

EXHIBIT B

2010 UNAUDITED FINANCIAL STATEMENTS

AND

2009 FINANCIAL STATEMENTS

NovaTel Ltd.
Balance Sheet
As of December 31, 2010

UN-AUDITED FINANCIALS

	Dec 31, 10
ASSETS	
Current Assets	
Checking/Savings	
Silicon Valley Bank	1,084,424.18
Total Checking/Savings	1,084,424.18
Accounts Receivable	
Accounts Receivable	1,687,251.25
Accounts Receivable-ACC	2,213,801.52
Total Accounts Receivable	3,901,052.77
Other Current Assets	
Allowance for Bad Debt	-169,241.55
Contingent Vendor Credits	20,748.94
LT PP	0.00
Prepaid Expenses	139,126.64
Total Other Current Assets	-9,365.97
Total Current Assets	4,976,110.98
Fixed Assets	
Accumulated Depreciation	-3,931,739.00
Fixed Assets	4,233,172.61
Total Fixed Assets	301,433.61
Other Assets	
Deposit	42,865.00
Good Will-Iline	5,000.00
Note Receivable -Installment	281,132.38
Total Other Assets	328,997.38
TOTAL ASSETS	5,606,541.97
LIABILITIES & EQUITY	
Liabilities	
Current Liabilities	
Accounts Payable	
Accounts Payable - Carriers	789,212.00
Accounts Payable - Trade	23,972.57
Total Accounts Payable	813,184.57
Credit Cards	
American Express Corporate	9,139.63
Total Credit Cards	9,139.63
Other Current Liabilities	
Tax Payable (HS)	4,971.59
Short Term Liability - CA	553,408.95
Company Credit Cards	6,902.39
Accrued Expenses	2,142,808.05

NovaTel Ltd.
Balance Sheet
As of December 31, 2010

	<u>Dec 31, 10</u>
Customer Deposits	196,442.56
Note Payable	-0.30
Tax Payable (Atlantax)	308,878.49
Total Other Current Liabilities	<u>3,213,411.73</u>
Total Current Liabilities	4,035,735.93
Long Term Liabilities	
2010 Capital Funds, LLC	886,459.10
Long Term Liability	6,548,886.31
Total Long Term Liabilities	<u>7,435,345.41</u>
Total Liabilities	11,471,081.34
Equity	
Retained Earnings	-5,510,196.71
Net Income	-354,342.66
Total Equity	<u>-5,864,539.37</u>
TOTAL LIABILITIES & EQUITY	<u><u>5,606,541.97</u></u>

UN-AUDITED FINANCIALS

NovaTel Ltd.
Profit & Loss
January through December 2010

	Jan - Dec 10
Ordinary Income/Expense	
Income	
HS Revenue	37,653.66
COLO Revenue	32,070.00
Other Revenue	21,708.60
Traffic Revenue	43,796,852.09
Total Income	43,888,284.35
Cost of Goods Sold	
Traffic-Circuit Cost	34,712,389.15
Traffic-Other Charges	3,391,100.30
Traffic-Surcharges	5,188.34
Traffic-Disputes Paid	504,268.39
Total COGS	38,612,946.18
Gross Profit	5,275,338.17
Expense	
Bad Debt Expense	1,186,781.08
Bank Service Charges	44,971.69
Business Promotion	3,466.76
Cisco & Other Equipment	128,843.98
Commissions	260,305.34
Depreciation Expense	188,708.00
Donations	800.00
Dues and Subscriptions	29,090.29
Employee Leasing Services	2,645,328.65
Equipment Rental	10,389.91
Holiday Party & In Office Meals	10,512.27
Insurance	52,648.56
Interest Expense	4.00
Labor	55,473.92
Licenses, Permits and Fees	533.39
Miscellaneous	-0.02
Office Supplies	34,428.62
Penalties	49.99
Postage and Delivery	9,955.37
Printing and Reproduction	3,123.00
Professional Development	40.00
Professional Fees	181,981.32
Recruiting	600.00
Rent	364,629.07
Repairs	9,579.30
Suspense	-442.65
Taxes	-181,330.02
Telephone	292,816.66
Travel & Ent	71,456.07
Total Expense	5,404,744.55
Net Ordinary Income	-129,406.38

UN-AUDITED FINANCIALS

2009 FINANCIAL STATEMENTS

NovaTel Ltd.
Balance Sheet
As of December 31, 2009

	Dec 31, 09
ASSETS	
Current Assets	
Checking/Savings	
Silicon Valley Bank	709,703.77
Total Checking/Savings	709,703.77
Accounts Receivable	
Accounts Receivable	1,649,034.97
Accounts Receivable-ACC	2,148,780.58
Total Accounts Receivable	3,797,815.55
Other Current Assets	
Allowance for Bad Debt	-59,602.73
Prepaid Expenses	154,103.50
Total Other Current Assets	94,500.77
Total Current Assets	4,602,020.09
Fixed Assets	
Accumulated Depreciation	-3,743,031.00
Fixed Assets	4,185,782.93
Total Fixed Assets	442,751.93
Other Assets	
Deposit	34,162.24
Good Will-Ilinc	5,000.00
Note Receivable -Installment	281,992.40
Total Other Assets	321,154.64
TOTAL ASSETS	5,365,926.66
LIABILITIES & EQUITY	
Liabilities	
Current Liabilities	
Accounts Payable	
Accounts Payable - Carriers	4,278,051.60
Accounts Payable - Trade	48,038.42
Total Accounts Payable	4,326,090.02
Other Current Liabilities	
Short Term Liability - CA	2,373,408.95
Accrued Expenses	1,906,244.48
Customer Deposits	346,558.44
Note Payable	-2,591.44
Tax Payable (Atlantax)	118,794.99
Sales Tax Payable	346.50
Total Other Current Liabilities	4,742,761.92
Total Current Liabilities	9,068,851.94

NovaTel Ltd.
Balance Sheet
As of December 31, 2009

	<u>Dec 31, 09</u>
Long Term Liabilities	
Long Term Liability	1,500,000.00
Total Long Term Liabilities	<u>1,500,000.00</u>
 Total Liabilities	 10,568,851.94
 Equity	
Retained Earnings	-2,954,635.20
Net Income	<u>-2,248,290.08</u>
Total Equity	<u>-5,202,925.28</u>
 TOTAL LIABILITIES & EQUITY	 <u><u>5,365,926.66</u></u>

NovaTel Ltd.
Profit & Loss
 January through December 2009

	<u>Jan - Dec 09</u>
Ordinary Income/Expense	
Income	
COLO Revenue	47,580.03
Other Revenue	1,200.00
Traffic Revenue	47,857,648.80
Total Income	47,906,428.83
Cost of Goods Sold	
Traffic-Circuit Cost	40,418,679.44
Traffic-Other Charges	3,307,149.19
Traffic-Surcharges	7,399.28
Traffic-Disputes Paid	342,434.56
Total COGS	44,075,662.47
Gross Profit	3,830,766.36
Expense	
Automobile Expense	18.66
Bad Debt Expense	303,295.46
Bank Service Charges	46,990.25
Business Promotion	3,551.99
Cisco & Other Equipment	85,651.93
Commissions	215,949.29
Depreciation Expense	332,209.00
Dues and Subscriptions	29,509.93
Employee Leasing Services	2,616,854.90
Equipment Rental	9,458.39
Holiday Party & In Office Meals	12,083.73
Insurance	55,278.56
Interest Expense	561.31
Labor	30,955.98
Licenses, Permits and Fees	2,603.13
Miscellaneous	112.80
Office Supplies	35,079.15
Penalties	78.00
Postage and Delivery	10,907.78
Printing and Reproduction	1,692.28
Professional Development	455.00
Professional Fees	182,667.03
Rent	260,589.75
Repairs	3,414.23
Suspense	4,391.39
Taxes	-62,951.81
Telephone	194,115.65
Travel & Ent	91,295.64
Total Expense	4,466,819.40
Net Ordinary Income	-636,053.04
Other Income/Expense	

NovaTel Ltd.
Profit & Loss
January through December 2009

	<u>Jan - Dec 09</u>
Other Income	
Commission Income	15,884.12
Gain (Loss) on Sale of Fixed As	2,400.00
Interest Income	1,501.65
Other Income	<u>6,206.70</u>
Total Other Income	25,992.47
Other Expense	
Settlements	1,500,000.00
Interest	<u>138,229.51</u>
Total Other Expense	<u>1,638,229.51</u>
Net Other Income	<u>-1,612,237.04</u>
Net Income	<u><u>-2,248,290.08</u></u>