

Begama Technologies Inc.

Interim Financial Statements  
at June 30, 2002

Begama Technologies Inc.  
Operations and deficit  
Initial five-and-a-half month period ended June 30, 2002

---

|   | <u>\$</u>        |
|---|------------------|
| <b>Expenses</b>   |                  |
| Administrative expenses                                     | 10,755           |
| Financial expenses  | <u>45</u>        |
| <b>Net loss and deficit</b>                                 | <u>10,800</u>    |
| <b>Weighted average number of common shares outstanding</b> | <u>2,744,047</u> |
| <b>Basic and diluted net loss per share</b>                 | <u>(0,004)</u>   |

---

The accompanying notes are an integral part of the interim financial statements.

# Begama Technologies Inc.

## Cash flows

Initial five-and-a-half month period ended June 30, 2002

|   | <u>\$</u>             |
|---|-----------------------|
| <b>OPERATING ACTIVITIES</b>                             |                       |
| Net loss  | (10,800)              |
| Non-cash items  |                       |
| Changes in working capital (Note 3)                     | <u>(102,061)</u>      |
| Cash flows from operating activities                    | <u>(112,861)</u>      |
| <b>INVESTING ACTIVITIES</b>                             |                       |
| Deferred costs and cash flows from investing activities | <u>(71,324)</u>       |
| <b>FINANCING ACTIVITIES</b>                             |                       |
| Issuance of shares                                      | 307,000               |
| Issuance fees   | <u>(44,031)</u>       |
| Cash flows from financing activities                    | <u>262,969</u>        |
| <b>Net increase in cash</b>                             | <b>78,784</b>         |
| Cash, beginning of period                               | <u>120,000</u>        |
| Cash, end of period                                     | <u><u>198,784</u></u> |

The accompanying notes are an integral part of the interim financial statements.

Begama Technologies Inc.  
Balance Sheet

|  | <b>June 30, 2002</b>  | Opening as at<br>January 12,<br>2002 |
|--|-----------------------|--------------------------------------|
|  | <u>\$</u>             | <u>\$</u>                            |
| <b>ASSETS</b>                            |                       |                                      |
| Current assets                           |                       |                                      |
| Cash                                     | <b>198,784</b>        | 120,000                              |
| Accounts receivable (Note 4)             | <b>133,688</b>        |                                      |
|  | <u><b>332,472</b></u> | <u>120,000</u>                       |
| Deferred costs (Note 5)                  | <b>71,324</b>         |                                      |
|  | <u><b>403,796</b></u> | <u>120,000</u>                       |
| <b>LIABILITIES</b>                       |                       |                                      |
| Current liabilities                      |                       |                                      |
| Accounts payable and accrued liabilities | <b>31,627</b>         |                                      |
|  | <u><b>31,627</b></u>  | <u>-----</u>                         |
| <b>SHAREHOLDERS' EQUITY</b>              |                       |                                      |
| Capital stock (Note 6)                   | <b>382,969</b>        | 120,000                              |
| Deficit                                  | <b>(10,800)</b>       |                                      |
|  | <u><b>372,169</b></u> | <u>120,000</u>                       |
|  | <u><b>403,796</b></u> | <u>120,000</u>                       |

The accompanying notes are an integral part of the interim financial statements.

On behalf of the Board,

....., Director

....., Director

Begama Technologies Inc.  
 Supplementary Information  
 Initial five-and-a-half month period ended June 30, 2002

**1 – GOVERNING STATUTES AND NATURE OF OPERATIONS**

The Company, incorporated January 11, 2002 under the Canada Business Corporation Act, is classified as a capital pool company as defined in the Canadian Venture Exchange Policy.

**2 – ACCOUNTING POLICIES**

**Unaudited interim financial statements**

The accompanying financial statements for the initial five-and-a-half month period ended June 30, 2002 are unaudited. These unaudited financial statements have been prepared in the same basis as the audited financial statements and include, in the opinion of management, all adjustments, consisting of normal recurring adjustments, necessary for a fair presentation of the financial position, results of operations and cash flows for the period presented.

**Deferred costs**

Deferred costs will be transferred to capital stock when the qualifying transaction is realized.

**3 – INFORMATION INCLUDED IN THE STATEMENT OF EARNINGS**

The changes in working capital items are detailed as follows :

|  |                         |
|--|-------------------------|
|  | <u>\$</u>               |
| Accounts receivable                      | (133,688)               |
| Accounts payable and accrued liabilities | <u>31,627</u>           |
|  | <u><u>(102,061)</u></u> |

**4 – ACCOUNTS RECEIVABLE**

|  |                       |
|--|-----------------------|
|  | <u>\$</u>             |
| Taxes  | 8,688                 |
| Due from Victhom Corporation, without interest | <u>125,000</u>        |
|  | <u><u>133,688</u></u> |

Begama Technologies Inc.  
 Supplementary Information  
 Initial five-and-a-half month period ended June 30, 2002

### 5 – DEFERRED COSTS

The deferred costs are detailed as follows :

|                    |               |
|--------------------|---------------|
|                    | <u>\$</u>     |
| Legal fees         | 30,128        |
| Financing fees     | 16,046        |
| Professionals fees | 13,200        |
| Others             | 11,950        |
|                    | <u>71,324</u> |

### 6 – CAPITAL STOCK

#### Authorized

Unlimited number of common shares without par value, voting and participating

#### Issued and fully paid

The following table illustrates changes in the Company's capital stock during the period:

|                                     | <u>Number</u>    | <u>Amount</u>  |
|-------------------------------------|------------------|----------------|
|                                     |                  | \$             |
| Issued for cash on January 12, 2002 | 1,600,000 (1)    | 120,000        |
| Issued for cash on March 15, 2002   | 133,333 (1)      | 10,000         |
| Issued for cash on April 11, 2002   | 2,200,000 (1)    | 297,000        |
| Issuance fees                       |                  | (44,031)       |
| Balance as at June 30, 2002         | <u>3,933,333</u> | <u>382,969</u> |

- (1) A total of 1,821,333 common shares are subject to an escrow agreement and may not be transferred, assigned or otherwise dealt with without the consent of the regulatory authorities.

### 7 – SUBSEQUENT EVENTS

On May 21, 2002, Victhom Corporation signed a letter of intent with the Company according to which the latter will buy all the issued and outstanding shares of Victhom Corporation. The transaction is subject to approval by the Alberta Securities Commission, the Quebec Securities Commission and the TSX Venture Exchange and a majority of minority shareholders of the Company.

Under the transaction, Victhom Corporation would receive such a number of shares of the Company as to give way to a reverse takeover by the Company. The Company signed a letter of intent with Canaccord Capital Corporation for a public offering of a minimum of \$2,400,000 and a maximum of \$3,000,000 at a \$0,50 per share.

A portion of the funds raised will be used in research and development and to purchase specific equipment regarding the research and development. The balance will be used for solicitation to develop strategic alliances and the working capital.

Begama Technologies Inc.  
 Supplementary Information  
 Initial five-and-a-half month period ended June 30, 2002

**8 – STOCK-BASED COMPENSATION**

On April 11, 2002, the Company granted stock options for a total of 350,000 common shares to two independent directors at an exercise price of \$0.15. The options granted can be exercised over a period of five years beginning on their grant date. The Company does not record any compensation expense in earnings when the options are granted. Had the compensation expense for the stock options granted been determined using the fair value-based method at the grant date, the Company's net loss and the net loss per share figures for the five-and-a-half month period ended June 30, 2002 would have been the following pro forma amounts:

|   | Five-and-a-half<br>month period ended<br>June 30, 2002 |
|---|--|
|   | <u>\$</u>  |
| Net loss                                |  |
| As reported                             | 10,800   |
| Pro forma                               | 49,300   |
| Net loss and diluted net loss per share |  |
| As reported                             | (0,004)  |
| Pro forma                               | (0,004)  |

The fair value of the options granted during the quarter ended June 30, 2002 is estimated at \$0.11 per option. The fair value of these options was determined at the grant date using the Black-Scholes option pricing model considering the following assumptions:

|                           |       |
|---------------------------|-------|
| Risk-free interest rate   | 5,16% |
| Expected life (in years)  | 5     |
| Expected share volatility | 90%   |
| Expected dividends        | 0     |