

NEWLOOK INDUSTRIES CORP.
UNAUDITED CONSOLIDATED FINANCIAL STATEMENTS
AS AT MARCH 31, 2008

Unaudited, prepared by Management
(Stated in Canadian Dollars)

The unaudited interim consolidated financial statements of Newlook Industries Corp. (the "Company") have not been reviewed by the auditors of the Company. This notice is being provided in accordance with section 4.3(3)(a) of the National Instrument 51-102 Continuous Disclosure Obligations.

NEWLOOK INDUSTRIES CORP.

Consolidated Balance Sheets

As at March 31, 2008

and December 31, 2007

	March 31, 2008 (unaudited)	December 31, 2007 (audited)
<u>ASSETS</u>		
Current		
Cash and cash equivalents	\$ 1,059,060	\$ 185,724
Accounts receivable	3,309,361	3,912,048
Inventory	1,966,434	2,417,355
Prepaid expenses and sundry assets	177,197	151,211
Due from related party – Note 8	38,691	-
Assets of discontinued operations – Note 7	26,512	46,382
	<u>6,577,255</u>	<u>6,712,720</u>
Property and equipment – Note 4	892,519	869,773
Intangible assets – Note 5	2,020,771	1,862,757
Assets of discontinued operations – Note 7	1,205,593	1,240,974
	<u>\$ 10,696,138</u>	<u>\$ 10,686,224</u>
<u>LIABILITIES</u>		
Current		
Accounts payable and accrued liabilities	\$ 7,237,242	\$ 7,713,894
Due to related party – Note 8	-	196,088
Loan facility -Note 6	710,305	-
Current portion of deferred revenue and customer deposits	212,760	204,463
Current portion of note payable – Note 6	294,000	100,000
Obligations under capital leases – Note 6	30,211	28,635
Liabilities of discontinued operations – Note 7	1,964,255	2,655,702
	<u>10,448,773</u>	<u>10,898,782</u>
Deferred revenue	86,994	98,003
Note payable – Note 6	144,000	-
Long term debt – Note 6	1,500,000	1,500,000
Obligations under capital leases – Note 6	22,073	33,018
Liabilities of discontinued operations – Note 7	750,000	750,000
	<u>\$ 12,951,840</u>	<u>\$ 13,279,803</u>
Non-controlling interest	775,418	485,084
<u>SHAREHOLDERS' DEFICIENCY</u>		
Share capital – Note 12	\$ 4,464,533	\$ 4,382,551
Contributed Surplus – Note 12(i)	621,344	621,344
Accumulated deficit	(7,970,476)	(8,024,600)
Accumulated other comprehensive income (loss)	(146,521)	(57,958)
	<u>(3,031,120)</u>	<u>(3,078,663)</u>
	<u>\$ 10,696,138</u>	<u>\$ 10,686,224</u>

APPROVED ON BEHALF OF THE BOARD**"Jason Moretto"**

Director

"John Simmonds"

Director

The accompanying notes are an integral part of these financial statements.

NEWLOOK INDUSTRIES CORP.Consolidated Statements of Operations and Deficit
For the Three Month Period Ended March 31

	2008	2007
Sales:		
Sales – products and services	\$ 8,603,668	\$ -
Commission and residual revenue	1,063,720	-
Total sales	9,667,388	-
Cost of goods sold – products and services	7,351,725	-
Margin on products and services (excluding amortization below)	2,315,663	-
Operating expenses		
Selling and administrative	1,831,490	341,491
Amortization	157,575	4,616
Stock-based compensation	-	7,753
	1,989,065	353,860
Earnings (loss) from operations	326,598	(353,860)
Other expenses (income)		
Interest expense	118,167	280
Foreign exchange (gain) loss	(100,038)	-
Total other expenses	18,129	280
Income (loss) before non-controlling interest	308,469	(354,140)
Non-controlling interest	(290,291)	-
Income from continuing operations	\$ 18,176	\$ (354,140)
Income from discontinued operations – Note 7	\$ 35,948	\$ 150,011
Net income	\$ 54,124	\$ (204,129)
Deficit – beginning of period	(8,024,600)	(8,469,027)
Deficit – end of period	(7,970,476)	(8,673,156)
Earnings (loss) per share – continuing operations - basic	\$ 0.0007	\$ (0.0124)
Earnings per share – continuing operations – diluted	\$ 0.0007	\$ -
Earnings per share – discontinued operations - basic	\$ 0.0014	\$ 0.0053
Earnings per share – discontinued operations – diluted	\$ 0.0013	\$ 0.0053
Earnings (loss) per share – basic	\$ 0.0021	\$ (0.0071)
Earnings per share – diluted	\$ 0.0020	\$ -
Weighted average number of common shares outstanding:		
Basic	25,818,125	28,540,000
Diluted	27,219,571	28,540,000

The accompanying notes are an integral part of these financial statements

NEWLOOK INDUSTRIES CORP.
Consolidated Statements of Cash Flows
For the Three Month Period Ended March 31

	2008	2007
Cash Flows from Operating Activities		
Income from continuing operations	\$ 18,176	\$ (354,140)
Adjustments for:		
Amortization	157,575	4,616
Stock-based compensation	-	7,753
Changes in non-cash operating assets and liabilities:		
Accounts receivable	602,687	-
Inventory	450,921	-
Prepaid expenses	(986)	8,927
Accounts payable and accrued liabilities	(476,652)	5,870
Deferred revenue and deposits	(2,712)	-
Non-controlling interest	290,334	-
Cash provided by operating activities	<u>1,039,343</u>	<u>(326,974)</u>
Cash Flows from Investing Activities		
Acquisition of property and equipment	(75,401)	-
Purchase of intangible assets	(25,000)	-
Cash (used in) investing activities	<u>(100,401)</u>	<u>-</u>
Cash Flows from Financing Activities		
(Payments) proceeds due to related party	(196,088)	204,190
Repayment of lease obligations	(9,369)	-
Increase in loans	710,305	-
Repurchase of subsidiaries shares	(164,149)	-
Cash provided by financing activities	<u>340,699</u>	<u>204,190</u>
Net Increase in Cash from Continuing Operations	1,279,641	(122,784)
Net cash provided by (used in) discontinued operations	(406,305)	78,956
Increase (decrease) in cash during the year	873,336	(43,828)
Cash and cash equivalents– beginning of period	<u>185,724</u>	<u>64,813</u>
Cash and cash equivalents – end of period	<u>\$ 1,059,060</u>	<u>\$ 20,985</u>

Non cash activities:

During the three months ended March 31, 2008:

- Issued a \$75,000 note payable as partial consideration for intangible assets valued at \$100,000
- A majority owned subsidiary issued a \$288,000 note payable to acquire 720,000 shares of its parents common stock.

During the three months ended December 31, 2007:

- None

The accompanying notes are an integral part of these financial statements

NEWLOOK INDUSTRIES CORP.

Notes to Consolidated Financial Statements

Three Months Ended March 31, 2008

1. Organization and Nature of Business

Newlook Industries Corp. (the "Company") was incorporated on October 26, 1999 under the British Columbia Company Act. Following its "Qualifying Transaction", the Company was listed as a Tier 2 Industrial Issuer on the Toronto Stock ("TSX") Venture Exchange.

The Company is engaged in making investments in telecommunications businesses. Through a series of transactions, beginning on April 10, 2007 and ending on June 29, 2007, the Company completed the acquisition of a 53% interest in Wireless Age Communications, Inc. ("Wireless Age"). Since then Wireless Age has acquired approximately 1% of its common stock and therefore the Company's ownership position has effectively increased to approximately 54%. Wireless Age is in the business of operating retail cellular and telecommunications outlets in cities in western Canada and distributing two-way radio products, prepaid phone cards, wireless accessories and various battery and ancillary electronics products in Canada. The Company is considering the acquisition of other wireless communications enterprises. The Company's year end was changed from September 30 to December 31 effective for the year ended December 31, 2007. The change in year end allows the Company to align itself with its majority owned subsidiary Wireless Age Communications, Inc.

Discontinued Operations

Onlinetel is engaged in developing Voice over Internet Protocol ("VoIP") based long distance calling between North American cities. During the year end September 30, 2007, the Company decided to dispose of the historic businesses of Onlinetel and focus on the Wireless Age acquisition and other telecommunications opportunities. As a result, the operating results of Onlinetel Corp. ("Onlinetel") for the period October 1, 2005 to March 31, 2008 have been classified as discontinued operations – Note 7. In addition, the assets and liabilities of Onlinetel have been segregated as assets and liabilities of discontinued operations.

Subsidiaries

The following is a list of the principal subsidiaries:

<u>Name of Corporation</u>	<u>Nature of Relationship</u>
Wireless Age Communications, Inc.	54% Subsidiary of Newlook Industries Corp.
Vision Unlimited Equipment Inc.*	100% Subsidiary of Newlook Industries Corp.
A.D.H. Custom Metal Fabricators Inc.*	100% Subsidiary of Vision Unlimited Equipment Inc.
Onlinetel Corp.	100% Subsidiary of Newlook Industries Corp.
Onlinetel Inc. *	100% Subsidiary of Onlinetel Corp.
Onlinetel Canada Inc.*	100% Subsidiary of Onlinetel Inc.

* *Inactive or holding company only*

2. Going Concern

These consolidated financial statements have been prepared on a going concern basis, in accordance with Canadian generally accepted accounting principles ("GAAP").

The going concern basis of presentation assumes that the Company will continue in operation for the foreseeable future and will be able to realize its assets and discharge its liabilities in the normal course of operations.

NEWLOOK INDUSTRIES CORP.

Notes to Consolidated Financial Statements

Three Months Ended March 31, 2008

There is doubt about the Company's ability to continue as a going concern as the Company has a working capital deficiency of \$3,871,518 at March 31, 2008 (December 31, 2007- \$4,186,062) and shareholders' deficiency of \$3,031,120 as at March 31, 2008 (December 31, 2007-\$3,078,663). The Company's ability to continue as a going concern is dependent upon its ability to achieve profitable operations. Should the Company be unable to continue as a going concern, it may be unable to realize the carrying value of its assets and to meet its liabilities as they become due.

The Company believes that future shares issuance and certain sales related efforts will provide sufficient cash flow for it to continue as a going concern in its present form, however, there can be no assurances that the Company will achieve such results. The consolidated financial statements do not include any adjustments related to the recoverability and classification of recorded asset amounts or the amount and classification of liabilities or any other adjustments that might be necessary should the Company be unable to continue as a going concern.

3. Significant Accounting Policies

These interim financial statements have been prepared using the same accounting principles and the same methods of application as were used in the preparation of the Company's annual financial statements for the year ended December 31, 2007. These interim financial statements may not contain all of the disclosures necessary to be fully in accordance with Canadian generally accepted accounting principles, and should, therefore, be read in conjunction with the annual financial statements for the year ended.

a) Basis of Presentation

The accompanying consolidated financial statements include the accounts of the Company and its subsidiaries as listed in Note 1. The Company's discontinued operating subsidiary Onlinetel Corp. includes the accounts of Onlinetel Inc. and Onlinetel Canada Inc. Vision Unlimited Equipment Inc. ("Vision") and Vision's wholly owned subsidiary A. D. H. Custom Metal Fabricators Inc. ("ADH") are inactive. All intercompany transactions and balances have been eliminated upon consolidation.

b) Non-controlling interests

Non-controlling interests represents the interests of outside shareholders in the operating results and net assets of Wireless Age.

c) Reciprocal shareholdings

Wireless Age owns shares of the Company. In accordance with Section 1600 of the CICA Handbook, the parent's shares held by the subsidiary have been shown as a deduction from shareholders' equity of the Company.

d) Property and Equipment

Property and equipment are recorded at cost less accumulated amortization. Amortization is provided over the estimated useful lives of the assets using the following annual rates:

Computer hardware	30% declining balance
Computer software	2 years straight-line
Equipment under capital lease	10 years straight-line
Vehicle under capital lease	30% declining balance
Leasehold improvements	5-10 years straight-line
Office equipment	5-10 years straight-line
Rental equipment	30% declining balance
Shop tools / service equipment	10 years straight-line

NEWLOOK INDUSTRIES CORP.

Notes to Consolidated Financial Statements

Three Months Ended March 31, 2008

e) Intangible assets:

Intangible assets acquired in a business combination are recorded at their fair values and all intangible assets are tested for impairment annually or more frequently when events or changes in circumstances indicate that their carrying amounts may not be recoverable. Intangible assets with determinable lives are amortized over their estimated useful lives and are tested for impairment. Intangible assets having an indefinite life are not amortized but instead are tested for impairment on an annual or more frequent basis by comparing their fair value with book value. An impairment loss on indefinite life intangible assets is recognized when the carrying amount of the asset exceeds its fair value.

Residual premiums are amounts paid for future residual revenue of retail cellular and telecommunications subscriber business recorded at cost less accumulated amortization. Amortization is provided for on a straight line basis over five years. Agency fees are amortized over the term of the related agreement (ten years) on a straight line basis.

f) Deferred Revenue

The Company, through Wireless Age, sells extended warranty plans for certain telecommunications equipment. It recognizes revenue on a straight line basis over the period in which the Company is obligated to service the equipment. Deferred revenue represents the extent that billings to clients are in excess of revenue recognized to date.

g) Other Comprehensive income

Other comprehensive income is composed of the Company's net income and other comprehensive income. Other comprehensive income includes unrealized gains and losses on available-for-sale securities, foreign currency translation gains and losses on the net investment in self-sustaining operations, all net of income taxes. The components of comprehensive income are disclosed in the Consolidated Statements of Comprehensive Income.

h) Discontinued Operations

The Company has recognized the results of the Onlinetel subsidiary as discontinued operations, part of which was disposed of on May 1, 2007 and part of which is subject to an option agreement dated June 28, 2007. The Company believes the assets relating to Onlinetel are recorded at their respective fair values.

i) Earnings (Loss) Per Share

Basic earnings (loss) per share is computed by dividing income available to common shareholders by the weighted average number of common shares outstanding during the period. The computation of diluted earnings (loss) per share, according to the treasury stock method, assumes that any proceeds from the exercise of dilutive stock options and warrants would be used to repurchase common shares at the average market price during the period, with the incremental number of shares being included in the denominator of the diluted earnings (loss) per share calculation. Diluted earnings (loss) per share calculation assumes the conversion, exercise or contingent issuance of securities only when such conversion, exercise or issuance would have a dilutive effect on earnings (loss) per share. Diluted loss per share is not presented when the effects would be anti-dilutive.

j) 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 the disclosure of contingent assets and liabilities at

NEWLOOK INDUSTRIES CORP.

Notes to Consolidated Financial Statements

Three Months Ended March 31, 2008

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. These estimates are reviewed periodically, and, as adjustments become necessary, they are reported in earnings in the period in which they become known.

k) Foreign Currency Translation

The functional currency of the Company is Canadian dollars. Assets and liabilities are translated at the exchange rate at the balance sheet date and revenue and expenses are translated at the exchange rate at the date those elements are recognized. Any translation adjustments resulting are not included in determining net income but are included in other comprehensive income.

4. Property and Equipment

	March 31, 2008			December 31, 2007
	Cost	Accumulated Amortization	Net	Net
Computer hardware & software	\$ 42,469	\$ 42,469	\$ -	\$ -
Equipment under capital lease	165,428	165,428	-	-
Vehicle under capital lease	44,427	4,399	40,028	41,140
Leasehold improvements	1,148,017	824,557	323,460	336,736
Office equipment	549,933	317,400	232,533	226,282
Rental equipment	708,045	431,262	276,783	245,447
Shop tools and service equipment	47,974	28,261	19,713	20,168
	\$ 2,706,293	\$ 1,813,776	\$ 892,517	\$ 869,773

5. Intangible Assets

	Cost	Accumulated Amortization	March 31, 2008 Net	December 31, 2007 Net
Intangible assets subject to amortization:				
Retail segment:				
Residual premiums	\$ 2,091,328	\$ (243,557)	\$ 1,847,771	1,781,757
Agency fees	97,000	(24,000)	73,000	81,000
Commercial Segment:				
Callmore distribution rights	100,000	-	100,000	-
Total intangible assets subject to amortization:	2,288,328	(267,557)	2,020,771	1,862,757
Total intangible assets	\$ 2,288,328	(267,557)	2,020,771	1,862,757

NEWLOOK INDUSTRIES CORP.

Notes to Consolidated Financial Statements

Three Months Ended March 31, 2008

During the three months ended March 31, 2008, the Company recorded an increase to residual premiums of \$164,150, representing the effect of Wireless Age a subsidiary of Newlook, repurchase of 778,800 of its common shares under the Company's stock repurchase plans.

The Company also recorded an increase of \$100,000 in intangibles for the three month period ending March 31, 2008 for the acquisition of Callmore Distribution Rights.

The Company does not have intangible assets which are not subject to amortization.

6. Notes Payable, Loans, Capital Lease Obligations and Long Term Debt

Notes Payable

On November 1, 2007, Wireless Age a subsidiary of the Company issued a \$100,000 promissory note as part of the consideration to acquire the G.L. Enns Electronics Selkirk store. The promissory note is non-interest bearing and will be paid \$25,000 on each of January 31, 2008, February 29, 2008, March 31, 2008 and April 30, 2008. On March 31, 2008 the Company did not make the scheduled payments as previously agreed and \$75,000 was outstanding under the note. Subsequent to March 31, 2008 a 25,000) payment was made on the promissory note.

On March 20, 2008, Wireless Age a subsidiary of the Company issued a \$75,000 non-interest bearing promissory note as partial consideration for the business assets of Callmore Communications Inc. Pursuant to the terms of the note 25,000 will be paid in three consecutive monthly payments beginning April 1, 2008.

On March 31, 2008, Wireless Age a subsidiary of the Company issued a \$288,000 non-interest bearing promissory note to Eiger a related party by virtue of common directors and officers, to acquire 720,000 shares of Newlook. The note will be repaid \$72,000 on each of September 8, 2008, March 8, 2009, September 8, 2009 and March 8, 2010.

Obligations under Capital Leases

	<u>March 31, 2008</u>
Capital lease obligations	52,284
Less: current portion:	<u>(22,073)</u>
	\$ 30,211

Capital lease obligations include three leases with monthly payments ranging between \$248 and \$1,699 and including interest at rates ranging between 12.5% and 16.2%. Equipment is pledged as security.

Loan and Long Term Debt

The Company has a term loan and revolving loan facility with an asset based lender of \$2,500,000, secured by the accounts receivable and inventory of the retail segment and another legal entity within the commercial segment. The term loan is for a three year term, at 18% interest per annum and may be retired 18 months into the term on 90 days notice subject to a \$75,000 prepayment penalty. The term loan was drawn by \$1,500,000 as of March 31, 2008. The revolving portion of the loan facility was drawn by \$710,305 as of March 31, 2008. The Company's assets are pledged under the facility.

7. Discontinued Operations

NEWLOOK INDUSTRIES CORP.

Notes to Consolidated Financial Statements

Three Months Ended March 31, 2008

During the year ended September 30, 2007 the Company began a process of reviewing all lines of business or segments for their long term viability. Through this process the Company came to the conclusion that the Onlinetel business subsidiary was non-strategic in the long run, difficult to fund and placed the unit for sale. On May 1, 2007, the Company entered into an Asset Purchase Agreement with Yak Communications (Canada) Corp. pursuant to which it sold the 10-10-580 business unit of Onlinetel. On June 28, 2007 the Company granted an option to 1597541 Ontario Inc. (operating as Worldline) to acquire substantially all the remaining operations of Onlinetel. In accordance with the requirements of the CICA Handbook section 3475, the comparative figures for 2006 have also been reclassified to discontinued operations.

The summarized operating results for discontinued operations are as follows:

	Three months ended March 31, 2008	Three months ended March 31, 2007
Revenues	\$ 281,065	\$ 779,445
Costs and expenses	<u>(245,117)</u>	<u>(629,434)</u>
Net income from discontinued operations, net of tax	<u>35,948</u>	<u>150,011</u>

8. Due to Related Party

The Company has received advances from Eiger Technology, Inc. which is a significant shareholder of the Company. At March 31, 2008, the Company owed Eiger \$939,512 which is reflected as a discontinued operations liability. The advances bear interest at varying rates between CRA prescribed rate and CRA rate plus 2%, are unsecured and due upon demand.

As of March 31, 2008 various entities with common officers to the Company, owed \$38,691 for services and shared office space provided by the Company to related parties. The services provided were primarily for administrative support. Amounts for these services are due when rendered.

9. Commitments and Contingencies

- a) There is a claim outstanding against the Company by a former employee for wrongful dismissal, alleged breach of contract, punitive and aggravated damages and costs. It is the Company's opinion that there is no merit to the claim. Management believes that damages resulting from this claim would be immaterial, if any. Any payment resulting from this claim will be recorded in the period the amount is determinable.

NEWLOOK INDUSTRIES CORP.

Notes to Consolidated Financial Statements

Three Months Ended March 31, 2008

- b) The Company has irrevocable letters of credit outstanding in the aggregate amount of \$27,000.

10. Share Capital

Authorized

100,000,000	class "A" preference shares, non-voting, cumulative dividend, par value of \$1 each
100,000,000	class "B" preference shares, non-voting, cumulative dividend, par value of \$5 each
100,000,000	common shares without par value

Issued

Number			Book Value	
March 31, 2008	December 31, 2007		March 31, 2008	December 31, 2007
29,558,432	28,540,000	Common shares	\$ 6,343,131	\$ 5,844,099
		Share issuance costs	(148,485)	(148,485)
(3,740,307)	(2,680,307)	Shares held by majority owned subsidiary	(1,730,113)	(1,313,063)
<u>25,818,125</u>	<u>25,859,693</u>		<u>\$ 4,464,533</u>	<u>\$ 4,382,551</u>

A total of 1,018,432 shares of the Company, valued at \$499,032, were issued during the three month period end March 31, 2008.

- a) As of March 31, 2008, Wireless Age (a majority owned subsidiary) acquired 3,740,307 shares of the Company in a private transaction in exchange for total consideration of \$1,730,113. Accordingly the acquisition value has been reflected as a reduction of share capital and such number of shares has been deducted from the number of issued shares.
- b) Stock Options

The Company awards unconditional stock options to employees, officers, directors and others at the recommendation of the Chief Executive Officer ("CEO") under an incentive stock plan (the "Plan"). Under the Plan, the Company has for issuance a maximum authorized number of 5,200,000 options to acquire common shares of the Company of which 340,000 options are still available. The total proceeds that would be generated upon exercise of all issued and outstanding options are \$2,360,000. Options are granted at the fair market value of the shares on the day granted, and vest over various terms. The following is a continuity schedule of outstanding options for the reporting periods, where WAEP refers to "weighted average exercise price".

	March 31, 2008		December 31, 2007	
	No. of Options	WAEP	No. of Options	WAEP
Beginning of period	4,410,000	\$ 0.53	4,410,000	\$ 0.53
Granted	-	-	-	-

NEWLOOK INDUSTRIES CORP.

Notes to Consolidated Financial Statements

Three Months Ended March 31, 2008

Expired	-	-	-	-
End of period	<u>4,410,000</u>	\$ <u>0.53</u>	<u>4,410,000</u>	\$ <u>0.53</u>

c) Non-controlling Interest

Balance – September 30, 2007	\$ 270,375
Add: Minority interest in period earnings	214,709
Balance – December 31, 2007	<u>\$ 485,084</u>
Add: Minority interest in period earnings	290,334
Balance – March 31, 2008	<u>\$ 775,418</u>

11. Segmented Information

Operating segments are defined as components of an enterprise about which separate financial information is available that is evaluated regularly by the chief operating decision maker, or decision making group, in deciding how to allocate resources and in assessing performance. The Company operates in two operating segments the retail and commercial operations.

The following table shows revenues, profit or loss and identifiable assets by operating segment:

	Retail	Commercial	Discontinued Operations	Corporate	Total
Revenues	5,187,930	4,479,458	-	-	9,667,388
Income (loss)	671,233	94,544	35,948	(747,601)	54,124
Assets	4,115,226	3,386,056	1,232,105	2,518,418	11,233,805

12. Subsequent Events

Millennium Letter of Intent

The Company on May 14, 2008 terminated the proposed acquisition with Vertex Integrations Inc.