

**BIG STICK MEDIA CORPORATION  
(FORMERLY iGAMING CORPORATION)  
CONSOLIDATED FINANCIAL STATEMENTS  
AS AT MAY 31, 2007**

**(Unaudited)**

**Big Stick Media Corporation**  
**(Formerly iGaming Corporation)**  
**Consolidated Balance Sheet**  
**As at May 31, 2007 and November 30, 2006**  
**(Expressed in Canadian Dollars)**  
**(Unaudited)**

	<b>May 31,</b>		<b>November 30,</b>
	<b>2007</b>		<b>2006</b>
<b>ASSETS</b>			
<b>Current Assets</b>			
Cash and Cash equivalents	\$ 3,479,070	\$	3,139,046
Accounts Receivable (Note 5)	62,181		122,769
Cash Merchant Reserves (Note 3)	841,214		872,165
Prepays Expenses and Deposits	83,529		89,312
Promissory Note Receivable - current (Note 6)	19,922		30,841
	<u>4,485,915</u>		<u>4,254,133</u>
Property and Equipment (Note 7)	1,138,255		1,342,496
Intangible Assets (Note 8)	2,828,193		2,186,227
Promissory Note Receivable - non current (Note 6)	-		8,632
Restricted Cash (Note 3)	107,340		113,430
	<u>8,559,703</u>	<u>\$</u>	<u>7,904,918</u>
<b>LIABILITIES</b>			
<b>Current Liabilities</b>			
Bank Loan (Note 10)	\$ -	\$	250,184
Accounts Payable and Accrued Liabilities (Note 9)	342,707		646,110
Commission and Chargeback Reserves (Note 3)	106,747		76,733
Due to Related Parties (Note 11)	54,613		461,925
Deferred Revenue - current	1,780,947		2,770,354
	<u>2,285,014</u>		<u>4,205,306</u>
Deferred Revenue - non current	76,842		92,150
	<u>2,361,856</u>	<u>\$</u>	<u>4,297,456</u>
<b>SHAREHOLDERS' EQUITY</b>			
Share Capital (Note 12)	\$ 12,699,296	\$	11,108,560
Share Capital issuable as Contingent Consideration (Note 12)	377,471		-
Contributed Surplus (Note 12)	2,279,407		2,260,407
Deficit	(9,158,328)		(9,761,505)
	<u>6,197,846</u>		<u>3,607,462</u>
<b>Total Liabilities and Shareholders' Equity</b>	<b>\$ 8,559,703</b>	<b>\$</b>	<b>7,904,918</b>

Big Stick Media Corporation  
(Formerly iGaming Corporation)  
Consolidated Statements of Operations and Deficit  
For the period ended  
(Canadian Dollars)  
(Unaudited)

	May31,2007		May31,2006	
	3 Months	6 Months	3 Months	6 Months
<b>Income</b>				
Revenues	\$ 2,555,618	\$ 6,360,107	\$ -	\$ -
Interest	29,192	58,064	-	-
	2,584,811	6,418,172	-	-
<b>Direct Costs (schedule A)</b>	114,411	363,637	-	-
<b>Selling Expenses (schedule A)</b>	745,476	2,009,872	-	-
<b>Administrative Expenses (schedule A)</b>	1,286,074	2,568,004	154,028	206,401
<b>Amortization of Property and Equipment</b>	123,467	244,577	-	-
<b>Amortization of Intangible Assets</b>	258,401	468,233	-	-
<b>Stock based compensation expense</b>	19,000	19,000	-	-
<b>Income (Loss) Before under-noted items</b>	37,982	744,849	(154,028)	(206,401)
Foreign Currency Translation Gain	(141,658)	(141,672)	-	-
<b>Net Income (Loss) from Continued Operations</b>	(103,676)	603,177	(154,028)	(206,401)
<b>Net Income from Discontinued Operations (Note 13)</b>	-	-	-	322,690
<b>Net Income for the Period</b>	(103,676)	603,177	(154,028)	116,289
<b>Deficit, Beginning of Period</b>	(9,054,652)	(9,761,505)	(7,647,742)	(7,918,059)
<b>Deficit, End of Period</b>	\$ (9,158,328)	\$ (9,158,328)	\$ (7,801,770)	\$ (7,801,770)
<b>Basic Net Income (Loss) per Common Share</b>				
- Net Income (Loss) from Continued Operations	\$ (0.00)	\$ 0.01	\$ (0.01)	\$ (0.01)
- Net Income from Discontinued Operations	\$ -	\$ -	\$ -	\$ 0.01
- Net Income (loss) for the period	\$ (0.00)	\$ 0.01	\$ (0.01)	\$ 0.00
<b>Weighted average number of common shares outstanding</b>				
- Basic	57,772,219	57,068,446	29,006,533	26,286,753
- Diluted	57,772,219	57,868,653	29,006,533	26,720,926

Big Stick Media Corporation  
(Formerly iGaming Corporation)  
Consolidated Statements of Cash Flow  
For the period ended  
(Canadian dollar)  
(Unaudited)

	May 31, 2007		May 31, 2006	
	3 Months	6 Months	3 Months	6 Months
<b>Cash provided by (Used in) Operating Activities</b>				
Net Income for the Period	\$ (103,676)	\$ 603,177	\$ (154,028)	\$ 116,289
Net Income from Discontinued Operations	-	-	-	(322,690)
Net Income (Loss) from Continued Operations	(103,676)	603,177	(154,028)	(206,401)
Items not Involving Cash				
Amortization	381,868	712,811	-	-
Stock based compensation expense	19,000	19,000	-	-
Foreign Exchange Gain/Loss	(43,532)	3,719	-	-
	253,660	1,338,707	(154,028)	(206,401)
<b>Changes in Non-Cash Working Capital</b>				
(Increase) Decrease in Accounts Receivable	36,645	58,467	(35,562)	(31,972)
(Increase) Decrease in Merchant Reserves	60,253	(14,178)	-	-
(Increase) Decrease in Prepaid Expenses and Deposits	36,807	2,385	-	-
Increase (Decrease) in Accounts Payable and Accrued Liabilities	(157,696)	(805,957)	(1,337)	3,504
Increase (Decrease) in Commission and Chargeback Reserves	(18,856)	33,143	-	-
Increase (Decrease) in Deferred Revenue	(383,516)	(909,341)	-	-
	(426,363)	(1,635,481)	(36,899)	(28,468)
<b>Net Cash Provided by (Used in) Operating Activities</b>	<b>(172,703)</b>	<b>(296,775)</b>	<b>(190,927)</b>	<b>(234,869)</b>
<b>Cash Provided by (Used in) Financing Activities</b>				
Common shares issued, Net of issue costs	1,143,905	1,143,905	-	450,000
(Increase) Decrease in Loan Receivable	79,027	79,027	-	-
Increase (Decrease) in Bank Loan Payable	(234,456)	(250,356)	-	-
(Increase) Decrease in Promissory Note Receivable	12,408	18,433	-	-
<b>Net Cash Provided by (Used in) Financing Activities</b>	<b>1,000,884</b>	<b>991,009</b>	<b>-</b>	<b>450,000</b>
<b>Cash Provided by (Used in) Investing Activities</b>				
Acquisitions of Property and Equipment	(15,237)	(39,094)	-	-
Acquisition of Intangible Assets	(188,320)	(315,117)	-	-
Proceeds from Disposition of Subsidiary	-	-	-	10
<b>Net Cash Provided by (Used in) Investing Activities</b>	<b>(203,557)</b>	<b>(354,211)</b>	<b>-</b>	<b>10</b>
<b>Net Increase (Decrease) in Cash</b>	<b>624,624</b>	<b>340,024</b>	<b>(190,927)</b>	<b>215,141</b>
<b>Cash and Term Deposits, Beginning of Period</b>	<b>2,854,446</b>	<b>3,139,046</b>	<b>418,891</b>	<b>12,823</b>
<b>Cash and Term Deposits, End of Period</b>	<b>\$ 3,479,070</b>	<b>\$ 3,479,070</b>	<b>\$ 227,964</b>	<b>\$ 227,964</b>
<b>Supplementary Information</b>				
<b>Interest Paid</b>	<b>\$ 328</b>	<b>\$ 6,917</b>	<b>\$ -</b>	<b>\$ -</b>

**BIG STICK MEDIA CORPORATION**  
**(Formerly iGaming Corporation)**  
**Notes to Consolidated Financial Statements**  
**May 31, 2007 and 2006**  
**(Unaudited)**

**Note 1 - Nature of Operations**

The Corporation previously carried on business under the name DPC Biosciences Corporation. Together with its wholly-owned subsidiary, DPC Biosciences Inc., it was engaged in the field of biotechnology. Both corporations ceased active operations in 2001 and remained relatively inactive until February, 2006 whereupon a reactivation process was commenced. In September, 2006 the Corporation was reactivated as a company involved in the sale of fact-based and opinion-oriented information relevant to the North American sports industry. The fact-based information relates to scores, statistics and other live information pertaining to sports contests carried on primarily in North America. The opinion-oriented information consists primarily of handicapping services provided in relation to the same sports contests. In conjunction with the reactivation, the Corporation changed its name from DPC Biosciences Corporation to iGaming Corporation (“The “Corporation”). On June 15, 2007, the Corporation again changed its name to Big Stick Media Corporation.

The Corporation carries on its business operations via two wholly-owned subsidiaries, IGC Entertainment Corporation, a resident of British Columbia, Canada and National Sports Services (IGC), Inc., a resident of Nevada, USA.

**Note 2 - Business Asset Acquisitions**

On December 11, 2006, the Corporation completed the purchase of certain of the assets related to the fantasy sports website www.rotoplay.com from RotoPlay, Inc. (the “Rotoplay Assets”), a Pennsylvania-based corporation specializing in the online fantasy sports industry. The Rotoplay Assets include all customer databases, all hardware and software associated with the www.rotoplay.com website and all related intellectual property. Except for the assumption of customer deposits, the Corporation did not assume any other liabilities, obligations or commitments of RotoPlay Inc.

The total consideration payable for the assets as set forth in the agreement of sale was \$344,250. The initial consideration totalling \$131,963 consisted of a cash payment of \$94,050 and the assumption of a customer deposit liability of \$37,913. The balance of the purchase price was to be payable based on the attainment of certain revenue thresholds during the four quarters of the Corporation’s fiscal 2007 year. For purposes of the February 28, 2007 financial statements, the Corporation accrued additional purchase price consideration of \$40,646 based on the attainment of revenues for the quarter then ended.

In March 8, 2007, the Corporation and RotoPlay, Inc. agreed to amend the terms of payment such that the purchase price was reduced by \$29,032. As such, the full remaining balance of \$188,320 was paid at that time.

## Note 2 - Business Asset Acquisitions (cont'd)

A summary of the total acquisition cost allocated as follows:

### Purchase price:

Initial consideration	\$131,963
Acquisition costs	\$ 11,095
Accrued additional consideration	\$ 40,646
Final consideration	<u>\$147,674</u>
Total purchase price	<u>\$331,378</u>

### Purchase price allocation:

	<u>Purchase Price Allocation</u>
Revenue Generating Websites and Domain Names	\$16,261
Customer Lists	\$315,117
Total	\$331,378

## Note 3 - Significant Accounting Policies

### a) Principles of consolidation

These consolidated financial statements include the accounts of the Corporation and its wholly owned subsidiaries, IGC Entertainment Corporation and National Sports Services (IGC), Inc. All intercompany balances and transactions have been eliminated in the consolidation process.

### b) Cash and cash equivalents

Cash and cash equivalents consist entirely of readily available cash balances. As at each of May 31, 2007 and November 30, 2006, the Corporation had no cash equivalents.

### c) Cash Merchant Reserves

Cash merchant reserves consist of cash withheld by merchant banks as security for potential future chargebacks. The terms related to the quantum of funds placed in reserve and the conditions for release thereof vary from one bank to another. In certain cases, the reserve amount represents a fixed percentage of annual sales while in other cases a flat 10% of each sale is reserved and released on a rolling basis after six months.

### d) Restricted Cash

Restricted Cash represents funds that have been deposited in a segregated account at a financial institution in connection with the granting of business licenses by the Nevada Division of Consumer Affairs. The Corporation currently has certificates of deposit in support of such licenses totalling US\$100,000.

### e) Property and Equipment

Equipment is recorded at cost and amortized over its estimated useful life as follows:

Computer Equipment	- 2 - 5 years straight line
Automobile	- 3 years straight line
Office Equipment	- 2 - 5 years straight line
Software	- 5 years straight line
Communication Equipment	- 5 years straight line
Information Database	- 3 years straight line
Website and Domain Names	- 3 years straight line

### **Note 3 - Significant Accounting Policies (cont'd)**

#### **f) Intangible Assets**

Intangible assets represent customer lists. This asset class is amortized using the straight line method over its expected life of 3 years.

#### **g) Commission Reserves**

Commission reserves consist of accrued commissions owing to salespersons that are held back pending future chargebacks against the revenue that gave rise to the commission obligation. Once the likely chargeback period has passed, commission reserves are paid to the particular salesperson.

#### **h) Chargeback Reserves**

The Corporation establishes a chargeback reserve equal to 5% of every handicapping services receipt. This amount is treated as a direct reduction of sales and a liability is established for the anticipated return of customer funds.

#### **i) Revenue Recognition**

The Corporation generates revenue from the sale of information that is either fact-based or opinion-oriented in nature, the sale of advertising space on its various website properties and the sale of entry tickets into various fantasy sports contests. The Corporation recognises revenue from each source based on the terms and conditions of the particular sale.

Generally, information sales either consist of the sale of a single piece of advisory content (referred to herein as a "Pick"), a package comprising multiple Picks or a subscription for continuous access to information for a specific length of time. The revenue recognition methodology for each type of revenue is as follows:

##### **i) Sale of single Picks**

Revenue associated with the sale of a single Pick is recognised when the particular transaction is processed and approved by the merchant accounts and the delivery of service has been completed.

##### **ii) Sale of a package of Picks**

Revenue from the sale of packages is recognised straight-line over the period during which the Picks are provided to the client. The unearned portion related to the sale is classified as deferred revenue.

##### **iii) Subscriptions**

Revenue related to the sale of subscriptions for on-line content is recognised straight-line over the subscription period. The unearned portion related to the sale is classified as deferred revenue.

##### **iv) Advertising Revenue**

Advertising contracts are sold on the basis of providing space on the Corporation's various operating websites for specified time periods. Advertising revenue is recognised straight-line over the particular time period governing the contract. The unearned portion related to the sale is classified as deferred revenue.

### **Note 3 - Significant Accounting Policies (cont'd)**

#### **v) Fantasy Sports Contests**

The Corporation generates two types of revenue from this source:

- a. Revenue generated from the operation of regular fantasy sports contests involving a number of contestants and a defined contest period is recognised once the contest has commenced and the entry fees have been received and processed. The amount of cash prizes paid to contest winners is recognised as a cost of sales.
- b. In certain cases, the Corporation provides the facilities in which two contestants can carry on a fantasy contest in a head-to-head format with the winner receiving the prize pool net of the facility utilization fee charged by the Corporation. In such cases, only the facility utilization fee is recognised as revenue by the Corporation at the time of completion of the particular contest.

#### **j) Income taxes**

The Corporation follows the liability method based on the accounting recommendations for income taxes issued by the CICA. Under the liability method, future income tax assets and liabilities are computed based on differences between the carrying amounts of assets and liabilities on the balance sheet and their corresponding tax values using the enacted income tax rates at each balance sheet date. Future income tax assets can also result by applying unused loss carry-forwards and other deductions. The valuation of any future income tax assets is reviewed annually and adjusted, if necessary, by use of a valuation allowance to reflect the estimated realizable amount. Despite the existence of unused loss carry-forwards and tax values that exceed the corresponding cost base for accounting purposes, the Corporation is currently estimating a valuation adjustment equal in amount to the value of the tax assets. Accordingly, no net asset is reflected on the Corporation's balance sheet as at May 31, 2007 and November 30, 2006.

#### **k) Foreign currency translation**

The functional currency of the Corporation and IGC Entertainment Corporation is the Canadian dollar. The functional currency of National Sports Services (IGC), Inc. is the U.S. dollar. The Corporation utilizes the temporal method to account for National Sports Services (IGC), Inc. as follows:

- (i) Monetary assets, liabilities and long-term monetary assets and liabilities, at the rate of exchange in effect as at the balance sheet date;
- (ii) Non-monetary assets and liabilities, at the historical exchange rates prevailing at the time of the acquisition of the assets or the assumption of the liabilities unless such items are carried at market, in which case they are translated at the rate of exchange in effect at the balance sheet date; and
- (iii) Revenues and expenses, at the rates in effect at the time of the transaction.
- (iv) Depreciation or amortization of assets is translated at historical exchange rate as the assets to which they relate.

Exchange gains and losses arising from conversion are included in other income or expense.

#### **l) Fair value of financial instruments**

Fair value estimates of financial instruments are made at a specific point in time, based on relevant information about financial markets and specific financial instruments. As these estimates are subjective in nature, involving uncertainties and matters of significant judgement, they cannot be determined with precision. Changes in assumptions can significantly affect estimated fair values.

The carrying values of cash and cash equivalents, accounts receivable, cash merchant reserves, promissory note receivable, bank loan, accounts payable and accrued liabilities approximate their fair values due to the short maturity of these financial instruments.

The Corporation is not subject to significant interest and credit risks arising from these financial instruments. The Corporation derives almost all of its revenues in U.S. dollars and significant operating expenses are denominated in U.S. dollars. Fluctuation in the exchange rate between the Canadian dollar and the U.S. dollar could have a material impact on the Corporation's operations and financial position. The Corporation does not currently have any hedging programs in place to mitigate this risk.

### **Note 3 - Significant Accounting Policies (cont'd)**

#### **m) Use of Estimates**

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 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 and would impact future results of operations and cash flows.

#### **n) Stock Based Compensation**

The Company adopted the new recommendations of the Canadian Institute of Chartered Accountants Handbook Section 3870 with respect to stock-based compensation awards. Handbook Section 3870 establishes standards for the recognition, measurement and disclosure of stock-based compensation and other stock-based payments made in exchange for goods and services. These new recommendations require that compensation for all awards be measured and recorded in the financial statements at fair value. The fair value of stock options is determined by the Black-Scholes Option Pricing Model with assumptions for risk-free interest rates, dividend yields, volatility factors of the expected market price of the Company's common shares and an expected life of the options.

#### **o) Impairment of long-lived assets**

Long-lived assets, including property, equipment and intangible assets subject to amortization, are reviewed when changes in circumstances suggest their carrying value may be impaired. Management considers assets to be impaired if the carrying value exceeds the estimated undiscounted future projected cash flows expected to result from the use of the asset and its eventual disposition. If impairment is deemed to exist, the assets are written down to fair value. Fair value is generally determined using a discounted cash flow analysis.

#### **p) Disposal of long-lived assets and discontinued operations**

Long-lived assets are classified as held for sale when specific criteria are met, in accordance with CICA Handbook Section 3475, Disposal of Long-Lived Assets and Discontinued Operations. Assets held for sale are measured at the lower of their carrying amounts and fair value less costs to dispose and are no longer amortized.

#### **q) Advertising Expenses**

The Corporation expenses advertising costs as the expenses are incurred. The total expenses for the quarter ended May 31, 2007 was \$52,364 (2006: \$nil)

#### **r) Income (Loss) per share**

Income or loss per share is calculated using the weighted average number of shares outstanding during the year.

Diluted income or loss per share is calculated giving effect to the potential dilution that would occur if securities or other contracts to issue common shares were exercised or converted to common shares. The treasury stock method is used to determine the dilutive effect of stock options and other instruments. The treasury stock method assumes that proceeds received from the exercise of stock options and warrants are used to repurchase common shares at the prevailing market rates. Stock options and warrants that are anti-dilutive are not included in the calculation. Shares held in escrow are excluded in the computation of loss per share until the conditions for their release are satisfied.

### **Note 4 – Seasonality**

The Corporation's revenue is seasonal in nature. While most of the sales receipts are generated during football and basketball seasons, the recognition of such receipts as revenues is often deferred into the first and second quarter of the subsequent fiscal year. Nonetheless, costs associated with the generation of such revenues are generally recognised as incurred. Therefore, seasonality is a significant factor to consider in analyzing the Corporation's current and future financial results.

### Note 5 - Accounts Receivable

Accounts receivable is comprised of the following:

	<b>May 31, 2007</b>		<b>November 30, 2006</b>	
Trades receivable	\$	44,965	\$	99,097
GST receivable		17,216		23,672
	\$	62,181	\$	122,769

### Note 6 – Promissory Note Receivable

The promissory note receivable is unsecured, bearing interest at 6% per annum and is due in February 2008.

### Note 7 – Property and Equipment

	<b>May 31, 2007</b>			<b>November 30, 2006</b>	
	Cost	Accumulated Amortization	Net	Net	
Computer equipment	\$ 34,405	\$7,875	\$26,530	\$	23,957
Office equipment	151,088	46,808	104,280		130,754
Communication equipment	28,182	3,232	24,950		22,284
Automobile	4,366	970	3,396		4,132
Software	207,121	30,616	176,505		197,206
Information Database	176,500	44,125	132,375		161,792
Website and Domain Names	891,575	221,356	670,219		802,371
	\$ 1,493,237	\$ 354,982	\$1,138,255	\$	1,342,496

### Note 8 - Intangible Assets

	<b>May 31, 2007</b>			<b>November 30, 2006</b>	
	Cost	Accumulated Amortization	Net	Net	
Customer List	3,476,578	648,385	2,828,193		2,186,227
	\$ 3,476,578	\$ 648,385	\$ 2,828,193	\$	2,186,227

## Note 9 - Accounts Payable and Accrued Liabilities

Accounts payable and accrued liabilities are comprised of the following:

	May 31, 2007	November 30, 2006
Accounts payable	\$ 147,925	\$ 175,930
Accrued liabilities	4,245	99,060
Payroll accrual	109,737	298,690
Other payables	80,800	72,430
	<u>\$ 342,707</u>	<u>\$ 646,110</u>

## Note 10 - Bank Loan

The bank loan represented a loan made to National Sports Services (IGC), Inc. by the Bank of Nevada. The loan was unsecured and had a maturity date of June, 2009. It entailed monthly payments of interest at a rate of 10.25%. It was repaid in full on March 2, 2007.

## Note 11 – Due to Related Parties

The amount of due to related parties represents the amounts due to companies controlled by a shareholder, director and senior officer of the Corporation. The amount due to related parties is unsecured, non-interest bearing and due on demand.

## Note 12 - Share Capital

### a) Authorized:

Unlimited common shares without par value

### b) Issued and fully paid:

	May 31, 2007	November 30, 2006
Issued and fully paid:		
63,375,693 (November 30, 2006 - 56,349,033)	\$ 12,699,296	\$ 11,108,560

On April 16, 2007, pursuant to the terms of the asset purchase agreement governing the acquisition of certain assets from National Sports Services, Inc., additional purchase price consideration in the form of 1,276,660 common shares of the Corporation was issued at a price per share of \$0.35 for aggregate consideration of \$446,831.

In May 11, 2007, the Corporation completed a private placement of 5,750,000 units each comprised of one common share and one half warrant entitling the holder thereof to acquire additional common shares at a price per share of \$0.30. The price per unit was \$0.20 with total gross proceeds amounting to \$1,150,000. The proceeds net of issue costs amounted to \$1,143,905.

As at May 31, 2007, 3,887,875 common shares are held in escrow subject to scheduled release upon approval of regulatory authorities.

## Note 12 - Share Capital (cont'd)

### c) Options

The Corporation has a stock option plan (the "Plan") and allotted and reserved up to 10% of the issued and outstanding common shares to be issued upon the exercise of options to be granted pursuant to the Plan. In fiscal quarter ending May 31, 2007, the corporation granted 366,666 stock options of which 266,666 options entailed immediate vesting and resulted in the recognition of stock based compensation expense of \$19,000. In addition, the corporation cancelled 25,000 stock options as a result of an employment termination. No stock options were exercised in this quarter end. In the quarter ending May 31, 2006, no stock options were granted and accordingly no stock based compensation expense was recognised in the fiscal quarter.

The company has the following options outstanding and exercisable.

Options outstanding and exercisable			
2007 Range of exercise prices	Number of shares	Weighted average remaining contractual life	Weighted average exercise price
\$0.10 - \$0.235	5,671,666	1.24	0.1375

### d) Warrants

Share purchase warrant transactions and the number of share purchase warrants outstanding summarized as follows:

	Number Outstanding	Exercise Price	Expiry Date
Warrants	13,750,000	\$0.30	February 23, 2008

### e) Contributed Surplus

Balance, February 28, 2007	\$	2,260,407
	\$	
Stock-based compensation expense	19,000	
Transfer to common stock for stock options exercised	\$	Nil
Balance, May 31, 2007	\$	2,279,407

### f) Share Capital Issuable as Contingent Consideration

Pursuant to the asset purchase agreement governing the acquisition of certain assets from National Sports Services, Inc., additional purchase price consideration in the form of treasury-issuable common shares of the Corporation became payable to the vendor of the assets effective May 31, 2007. The Corporation has recognized the additional purchase price consideration in its May 31, 2007 financial statements. Such additional consideration was allocated to customer lists, a component of Intangible Assets. In total, 1,078,489 common shares at a deemed price per share of \$0.35 were issuable for aggregate consideration of \$377,471.

### Note 13 - Discontinued operations

On December 20, 2005 the Corporation sold all of its shares in DPC Biosciences Inc., a wholly-owned subsidiary, for a total cash consideration of \$10 resulting in a gain of \$322,690.

The following table summarizes the results for the discontinued operations for the period from December 1, 2005 to December 20, 2005:

	Period from December 1 – 20, 2005 \$
Income from discontinued operations (net of tax)	-
Gain on disposal of subsidiary (net of tax)	322,690
Net income from discontinued operations	322,690

### Note 14 - Income Taxes

A reconciliation between the statutory federal income tax rate and the effective income rate of income tax expense for the periods ended February 28, 2007 and 2006 are as follows:

	2007	2006
Statutory federal income tax rate	(34.00%)	(38.1%)
Tax benefit not recognized	34.00%	38.1%
Effective income tax rate	- %	- %

As May 31, 2007 and November 30, 2006 the significant components of the Corporation's net future income tax assets were as follows:

	May 31, 2007	November 30, 2006
<b>Future income tax assets:</b>		
Net operating loss carry forward	\$ 706,000	\$ 842,000
Capital loss carryforward	1,003,000	2,006,000
Net property, plant and equipment and others	138,500	61,000
Total future income tax assets	1,847,500	2,909,000
Valuation allowance	(1,847,500)	(2,909,000)
Net future income tax assets	\$ -	-

**Note 14 - Income Taxes (cont'd)**

Changes in the valuation allowance relate primarily to a reduction in accumulated operating losses. The Corporation has reviewed its future income tax assets and has not recognized potential tax benefits as at this time, management believes it is more likely than not that the benefits will not realized in near future.

For tax purposes, as of its most recently completed taxation year end of November 30, 2006, the Corporation has operating loss carryforwards as shown in the table below, which expire in 2007 through 2016 for Canadian tax purposes and 2026 for U.S. tax purposes.

		<u>Canada</u>		<u>US</u>		<u>Total</u>
Operating loss carryforwards	\$	1,422,000	\$	1,056,000	\$	2,478,000

In addition, the Corporation has a capital loss carried forward of approximately \$5,900,000 which resulted from the disposal of the shares and debt of a subsidiary. This loss can only be applied against prospective capital gains to be realized by the Corporation indefinitely.

**Note 15 - Related Party Transactions**

The following expenses were paid or accrued in favour of directors, shareholders and senior officers of the Corporation or corporations controlled by such individuals:

		<u>2007</u>		<u>2006</u>
Consulting fees	\$	166,133		\$
Consulting commissions		238,174		-
Service fees		115,493		-
<b>Totals</b>	<b>\$</b>	<b>519,800</b>	<b>\$</b>	<b>-</b>

In addition, at May 31, 2007 the Corporation accrued \$377,471 for contingent stock consideration issuable to a corporation controlled by shareholder, director and senior of the Corporation in connection with the purchase of certain assets from such corporation which purchase had an effective date of October 1, 2006.

**Note 16 - Subsequent Events**

The following events took place after the fiscal year end:

1. On June 15, 2007, in conjunction with the Corporation's annual general and special meeting, the shareholders approved the Corporation's change in name from iGaming Corporation to Big Stick Media Corporation.
2. During the course of the Corporation's annual general and special meeting, a new director was appointed. In June of 2007, the Corporation granted to such director 200,000 options to acquire common shares of the Corporation at a price per share of \$0.20. The options have a term of two years.

3. In June of 2007, the Corporation's board of directors approved of bonus compensation in the aggregate amount of \$100,000 payable to corporations controlled by the senior officers of the Corporation, all in accordance with the existing consulting agreements with such corporations. The amounts declared were paid in June of 2007.

#### **Note 16 - Subsequent Events (cont'd)**

4. On July 16, 2007, the Corporation acquired certain assets related to the operation of the website domiciled at [www.who2beton.com](http://www.who2beton.com). The assets will be used by the Corporation to sell additional opinion-oriented information relevant to the North American sports industry. The purchase price consisted of initial consideration of \$6,850 as well as additional consideration payable out of prospective operating income to be produced by the acquired assets until November 30, 2015. The maximum additional consideration that may become payable is \$3 million. In conjunction with the asset acquisition, the Corporation agreed to take on 3 employees and one consultant who currently operate and manage the assets. The terms of the asset purchase agreement provide the Corporation with the ability to re-sell the assets back to the vendor for an amount equal to the initial consideration at any time between November 1, 2007 and November 30, 2008.
5. In June, 2007, a subsidiary of the Corporation engaged a new management level employee and issued to him 50,000 options to acquire common shares of the Corporation at a price per share of \$0.22. The options have a term of two years.
6. On June 28, 2007, a former director of the Corporation exercised 40,000 stock options at a per unit price of \$0.15 for aggregate consideration of \$6000.

#### **Note 17 - Commitments**

1. The Corporation entered into a consulting agreement with a corporation controlled by an officer and director commencing on February 1, 2006 for \$60,000 per annum. Effective September 1, 2006, upon the Corporation's reactivation, the consulting fee amount was increased to \$200,000 per annum (the "Basic Fees"). The agreement can be terminated by providing the consultant with six months' working notice or, at the Corporation's sole option, payment in lieu of such notice equal to six months' of the Basic Fees.
2. The Corporation entered into a consulting agreement with a corporation controlled by an officer and director that provided for monthly fees of \$2,000 effective February 1, 2006. Effective September 1, 2006, upon the Corporation's reactivation, the consulting fee amount was increased to \$60,000 per annum. The quantum of the fees was further increased to \$100,000 per annum (the "Basic Fees") effective February, 2007. The agreement can be terminated by providing the consultant with six months' working notice or, at the Corporation's sole option, payment in lieu of such notice equal to six months' of the Basic Fees.
3. The Corporation entered into an employment agreement with an employee on October 24, 2006 providing for \$85,000 of salary per annum. The agreement is terminable as and when the employer and employee shall mutually agree. The Corporation agreed to make available to the employee for purchase by the employee up to \$20,000 of common shares to be purchased in each of 2007 to 2009 at a price to be determined by the Board of Directors.
4. The Corporation has entered into two office lease agreements requiring the combined payment of \$284,309 per annum. The lease agreement terminates on June 29<sup>th</sup>, 2008 and July 31<sup>st</sup>, 2007 respectively.

**Note 17 – Commitments (cont'd)**

5. The Corporation is contingently obligated to issue an additional 6,155,919 common shares over the ensuing six fiscal quarters ending November 30, 2008 in connection with the purchase of assets from National Sports Services, Inc. consummated effective October 1, 2006. The amount of shares to be issued in each such quarter is dependent on the revenues generated by the acquired assets during such quarters. The details regarding the potential share issuances and the revenue targets dictating whether all or any portion of the contemplated share issuances will be required is provided below.

Quarter Number	Fiscal Quarter End	# of Eligible Shares Available	Net Revenue Target	Minimum Required Net Revenue
1	Aug. 31, 2007	1,276,660	US\$1,000,000	US\$650,000
2	Nov. 30, 2007	1,474,831	US\$2,000,000	US\$1,300,000
3	Feb. 29, 2008	851,107	US\$2,700,000	US\$1,755,000
4	May 31, 2008	851,107	US\$2,100,000	US\$1,365,000
5	Aug. 31, 2008	851,107	US\$1,000,000	US\$650,000
6	Nov. 30, 2008	851,107	US\$2,200,000	US\$1,430,000
TOTAL		6,155,919		

As at May 31, 2007, the cost related to the additional stock consideration is considered contingent and not yet determinable. Therefore, the amount was not accrued. The share certificates of National Sports Services (IGC), Inc. have been pledged as the security for the above noted stock consideration until the entire purchase price has been duly paid pursuant to the terms of the agreement.

**Note 18 – Segmented Information**

The Corporation carries on operations in a single business segment, namely the marketing of information and fantasy contests related to the sports enthusiasts market.

**Note 19 – Comparative Figures**

Certain 2006 comparative figures have been reclassified to conform with the financial statement presentation adopted for 2007.

**Note 20 – Guarantees**

Given that the purchase price consideration to be paid for the initial assets acquired by National Sports Services (IGC), Inc. will become ascertainable over a period of time ending on November 30, 2008, the Corporation agreed to pledge all of the shares of such entity as security to the vendor. IGC Entertainment Corporation, as corporate parent of National Sports Services (IGC) Inc., is therefore considered to be a guarantor while the latter is considered to be the beneficiary of the guarantee. Condensed financial statements depicting the Corporation, the guarantor subsidiary, IGC Entertainment Corporation, and the guarantee beneficiary, National Sports Services (IGC), Inc., with elimination

adjustments and the consolidated total have been provided for the six months ended May 31, 2007, being the period in which the guarantee continues to be in place.

<b>Consolidated Balance Sheet</b>					
<b>As at May 31, 2007</b>					
<b>(Expressed in Canadian Dollars)</b>					
<b>(Unaudited)</b>					
	<b>Consolidated Big Stick Media Corporation</b>	<b>Consolidating Entries</b>	<b>Unconsolidated Big Stick Media Corporation</b>	<b>IGC Entertainment Corporation</b>	<b>National Sports Services (IGC)</b>
	\$	\$	\$	\$	\$
<b>ASSETS</b>					
<b>Current Assets</b>					
Cash	3,479,070	-	2,748,068	138,556	592,446
Accounts Receivable (Note 5)	62,181	-	13,121	10,968	38,092
Cash Merchant Reserves (Note 3)	841,214	-	-	45,822	795,392
Prepaid Expenses and Deposits	83,529	-	13,729	10,121	59,679
Promissory Note Receivable - current (Note 6)	19,922	-	-	-	19,922
	4,485,915	-	2,774,918	205,467	1,505,530
Property and Equipment (Note 7)	1,138,255	-	12,724	976,923	148,607
Intangible Assets (Note 8)	2,828,193	-	-	821,320	2,006,873
Restricted Cash (Note 3)	107,340	-	-	-	107,340
Long-term Loan Receivable	-	(3,737,360)	3,737,360	-	-
Due to Related Party- National Sports Services Inc.	-	(7,480)	-	7,480	-
Due to/from Related Party- National Sports Services (IGC) Inc.	-	(2,974)	2,974	-	-
Due to/from Related Party- IGC Entertainment Corporation	-	(228,908)	106,619	-	122,289
<b>Total Assets</b>	<b>8,559,703</b>	<b>(3,976,722)</b>	<b>6,634,596</b>	<b>2,011,191</b>	<b>3,890,639</b>
<b>LIABILITIES</b>					
<b>Current Liabilities</b>					
Bank Loan (Note 10)	-	-	-	-	-
Accounts Payable and Accrued Liabilities (Note 9)	342,707	-	84,515	58,208	199,984
Commission and Chargeback Reserves (Note 3)	106,747	-	-	50,004	56,742
Due to Related Parties (Note 11)	54,613	(7,480)	-	-	62,093
Deferred Revenue - current	1,780,947	-	-	104,731	1,676,216
	2,285,014	(7,480)	84,515	212,943	1,995,036
Deferred Revenue non-current	76,842	-	-	62,685	14,157
Due to Related Party- Big Stick Media Corporation	-	(106,619)	-	106,619	-
Due to/from Related Party- National Sports Services (IGC) Inc.	-	(122,289)	-	122,289	-
Long-term Loan Payable	-	(3,740,334)	-	2,311,101	1,429,232
<b>Total Liabilities</b>	<b>2,361,856</b>	<b>(3,976,722)</b>	<b>84,515</b>	<b>2,815,638</b>	<b>3,438,425</b>
<b>SHAREHOLDERS' EQUITY</b>					
Share Capital (Note 12)	12,699,296	-	12,699,296	-	-
Share issuable on Contingent Consideration (Note 12)	377,471	-	377,471	-	-
Contributed Surplus (Note 12)	2,279,407	-	2,279,407	-	-
Deficit	(9,158,328)	-	(8,806,094)	(804,448)	452,214
	6,197,847	-	6,550,081	(804,448)	452,214
<b>Total Liabilities and Shareholders' Equity</b>	<b>8,559,703</b>	<b>(3,976,722)</b>	<b>6,634,596</b>	<b>2,011,191</b>	<b>3,890,639</b>

**Consolidated Statements of Operations and Deficit**  
**For the six months ended May 31, 2007**  
(Canadian Dollars)  
(Unaudited)

	Consolidated Big Stick Media Corporation	Consolidating Entries	Unconsolidated Big Stick Media Corporation	IGC Entertainment Corporation	National Sports Services (IGC) Inc.
	\$	\$	\$	\$	\$
<b>Income</b>					
Revenues	6,360,107	(324,356)	-	1,129,172	5,555,292
Interest	58,064		49,353	19	8,693
	6,418,172	(324,356)	49,353	1,129,190	5,563,985
<b>Direct Costs (schedule A)</b>	363,637	(28,768)	-	160,090	232,316
<b>Selling Expenses (schedule A)</b>	2,009,872	(296,946)	1,439	423,314	1,882,065
<b>Administrative Expenses (schedule A)</b>	2,568,004	-	331,560	674,193	1,562,250
<b>Amortization of Property and Equipment</b>	244,577	-	2,828	199,514	42,235
<b>Amortization of Intangible Assets</b>	468,233	-	-	154,678	313,555
<b>Stock based compensation Expense</b>	19,000	-	19,000	-	-
<b>Income (Loss) Before under-noted items</b>	744,849	1,357	(305,475)	(482,598)	1,531,565
Foreign Currency Translation Gain (Loss)	(141,672)	(1,357)	(154,441)	(10,696)	24,822
<b>Net Income (Loss) for the Period</b>	603,177	-	(459,916)	(493,294)	1,556,387
<b>Deficit, Beginning of Period</b>	(9,761,505)	-	(8,346,178)	(311,154)	(1,104,173)
<b>Deficit, End of Period</b>	(9,158,328)	-	(8,806,094)	(804,448)	452,214

**Consolidated Statements of Cash Flows**  
**For the six months ended May 31, 2007**  
**(Canadian dollar)**  
**(Unaudited)**

	Consolidated Big Stick Media Corporation	Consolidating Entries	Unconsolidated Big Stick Media Corporation	IGC Entertainment Corporation	National Sports Services (IGC) Inc.
	\$	\$	\$	\$	\$
<b>Cash provided by (Used in) Operating Activities</b>					
Net Income (Loss) for the Period	603,177	-	(459,916)	(493,294)	1,556,387
Items not involving cash	-				
Amortization	712,810	-	2,828	354,192	355,790
Stock based compensation expense	19,000		19,000		
Foreign Exchange Gain/Loss	3,719	-	69,375	30,692	(96,349)
	1,338,706	-	(368,713)	(108,410)	1,815,828
<b>Changes in Non-Cash Working Capital</b>					
(Increase) Decrease in Accounts Receivable	58,466	-	3,094	(3,512)	58,884
(Increase) Decrease in Merchant Reserves	(14,178)	-	-	(11,153)	(3,025)
(Increase) Decrease in Prepaid Expenses and Deposits	2,384	-	26,267	(5,644)	(18,239)
Increase (Decrease) in Accounts Payable and Accrued Liabilities	(805,957)	-	19,579	(44,714)	(780,822)
Increase (Decrease) in Commission and Chargeback Reserves	33,143	-	-	33,683	(540)
Increase (Decrease) in Deferred Revenue	(909,341)	-	-	(137,743)	(771,598)
	(1,635,482)	-	48,941	(169,083)	(1,515,340)
<b>Net Cash Provided by (Used in) Operating Activities</b>	<b>(296,776)</b>	<b>-</b>	<b>(319,772)</b>	<b>(277,493)</b>	<b>300,488</b>
<b>Cash Provided by (Used in) Financing Activities</b>					
Common shares issued, Net of issue costs	1,143,905	-	1,143,905	-	-
(Increase) Decrease in Loan Receivable	-	-	-	-	-
Increase (Decrease) in Bank Loan Payable	(250,356)	-	-	-	(250,356)
(Increase) Decrease in Promissory Note Receivable	18,433	-	-	-	18,433
(Increase) Decrease in Due to/from NSS	79,027	-	-	-	79,027
Increase (Decrease) in Due to/from Related Party	-	-	-	-	-
(Increase) Decrease in Intercompany Loans	-	(2,974)	(658,558)	611,091	50,441
<b>Net Cash Provided by (Used in) Financing Activities</b>	<b>991,009</b>	<b>(2,974)</b>	<b>485,347</b>	<b>611,091</b>	<b>(102,455)</b>
<b>Cash Provided by (Used in) Investing Activities</b>					
Increase (Decrease) in Due to/from NSS (IGC) & IGC	-	-	-	(40,512)	40,512
Increase (Decrease) in Due to/from Big Stick Media & NSS (IGC)	-	2,974	(2,974)		
Increase (Decrease) in Due to/from Big Stick Media & IGC	-	-	(25,426)	25,426	-
Acquisitions of Property and Equipment	(39,094)	-	-	(30,015)	(9,079)
Acquisition of Intangible Assets	(315,117)	-	-	(315,117)	-
<b>Net Cash Provided by (Used in) Investing Activities</b>	<b>(354,211)</b>	<b>2,974</b>	<b>(28,400)</b>	<b>(360,218)</b>	<b>31,433</b>
<b>Net Increase (Decrease) in Cash</b>	<b>340,023</b>	<b>-</b>	<b>137,175</b>	<b>(26,619)</b>	<b>229,467</b>
<b>Cash and Term Deposits, Beginning of Period</b>	<b>3,139,047</b>	<b>-</b>	<b>2,610,893</b>	<b>165,175</b>	<b>362,979</b>
<b>Cash and Term Deposits, End of Period</b>	<b>3,479,070</b>	<b>-</b>	<b>2,748,068</b>	<b>138,556</b>	<b>592,446</b>
<b>Supplementary Information</b>					
<b>Interest Paid</b>	<b>\$ 6,917</b>		<b>\$ -</b>	<b>\$ -</b>	<b>\$ 6,917</b>

**Schedule A**

For the six months ended May 31, 2007

(Canadian Dollars)

(Unaudited)

	Consolidated Big Stick Media Corporation	Consolidating Entries	Unconsolidated Big Stick Media Corporation	IGC Entertainment Corporation	National Sports Services (IGC) Inc.
	\$	\$	\$	\$	\$
<b>Direct Costs</b>					
Sports Schedule production	232,316	-	-	-	232,316
Database	46,383	(28,768)	-	75,151	-
Internet	36,077	-	-	36,077	-
Contest Prize Payout	48,862	-	-	48,862	-
<b>Total</b>	<b>363,637</b>	<b>(28,768)</b>	<b>-</b>	<b>160,090</b>	<b>232,316</b>
<b>Schedule of Selling Expenses</b>					
TV and Radio production	45,424	-	-	-	45,424
Commissions	1,467,326	-	-	68,440	1,398,886
Telephone	407,258	-	-	-	407,258
Advertising	86,412	(172,677)	1,439	230,606	27,044
Customer Service	-	(124,268)	-	124,268	-
License fee	3,452	-	-	-	3,452
<b>Total</b>	<b>2,009,872</b>	<b>(296,946)</b>	<b>1,439</b>	<b>423,314</b>	<b>1,882,065</b>
<b>Schedule of Administrative Expense</b>					
Salaries and Benefits	1,519,927	-	-	483,503	1,036,424
Legal, Accounting and Audit	147,891	-	77,542	15,083	55,266
Consulting and Professional fees	215,793	-	181,133	34,660	-
Travel, Meals and Entertainment	135,249	-	20,072	60,534	54,643
Bank Charges and Interest	169,331	-	452	25,955	142,925
Sponsorship fees	-	-	-	-	-
Rent	135,690	-	-	25,361	110,330
Regulatory fees	3,245	-	3,245	-	-
Office Expenses	80,659	-	(308)	18,795	62,171
Utilities	73,820	-	-	10,303	63,516
Transfer Agent fees	8,554	-	8,554	-	-
Shareholder Communication	27,049	-	27,049	-	-
Training and Education	9,485	-	-	-	9,485
Insurance	41,312	-	13,822	-	27,490
Bad Debt	-	-	-	-	-
<b>Total</b>	<b>2,568,004</b>	<b>-</b>	<b>331,560</b>	<b>674,193</b>	<b>1,562,250</b>

**Big Stick Media Corporation**  
**(Formerly iGaming Corporation)**  
**Schedule A**  
**For the periods ended**  
**(Canadian Dollars)**  
**(Unaudited)**

<b>Direct Costs</b>	<b>May31,2007</b>		<b>May31,2006</b>	
	<b>3 Months</b>	<b>6 Months</b>	<b>3 Months</b>	<b>6 Months</b>
Sports Schedule production	\$ 44,169	\$ 232,316	\$ -	\$ -
Database	22,235	46,383	-	-
Internet	18,825	36,077	-	-
Contest Prize Payout	29,183	48,862		
<b>Total</b>	<b>\$ 114,411</b>	<b>\$ 363,637</b>	<b>\$ -</b>	<b>\$ -</b>

**Schedule of Selling Expenses**

TV and Radio production	\$ 3,318	\$ 45,424	\$ -	\$ -
Commissions	536,325	1,467,326	-	-
Telephone	155,084	407,258	-	-
Advertising	49,046	86,412	-	-
Customer Service	-	-	-	-
License fee	1,703	3,452	-	-
<b>Total</b>	<b>\$ 745,476</b>	<b>\$ 2,009,872</b>	<b>\$ -</b>	<b>\$ -</b>

**Schedule of Administrative Expense**

Salaries and Benefits	\$ 725,141	\$ 1,519,927	\$ -	\$ -
Legal, Accounting and Audit	89,948	147,891	69,019	91,109
Consulting and Professional fees	100,335	215,793	28,500	45,000
Travel, Meals and Entertainment	89,668	135,249	-	-
Bank Charges and Interest	74,058	169,331	-	-
Sponsorship fees	-	-	-	-
Rent	68,846	135,690	-	-
Regulatory fees	2,745	3,245	-	-
Office Expenses	42,771	80,659	56,509	70,292
Utilities	39,263	73,820	-	-
Transfer Agent fees	6,925	8,554	-	-
Shareholder Communication	18,835	27,049	-	-
Training and Education	7,375	9,485	-	-
Insurance	20,165	41,312	-	-
Bad Debt	-	-	-	-
<b>Total</b>	<b>\$ 1,286,074</b>	<b>\$ 2,568,004</b>	<b>\$ 154,028</b>	<b>\$ 206,401</b>

