

Ezenet Corp.**Consolidated Balance Sheets****As at December 31, 2000 and 1999**

	2000	1999
Assets		
Current		
Cash and short-term investments	\$ 40,452,760	\$ 170,469
Accounts receivable	1,385,924	230,361
Prepaid expenses and sundry assets	219,366	94,052
Income taxes recoverable	669,056	34,390
	42,727,106	529,272
Future income tax assets	882,493	-
Capital assets	1,576,813	426,990
Product development costs	-	1,478,300
Goodwill	7,784,541	-
	\$ 52,970,953	\$ 2,434,562
Liabilities		
Current		
Accounts payable and accrued liabilities	\$ 2,120,112	\$ 140,401
Future income tax liabilities	-	403,800
	2,120,112	544,201
Shareholders' Equity		
Capital stock	52,372,387	1,245,322
Retained earnings (deficit)	(1,521,546)	645,039
	50,850,841	1,890,361
	\$ 52,970,953	\$ 2,434,562

Ezenet Corp.**Consolidated Statements of Operations****For the Years Ended December 31, 2000 and 1999**

	2000	1999
Revenue		
Banking services	\$ 5,245,410	\$ 2,665,661
Software products	81,143	272,674
Interest and other income	1,996,991	51,962
	7,323,544	2,990,297
Expenses		
Direct product and service costs	339,676	185,531
Amortization and write-off of product development costs	1,530,756	181,400
Salaries and benefits	5,588,810	1,331,926
Administration	1,752,577	378,766
Professional fees	382,146	86,325
Investor relations	150,733	81,243
Amortization	742,133	210,692
	10,486,831	2,455,883
Earnings (loss) before income taxes	(3,163,287)	534,414
Income taxes		
Future	(1,177,578)	272,680
Net earnings (loss)	\$ (1,985,709)	\$ 261,734
Earnings (loss) per share		
Basic	\$ (0.19)	\$ 0.04
Adjusted basic	\$ (0.15)	N/A
Fully diluted	N/A	\$ 0.02

Ezenet Corp.**Consolidated Statements of Retained Earnings (Deficit)****For the Years Ended December 31, 2000 and 1999**

	2000	1999
Net earnings (loss)	\$ (1,985,709)	\$ 261,734
Retained earnings at beginning of year	645,039	383,305
Dividends on preferred shares	(94,500)	-
Excess of cost over carrying amount of shares purchased for cancellation	(86,376)	-
Retained earnings (deficit) at end of year	\$ (1,521,546)	\$ 645,039

Ezenet Corp.**Consolidated Statements of Cash Flows****For the Years Ended December 31, 2000 and 1999**

	2000	1999
Cash flows from operating activities		
Net earnings (loss) for the year	\$ (1,985,709)	\$ 261,734
Add (deduct) items not affecting cash:		
Amortization and write off of product development costs	1,530,756	181,400
Amortization	742,133	210,692
Future income taxes	(1,177,578)	272,680
	(890,398)	926,506
Changes in non-cash working capital items		
Accounts receivable	(219,128)	(52,663)
Prepaid expenses and sundry assets	(107,467)	(77,431)
Income taxes payable	(19,174)	(4,949)
Accounts payable and accrued liabilities	1,033,071	(11,214)
	(203,096)	780,249
Cash flows from investing activities		
Purchase of capital assets	(1,103,400)	(222,698)
Investment in product development costs	(52,456)	(1,099,775)
Business acquisition	(5,522,837)	198,432
	(6,678,693)	(1,124,041)
Cash flows from financing activities		
Issuance of capital stock	48,125,953	418,651
Shares purchased pursuant to a normal course issuer bid	(595,709)	-
Payment of preferred share dividends	(67,500)	-
Exercise of stock options	36,250	-

Expenditures re. issuance of capital stock	(334,914)	-
	47,164,080	418,651
Increase in cash position during year	40,282,291	74,859
Cash position at beginning of year	170,469	95,610
Cash position at end of year	\$ 40,452,760	\$ 170,469

Cash position consists of:

Cash and cash equivalents	\$ 16,799,658	\$ 70,469
Short-term investments	23,653,102	100,000
	\$ 40,452,760	\$ 170,469

Supplemental Disclosure

Cash paid for income taxes, net of refunds received	\$ 33,153	\$ 11,189
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