

19596 YUKON INC.
FINANCIAL STATEMENTS
December 31, 2006
(unaudited)

Review Engagement Report

**To the Directors of
19596 Yukon Inc.**

We have reviewed the balance sheet of 19596 Yukon Inc. as at December 31, 2006 and the statements of operations, retained earnings and cash flows for the year then ended. Our review was made in accordance with Canadian generally accepted standards for review engagements and accordingly consisted primarily of enquiry, analytical procedures and discussion related to information supplied to us by the company.

A review does not constitute an audit and consequently we do not express an audit opinion on these financial statements.

Based on our review, nothing has come to our attention that causes us to believe that these financial statements are not, in all material respects, in accordance with Canadian generally accepted accounting principles.

Whitehorse, Canada

April 9, 2007



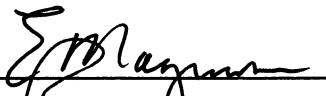
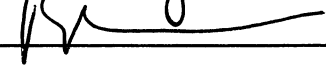
Chartered Accountants

19596 Yukon Inc.

**Balance Sheet
(Unaudited - See Review Engagement Report)**

December 31,	2006	2005
Assets		
Current		
Cash	\$ 822	\$ 942
Accounts receivable	70,690	135,830
Income taxes receivable	22,575	-
Restricted cash (note 3)	1,233,038	5,954,403
	1,327,125	6,091,175
Restricted cash (note 3)	-	1,225,000
Property and equipment (note 4)	-	1,243
	\$ 1,327,125	\$ 7,317,418
Liabilities		
Current		
Accounts payable and accrued liabilities	\$ 62,913	\$ 47,411
Income taxes payable	-	22,575
Current portion of due to Yukon Government Fund Limited (note 5)	1,225,000	5,775,000
	1,287,913	5,844,986
Due to Yukon Government Fund Limited (note 5)	-	1,225,000
	1,287,913	7,069,986
Shareholders' Equity		
Share capital (note 6)	200	200
Retained earnings	39,012	247,232
	39,212	247,432
	\$ 1,327,125	\$ 7,317,418

Approved by the board:

 Director
 Director

19596 Yukon Inc.**Statement of Operations
(Unaudited - See Review Engagement Report)**

For the year ended December 31,	2006	2005
Revenue		
Interest income	\$ 102,486	\$ 212,859
Leasing income (note 7)	-	425,000
	102,486	637,859
Expenses		
Amortization	-	376
Interest and bank charges	120	125
Interest on long-term debt (note 7)	247,557	681,257
Management fees (note 7)	72,493	15,000
Meals and entertainment	37	64
Professional fees	12,622	34,935
	332,829	731,757
Loss before other item and income taxes	(230,343)	(93,898)
Other income		
Gain on sale of property and equipment	-	236,254
Income (loss) before income taxes	(230,343)	142,356
Income taxes (recovery)	(22,123)	22,575
Net income (loss)	\$ (208,220)	\$ 119,781

19596 Yukon Inc.

**Statement of Retained Earnings
(Unaudited - See Review Engagement Report)**

For the year ended December 31,	2006	2005
Retained earnings, beginning of year	\$ 247,232	\$ 127,451
Net income (loss)	(208,220)	119,781
Retained earnings, end of year	\$ 39,012	\$ 247,232

19596 Yukon Inc.**Statement of Cash Flows
(Unaudited - See Review Engagement Report)**

For the year ended December 31,	2006	2005
Cash provided by (used for)		
Operating activities		
Net income (loss)	\$ (208,220)	\$ 119,781
Items not affecting cash		
Amortization	-	376
Gain on sale of property and equipment	-	(236,254)
	(208,220)	(116,097)
Change in non-cash working capital items		
Decrease in accounts receivable	65,140	27,678
Decrease (increase) in income taxes	(45,150)	22,575
Increase (decrease) in accounts payable and accrued liabilities	15,502	(58,222)
	(172,728)	(124,066)
Financing activities		
Advances from related party	(5,775,000)	(3,500,000)
Advances from (to) shareholder	-	(17,655)
	(5,775,000)	(3,517,655)
Investing activity		
Proceeds on disposal of property and equipment	1,243	6,100,000
Increase (decrease) in cash	(5,946,485)	2,458,279
Cash, beginning of year	7,180,345	4,722,066
Cash, end of year	\$ 1,233,860	\$ 7,180,345
Cash consists of:		
Cash	\$ 822	\$ 942
Restricted cash	1,233,038	7,179,403
	\$ 1,233,860	\$ 7,180,345

19596 Yukon Inc.

Notes to the Financial Statements (Unaudited - See Review Engagement Report)

December 31, 2006

1. Nature of operations

19596 Yukon Inc. is incorporated under the laws of the Yukon Territory and its major activity is the leasing of communications equipment.

2. Significant accounting policies

The following is a summary of the significant accounting policies used by management in the preparation of these financial statements.

(a) Revenue recognition

Interest revenue is recognized when earned, with unpaid interest accrued as receivable.

(b) Property and equipment

Property and equipment are recorded at original cost plus any costs of betterment less accumulated amortization and recognized impairment write-downs. Amortization is calculated by the declining balance method at the annual rates set out in note 4.

(c) Income taxes

The company accounts for income taxes using the future income tax method.

(d) Financial instruments

All significant financial assets, financial liabilities and equity instruments of the company are either recognized or disclosed in the financial statements together with other information relevant for making a reasonable assessment of future cash flows, interest rate risk and credit risk. Where practicable the fair values of financial assets and financial liabilities have been determined and disclosed; otherwise only available information pertinent to fair value has been disclosed.

(e) Measurement uncertainty

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

3. Restricted cash

Restricted cash represents equipment lease funds deposited into a trust account with HSBC Bank Canada. These funds are to be used to pay amounts owing to Yukon Government Fund Limited, to pay GST to the appropriate government agency, and audit, legal and other fees incurred by 19596 Yukon Inc. in connection with the transactions contemplated by the loan agreement with Yukon Government Fund Limited, the equipment lease and the procurement agreement.

19596 Yukon Inc.**Notes to the Financial Statements
(Unaudited - See Review Engagement Report)**

December 31, 2006

4. Property and equipment

	2006			2005	
	Cost	Accumulated Amortization	Net book value	Net book value	
Office equipment	\$ -	\$ -	\$ -	\$	876
Computer equipment	-	-	-	-	367
	\$ -	\$ -	\$ -	\$	1,243

5. Due To Yukon Government Fund Limited

	2006	2005
Term loan bearing interest equal to 7.7% per annum, calculated and compounded semi-annually, not in advance, payable monthly. Repayable 60 months after advance, maturing June 22, 2006. Secured by promissory note and a security agreement over equipment.	\$ -	\$ 1,750,000
Term loan bearing interest equal to 7.7% per annum, calculated and compounded semi-annually, not in advance, payable monthly. Repayable 60 months after advance, maturing May 18, 2006. Secured by promissory note and a security agreement over equipment.	-	1,925,000
Term loan bearing interest equal to 7.7% per annum, calculated and compounded semi-annually, not in advance, payable monthly. Repayable 60 months after advance, maturing July 20, 2006. Secured by promissory note and a security agreement over equipment.	-	1,575,000
Term loan bearing interest equal to 7.7% per annum, calculated and compounded semi-annually, not in advance, payable monthly. Repayable 60 months after advance, maturing September 20, 2006. Secured by promissory note and a security agreement over equipment.	-	525,000
Term loan bearing interest equal to 7.7% per annum, calculated and compounded semi-annually, not in advance, payable monthly. Repayable 60 months after advance, maturing January 10, 2007. Secured by promissory note and a security agreement over equipment.	1,225,000	1,225,000
	1,225,000	7,000,000
Less current portion	1,225,000	5,775,000
	\$ -	\$ 1,225,000

19596 Yukon Inc.**Notes to the Financial Statements
(Unaudited - See Review Engagement Report)**

December 31, 2006

6. Share capital

	2006	2005
Authorized Unlimited number of common shares without nominal or par value		
Issued 200 common shares	\$ 200	\$ 200

7. Related party transactions

The company paid management fees totalling \$72,493 (2005 - \$15,000) to two shareholders (2005 - one shareholder) and interest on loans of \$247,557 (2005 - \$681,257) to a company with significant common influence. In addition, the company received lease revenue of \$0 (2005 - \$425,000) from a shareholder.

These transactions are in the normal course of operations and have been valued in these financial statements at the exchange amount which is the amount of consideration established and agreed to by the related parties.

8. Subsequent events

In 2007 the company was wound up.