

**WWEBNET, INC.**  
**(A DEVELOPMENT STAGE COMPANY)**  
**Consolidated Financial Statements**

**For the period from July 1, 2007 to March 31, 2008**

**WWEBNET, INC.**  
**(A DEVELOPMENT STAGE COMPANY)**  
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**WWEBNET, INC.**  
**(A DEVELOPMENT STAGE COMPANY)**  
**General information as at March 31, 2008**

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<b>Directors</b>	Robert Kelly Ron Insana
<b>Secretary</b>	Robert Kelly
<b>Registered office</b>	6100 Neil Road #500 Reno NV 89511
<b>Banker</b>	Chase LP Morgan Chase Bank N.A. P O Box 260180 Baton Rouge, LA 70826-0180
<b>Auditors</b>	Saffery Champness La Tonnelle House Les Banques St Sampson Guernsey

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**Independent Auditor's Report**

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To the Stockholders and Board of Directors  
WWEBNET, Inc.  
6100 Neil Road  
#500 Reno  
NV 89511

We have audited the accompanying consolidated balance sheet of WWEBNET, Inc. (a development stage company) as of March 31, 2008, and the related consolidated statements of operations and comprehensive loss, stockholders' equity and cash flows for the period from July 1, 2007 to March 31, 2008 and the period from May 16, 2003 (inception) to March 31, 2008. These consolidated financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these consolidated financial statements based on our audits.

We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the consolidated financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall consolidated financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the financial position of WWEBNET, Inc. (a development stage company) as of March 31, 2008, and the results of its operations and its cash flows for the period from July 1, 2007 to March 31, 2008 the period from May 16, 2003 (inception) to March 31, 2008 in conformity with accounting principles generally accepted in the United States of America.

The accompanying financial statements have been prepared assuming that the Company will continue as a going concern. As more fully described in note 1, the Company has incurred recurring losses and its operating activities have used cash since the Company's inception. These conditions raise substantial doubt about the Company's ability to continue as a going concern. Management's plans in regard to these matters are also described in note 1. The financial statements do not include any adjustments that may result from the outcome of this uncertainty.

  
Saffery Champness  
La Tonnelle House  
Les Banques  
St Sampson  
Guernsey

11 August 2008

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WWEBNET, INC.  
(A DEVELOPMENT STAGE COMPANY)  
Consolidated Balance Sheet at March 31, 2008

	March, 31 2008 US \$
<b>Assets</b>	
Cash and cash equivalents	54,785
Accounts receivable	189,221
Loan	2,868,827
Total current assets	<u>3,112,833</u>
Property and equipment, net of accumulated depreciation of £11,359	5,777
Intangible assets, net of accumulated amortization of US\$775,300	258,450
<b>Total assets</b>	<u><u>3,377,060</u></u>
<b>Liabilities and stockholders' equity</b>	
<b>Liabilities</b>	
Accounts payable	761,914
Total current liabilities	<u>761,914</u>
Loan	235,246
<b>Total liabilities</b>	<u>997,160</u>
Stockholders' equity	
Common stock, US\$0.001 par value; 150,000,000 shares authorized 41,194,170 shares issued and outstanding	41,194
Preferred stock, US\$0.001 par value; 100,000,000 shares authorized 4,000,000 shares issued and outstanding	4,000
Additional paid in capital	27,830,636
Deficit accumulated during the development stage	(24,986,044)
Cumulative unrealized foreign currency translation gains / (losses)	(509,886)
<b>Total stockholders' equity</b>	<u>2,379,900</u>
<b>Total liabilities and stockholders' equity</b>	<u><u>3,377,060</u></u>

See notes to consolidated financial statements.

**WWEBNET, INC.****(A DEVELOPMENT STAGE COMPANY)****Consolidated Statements of Operations and Comprehensive Loss for the period from July 1, 2007 to March 31, 2008 and the period from May 16, 2003 (inception) to March 31, 2008**

	<b>Period from July 1, 2007 to March 31, 2008 US \$</b>	<b>Period from May 16, 2003 (inception) to March 31, 2008 US \$</b>
<b>Revenues:</b>		
Loan and bank interest	68,721	103,183
<b>Expenses:</b>		
Consultancy fees	637,039	3,570,772
Accountancy fees	183,980	625,678
Professional fees	-	418,932
Management fees	-	837,743
Software expenses	2,028	1,912,631
Software hire	861,624	3,407,028
Advertising and events	7,707	26,270
Subscriptions	2,389	14,778
Amortization	193,828	775,300
Depreciation	2,511	11,359
Legal expenses	77,949	614,382
Stock options issued to employees and directors for services	400,000	775,120
Stock options issued to non-employees for services	-	993,310
Loan interest	35,246	115,859
Bad debt written off	-	38,005
Agency fees	-	75,000
Auditors remuneration	20,000	111,302
General expenses	20,377	162,658
Business set-up costs	-	2,874,225
Insurance	19,191	149,246
Traveling and entertainment	209,332	1,207,976
Bank charges and interest expense	1,719	23,778
Research and development	-	5,000,000
Printing and stationery	4,653	31,984
Carriage	4,903	20,697
Rent and rates	243,561	668,482
Marketing	-	471,110
Telephone	25,559	116,047
State taxes	27,236	27,236
Electricity, repairs and maintenance	-	12,319
	<u>2,980,832</u>	<u>25,089,227</u>
<b>Net loss</b>	(2,912,111)	(24,986,044)
<b>Unrealized foreign currency translation (loss)</b>	<u>(27,931)</u>	<u>(509,886)</u>
<b>Comprehensive loss</b>	<u>(2,940,042)</u>	<u>(25,495,930)</u>

See notes to consolidated financial statements.

## WWEBNET, INC.

## (A DEVELOPMENT STAGE COMPANY)

Consolidated Statements of Stockholders' Equity for the period from July 1, 2007 to March 31, 2008  
and the period from May 16, 2003 (inception) to March 31, 2008

	Common Stock Shares Number	Common Stock Shares US \$	Preferred Stock Shares Number	Preferred Stock Shares US \$	Additional Paid in Capital US \$	Retained Earnings US \$	Cumulative Unrealized Foreign Currency Translation Gains and (Losses) US \$	Total US \$
Balance at May 16, 2003	-	-			-	-	-	-
Shares issued for cash (US\$0.667 per share)	12,931,034	12,931			8,612,069	-	-	8,625,000
Net loss	-	-			-	(8,924,840)	-	(8,924,840)
Unrealized foreign currency translation loss	-	-			-	-	(47,590)	(47,590)
Balance at April 30, 2004	12,931,034	12,931			8,612,069	(8,924,840)	(47,590)	(347,430)
Net loss	-	-			-	(5,503,972)	-	(5,503,972)
Unrealized foreign currency translation gain	-	-			-	-	170,392	170,392
Shares issued for cash (US\$0.667 per share)	3,074,714	3,075			2,047,759	-	-	2,050,834
Shares issued as consideration for services provided (US\$0.667 per share)	749,625	750			499,250	-	-	500,000
Shares issued for cash (US\$0.667 per share)	2,250,616	2,250			1,922,917	-	-	1,925,167
Shares issued as consideration for the purchase of intangible asset (US\$0.667 per share)	1,250,000	1,250			832,500	-	-	833,750
Shares issued as consideration for services provided (US\$0.667 per share)	2,397,641	2,398			1,596,829	-	-	1,599,227
Commissions paid on issue of shares	-	-			(239,097)	-	-	(239,097)
Stock options issued to non-employees for services	-	-			993,310	-	-	993,310
Stock options issued to directors and employees for services	-	-			375,120	-	-	375,120
Fee for introduction of equity investors	-	-			(424,006)	-	-	(424,006)
Balance at April 30, 2005	22,653,630	22,654			16,216,651	(14,428,812)	122,802	1,933,295
Shares issued for cash (US\$0.001 per share)	2,750,000	2,750	4,000,000	4,000	-	-	-	6,750
Net loss	-	-	-	-	-	(4,204,715)	-	(4,204,715)
Unrealized foreign currency translation loss	-	-	-	-	-	-	(571,782)	(571,782)
Shares issued for cash (US\$0.80 per share)	625,000	625	-	-	499,375	-	-	500,000
Shares issued for cash (US\$0.67 per share)	359,895	360	-	-	240,770	-	-	241,130
Shares issued for cash (US\$1.30 per share)	646,357	646	-	-	839,618	-	-	840,264
Shares issued for cash (US\$1.50 per share)	333,334	333	-	-	499,667	-	-	500,000
Shares issued as consideration for services provided (US\$1.30 per share)	974,000	974	-	-	1,265,226	-	-	1,266,200
Balance at June 30, 2006	28,342,216	28,342	4,000,000	4,000	19,561,307	(18,633,527)	(448,980)	511,142

## WWEBNET, INC.

(A DEVELOPMENT STAGE COMPANY)

Consolidated Statements of Stockholders' Equity for the period from July 1, 2007 to March 31, 2008  
and the period from May 16, 2003 (inception) to March 31, 2008 (continued)

	Common Stock Shares Number	Common Stock Shares US \$	Preferred Stock Shares Number	Preferred Stock Shares US \$	Additional Paid in Capital US \$	Retained Earnings US \$	Cumulative Unrealized Foreign Currency Translation Gains and (Losses) US \$	Total US \$
Balance at June 30, 2006	28,342,216	28,342	4,000,000	4,000	19,561,307	(18,633,527)	(448,980)	511,142
Net loss						(3,440,406)		(3,440,406)
Unrealized foreign currency translation gain							(32,975)	(32,975)
Shares issued for cash at \$1.50	490,003	490			734,511			735,001
Shares not paid for at \$1.30	(200,000)	(200)			(259,800)			(260,000)
Shares issued for cash at \$1.28	1,562,500	1,563			1,998,437			2,000,000
Total at June 30, 2007	30,194,719	30,195	4,000,000	4,000	22,034,455	(22,073,933)	(481,955)	(487,238)
Net loss	-	-	-	-	-	(2,912,111)	-	(2,912,111)
Unrealized foreign currency translation loss	-	-	-	-	-	-	(27,931)	(27,931)
Shares issued as consideration for services provided (US\$0.50 per share)	800,000	800	-	-	399,200	-	-	400,000
Stock options exercised on cashless basis	1,354,458	1,354	-	-	(1,354)	-	-	-
Shares issued for cash (US\$0.25 per share)	2,000,000	2,000	-	-	498,000	-	-	500,000
Shares issued for cash (US\$0.67 per share)	2,463,020	2,463	-	-	1,640,369	-	-	1,642,832
Shares issued for cash (US\$0.71 per share)	3,939,460	3,939	-	-	2,796,409	-	-	2,800,348
Shares issued for cash (US\$0.80 per share)	337,500	338	-	-	269,662	-	-	270,000
Shares issued for cash (US\$1.48 per share)	67,000	67	-	-	98,933	-	-	99,000
Shares issued for cash (US\$2.50 per share)	38,000	38	-	-	94,962	-	-	95,000
Balance at March 31, 2008	<u>41,194,157</u>	<u>41,194</u>	<u>4,000,000</u>	<u>4,000</u>	<u>27,830,636</u>	<u>(24,986,044)</u>	<u>(509,886)</u>	<u>2,379,900</u>

See notes to consolidated financial statements.

**WWEBNET, INC.****(A DEVELOPMENT STAGE COMPANY)****Consolidated Statements of Cash Flows for the period from July 1, 2007 to March 31, 2008  
and the period from May 16, 2003 (inception) to March 31, 2008**

	<b>Period from July 1, 2007 to March 31, 2008 US \$</b>	<b>Period from May 16, 2003 (inception) to March 31, 2008 US \$</b>
<b>Operating activities</b>		
Net loss	(2,912,111)	(24,986,044)
<b>Adjustments to reconcile net loss to net cash used in operating activities</b>		
Depreciation	2,511	11,359
Amortization	193,828	775,300
Interest received	(68,721)	(103,183)
Shares issued as consideration for services	400,000	3,765,427
Stock options issued for services	-	1,368,430
Changes in operating assets and liabilities net of effects from merger:		
Increase in debtors	(83,334)	(189,221)
Decrease (increase) in accounts payable	(318,021)	761,914
<b>Net cash used in operating activities</b>	<u>(2,785,848)</u>	<u>(18,596,018)</u>
<b>Investing activities</b>		
Purchase of property and equipment	(6,339)	(17,136)
Purchase of intangible asset	-	(200,000)
Loan advanced	(2,800,348)	(2,800,348)
Interest received	242	34,704
<b>Net cash used in investing activities</b>	<u>(2,806,445)</u>	<u>(2,982,780)</u>
<b>Financing activities</b>		
Proceeds from shares issued for cash	5,407,180	22,571,326
Expenses arising from shares issued	-	(663,103)
Loan received	235,246	235,246
Unrealized foreign currency translation loss	(27,931)	(509,886)
<b>Net cash provided by financing activities</b>	<u>5,614,495</u>	<u>21,633,583</u>
<b>Net decrease in cash and cash equivalents</b>	22,202	54,785
<b>Cash and cash equivalents at the beginning of the period</b>	32,583	-
<b>Cash and cash equivalents at the end of the period</b>	<u>54,785</u>	<u>54,785</u>

See notes to consolidated financial statements.

**WWEBNET, INC.****(A DEVELOPMENT STAGE COMPANY)**

**Notes to the Consolidated Financial Statements for the period from July 1, 2007 to March 31, 2008  
and the period from May 16, 2003 (inception) to March 31, 2008**

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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 Company is focused on penetrating entities that are based in the United States and the United Kingdom, but expects to expand to other international locations as future expansion capital may permit. The Company is developing a branded broadcast channel with the use of WWEBNET's technology and distribution model via the World Wide Net. The Company signed an agreement with Universal Music Ltd to use this branded broadcast channel.

The Company will continue to focus on marketing and selling the broadcasting technology into the major music and entertainment companies in the United Kingdom and the United States and is attempting to secure financing to allow for further penetration internationally.

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

**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 May 16, 2003 through March 31, 2008 have 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 reported a net loss of US\$2,478,920 and net cash used in operating activities of US\$2,785,848 for the period from 1 July 2007 to March 31, 2008. The Company also reported a net loss of US\$24,586,044 and net cash used in operating activities of US\$18,596,018 from the date of inception, May 16, 2003 to March 31, 2008. These matters raise substantial doubt about the Company's ability to continue as a going concern.

The Company has financed its operations primarily through equity financing. During the period from July 1, 2007 to March 31, 2008 the Company had a net increase in cash and cash equivalents of US\$22,203. This increase resulted from net cash provided by financing activities of US\$5,614,495. The increase in cash provided by financing activities was offset by net cash used in operating activities of US\$2,785,848 and net cash used in investing activities of US\$2,806,445. Total cash resources as of March 31, 2008 was US\$54,785 compared to US\$32,583 at June 30, 2007. Management plans to continue to seek additional equity finance for the company.

The Company will continue to focus on marketing and selling the broadcast technology into the major music and entertainment companies in the United States and in Europe and will also continue the licensing of its proprietary business-to-business Electronic Broadcast Network Technology. It is attempting to secure financing to allow further penetration internationally.

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**WWEBNET, INC.****(A DEVELOPMENT STAGE COMPANY)****Notes to the Consolidated Financial Statements for the period from July 1, 2007 to March 31, 2008  
and the period from May 16, 2003 (inception) to March 31, 2008**

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Continued operations through March 31, 2009 and thereafter will depend on whether the Company is able to raise additional funds through various potential sources, such as equity financing, as explained above. Such additional funds may not become available and there can be no assurance that any additional funding the Company obtains will be sufficient to meet needs in the long term. The financial statements do not include any adjustments that may result from the outcome of this uncertainty.

**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:**

There is no tax on the Companies profits in the State of Nevada. New York State corporation taxes on capital raised of \$27,236 have been paid in the 9 month period ending June 30, 2007. Pursuant to SFAS 109, the Company is required to compute tax asset benefits for non- capital losses carried forward. Potential benefit of non-capital losses have not been recognized in these financial statements because the Company cannot be assured it is more likely than not it will utilize the losses carried forward in future years.

**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 intellectual property and software are carried at cost. The Company considers the useful economic life of the intangible asset to be four years commencing March 31, 2005. The intangible asset is being amortized over its expected useful life 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 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.

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**WWEBNET, INC.****(A DEVELOPMENT STAGE COMPANY)****Notes to the Consolidated Financial Statements for the period from July 1, 2007 to March 31, 2008  
and the period from May 16, 2003 (inception) to March 31, 2008****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.

**Issuance of shares and options**

Shares issued and options granted are recorded at fair value in accordance with Statement of Financial Accounting Standard 123 "Accounting for Stock Options". Fair values of the stock options have been calculated using the Black-Scholes option pricing model. The fair value of shares issued for assets and services have been estimated based the price of shares sold for cash or the value of the assets and services provided, whichever is more reliably measurable.

All share and per share amounts in the accompanying consolidated financial statements have been retroactively restated for a 3 for 2 stock split completed on 20 August 2004.

**Note 3 - Intangible assets**

Intangible assets consist of all intellectual property (including any present or future patent claims) and software that the Company acquired from I B Holdings 1, LLC, an unrelated Delaware limited liability company, pursuant to an agreement dated March 31, 2005. The consideration for the purchase totaled US\$1,033,750, comprised US\$200,000 in cash and 1,250,000 shares of common stock with an aggregate fair value of US\$833,750 or US\$0.667 per share. Intangible assets consist of the following:

	March, 31 2008 US\$	June, 30 2007 US\$
Intellectual property and software	1,033,750	1,033,750
Less accumulated amortization	(775,300)	(581,472)
Net intellectual property and software	<u>258,450</u>	<u>452,278</u>

**WWEBNET, INC.****(A DEVELOPMENT STAGE COMPANY)****Notes to the Consolidated Financial Statements for the period from July 1, 2007 to March 31, 2008  
and the period from May 16, 2003 (inception) to March 31, 2008****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. At July 1, 2007 30,194,730 common stock shares of US\$0.001 had been issued with a share premium totaling US\$ 22,034,455 and 4,000,000 preferred stock of US\$0.001 had been issued.

On July 19, 2007 67,000 common stock shares of US\$0.001 were issued for cash at US\$ 1.48 a share. On August 8, 2007 10,000 common stock shares of US\$0.001 were issued for cash at US\$ 2.50 a share. On August 23, 2007 2,046,750 common stock shares of US\$0.001 were issued. 2,038,750 were issued for cash at US\$ 0.67 a share and 8,000 were issued for cash at US\$ 2.50 a share. On October 5, 2007 5,738,190 common stock shares of US\$0.001 were issued. 142,860 were issued for cash at US\$ 0.67 a share, 241,380 were issued for cash at US\$ 0.67 a share, 20,000 were issued for cash at US\$ 2.50 a share, 1,253,570 were issued on a cashless basis, 100,890 were issued on a cashless basis, 3,939,460 were issued for cash at US\$ 0.71 a share and 40,030 were issued for cash at US\$ 0.67 a share. On October 10, 2007 312,500 common stock shares of US\$0.001 were issued for cash at US\$ 0.80 a share. On October 11, 2007 25,000 common stock shares of US\$0.001 were issued for cash at US\$ 0.80 a share. On March 3, 2008 800,000 common stock shares of US\$0.001 were issued for services provided of US\$ 400,000. On March 5, 2008 2,000,000 common stock shares of US\$0.001 were issued for cash at US\$ 0.25 a share.

The Company's preferred stock has 100 votes per share and the Company's common stock has 1 vote per share.

**Note 5 - Stock options**

On April 4, 2005 the Company granted a total of 8,426,198 of stock options to its shareholders, directors, employees, consultants, strategic advisors and persons proposed to be employed as employees of the Company. These options are exercisable at the option of the holder. 5,138,750 options were granted at an exercise price of US\$ 0.667 and 3,287,448 options were issued at an exercise price of US\$ 0.80. The exercise period is five years from the date of grant. The fair value of these options was determined to be US\$1,368,430 on the date of grant using the Black-Scholes option pricing model using the following assumptions: dividend yield of 0%; expected volatility of 0%; risk free rate of 3.0%; and expected lives of 4 years.

On June 30, 2006 the Company granted 154,000 options at an exercise price of US\$ 1.30 to an existing shareholder. On August 15, 2006 the Company granted 400,000 options to a director of the Company at an exercise price equal to 50% of the Initial Public Offering price. On September 15, 2006 the Company granted 20,000 options to a director of the Company at an exercise price of US\$ 1.50. On January 31, 2007 the Company granted 45,000 options to consultants at US\$ 1.28. On February 2, 2007 the Company granted 4,500,000 options to a director. On February 5, 2007 the Company granted 400,000 options to a consultant at an exercise price of the lower of US\$ 1.50 and 50% of the Initial Public Offering price. On March 2, 2007 the Company granted 400,000 options to a consultant at an exercise price of US\$ 1.50. On March 5, 2007 the Company granted 200,000 options to a consultant at an exercise price of US\$ 1.50. On July 19, 2007 the Company granted 340,000 options to consultants at an exercise price of US\$ 1.50.

**WWEBNET, INC.****(A DEVELOPMENT STAGE COMPANY)****Notes to the Consolidated Financial Statements for the period from July 1, 2007 to March 31, 2008  
and the period from May 16, 2003 (inception) to March 31, 2008**

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1,253,571 shares were issued on the cashless exercise of options on the 5 Oct 2007 with an exercise price of US\$ 0.667 per share and a fair value of US\$ 4.06 per share share at the date of exercise for each option exercised at the date of conversion.

100,887 shares were issued on the cashless exercise of options on the 5 Oct 2007 with an exercise price of US\$ 1.50per share and a fair value of US\$ 4.06 per share share at the date of exercise for each option exercised at the date of conversion.

**Note 6 - Related party transactions**

The following relate to transactions with shareholders of WWEBNET, Inc.

Management fees of US\$ 491,314 were paid to Excutive Consultant Services Limited. Executive Consultant Services Limited is controlled by R Kelly. Software expenses of US\$ 666,573 were paid to Rymatics Limited of which R Kelly is the beneficial owner. Consultancy fees of US\$ 60,003 were paid to Walter Walsh who is a shareholder of WWEBNET, Inc. Consultancy fees of US\$ 140,000 were paid to Conclave Ltd, a company of which David Stacey is the company secretary. David Stacey is a shareholder of WWEBNET, Inc. Consultancy fees of US\$ 54,000 were paid to Johanna Thomas who is a shareholder of WWEBNET, Inc. Consultancy fees of US\$ 90,818 were paid to Doug Naufel who is a shareholder in WWEBNET, Inc. Consultancy fees of US\$ 73,867 were paid to Gary Orrell who is a shareholder of WWEBNET, Inc.

**Note 7 - Post balance sheet events**

On April 8 2008 the Company commenced trading its common stock on the Over-the-Counter Pink Sheets. On April 10 2008 the Company licenced its proprietary business-to business Electronic Broadcasting Network technology to global Hispanic Entertainment Company, Venevision International.

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