



**WWEBNET, Inc.**  
**(A DEVELOPMENT STAGE COMPANY)**  
**Consolidated Financial Statements**  
**(Unaudited)**  
**For the period from April 1, 2008 to June 30, 2008**

**WWEBNET, Inc.**  
**(A DEVELOPMENT STAGE COMPANY)**  
**Consolidated Balance Sheet at June 30, 2008**

	<b>June 30, 2008 US \$</b>
<b>Assets</b>	
Cash and cash equivalents	3,379
Accounts receivable	202,313
Loan	2,589,638
<b>Total current assets</b>	<u>2,795,330</u>
Property and Equipment net of accumulated depreciation of \$12,063	5,073
Intangible assets, net of accumulated amortization of US\$839,908	193,842
<b>Total assets</b>	<u>2,994,245</u>
<b>Liabilities and stockholders' equity</b>	
<b>Liabilities</b>	
Accounts payable	1,082,443
Short term loan	240,246
<b>Total liabilities</b>	<u>1,322,689</u>
<b>Stockholders' equity</b>	
Common stock, US\$0.001 par value; 150,000,000 shares authorized	
41,194,170 shares issued at US\$0.001 par value	41,194
Preferred stock, US\$0.001 par value; 100,000,000 shares authorized	
4,000,000 shares issued at US\$0.001 par value	4,000
Additional paid in capital	27,830,636
Deficit accumulated during the development stage	(25,728,937)
Cumulative unrealized foreign currency translation gains/ (losses)	(475,337)
<b>Total stockholders' equity</b>	1,671,556
<b>Total liabilities and stockholders' equity</b>	<u>2,994,245</u>

**WWEBNET, Inc.**  
**(A DEVELOPMENT STAGE COMPANY)**  
**Consolidated Statements of Operations and Comprehensive Loss**  
**for the period from April 1, 2008, to June 30, 2008.**  
**(Unaudited)**

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	<b>Period ended June 30, 2008 US \$</b>
<b>Revenues:</b>	
Interest received	33,312
<b>Expenses:</b>	
Advertising	2,000
Consulting fees	173,436
Professional fees	42,000
Software hire	270,750
Amortization	64,608
Depreciation and amortization	428
Legal expenses	2,322
Finance fees	20,001
Office expenses	2,917
Insurance	4,238
Traveling and entertainment	42,027
Mail and courier expenses	1,859
Meetings and Conventions	7,584
Printing and Stationery	1,816
Rent and rates	59,496
Telephone	5,872
Bank Charges	1,220
Subscriptions	234
Loan Interest	67,500
State Taxes	5,897
	<u>776,205</u>
<b>Net loss</b>	<u>(742,893)</u>
<b>Comprehensive loss</b>	<u>(742,893)</u>

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**WWEBNET, Inc.**

**(A DEVELOPMENT STAGE COMPANY)**

**Notes to the Consolidated Financial Statements for the period from April 1, 2008  
to June 30, 2008 (unaudited)**

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**Note 1 - Business description and basis of presentation**

**Business:**

WWEBNET, Inc. ("WWEBNET") which is located in Nevada, United States of America, together with its 100% owned subsidiary, Direct Choice (TV) Communications Limited, (collectively the "Company") own, market and sell broadcast software technology to major entertainment companies, as well as other targeted industries ("Clients"). The Company's product provides a permanent link between the end consumer and the Client. Through this link the Client is able to market directly to the consumer in line with the consumer's own preferences.

The consolidated financial statements include the accounts of WWEBNET and its 100% owned subsidiary. All significant intercompany accounts and transactions have been eliminated in consolidation.

**Note 2 Summary of significant accounting policies**

**Basis of presentation**

The Company is a development stage enterprise since the Company has not generated revenue from the sale of its products and its efforts from its inception on 27 July, 2005 through October 31, 2007. The company has principally been devoted to developing its product as well as raising capital. Accordingly the financial statements have been prepared in accordance with the provisions of Statement of Financial Accounting Standard (SFAS) No. 7, "Accounting and Reporting by Development Stage Enterprises".

The Company is reporting a net loss of US\$ 1,145,761 for the four month period ending October 31, 2007

**Note 2 - Summary of significant accounting policies**

**Basis of accounting:**

The consolidated financial statements have been prepared in accordance with accounting principals generally accepted in the United States of America ("US GAAP").

**Use of estimates:**

The preparation of the consolidated financial statements in conformity with US GAAP requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

**Cash equivalents:**

The Company considers all highly liquid investments with maturities of three months or less when acquired as cash equivalents.

**Income taxes:**

**Property and Equipment:**

Property and equipment are stated at cost. Depreciation and amortization are computed primarily using the straight-line method over the estimated useful lives of the assets of 5 years.

**Research and development:**

All research and development costs are expensed as incurred and include costs of consultants who conduct research and development on behalf of the Company.

**Intangible assets:**

Intangible assets, consisting of goodwill, intellectual property and software are carried at cost. The Company considers the useful economic life of goodwill to be ten years commencing August 29, 2005 and the other intangible assets to be four years commencing August 29, 2005. The intangible assets are

being amortized over their expected useful lives on a straight line basis.

**Recognition of impairment**

Impairment losses on long-lived tangible and intangible assets which do not have indefinite useful lives, such as goodwill, intellectual property, software and property and equipment, are recognized when events indicate that the undiscounted cash flows estimated to be generated by such assets are less than their carrying value and all or a portion of such carrying value may not be recoverable. Impairment losses are then measured by comparing the fair value of assets to their carrying amounts.

**Foreign currency translation:**

The consolidated financial statements of the Company's operations in which the functional currency is other than U.S. dollars have been translated into U.S. dollars in accordance with Statement of Financial Accounting Standards No. 52, Foreign Currency Translation. The statement provides that all balance sheet accounts are translated at year-end rates of exchange, except for equity accounts which are translated at historical rates. Income and expense accounts are translated at the average of exchange rates in effect during the period, and the resulting translation adjustment is included as a separate component of stockholders' equity and in comprehensive income or loss.

**Note 3 - Intangible assets**

Intangible assets consist of all intellectual property (including any present or future patent claims) and software that Dolny Limited acquired from I B Holdings 1, LLC, an unrelated Delaware limited liability company, pursuant to an agreement dated March 31, 2005.

	Intellectua property Jun-08 US\$
Intellectual property and software	258,450
Less accumulated amortization for period	(64,608)
Net intellectual property and software	<u>193,842</u>

**Note 4 - Common stock**

The Company has authorized capital of 250,000,000 shares of US\$ 0.001 each, of which 150,000,000 are common stock shares of US\$0.001 and 100,000,000 are preferred stock shares of US\$0.001 each. No further shares were issued during the period April 1, 2008 to June 30, 2008

**Note 5 - Warrant Exercise and Credit Facility Agreement**

On August 24, 2007 the company entered into a warrant exercise and credit facility agreement with Mr T Hansen. In this agreement, on condition that Mr Hansen exercises his class D warrant holding (2,038,750 shares), Mr Hansen would be able to borrow funds from the company (up to seven times the dollar amount of the warrant exercise amount tendered to the company by August 28, 2007) for the sole and exclusive purpose of exercising his existing warrant holding in the company.

The company has subsequent to this agreement, reached a further agreement with Mr Hansen whereby he would be able to reduce any existing debt at a rate of 1.25 times the amount of any money paid to WWEBNET, Inc.

**Note 6 - Loan Current Assets**

The Loan in the consolidated balance sheet of US\$2,589,638 is the amount of the outstanding loan owed by Mr T Hansen pursuant to agreement referred to in note 5 above.

**WWEBNET, Inc****(A DEVELOPMENT STAGE COMPANY)****Consolidated Statements of Stockholders' Equity for the period April 1, 2008 to June 30, 2008**

	<b>Common Stock Shares Number</b>	<b>Common Stock Shares US \$</b>	<b>Preferred Stock Shares Number</b>	<b>Preferred Stock Shares US \$</b>	<b>Additional Paid in Capital US \$</b>		<b>Retained Earnings US \$</b>	<b>Unrealized Foreign Currency Translation Gains and (Losses) US \$</b>	<b>Total US \$</b>
Balance at March 31, 2008	41,194,157	41,194	4,000,000	4,000	27,830,636		(24,986,044)	(509,886)	2,379,900
Net loss for three months to June 31, 2008							(742,893)	34,549	(708,344)
Total at June 30, 2008	41,194,157	41,194	4,000,000	4,000	27,830,636	-	(25,728,937)	(475,337)	1,671,556