942
Investments into Media Companies	\$ 5,020,000
Investments into Gold Rush Network Group	\$ 997,500
Investments in Technology Rights	\$ 251,000
Investments in Oil and Gas Companies	\$ 7 4,810
Computer and Furniture	\$ 7,486
Capitalized investments costs or Good will	\$ 13,576,897
Organization Costs	163,608

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Capital assets (Note 2)	<b>\$ 25,584,243</b>
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	<b>\$ 30,268,861</b>
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**LIABILITIES AND SHAREHOLDERS' EQUITY**

**Current liabilities**

<b>Notes Payable Others (Note 4)</b>	146,000
Accrued Interest	
Notes Due To Un- Related Parties (Note 5)	
Accrued Salaries	
Accounts Payable	\$ 51,300
<b>Total Current Liabilities</b>	<b>\$ 197,300</b>

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**Shareholders' equity**

Common Stock- authorized 500,00,000	
Shares; \$.000001 par value; issued and outstanding	
387,787,105 shares in 2007	
and 137,693,718 shares in 2006 (Note 6)	22,484
Additional Paid In Capital	\$ 30,254,861
Accumulated Deficit	\$(18,430,098)

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<b>TOTAL STOCKHOLDER NET EQUITY</b>	<b>\$11,847,247</b>
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<b>TOTAL STOCKHOLDER LIBAILITIES AND EQUITY</b>	<b>\$ 30,071,561</b>
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**EMAX WORLDWIDE INC**  
**INTERIM STATEMENT OF OPERATIONS AND DEFICIT**  
**FOR THE TWELVE MONTH PERIOD ENDED AS OF DECEMBER 31, 2007**  
**(UNAUDITED)**

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<b>Revenue</b>	<b>\$381,831</b>
Advertising Sponsorship Revenue	381,831
<b>Cost of goods sold</b>	<b>(\$86,400)</b>
<b>Gross profit</b>	<b>\$295,431</b>
<b>Operating expenses</b>	
Selling	<b>\$10,840</b>
Administrative	<b>\$250,471</b>
Interest on long-term debt	
Interest and bank charges	
Depreciation	3,333
	<b>\$264,644</b>
<b>Net (loss) earnings</b>	<b>\$34,210</b>

**EMAX WORLDWIDE INC**  
**INTERIM SCHEDULE OF COST OF GOODS SOLD**  
**FOR THE TWELVE MONTH PERIOD ENDED AS OF DECEMBER 31, 2007**

**(UNAUDITED)**

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<b>Cost of goods sold</b>	<b>\$86,420</b>
Labor	<b>\$86,420</b>

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**\$ 86,420**

**EMAX WORLDWIDE INC**  
**INTERIM SCHEDULE OF EXPENSES**  
**FOR THE TWELVE MONTH PERIOD ENDED AS AT OF DECEMBER 31, 2007**  
**(UNAUDITED)**

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**Selling**

Advertising	<b>\$6,000</b>
Telephone	\$4,840

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**\$10,840**

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**Administrative**

Insurance and taxes	1,980
Light, heat, and power	5,349
Office	187,231
Travel	39,07
Contract Labor	55,911

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**\$ 250,471**

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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 media 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

	<u>Accumulated</u>	<u>Net book</u>	
	<u>Cost</u>	<u>Amortization</u>	<u>Value</u>
Furniture and fixtures	90,508	87,175	3333
Computer	12,575	8,426	4149
	<u>\$103,083</u>	<u>\$ 95,601</u>	<u>\$ 7,482</u>

## 3. Bank Indebtedness

The company currently has no loans or outstanding liabilities.

EMAX WORLDWIDE, INC.

2007

Financial Statements

Un-Audited

#### 4 Long-Term Debt

- a) The company has not outstanding 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:
  - 500,000,000 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

Preferred stock

\$387,787,105

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

- c) As of the date 12/30/2007 the Company has issued 387,787,105 shares of common stock for a total cash consideration of \$31,590,068

#### 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 2007 the company issued 8,088,000 shares of stock to an officer in satisfaction of accrued salary and expenses totaling \$202,216 to finish paying what is owed from years 2003 until 2007.

In Year 2007, the Company under a former agreement issued 2,000,000 shares of common stock to Corporate Public Relations, an investor relations firm

# EMAX WORLDWIDE INC

## UNAUDITED PROFORMA CONSOLIDATED STATEMENT OF OPERATIONS

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INFORMATION AS TO THE PERIODS ENDED DECEMBER 30, 2006 AND 2007 IS UNAUDITED

	EMAX WORLDWIDE., INC. CONSOLIDATED FOR THE YEAR ENDED DECEMBER 31, 2006	EMAX WORLDWIDE, INC. CONSOLIDATED FOR THE YEAR ENDED DECEMBER 31, 2007
SALES	-----	-----
REVENUES:	\$ 712,594	\$ 381,831
	-----	-----
Total Revenues	\$ 712,594	\$381,831
	-----	-----
COSTS AND EXPENSES:		
Cost of sales	293,363	86,400
Selling, general and administrative	262,707	261,111
Depreciation and amortization	7482	3,333
Interest expense	--	--
Interest expense - related party	--	--
Bad debt expense	44,000	
Amortization of loan costs	--	
	-----	-----
Total Costs and Expenses	624,552	350,844
	-----	-----
INCOME (LOSS) FROM OPERATIONS	\$88,042	\$30, 987
	-----	-----
OTHER INCOME:		
Dividend income		--
Interest income	--	
Other	--	
Total Other Income		-----
	-----	-----
INCOME (LOSS) BEFORE (PROVISION) BENEFIT FPR INCOME TAXES	\$88,042	\$30, 987
	-----	-----
(PROVISION) BENEFIT FOR INCOME TAXES	\$88,042	\$30, 987
	-----	-----
NET INCOME (LOSS)	\$88,042	\$30, 987
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NET INCOME (LOSS)	\$88,042	\$30, 987

EMAX WORLDWIDE, INC.

2007

Financial Statements

Un-Audited



EMAX WORLDWIDE INC  
CONSOLIDATED STATEMENT OF STOCKHOLDERS' EQUITY

	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>--</b>	<b>--</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)
<b>BALANCE DECEMBER 31, 1999</b>	<b>73,155,338</b>	<b>73,155</b>	<b>--</b>	<b>--</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>--</b>	<b>--</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)
<b>BALANCE DECEMBER 31, 2000</b>	<b>15,157,733</b>	<b>15,157</b>	<b>--</b>	<b>--</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
<b>BALANCE DECEMBER 31, 2001</b>	<b>36,219,733</b>	<b>36,219</b>	<b>--</b>	<b>--</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>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>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>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>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>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>--</b>	<b>--</b>	<b>24,102,444</b>	<b>(17,117,927)</b>	<b>8,597,888</b>
Issuance of shares to directors and officers For accrued salaries and expenses at prices Ranging from \$.025 per share	8,088,665	8,			202,208		202,216
Issuance of shares for notes and interest payable at \$.02 Per share	20,000,000	2			399,998		400,000
Issuance of shares for consulting fees At \$.02 per share.	10,000,000	10			199,990		200,000
Issuance of shares to capitalize as investment in technology companies at \$0.02per share	4,500,000	4			89,996		90,000
Issuance of shares to capitalize as investment in Gold Rush companies at \$0.02 per share	21,000,000	21			419,979		420,000

Net loss for the year		--	--	--	--	--	(1,312,171)	(1,312,171)	
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<b>BLANCE APRIL 30, 2007</b>	<b>201,282,387</b>	<b>22,484</b>	<b>--</b>	<b>--</b>			<b>25,592,309</b>	<b>(18,430,098)</b>	<b>8,597,933</b>
Issuance of shares as forward dividend to shareholders for media rights at \$.025 per share	105,099,470	105					2,627,382	2,627,487	
Issuance of shares as forward dividend to shareholders for Gold Rush Investments merger at \$.025 per share	81,405,248	81					2,035,050	2,035,131	
Net loss for the year					--	--	--	--	
	-----	-----	-----	-----	-----	-----			
<b>BALANCE DECEMBER 31, 2007</b>	<b>387,787,105</b>	<b>22,484</b>	<b>--</b>	<b>--</b>			<b>30,254,841</b>	<b>(18,430,098)</b>	<b>13,260,551</b>

# EMAX WORLDWIDE, INC

## CONSOLIDATED STATEMENTS OF CASH FLOWS

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INFORMATION AS TO THE PERIODS ENDED DECEMBER 30, 2006 AND 2007 IS UNAUDITED

	FOR THE YEAR ENDED DECEMBER 31, 2006	FOR THE YEAR ENDED DECEMBER 31, 2007
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	(UNAUDITED)	(UNAUDITED)
<b>CASH FLOWS FROM (TO) OPERATING ACTIVITIES:</b>		
Net income (loss)	\$ 83,389	\$ 34,210
Adjustments to reconcile net loss to net cash used by operations: --		
Depreciation and amortization	18,999	3333
Stock issued for services	226,250	200,000
Changes in:		
Accounts receivable		
Accounts receivable, related party		
Capitalized Production Costs	(39,109)	
Inventory	--	--
Accounts payable and accrued expenses	(27,890)	(80,948)
Repaid two year notes, un-related party	388,000	400,000
Deferred revenue		
Accrued officers' salary	(202,216)	
Repaid officers salaries	795,880	202,216
	-----	-----
Cash Flows From (To) Operating Activities	1,243,303	728,011
	-----	
<b>CASH FLOWS FROM (TO) INVESTING ACTIVITIES:</b>		
Purchase of equipment		(19,837)
Escrow deposit	--	--
Repayments on note receivable	--	--
Deposit on leased equipment	--	--
	-----	
Cash Flows From (To) Investing Activities	(10,094)	(225,000)
	-----	
<b>CASH FLOWS FROM (TO) FINANCING ACTIVITIES:</b>		
Proceeds from notes payable	(700,000)	(400,000)
Net cash provided from financing	(700,000)	(400,000)
Cash at beginning of period	--	
Cash at end of period	--	

EMAX WORLDWIDE, INC.

2007

Financial Statements

Un-Audited