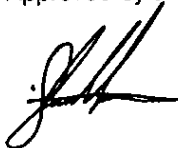


TUBUTAMA BORAX LIMITED

**Balance Sheet
As at 31 July 2007**

	Notes	£
Non-current assets		
Investments	2	2,823,493
Total non-current assets		<u>2,823,493</u>
Total Assets		<u><u>2,823,493</u></u>
Shareholders' Funds		
Share capital	3	470,582
Share premium account	4	2,347,516
Share based payment reserve	5	5,395
Profit and loss account		-
Total shareholders' funds		<u>2,823,493</u>
Total liabilities and shareholders' funds		<u><u>2,823,493</u></u>

Approved by the Board and authorised for issue on *31st August 2007*



Kiran Morzaria
Director

The notes on page 4-6 form an integral part of these financial statements



Tubutama Borax Limited
Notes to the Balance Sheet

1. Basis of presentation and summary of significant accounting policies

The Company was incorporated in England and Wales on 3 March 2006

Going concern

The financial statements have been prepared assuming the Company will continue as a going concern. Under the going concern assumption, an entity is ordinarily viewed as continuing in business for the foreseeable future with neither the intention nor the necessity of liquidation, ceasing trading or seeking protection from creditors pursuant to laws or regulations. In assessing whether the going concern assumption is appropriate, management takes into account all available information for the foreseeable future, in particular for the twelve months from the date of approval of the financial statements.

Assets and liabilities are recorded on the basis that the Company will be able to realise its assets and discharge its liabilities in the normal course of business. Accordingly, the financial statements do not include any adjustments to the carrying values of assets and liabilities that might be necessary should the Company be unable to continue as a going concern.

Basis of presentation

The consolidated financial statements are prepared and presented in accordance with International Financial Reporting Standards.

Use of estimates

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

Comparative figures

No comparative figures are shown as the company prepared dormant accounts for the period from incorporation on 3 March 2006 to 31 March 2007. The share capital as at 31 March 2007 was £0.01 and debtors were £0.01.

Cash and cash equivalents

The Company considers all highly liquid investments purchased with an original maturity of three months or less to be cash equivalents.

Tubutama Borax Limited

Notes to the Balance Sheet

1 Basis of presentation and summary of significant accounting policies (continued)

Financial assets

Sales and purchases are accounted for at trade date

Fair value of financial instruments

Carrying amounts of certain of the Company's financial instruments including cash and cash equivalents, accounts receivable, accounts payable, and accrued expenses approximate fair value due to their short maturities, based on borrowing rates currently available to the Company. This would include convertible debentures where the fair value of the conversion option is recognised under shareholders' equity

Foreign currency translation

The reporting currency of the Company is the British pound

Gains and losses that arise from the effect of exchange rate changes on balances denominated in currencies other than the measurement currency of the Company are included in the income statement as incurred

Deferred taxation

Deferred tax assets and liabilities are determined based on differences between financial reporting and tax bases of assets and liabilities, and are measured using the enacted tax rates and laws that will be in effect when the differences are expected to reverse

Deferred tax assets are recognised only to the extent that future taxable profit will be available such that realisation of the related tax benefit is more likely than not

2. Investments

	Investments £
Cost	
At incorporation	-
Additions	2,823,493
As at 31 July 2007	<u>2,823,493</u>

This investment represents the company's 100% holding in Tubutama Limited, a company incorporated in England and Wales

Tubutama Borax Limited
Notes to the Balance Sheet

3. Share capital

	2007
	£
Authorised	
1,000,000,000 ordinary shares of £0.005 each	5,000,000
	<hr/>
	2007
	£
Allotted, issued and fully paid	
94,116,449 ordinary shares of £0.005 each	470,582
	<hr/>

On incorporation, the Company had an authorised share capital of £5,000,000 divided into 1,000,000,000 ordinary shares of £0.005 each of which 2 were issued, fully paid, to the subscribers to the Memorandum of Association of the Company

On 14 June 2007, the number of shares issued and fully paid was increased by 94,116,447 ordinary shares of £0.005 each. These shares were issued for a consideration of £0.03 per share

4. Share premium account

	£
At incorporation	-
Premium on shares issued during the period	2,352,911
Less costs relating to share issue	(5,395)
	<hr/>
As at 31 July 2007	2,347,516
	<hr/>

5. Share based payments

These represent the value of the 1,860,400 warrants issued to Loeb Aron. The value of the warrants is based on the cost of the service provided by Loeb Aron.

MEMORANDUM AND ARTICLES OF ASSOCIATION
OF
TUBUTAMA BORAX PLC