

Consolidated interim financial statements of
(unaudited)

NOVEKO INTERNATIONAL INC.

Periods ended December 31, 2008 and 2007

NOVEKO INTERNATIONAL INC.

Consolidated interim financial statements
(unaudited)

Periods ended December 31, 2008 and 2007

Interim financial statements

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NOVEKO INTERNATIONAL INC.

Consolidated balance sheets

As at December 31, 2008 and June 30, 2008

| | December 31 2008 | June 30 2008 |
|--|----------------------|----------------------|
| | (unaudited) | (audited) |
| Assets | | |
| Current assets: | | |
| Cash and cash equivalents | \$ 139,469 | \$ 11,594,335 |
| Deposit for acquisition | 74,720 | 1,274,625 |
| Short-term investments | 11,227,498 | 12,516,884 |
| Accounts receivable | 5,438,794 | 5,092,191 |
| Inventories | 8,971,132 | 5,868,045 |
| Prepaid expenses | 847,177 | 820,119 |
| | 26,698,790 | 37,166,199 |
| Fixed assets | 8,816,018 | 7,206,885 |
| Intangible assets | 10,727,568 | 2,572,372 |
| Other assets | 1,112,214 | 1,442,283 |
| Future income taxes | 551,242 | 762,311 |
| Goodwill | 19,521,522 | 13,708,240 |
| | \$ 67,427,354 | \$ 62,858,290 |
| Liabilities and shareholders' equity | | |
| Current liabilities: | | |
| Bank advances | \$ 1,395,032 | \$ 1,112,665 |
| Bank loan | - | 561,435 |
| Accounts payable and accrued liabilities | 3,749,048 | 4,318,727 |
| Current portion of long term debt | 808,959 | 636,116 |
| | 5,953,039 | 6,628,943 |
| Long-term debt | 3,602,652 | 3,086,827 |
| Secured convertible debentures | 1,739,102 | 2,462,909 |
| Future income taxes | 2,571,808 | 906,464 |
| Shareholders' equity: | | |
| Capital stock (note 6) | 80,632,736 | 70,084,061 |
| Portion of secured convertible debentures included in equity | 372,473 | 611,537 |
| Warrants (note 8) | - | 85,983 |
| Contributed surplus | 14,001,695 | 7,967,778 |
| Accumulated other comprehensive income (note 9) | 1,364,609 | 347,359 |
| Deficit | (42,810,760) | (29,323,571) |
| | 53,560,753 | 49,773,147 |
| Financial statements disclosure (note 1) | | |
| | \$ 67,427,354 | \$ 62,858,290 |

See accompanying notes to consolidated financial statements.

On behalf of the board,

(signed) *André Leroux*, Director

(signed) *Léon Assayag*, Director

NOVEKO INTERNATIONAL INC.

Consolidated statements of operations

Six and three month periods ended December 31, 2008 and 2007
(unaudited)

| | Three months | | Six months | |
|---|----------------|----------------|-----------------|----------------|
| | 2008 | 2007 | 2008 | 2007 |
| Revenues | \$ 5,568,547 | \$ 3,808,735 | \$ 9,845,643 | \$ 6,611,083 |
| Cost of sales | 3,296,104 | 2,196,698 | 6,124,856 | 4,054,739 |
| | 2,272,443 | 1,612,037 | 3,720,787 | 2,556,344 |
| Operating expenses: | | | | |
| Administrative and selling expenses | 4,170,268 | 2,601,532 | 8,097,556 | 4,883,077 |
| Stock-based compensation | 3,207,094 | 1,813,239 | 6,277,917 | 2,378,406 |
| Research and development | 261,148 | 220,255 | 674,057 | 279,745 |
| Research and development tax credits | (414,341) | (242,587) | (454,341) | (252,587) |
| | 7,224,169 | 4,392,439 | 14,595,189 | 7,288,641 |
| Loss before amortization, financial expenses and income taxes | (4,951,726) | (2,780,402) | (10,874,402) | (4,732,297) |
| Amortization (note 5 a)) | 752,023 | 256,358 | 1,211,014 | 491,106 |
| Financial expenses (note 5 b)) | 1,046,403 | (56,402) | 1,404,315 | 39,222 |
| | 1,798,426 | 199,956 | 2,615,329 | 530,328 |
| Loss before income taxes | (6,750,152) | (2,980,358) | (13,489,731) | (5,262,625) |
| Income taxes: | | | | |
| Current (recovered) | 113,897 | 2,058 | (8,846) | 2,058 |
| Future | 77,253 | (20,013) | (453) | (107,203) |
| | 191,150 | (17,955) | (9,299) | (105,145) |
| Net loss | \$ (6,941,302) | \$ (2,962,403) | \$ (13,480,432) | \$ (5,157,480) |
| Basic and diluted earnings per share | \$ (0.10) | \$ (0.06) | \$ (0.20) | \$ (0.10) |
| Weighted average number of outstanding shares basic and diluted | 66,886,157 | 53,727,729 | 66,214,199 | 52,712,744 |

See accompanying notes to consolidated financial statements.

NOVEKO INTERNATIONAL INC.

Consolidated statements of comprehensive loss

Six and three month periods ended December 31, 2008 and 2007
(unaudited)

| | Three months | | Six months | |
|---|-----------------------|----------------|------------------------|----------------|
| | 2008 | 2007 | 2008 | 2007 |
| Net loss | \$ (6,941,302) | \$ (2,962,403) | \$ (13,480,432) | \$ (5,157,480) |
| Other comprehensive loss, net of income taxes: | | | | |
| Change in unrealized gains on translation of financial statements of self-sustaining foreign operations | 1,435,062 | 167,440 | 1,017,250 | 64,084 |
| Comprehensive loss | \$ (5,506,240) | \$ (2,794,963) | \$ (12,463,182) | \$ (5,093,396) |

See accompanying notes to unaudited consolidated financial statements.

NOVEKO INTERNATIONAL INC.

Consolidated statements of deficit and contributed surplus

Six-month periods ended December 31, 2008 and 2007
(unaudited)

| | December 31 2008 | December 31 2007 |
|---|---------------------|---------------------|
| DEFICIT | | |
| Deficit, beginning of period | \$(29,323,571) | \$(12,672,254) |
| Restatement related to the new accounting policies (note 2) | 49,243 | 3,161 |
| Restated balance | (29,274,328) | (12,669,093) |
| Net loss | (13,480,432) | (5,157,480) |
| Share issuance fees | (56,000) | (25,090) |
| Deficit, end of period | \$(42,810,760) | \$(17,851,663) |
| CONTRIBUTED SURPLUS | | |
| Contributed surplus, beginning of period | \$ 7,967,778 | \$ 1,325,504 |
| Fair value of stock options granted | 6,277,917 | 2,378,406 |
| Fair value of stock options exercised | (244,000) | (304,568) |
| Contributed surplus, end of period | \$ 14,001,695 | \$ 3,399,342 |

See accompanying notes to unaudited consolidated financial statements.

NOVEKO INTERNATIONAL INC.

Consolidated statements of cash flows

Six and three months periods ended December 31, 2008 and 2007
(unaudited)

| | Three months | | Six months | |
|--|--------------------|--------------------|---------------------|--------------------|
| | 2008 | 2007 | 2008 | 2007 |
| Cash flows from operating activities: | | | | |
| Net loss | \$ (6,941,302) | \$ (2,962,403) | \$ (13,480,432) | \$ (5,157,480) |
| Adjustments for : | | | | |
| Future income taxes | 77,253 | (20,013) | (453) | (107,203) |
| Accreted interest on secured convertible debentures | 63,721 | 113,465 | 137,310 | 261,374 |
| Stock-based compensation | 3,207,094 | 1,813,239 | 6,277,917 | 2,378,406 |
| Amortization (note 5a)) | 752,023 | 256,358 | 1,211,014 | 491,106 |
| Gain on fair value of short-term investments | (1,538) | (77,345) | (2,821) | (31,591) |
| Unrealised gain on currency contracts | (625,938) | - | (549,305) | - |
| Gain on disposal of fixed assets | (7,231) | - | (7,231) | - |
| Foreign exchange loss (gain) | 2,733 | 252 | (545) | 1,835 |
| | (3,473,185) | (876,447) | (6,414,546) | (2,163,553) |
| Net change in non-cash working capital | (4,059,859) | (1,550,432) | (4,881,379) | (2,177,086) |
| | (7,533,044) | (2,426,879) | (11,295,925) | (4,340,639) |
| Cash flows from financing activities : | | | | |
| Net changes in bank advances | (606,998) | 346,813 | (314,242) | 278,597 |
| Increase in bank loan | - | 2,620 | - | 144,280 |
| Principal repayment on long-term debt | (180,868) | (209,418) | (336,608) | (526,863) |
| Interest paid on secured convertible debentures | (39,748) | (119,400) | (86,164) | (176,147) |
| Proceeds of Class A shares and warrants issued less related expenses | 348,000 | 2,998,385 | 3,926,775 | 3,382,117 |
| | (479,614) | 3,019,000 | 3,189,761 | 3,101,984 |
| Cash flows from investing activities: | | | | |
| Business acquisition, including bank acquired and overdraft assumed (note 4) | (3,395) | - | (5,906,797) | (525,403) |
| Acquisition of fixed assets | (222,428) | (93,816) | (505,333) | (1,408,277) |
| Proceeds from disposal of fixed assets | 8,859 | - | 8,859 | - |
| Government assistance related to acquisition of fixed assets | - | 47,500 | - | 47,500 |
| Acquisition of intangible assets | (169,181) | (2,250) | (276,041) | (9,750) |
| Proceeds from disposal of short-term investments | 37,526,590 | 19,256,074 | 57,755,393 | 20,259,564 |
| Acquisition of short-term investments | (29,589,165) | (18,982,559) | (54,305,532) | (18,982,559) |
| Acquisition of other assets | - | (276,647) | - | (276,647) |
| Deposit for acquisition | (8,900) | - | (2,135) | - |
| Deferred development costs | (86,671) | (105,919) | (171,217) | (164,949) |
| | 7,455,709 | (157,617) | (3,402,803) | (1,060,521) |
| Foreign exchange loss on cash in foreign currencies | 79,425 | 12,630 | 54,101 | 722 |
| Net change in cash and cash equivalents | (477,524) | 447,134 | (11,454,866) | (2,298,454) |
| Cash and cash equivalents, beginning of period | 616,993 | (77,094) | 11,594,335 | 2,668,494 |
| Cash and cash equivalents, end of period | \$ 139,469 | \$ 370,040 | \$ 139,469 | \$ 370,040 |

Cash flows related to operating activities include interest paid for \$84,596 (\$217,488 in 2007) and income taxes received for \$99,853 (paid for \$114,089 in 2007).

See accompanying notes to consolidated financial statements.

NOVEKO INTERNATIONAL INC.

Notes to consolidated financial statements

December 31, 2008
(unaudited)

Noveko International Inc. ("the Company") is incorporated under the Canada Business Corporations Act and operates in the following reportable segments:

- development, manufacturing and marketing of medical equipment;
- custom processing and distribution of steel products; and
- development and marketing of products in the biomedical and environmental fields.

1. Financial statements disclosure:

The unaudited interim financial statements have been prepared by the Company in accordance with Canadian generally accepted accounting principles. The financial information was prepared in accordance with the same accounting policies and methods as the audited annual financial statements for the year ended June 30, 2008. The unaudited interim financial statements should be read in conjunction with the audited annual financial statements and accompanying notes. The results of operations for the interim period presented do not necessarily reflect results for the full year.

2. Changes in accounting policies:

Effective July 1, 2008, the Company adopted new accounting recommendations from the Canadian Institute of Chartered Accountants (CICA), Handbook Section 1535 – Capital Disclosures, Section 3031 – Inventories, Section 3862 – Financial Instruments – Disclosure, and Section 3863 – Financial Instruments – Presentation.

Section 1535 specifies the requirements for the disclosure of both qualitative and quantitative information that enable users of financial statements to evaluate the Company's objectives, policies and processes for managing capital (see note 11).

Section 3031, Inventories, provides more extensive guidance on the recognition and measurement of inventories, and related disclosures. Upon adoption of this new section, in accordance with the transition rules, the Company has adjusted opening retained earnings as if the new rules had always been applied in the past, without restating comparative figures for prior years. Accordingly, the following adjustments were recorded in the consolidated financial statements as of July 1st, 2008:

- \$43,249 increase in inventories
- \$43,249 decrease of the deficit

NOVEKO INTERNATIONAL INC.

Notes to consolidated financial statements (cont'd)

December 31, 2008
(unaudited)

2. Changes in accounting policies (cont'd):

Section 3862 and Section 3863 replace Section 3861, Financial Instruments – Disclosure and Presentation. These new recommendations relate only to disclosure requirements and had no impact on the company's financial statements (see note 12).

3. Future changes in accounting policies:

- a) In 2006, Canada's Accounting Standards Board ratified a strategic plan that will result in Canadian Generally Accepted Accounting Principles ("GAAP"), as used by public companies, being evolved and converged with International Financial Reporting Standards ("IFRS") over a transitional period to be completed by 2011. The Company will be required to report using the converged standards effective for interim and annual financial statements relating to fiscal years beginning on or after January 1, 2011. The Company will convert to these new standards according to the timetable set with these rules and will closely monitor changes arising from this convergence.
- b) In January 2008, the CICA issued Section 3064, *Goodwill and Intangible assets*, which provides guidance on the recognition of intangible assets and the criteria for asset recognition as well as clarifying the application of the concept of matching revenues and expenses, whether these assets are separately acquired or internally developed. This new standard applies to interim and annual financial statements relating to fiscal years beginning on or after October 1, 2008. The Company is currently evaluating the effects of adopting this standard.
- c) In January 2009, the CICA issued Sections 1582, "Business Combinations", 1601, "Consolidated Financial Statements", and 1602, "Non-controlling Interests".

Section 1582 will be converged with IFRS 3, "Business Combinations". Section 1602 will be converged with the requirements of IAS 27, "Consolidated and Separate Financial Statements", for non-controlling interests. Section 1601 carries forward the requirements of Section 1600, "Consolidated Financial Statements", other than those relating to non-controlling interests.

Section 1582 applies to a transaction in which the acquirer obtains control of one or more businesses. The term "business" is more broadly defined than in the existing standard. Most assets acquired and liabilities assumed, including contingent liabilities that are considered to be improbable, will be measured at fair value. Any interest in the acquiree owned prior to obtaining control will be remeasured at fair value at the acquisition date, eliminating the need for guidance on step acquisitions. A bargain purchase will result in recognition of a gain. Acquisition costs must be expensed.

NOVEKO INTERNATIONAL INC.

Notes to consolidated financial statements (cont'd)

December 31, 2008
(unaudited)

3. Future changes in accounting policies (cont'd):

- c) Under Section 1602, any non-controlling interest will be recognized as a separate component of shareholders' equity. Net income will be calculated without deduction for the non-controlling interest. Rather, net income will be allocated between the controlling and non-controlling interests.

The new standards will become effective in 2011. The Company is currently evaluating the impact of the adoption of these new standards on its consolidated financial statements.

NOVEKO INTERNATIONAL INC.

Notes to consolidated financial statements (cont'd)

December 31, 2008
(unaudited)

4. Business acquisition and asset purchase:

a) Transactions during the six-month period ended December 31, 2008:

- i) On July 10, 2008, the Company acquired 100% of the outstanding shares of Unitam International Management Corporation Inc., an international business development service agency established in North America and Asia. The operations of this company were grouped in the segment of development and marketing of products in the biomedical and environmental fields. The acquisition was settled by a cash consideration of \$250,000 and by the issuance of 500,000 Class A shares amounting to \$1,976,500. The acquisition fees of \$21,841 are included in the acquisition price. The acquisition was accounted for under the purchase method, and the operating results of the subsidiary are included in the consolidated financial statements from the acquisition date.

The fair value of the net assets acquired is attributed as follows and is subject to certain subsequent adjustments once all the expenses related to the transaction are known and a final evaluation of intangible assets has been completed:

| | |
|--|--------------------|
| Assets acquired: | |
| Cash | \$ 472 |
| Accounts receivable | 31,542 |
| Prepaid expenses | 10,605 |
| Deposits | 53,472 |
| Fixed assets | 36,892 |
| Deferred costs | 1,572 |
| Sales agent agreement | 2,355,206 |
| | <hr/> 2,489,761 |
| Liabilities assumed: | |
| Accounts payable and accrued liabilities | 228,749 |
| Long term debt | 1,138 |
| Deferred revenues | 11,533 |
| | <hr/> 241,420 |
| Net assets at fair value | <hr/> \$ 2,248,341 |
| Consideration: | |
| Cash, including acquisition fees | \$ 271,841 |
| Class A shares issued (note 6 c) i)) | 1,976,500 |
| | <hr/> \$ 2,248,341 |

NOVEKO INTERNATIONAL INC.

Notes to consolidated financial statements (cont'd)

December 31, 2008
(unaudited)

4. Business acquisition and asset purchase (cont'd):

a) Transactions during the six-month period ended December 31, 2008 (cont'd):

- ii) On July 17, 2008, the Company acquired 100% of the outstanding shares of SARL Noveko Algérie, a medical equipment import company. The operations of this company were grouped in the segment of development, manufacturing and marketing of medical equipment. SARL Noveko Algérie was owned by shareholder's directors exercising significant influence on the Company. The acquisition was settled by the issuance of 240,000 Class A shares amounting to \$921,120. The acquisition fees of \$85,906 are included in the acquisition price. The acquisition was accounted for under the purchase method, and the operating results of the subsidiary are included in the consolidated financial statements from the acquisition date.

The fair value of the net assets acquired is attributed as follows and is subject to certain subsequent adjustments once all the expenses related to the transaction are known and a final evaluation of intangible assets has been completed:

| | |
|--|--------------------|
| Assets acquired: | |
| Cash | \$ 62,712 |
| Short-term investments | 8,450 |
| Accounts receivable | 227,187 |
| Inventories | 560,187 |
| Prepaid expenses | 71,736 |
| Fixed assets | 127,851 |
| Intangible assets | 60,651 |
| Deferred costs | 4,772 |
| Future income taxes | 43,274 |
| Goodwill | 678,232 |
| | <hr/> 1,845,052 |
| Liabilities assumed: | |
| Accounts payable and accrued liabilities | 142,395 |
| Advances | 677,091 |
| Future income taxes | 18,540 |
| | <hr/> 838,026 |
| Net assets at fair value | <hr/> \$ 1,007,026 |
| Consideration: | |
| Acquisition fees | \$ 85,906 |
| Class A shares issued (note 6 c) ii) | 921,120 |
| | <hr/> \$ 1,007,026 |

NOVEKO INTERNATIONAL INC.

Notes to consolidated financial statements (cont'd)

December 31, 2008
(unaudited)

4. Business acquisition and asset purchase (cont'd):

a) Transactions during the six-month period ended December 31, 2008 (cont'd):

iii) On July 18, 2008, the Company acquired 100% of the outstanding shares of Groupe Conseil Micron-Air inc. and 100% of the outstanding shares of Gestion Simon Labrègue Inc., a designer and manufacturer of air quality systems targeted to the residential market. The operations of this company were grouped in the segment of development and marketing of products in the biomedical and environmental fields. The acquisition was settled by a cash consideration of \$800,000 and by the issuance of 600,000 Class A shares amounting to \$2,302,800. The acquisition fees of \$19,171 are included in the acquisition price. The acquisition was accounted for under the purchase method, and the operating results of the subsidiary are included in the consolidated financial statements from the acquisition date.

The fair value of the net assets acquired is attributed as follows and is subject to certain subsequent adjustments once all the expenses related to the transaction are known and a final evaluation of intangible assets has been completed:

| | |
|--|--------------|
| Assets acquired: | |
| Cash | \$ 84 |
| Accounts receivable | 308,072 |
| Inventories | 454,277 |
| Prepaid expenses | 22,036 |
| Fixed assets | 1,170,262 |
| Intangible assets | 1,230,226 |
| Goodwill | 1,644,962 |
| | <hr/> |
| | 4,829,919 |
| Liabilities assumed: | |
| Bank overdraft | 137,080 |
| Accounts payable and accrued liabilities | 220,910 |
| Long-term debt | 947,006 |
| Future income taxes | 402,952 |
| | <hr/> |
| | 1,707,948 |
| | <hr/> |
| Net assets at fair value | \$ 3,121,971 |
| | <hr/> |
| Consideration: | |
| Cash, including acquisition fees | \$ 819,171 |
| Class A shares issued (note 6 c) iv)) | 2,302,800 |
| | <hr/> |
| | \$ 3,121,971 |

NOVEKO INTERNATIONAL INC.

Notes to consolidated financial statements (cont'd)

December 31, 2008
(unaudited)

4. Business acquisition and asset purchase (cont'd):

a) Transactions during the six-month period ended December 31, 2008 (cont'd):

iv) On August 1st, 2008, the Company acquired 100% of the outstanding shares of Purer Life Technology Co., Ltd. and acquired 100% of the outstanding shares of U-Bond Inc. Those Companies specialize in the development and manufacture of filtration fabrics. The operations of this company were grouped in the segment of development and marketing of products in the biomedical and environmental fields. The acquisition was settled by a cash consideration of \$5,857,040. The acquisition fees of \$405,847 are included in the acquisition price. The acquisition was accounted for under the purchase method, and the operating results of the subsidiary are included in the consolidated financial statements from the acquisition date.

The fair value of the net assets acquired is attributed as follows and is subject to certain subsequent adjustments once all the expenses related to the transaction are known and a final evaluation of intangible assets has been completed:

| | |
|--|--------------------|
| Assets acquired: | |
| Cash | \$ 14,417 |
| Accounts receivable | 102,226 |
| Inventories | 363,011 |
| Prepaid expenses | 23,305 |
| Fixed assets | 127,717 |
| Intangible assets | 4,850,000 |
| Goodwill | 2,635,952 |
| | <hr/> 8,116,628 |
| Liabilities assumed: | |
| Accounts payable and accrued liabilities | 352,716 |
| Deferred revenues | 2,375 |
| Future income taxes | 1,498,650 |
| | <hr/> 1,853,741 |
| Net assets at fair value | <hr/> \$ 6,262,887 |
| Consideration: | |
| Cash, including acquisition fees | \$ 6,262,887 |
| | <hr/> \$ 6,262,887 |

NOVEKO INTERNATIONAL INC.

Notes to consolidated financial statements (cont'd)

December 31, 2008
(unaudited)

4. Business acquisition and asset purchase (cont'd):

b) Transactions during the year ended June 30, 2008:

- i) On July 26, 2007, the Company acquired 100% of the outstanding shares of Laboratoire Syma Inc., a company operating in the manufacturing of sanitizer products. The operations of this company were grouped in the segment of development and marketing of products in the biomedical and environmental fields. The acquisition was settled by a cash consideration of \$500,000 and by the issuance of 745,156 Class A shares amounting to \$4,932,933. The acquisition fees of \$16,976 are included in the acquisition price. The acquisition was accounted for under the purchase method, and the operating results of the subsidiary are included in the consolidated financial statements from the acquisition date.

The fair value of the net assets acquired is attributed as follows:

| | |
|--|--------------------|
| Assets acquired: | |
| Accounts receivable | \$ 58,166 |
| Inventories | 117,922 |
| Fixed assets | 78,824 |
| Intangible assets | 575,840 |
| Future income taxes | 62,157 |
| Goodwill | 5,196,559 |
| | <hr/> 6,089,468 |
| Liabilities assumed: | |
| Bank overdraft | 8,427 |
| Bank advances | 64,088 |
| Accounts payable and accrued liabilities | 170,587 |
| Long-term debt | 209,111 |
| Future income taxes | 187,346 |
| | <hr/> 639,559 |
| Net assets at fair value | <hr/> \$ 5,449,909 |
| Consideration: | |
| Cash, including acquisition fees | \$ 516,976 |
| Class A shares issued (note 6 d) i)) | 4,932,933 |
| | <hr/> \$ 5,449,909 |

NOVEKO INTERNATIONAL INC.

Notes to consolidated financial statements (cont'd)

December 31, 2008
(unaudited)

4. Business acquisition and asset purchase (cont'd):

b) Transactions during the year ended June 30, 2008 (cont'd):

- ii) On June 10, 2008, the Company acquired 100% of the outstanding shares of Magnum Pharmaceuticals Inc., a management services company specialized in the commercialization of pharmaceutical and related products in Canada and worldwide. The operations of this company were grouped in the segment of development and marketing of products in the biomedical and environmental fields. The acquisition was settled by the issuance of 618,557 Class A shares amounting to \$3,009,279. The acquisition fees of \$35,444 are included in the acquisition price. The acquisition was accounted for under the purchase method, and the operating results of the subsidiary are included in the consolidated financial statements from the acquisition date.

The fair value of the net assets acquired is attributed as follows:

| | |
|--|--------------------|
| Assets acquired: | |
| Accounts receivable | \$ 93,112 |
| Prepaid expenses | 15,500 |
| Fixed assets | 5,018 |
| Intangible assets | 436,000 |
| Goodwill | 2,748,872 |
| | <hr/> 3,298,502 |
| Liabilities assumed: | |
| Bank overdraft | 15,627 |
| Accounts payable and accrued liabilities | 98,632 |
| Future income taxes | 139,520 |
| | <hr/> 253,779 |
| Net assets at fair value | <hr/> \$ 3,044,723 |
| Consideration: | |
| Cash, including acquisition fees | \$ 35,444 |
| Class A shares issued (note 6 d) ii) | 3,009,279 |
| | <hr/> \$ 3,044,723 |

NOVEKO INTERNATIONAL INC.

Notes to consolidated financial statements (cont'd)

December 31, 2008
(unaudited)

5. Information on operations:

| | Three months | | Six months | |
|--|---------------------|--------------------|---------------------|-------------------|
| | 2008 | 2007 | 2008 | 2007 |
| a) Amortization: | | | | |
| Amortization of fixed assets | \$ 226,777 | \$ 162,185 | \$ 436,153 | \$ 321,703 |
| Amortization of intangible assets | 454,585 | 94,173 | 637,934 | 168,406 |
| Amortization of deferred development costs | 70,321 | - | 136,367 | 997 |
| Amortization of deferred costs | 340 | - | 560 | - |
| | \$ 752,023 | \$ 256,358 | \$ 1,211,014 | \$ 491,106 |
| b) Financial expenses: | | | | |
| Interest on loan due to a shareholder exercising significant influence | \$ - | \$ - | \$ - | \$ 819 |
| Interest on long-term debt | 62,804 | 50,170 | 137,859 | 125,431 |
| Accreted interest on convertible debentures | 63,029 | 113,465 | 136,618 | 261,374 |
| Interest on bank loans and bank charges | 52,110 | 23,812 | 89,480 | 36,827 |
| Exchange gain | (543,721) | (33,656) | (362,514) | (14,139) |
| Gain on fair value of short-term investments | (1,538) | (77,345) | (2,821) | (31,591) |
| Loss on currency contracts | 1,529,775 | - | 1,683,293 | - |
| Investment revenues | (116,056) | (133,388) | (277,600) | (339,499) |
| | \$ 1,046,403 | \$ (56,402) | \$ 1,404,315 | \$ 39,222 |

6. Capital stock:

a) Authorized:

On December 31, 2008, the authorized capital stock includes the following:

Unlimited number of Class A shares, voting, participating, without par value;

Unlimited number of Class B shares, non-voting, non-participating, dividends at the Bank of Canada's prime rate plus a percentage varying from 0% to 5% of issuance value, cumulative or non-cumulative, at Board of Directors' discretion, dividend with priority rank to Class A shares, redeemable at the option of the Company at an amount equal to the consideration received at issuance, without par value;

Unlimited number of Class C shares, non-voting, non-participating dividends at the Bank of Canada's prime rate plus a percentage varying from 0% to 5% of issuance value, cumulative or non-cumulative, at Board of Directors' discretion, dividend with priority rank to Class A and Class B shares, redeemable at the option of the Company at an amount equal to the consideration received at issuance, without par value;

NOVEKO INTERNATIONAL INC.

Notes to consolidated financial statements (cont'd)

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6. Capital stock (cont'd):

b) Issued:

| | December 31 2008 | June 30 2008 |
|---|----------------------|-----------------|
| 66,947,027 Class A shares (63,087,727 in June 2008) | \$ 80,632,736 | \$ 70,084,061 |

c) Transactions during the six-month period ended December 31, 2008:

- i) Issuance of 500,000 Class A shares for a total amount of \$1,976,500, in consideration of the acquisition of all the outstanding shares of Unitam International Management Corporation Inc.
- ii) Issuance of 240,000 Class A shares for a total amount of \$921,120, in consideration of the acquisition of all the outstanding shares of SARL Noveko Algérie.
- iii) Issuance of 16,800 Class A shares for a total amount of \$64,680, in consideration of fees paid for the acquisition of all the outstanding shares of SARL Noveko Algérie.
- iv) Issuance of 600,000 Class A shares for a total amount of \$2,302,800, in consideration of the acquisition of all the outstanding shares of Groupe Conseil Micron-Air Inc and Gestion Simon Labrecque Inc.
- v) Issuance of 202,500 Class A shares following the exercise of 202,500 warrants for a cash consideration of \$236,575 and a transfer of \$85,983 from warrants.
- vi) Issuance of 800,000 Class A shares following the exercise of conversion right of \$1,000,000 of convertible debentures. Amounts of \$774,953 and of \$239,064 were transferred from secured convertible debentures and from the equity component of secured convertible debentures included in equity, respectively.
- vii) Issuance of 1,100,000 Class A shares for a total amount of \$3,355,000.
- viii) Issuance of 400,000 Class A shares following the exercise of 400,000 stock options for a cash consideration of \$348,000 and a transfer of \$244,000 from contributed surplus.

d) Transactions during the year ended June 30, 2008:

- i) Issuance of 745,156 Class A shares for a total amount of \$4,932,933, in consideration of the acquisition of all the outstanding shares of Laboratoire Syma Inc.
- ii) Issuance of 618,557 Class A shares for a total amount of \$3,009,279, in consideration of the acquisition of all the outstanding shares of Magnum Pharmaceuticals Inc.

NOVEKO INTERNATIONAL INC.

Notes to consolidated financial statements (cont'd)

December 31, 2008
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6. Capital stock (cont'd):

- iii) Issuance of 1,188,404 Class A shares following the exercise of 1,188,404 stock options for a cash consideration of \$1,182,380 and a transfer of \$798,367 from contributed surplus.
- iv) Issuance of 7,572,000 Class A shares following the exercise of 7,572,000 warrants for a cash consideration of \$19,820,200 and a transfer of \$4,568,449 from warrants.
- v) Issuance of 2,347,729 Class A shares following the exercise of conversion right of \$2,124,586 of convertible debentures. Amounts of \$1,894,533 and of \$307,198 were transferred from secured convertible debentures and from the equity component of secured convertible debentures included in equity, respectively.

7. Stock option plan:

The Company instituted fixed stock option plans for which options can be granted to its officers, directors, employees and to persons providing services on a continuous basis to the Company. Under those plans, 10,698,780 Class A shares were reserved. The exercise price of the options is equal to the Company's quoted share price at the preceding date on which the options are granted.

The following table summarizes the changes in the plans position between June 30, 2008 and December 31, 2008:

| | December 31, 2008 | | June 30, 2008 | |
|--|-------------------|---------------------------------|---------------|---------------------------------|
| | Options | Weighted average exercise price | Options | Weighted average exercise price |
| Balance, beginning of period | 5,981,595 | \$ 3.77 | 4,394,998 | \$ 1.17 |
| Granted | 2,710,000 | 2.88 | 2,900,000 | 6.51 |
| Exercised | (400,000) | 0.87 | (1,188,404) | 0.99 |
| Expired | - | - | (124,999) | 2.12 |
| Balance, end of period | 8,291,595 | \$ 3.62 | 5,981,595 | \$ 3.77 |
| Options that can be exercised at end of period | 4,698,260 | \$ 3.17 | 3,539,930 | \$ 2.34 |
| Weighted average fair value of options granted during the period | | \$ 2.13 | | \$ 4.66 |

NOVEKO INTERNATIONAL INC.

Notes to consolidated financial statements (cont'd)

December 31, 2008
(unaudited)

7. Stock option plan (cont'd):

The following table summarizes the information on the outstanding stock options as at December 31, 2008:

| | | Outstanding options | Exercisable options |
|----------------|-----------|---|---------------------|
| Exercise price | Number | Weighted average outstanding maturity period (year) | Number |
| \$ 0.50 | 120,000 | 0.08 | 120,000 |
| 0.87 | 1,786,329 | 3.00 | 1,786,329 |
| 1.31 | 291,934 | 3.16 | 291,934 |
| 2.75 | 483,332 | 3.42 | 483,332 |
| 6.80 | 2,000,000 | 3.83 | 1,333,333 |
| 9.68 | 200,000 | 4.00 | 133,333 |
| 6.25 | 100,000 | 4.16 | 50,000 |
| 4.85 | 400,000 | 4.50 | 133,333 |
| 3.95 | 200,000 | 4.50 | 66,667 |
| 3.98 | 200,000 | 4.58 | 33,333 |
| 3.82 | 200,000 | 4.58 | 33,333 |
| 3.85 | 200,000 | 4.58 | 33,333 |
| 3.52 | 350,000 | 4.58 | 58,333 |
| 3.05 | 200,000 | 4.67 | 33,333 |
| 2.49 | 250,000 | 4.67 | 41,667 |
| 3.98 | 400,000 | 4.75 | 66,667 |
| 1.80 | 210,000 | 4.83 | - |
| 2.05 | 400,000 | 4.83 | - |
| 1.18 | 50,000 | 4.92 | - |
| 0.60 | 250,000 | 5.00 | - |
| | 8,291,595 | 3.90 | 4,698,260 |

a) Transaction during the six-month period ended December 31, 2008:

The Company has granted 2,710,000 stock options allowing the acquisition of 2,710,000 Class A shares at a weighted average exercise price of \$2.88 with a vesting period extending over 12 and 30 months.

NOVEKO INTERNATIONAL INC.

Notes to consolidated financial statements (cont'd)

December 31, 2008
(unaudited)

7. Stock option plan (cont'd):

b) Transaction during the year ended June 30, 2008:

The Company has granted 2,900,000 stock options allowing the acquisition of 2,900,000 Class A shares at a weighted average exercise price of \$6.51 with a vesting period extending over 18 months.

c) Compensation costs:

Compensation costs related to the stock option plan amount to \$6,277,917 for the six-month period ended December 31, 2008 (\$2,378,406 for the six-month period ended December 31, 2007).

d) Fair value of the options:

The fair value of the options was estimated as at the date on which the options were granted by using the Black-Scholes' options pricing model with the following assumptions:

| | December 31 2008 | June 30 2008 |
|---|---------------------|-----------------|
| Weighted average expected dividend rate | Nil | Nil |
| Weighted average volatility | 96% | 95% |
| Weighted average risk-free interest rate | 3.00% | 4.03% |
| Weighted average expected life of options | 60 months | 60 months |

8. Warrants:

The following table summarizes the changes in the warrants position between June 30, 2008 and December 31, 2008:

| | December 31, 2008 | | June 30, 2008 | |
|------------------------------|-------------------|-----------|-------------------|--------------|
| | Warrant Number | Amount | Warrant Number | Amount |
| Balance, beginning of period | 202,500 | \$ 85,983 | 7,792,000 | \$ 4,667,446 |
| Exercised | (202,500) | (85,983) | (7,572,000) | (4,568,449) |
| Expired | - | - | (17,500) | (13,014) |
| Balance, end of period | - | \$ - | 202,500 | \$ 85,983 |

NOVEKO INTERNATIONAL INC.

Notes to consolidated financial statements (cont'd)

December 31, 2008
(unaudited)

9. Accumulated other comprehensive income (loss):

The changes that occurred during the period were as follows:

| | December 31 2008 | Decembre 31 2007 |
|---|---------------------|---------------------|
| Balance, beginning of period | \$ 347,359 | \$ (458,974) |
| Unrealized gain on translation of financial statements of self-sustaining foreign operations | 1,017,250 | 64,084 |
| Balance, end of period | \$ 1,364,609 | \$ (394,890) |

10. Related party transactions:

During the period ended December 31, 2008, the Company paid interest in the amount of \$ - (\$819 for the period ended December 31, 2007) to a corporate shareholder exercising significant influence. This amount was charged to financial expenses in the statement of operations. These transactions were concluded in the normal course of operations and are measured at the exchange value, which is the amount of consideration established and agreed to by the related parties.

11. Capital Management:

The Company's primary objective in managing capital is to maintain an optimal capital base in order to support the capital requirements of its various businesses, including growth opportunities.

In managing its capital structure, the Company takes into account the asset characteristics of its subsidiaries and planned requirements for funds. The Company manages the capital structure and makes adjustments to it in the light of changes in economic conditions and the risk characteristics of the underlying assets.

To maintain or adjust the capital structure, the Company may attempt to issue new shares, acquire or dispose of assets or adjust the amount of cash on hand.

Since the last financial year, the Company has not significantly changed its strategy regarding the management of the capital structure of its continuing operations.

NOVEKO INTERNATIONAL INC.

Notes to consolidated financial statements (cont'd)

December 31, 2008
(unaudited)

11. Capital Management (cont'd):

The capital structure of the Company is composed of shareholders' equity, bank loan, long-term debt, convertible debentures, liabilities related to derivative financial instruments, less cash, cash equivalents and short term investments.

The Company met all of its long term debt's covenants and is not subject to any externally imposed capital requirements.

12. Financial instruments:

The Company has exposure to interest rate, currency, counterparty credit, and liquidity risks. The Company's primary risk management objective is to protect the Company's balance sheet, earnings and cash flow in support of achieving return on equity.

The Company financial risk management activities are governed by Board-approved financial policies that cover risk identification, tolerance, measurement, hedging limits, hedging products, authorization levels, and reporting.

a) Interest rate risk:

Interest rate risk is the risk the fair value or the future cash flows of a financial instrument fluctuate due to change in market interest rates.

As at December 31, 2008, a 0.5% decrease or increase of the interest rates and assuming that all other variables remain constant, would not had a significant impact on the Company's loss and comprehensive loss for the periods ended December 31, 2008 and the year ended June 30, 2008.

b) Currency risk:

Currency risk is the risk that the future cash flows of foreign currency financial instruments will fluctuate due to changes in the foreign exchange rate of the Canadian dollar against the foreign currencies.

The Company is exposed to exchange risk due to its exports of goods manufactured in Canada and sold into the United States, Europe, Asia, Latin America and the Middle-East. These risks are partly offset by its purchases of goods in US dollars.

The Company's policy is to hedge a portion of future foreign currency denominated cash flows using forward foreign exchange contracts to reduce the potential negative effect of a strengthening American dollar or Euro versus Canadian dollar.

NOVEKO INTERNATIONAL INC.

Notes to consolidated financial statements (cont'd)

December 31, 2008
(unaudited)

12. Financial instruments (cont'd):

b) Currency risk (cont'd):

The Company is exposed to currency risk denominated either in American dollar or Euro, as shown in the following table:

| | <u>US</u> December 31 2008 | <u>US</u> June 30 2008 | <u>Euro</u> December 31 2008 | <u>Euro</u> June 30 2008 |
|---------------------|--|------------------------------|--|--------------------------------|
| Cash | \$ 21,586 | \$ 194,308 | \$ 110,465 | \$ - |
| Accounts receivable | 1,396,541 | 1 578,833 | 575,095 | 346,946 |
| Accounts payable | 74,560 | 112,836 | - | - |

Based on the above exposures as at December 31, 2008, and assuming that all other variables remain constant, a 5% depreciation or appreciation of the Canadian dollars against the American dollars, and Euro would result in an decrease or increase in the Company's net loss and comprehensive loss of approximately \$102,000.

c) Counterparty credit risk:

The Company invests surplus cash in short-term investments, sells its product to customers on standard market credit terms and purchase derivative instruments. These activities expose the Company to counterparty credit risk that would result if the counterparty failed to meet its obligations in accordance with the terms and conditions of its contracts with the Company.

Accounts receivable credit risk is mitigated through established credit management techniques, including conducting financial and other assessments to establish and monitor a customer's creditworthiness, setting customer limits and monitoring exposures against these limits.

Surplus cash is only invested with counterparties meeting minimum credit quality requirements and issuer and concentration limits. Derivative transactions are executed only with approved high-quality counterparties under master netting agreements. The Company monitors and manages its concentration of counterparty credit risk on an ongoing basis.

The Company's maximum counterparty credit exposure at period end consists of the carrying amount of cash, accounts receivable and derivative instruments.

NOVEKO INTERNATIONAL INC.

Notes to consolidated financial statements (cont'd)

December 31, 2008
(unaudited)

12. Financial instruments (cont'd):

d) Liquidity risk:

The Company strives to maintain sufficient financial liquidity at all times in order to withstand sudden adverse changes in economic circumstances. Management forecasts cash flows for its current and subsequent fiscal years to identify financing requirements. These requirements are then addressed through a combination of committed credit facilities, cash-in short-term investments and access to capital markets.

The following are the undiscounted contractual obligation maturities of financial liabilities as at December 31, 2008:

| | Maturities | | | |
|---|-------------|---------------------------|---------------|----------------------------|
| | Total \$ | Less than 1 year \$ | 2 years \$ | More than 2 years \$ |
| Bank advances | 1,395,032 | 1,395,032 | - | - |
| Accounts payable and accrued liabilities | 3,749,048 | 3,749,048 | - | - |
| Long term debt | 4,411,611 | 808,959 | 700,367 | 2,902,285 |
| Secured convertible debentures | 1,739,102 | 941,398 | - | 797,704 |
| Derivative instruments | (472,420) | (472,420) | - | - |

NOVEKO INTERNATIONAL INC.

Notes to consolidated financial statements (cont'd)

December 31, 2008
(unaudited)

12. Financial instruments (cont'd):

d) Fair values:

The fair value of cash and cash equivalents, deposit for acquisition, short-term investments, trade receivables, bank advances and loan, and accounts payable and accrued liabilities corresponds to their book value given their short-term maturities.

The book value and the fair value of other financial assets and liabilities at the end of period are summarized as follows:

| | December 31 2008 | | June 30 2008 | |
|-------------------------|---------------------|---------------|-----------------|---------------|
| | Book value | Fair value | Book value | Fair value |
| Short -term investments | \$ 11,227,498 | \$ 11,227,498 | \$ 12,516,884 | \$ 12,516,884 |
| Long term debt | \$ 4,411,611 | \$ 4,294,247 | \$ 3,722,943 | \$ 3,567,081 |
| Convertible debentures | \$ 1,739,102 | \$ 1,739,102 | \$ 2,462,909 | \$ 2,462,909 |

The information regarding the foreign denominated currency contracts at period end is summarized as follows:

| Foreign Currency to be sold | Currency to be purchased | Strike price \$ | Maturity date | Fair Value \$ |
|--------------------------------|--------------------------------|-----------------------|------------------|---------------------|
| 8,250,000 US\$ | CDN \$ | 1.2750 | March 5, 2008 | 470,250 |
| 1,400,000 Euro | CDN \$ | 1.7062 | January 7, 2008 | 2,170 |
| Total | | | | 472,420 |

To calculate the change in the fair value attributable to financial instruments, the Company uses the same methods as described in the Company's annual financial statements for the year ended June 30, 2008.

NOVEKO INTERNATIONAL INC.

Notes to consolidated financial statements (cont'd)

December 31, 2008
(unaudited)

13. Segmented information:

Management has determined that the Company was carrying its activities in three significant segments: development, manufacturing and marketing of medical equipment, custom processing and distribution of steel products and development and marketing of products in the biomedical and environmental fields.

These segments are managed separately and are assessed individually based on operating income before depreciation, amortization, financial expenses and income taxes. Most of the businesses were acquired as an operating unit, and management at the time of the acquisition was retained.

The accounting policies of each segment are identical to the policies used for the consolidated financial statements.

Information on the results and the assets of each segment:

| | Three months | | Six months | |
|--|-----------------------|-----------------------|------------------------|-----------------------|
| | 2008 | 2007 | 2008 | 2007 |
| Revenues from external clients : | | | | |
| Manufacturing and distribution of medical equipment | \$ 2,502,983 | \$ 2,029,542 | \$ 4,051,379 | \$ 3,272,196 |
| Custom processing and distribution of steel products | 1,660,241 | 1,627,104 | 3,665,288 | 3,134,370 |
| Development of biomedical and environmental activities | 1,405,323 | 152,089 | 2,128,976 | 204,517 |
| | \$ 5,568,547 | \$ 3,808,735 | \$ 9,845,643 | \$ 6,611,083 |
| Profit (loss) before amortization, financial expenses and income taxes : | | | | |
| Manufacturing and distribution of medical equipment | \$ (57,714) | \$ 221,122 | \$ (511,481) | \$ 48,200 |
| Custom processing and distribution of steel products | 129,291 | 199,109 | 10,762 | 268,778 |
| Development of biomedical and environmental activities | (1,821,339) | (1,042,110) | (3,980,226) | (1,768,878) |
| Other | (3,201,964) | (2,158,523) | (6,393,457) | (3,280,397) |
| | \$ (4,951,726) | \$ (2,780,402) | \$ (10,874,402) | \$ (4,732,297) |
| Amortization : | | | | |
| Manufacturing and distribution of medical equipment | \$ 128,892 | \$ 32,165 | \$ 253,114 | \$ 67,699 |
| Custom processing and distribution of steel products | 151,028 | 136,480 | 290,350 | 270,471 |
| Development of biomedical and environmental activities | 439,774 | 69,792 | 611,123 | 121,039 |
| Other | 32,329 | 17,921 | 56,427 | 31,897 |
| | \$ 752,023 | \$ 256,358 | \$ 1,211,014 | \$ 491,106 |

NOVEKO INTERNATIONAL INC.

Notes to consolidated financial statements (cont'd)

December 31, 2008
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13. Segmented information (cont'd):

Information on the results and the assets of each segment (cont'd):

| | Three months | | Six months | |
|--|-----------------------|-----------------------|------------------------|-----------------------|
| | 2008 | 2007 | 2008 | 2007 |
| Interest expense : | | | | |
| Manufacturing and distribution of medical equipment | \$ 18,023 | \$ 30,970 | \$ 40,032 | \$ 50,971 |
| Custom processing and distribution of steel products | 67,118 | 45,622 | 129,699 | 104,897 |
| Development of biomedical and environmental activities | 23,936 | 3,926 | 46,823 | 6,985 |
| Other | 68,866 | 107,469 | 147,403 | 261,598 |
| | \$ 177,943 | \$ 187,987 | \$ 363,957 | \$ 424,451 |
| Income taxes : | | | | |
| Manufacturing and distribution of medical equipment | \$ 130,451 | \$ 9,491 | \$ (727) | \$ - |
| Custom processing and distribution of steel products | 118,288 | 24,045 | 57,874 | (16,347) |
| Development of biomedical and environmental activities | (58,243) | (51,491) | (71,077) | (87,309) |
| Other | 654 | - | 4,631 | (1,489) |
| | \$ 191,150 | \$ (17,955) | \$ (9,299) | \$ (105,145) |
| Net profit (loss) : | | | | |
| Manufacturing and distribution of medical equipment | \$ (323,247) | \$ 156,505 | \$ (754,729) | \$ (78,534) |
| Custom processing and distribution of steel products | (201,138) | (22,968) | (459,761) | (106,174) |
| Development of biomedical and environmental activities | (1,858,467) | (1,066,381) | (4,196,952) | (1,811,637) |
| Other | (4,558,450) | (2,029,559) | (8,068,990) | (3,161,135) |
| | \$ (6,941,302) | \$ (2,962,403) | \$ (13,480,432) | \$ (5,157,480) |
| Fixed asset expenditures : | | | | |
| Manufacturing and distribution of medical equipment | \$ 342,757 | \$ 174,126 | \$ 526,343 | \$ 241,139 |
| Custom processing and distribution of steel products | - | 3,610 | 8,755 | 3,885 |
| Development of biomedical and environmental activities | 89,285 | 4,025 | 141,063 | 5,305 |
| Other | 46,238 | 296,871 | 276,430 | 1,609,294 |
| | \$ 478,280 | \$ 478,632 | \$ 952,591 | \$ 1,859,623 |
| Assets : | | | | |
| Manufacturing and distribution of medical equipment | | | \$ 18,371,500 | \$ 12,430,305 |
| Custom processing and distribution of steel products | | | 8,752,676 | 13,381,960 |
| Development of biomedical and environmental activities | | | 26,660,275 | 8,050,045 |
| Other | | | 13,642,903 | 15,379,347 |
| | | | \$ 67,427,354 | \$ 49,241,657 |

NOVEKO INTERNATIONAL INC.

Notes to consolidated financial statements (cont'd)

December 31, 2008
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13. Segmented information (cont'd):

The geographical distribution of capital assets and goodwill of the Company is as follows:

| | December 31 2008 | June 30 2008 |
|---------|-----------------------------|-----------------|
| Canada | \$ 17,270,228 | \$ 14,438,461 |
| France | 6,927,169 | 6,476,664 |
| Algeria | 903,132 | - |
| China | 3,237,011 | - |
| | \$ 28,337,540 | \$ 20,915,125 |

The geographical distribution of revenues of the Company is as follows:

| | Three months | | Six months | |
|----------------------------|---------------------|--------------|---------------------|--------------|
| | 2008 | 2007 | 2008 | 2007 |
| Canada | \$ 2,789,304 | \$ 1,852,143 | \$ 5,540,880 | \$ 3,495,402 |
| Latin America | 83,400 | 123,464 | 180,543 | 222,545 |
| United States | 51,595 | 319,645 | 125,039 | 430,756 |
| Europe | 1,456,528 | 989,851 | 2,342,871 | 1,709,012 |
| Africa, Asia and Australia | 1,187,720 | 523,632 | 1,656,310 | 753,368 |
| Total revenues | \$ 5,568,547 | \$ 3,808,735 | \$ 9,845,643 | \$ 6,611,083 |

14. Comparative figures:

Certain comparative figures have been reclassified to conform with the financial statement presentation adopted for the current period.