

**ULDAMAN CAPITAL CORP.**

**Interim Financial Statements**

**For the six months ended October 31, 2008 and 2007**

**(Unaudited –Prepared by Management)**

# **ULDAMAN CAPITAL CORP.**

## **NOTICE OF NO AUDITOR REVIEW OF INTERIM FINANCIAL STATEMENTS**

Under National Instrument 51-102, Part 4, subsection 4.3(3)(a), if an auditor has not performed a review of the interim financial statements, they must be accompanied by a notice indicating that the interim financial statements have not been reviewed by an auditor.

The accompanying unaudited interim financial statements of the Company have been prepared by management and approved by the Audit Committee and Board of Directors of the Company.

The Company's independent auditors have not performed a review of these interim financial statements in accordance with the standards established by the Canadian Institute of Chartered Accountants for a review of interim financial statements by an entity's auditors.

December 12, 2008

# ULDAMAN CAPITAL CORP.

## Interim Balance Sheets

October 31, 2008 and April 30, 2008

(Unaudited – Prepared by Management)

|   | October 31, 2008  | April 30, 2008    |
|---|-------------------|-------------------|
|   |                   | (Audited)         |
| <b>ASSETS</b>                               |                   |                   |
| <b>Current assets</b>                       |                   |                   |
| Cash  | \$ 130,983        | \$ 273,298        |
| GST recoverable                             | 912               | 857               |
| Deferred acquisition costs                  | 67,112            | -                 |
|   | <b>\$ 199,007</b> | <b>\$ 274,155</b> |
| <b>LIABILITIES AND SHAREHOLDERS' EQUITY</b> |                   |                   |
| <b>Current liabilities</b>                  |                   |                   |
| Accounts payable and accrued liabilities    | \$ 18,607         | \$ 11,770         |
|   | <b>18,607</b>     | <b>11,770</b>     |
| <b>Shareholders' equity</b>                 |                   |                   |
| Share capital (note 3)                      | 394,399           | 388,917           |
| Contributed surplus (note 3(d))             | 55,502            | 57,665            |
| Retained earnings (deficit)                 | (269,501)         | (184,197)         |
|   | <b>180,400</b>    | <b>262,385</b>    |
|   | <b>\$ 199,007</b> | <b>\$ 274,155</b> |

Basis of presentation (note 1)

Subsequent event (note 6)

On behalf of the Board:

"Sokhie Puar" Director

"Bijay Singh" Director

See accompanying notes to financial statements.

**ULDAMAN CAPITAL CORP.**  
**Interim Statement of Operations and Deficit**  
**For the six months ended October 31, 2008 and 2007**  
(Unaudited – Prepared by Management)

|  | Three months ended |                 | Six months ended |                 |
|--|--------------------|-----------------|------------------|-----------------|
|  | October 31,        |                 | October 31,      |                 |
|  | 2008               | 2007            | 2008             | 2007            |
| Expenses:  |                    |                 |                  |                 |
| Bank charges and interest                            | \$ 188             | \$ 402          | \$ 271           | \$ 468          |
| Consulting   | 5,492              | 6,000           | 5,492            | 6,000           |
| Office and administration                            | 5,000              | 3,295           | 8,000            | 7,727           |
| Professional fees                                    | 20,242             | 4,959           | 22,200           | 7,862           |
| Regulatory and transfer agent                        | 3,929              | 3,210           | 5,427            | 4,033           |
| Rent   | 6,500              | 4,815           | 12,500           | 9,668           |
| Travel and promotions                                | 32,330             | 10,673          | 32,830           | 14,134          |
| Loss before other items                              | (73,681)           | (33,354)        | (86,720)         | (49,892)        |
| Other items:   |                    |                 |                  |                 |
| Interest and other income                            | 581                | 2,841           | 1,415            | 5,198           |
| Net loss before income taxes                         | (73,100)           | (30,513)        | (85,305)         | (44,694)        |
| Income tax   | -                  | -               | -                | -               |
| <b>NET LOSS BEING COMPREHENSIVE LOSS</b>             | <b>(73,100)</b>    | <b>(30,513)</b> | <b>(85,305)</b>  | <b>(44,694)</b> |
| Retained earnings (deficit), beginning of year       | (196,401)          | (114,341)       | (184,196)        | (100,160)       |
| Retained earnings (deficit), end of year             | \$ (269,501)       | \$ (144,854)    | \$ (269,501)     | \$ (144,854)    |
|  |                    |                 |                  |                 |
| Weighted average number of common shares outstanding | 4,017,819          | 4,005,001       | 4,012,596        | 4,005,001       |
| Basic diluted earnings (loss) per common share       | \$ (0.02)          | \$ (0.01)       | \$ (0.02)        | \$ (0.01)       |

See accompanying notes to financial statements.

**ULDAMAN CAPITAL CORP.**  
**Interim Statement of Cash Flows**  
**For the six months ended October 31, 2008 and 2007**  
(Unaudited – Prepared by Management)

|  | Three months ended |                   | Six months ended  |                   |
|--|--------------------|-------------------|-------------------|-------------------|
|  | October 31,        |                   | October 31,       |                   |
|  | 2008               | 2007              | 2008              | 2007              |
| <b>Operations:</b>                                       |                    |                   |                   |                   |
| Net income (loss)  | \$ (73,100)        | \$ (30,513)       | \$ (85,305)       | \$ (44,694)       |
| Items not involving cash                                 |                    |                   |                   |                   |
| Change in non-cash operating working capital:            |                    |                   |                   |                   |
| GST recoverable  | 579                | (362)             | (55)              | (770)             |
| Accounts payable and accrued liabilities                 | 15,452             | (5,342)           | 6,838             | (5,732)           |
| Net cash provided by (used in) operations                | (57,069)           | (36,217)          | (78,522)          | (51,196)          |
| <b>Investing:</b>  |                    |                   |                   |                   |
| Deferred acquisition costs                               | (67,112)           | -                 | (67,112)          | -                 |
|  | (67,112)           | -                 | (67,112)          | -                 |
| <b>Financing:</b>  |                    |                   |                   |                   |
| Proceeds on shares issuance, net of share issuance costs | 1,668              | -                 | 3,319             | 90,000            |
| Related party advances                                   | -                  | -                 | -                 | (1,795)           |
|  | 1,668              | -                 | 3,319             | 88,205            |
| <b>Increase in cash</b>                                  | <b>(122,513)</b>   | <b>(36,217)</b>   | <b>(142,315)</b>  | <b>37,009</b>     |
| <b>Cash, beginning of period</b>                         | <b>253,496</b>     | <b>427,420</b>    | <b>273,298</b>    | <b>354,194</b>    |
| <b>Cash, end of period</b>                               | <b>\$ 130,983</b>  | <b>\$ 391,203</b> | <b>\$ 130,983</b> | <b>\$ 391,203</b> |
| Cash paid for interest                                   | \$ -               | \$ -              | \$ -              | \$ -              |
| Cash paid for income taxes                               | \$ -               | \$ -              | \$ -              | \$ -              |

See accompanying notes to financial statements.

# ULDAMAN CAPITAL CORP.

Notes to Financial Statements

October 31, 2008

(Unaudited - Prepared by management)

---

## 1. Basis of presentation

These interim financial statements have been prepared using Canadian generally accepted accounting principles (Canadian GAAP). The interim financial statements include normal recurring adjustments, which in management's opinion, are necessary for a fair presentation of the financial results of the interim period presented.

These interim financial statements follow the same accounting policies and methods of their application as in the April 30, 2008 annual financial statements. These interim financial statements do not conform in all respects of the requirements of Canadian generally accepted accounting principles for annual financial statements in that they do not include all note disclosures.

These statements should be read in conjunction with the Company's April 30, 2008 financial statements and notes thereto.

The Company's continuing operations are dependent upon its ability to identify, evaluate and negotiate a Qualifying Transaction.

## 2. New accounting pronouncements

### *Goodwill and intangible assets*

The Accounting Standards Board ("AcSB") issued CICA Handbook Section 3064, which replaces Section 3062, Goodwill and Other Intangible Assets, and Section 3450, Research and Development Costs. This new section establishes standards for the recognition, measurement, presentation and disclosure of goodwill subsequent to its initial recognition and of intangible assets. Standards concerning goodwill remain unchanged from the standards included in the previous Section 3062. This section applies to interim and annual financial statements relating to fiscal years beginning on or after October 1, 2008. The above accounting standards do not impact the Company's financial statements.

### *International financial reporting standards ("IFRS")*

In 2006, the AcSB published a new strategic plan that will significantly affect financial reporting requirements for Canadian companies. The AcSB strategic plan outlines the convergence of Canadian GAAP with IFRS over an expected five year transitional period. In February 2008, the AcSB announced that 2011 is the changeover date for publicly-listed companies to use IFRS, replacing Canada's own GAAP. The date is for interim and annual financial statements relating to fiscal years beginning on or after January 1, 2011. The transition date of January 1, 2011 will require the restatement for comparative purposes of amounts reported by the Company for the year ended December 31, 2010. While the Company has begun assessing the adoption of IFRS for 2011, the financial reporting impact of the transition to IFRS cannot be reasonably estimated at this time.

# ULDAMAN CAPITAL CORP.

Notes to Financial Statements

October 31, 2008

(Unaudited - Prepared by management)

## 3. Share capital

### a. Authorized

Unlimited number of common shares without par value.

### b. Issued and fully paid

|                                | Number of shares | Amount  |
|--------------------------------|------------------|---------|
| Balance, April 30, 2008        | 4,005,001        | 388,917 |
| Seed Capital                   | -                | -       |
| Option exercised               | 22,127           | 3,319   |
| Fair value of option exercised |                  | 2,163   |
| Share issuance costs           | -                | -       |
| Balance, October 31, 2008      | 4,027,128        | 394,399 |

On October 10, 2008, 11,123 agent's options were exercised at the price of \$0.15 per share for total proceeds of 1,668.

On June 26, 2008, 11,004 agent's options were exercised at the price of \$0.15 per share for total proceeds of \$1,651.

During the year ended April 30, 2007, pursuant to subscription agreements, 713,340 common shares at \$0.15 per share were issued to directors and associates of directors and officers of the Company for gross proceeds of \$107,001.

During the year ended April 30, 2007, the Company filed a prospectus with the regulatory authorities of British Columbia constituting an Initial Public Offering ("IPO") to the public of 1,500,000 common shares of the Company at \$0.15 per share for gross proceeds of \$225,000. The Company signed an agent agreement with Pacific International Securities Inc. (the "Agent") dated May 2, 2006, whereby the Agent received a commission of 10% of the gross proceeds of the IPO or \$0.15 per share and an administration fee of \$15,000, both of which have been included in share issuance costs. The Company also granted the Agent a non-transferable option ("Agent's Option") to acquire up to 150,000 common shares at an exercise price of \$0.15 per common share exercisable for a period of 24 months from the date the Company's common shares are listed for trading on the Exchange (note 2(c)). The Company also paid additional share issuance costs of \$54,334 in relation to the IPO.

### c. Stock options

The Company has adopted an incentive stock option plan, which provides that the Board of Directors of the Company may from time to time, in its discretion, and in accordance with the Exchange requirements, grant to directors, officers, employees and technical consultants to the Company, non-transferable options to purchase common shares, provided that the number of common shares reserved for issuance will not exceed 10% of the common shares to be outstanding at Closing. Such options will be exercisable for a period of up to 5 years from the date of grant.

# ULDAMAN CAPITAL CORP.

Notes to Financial Statements

October 31, 2008

(Unaudited - Prepared by management)

## 3. Share capital (continued)

### c. Stock options (continued)

In connection with the foregoing, the number of common shares reserved for issuance to any individual director or officer will not exceed five percent (5%) of the issued and outstanding common shares and the number of common shares reserved for issuance to all technical consultants will not exceed two percent (2%) of the issued and outstanding common shares. Options may be exercised no later than 90 days following cessation of the optionee's position with the Company, provided that if the cessation of office, directorship, or technical consulting arrangement was by reason of death, the option may be exercised within a maximum period of one year after such death, subject to the expiry date of such option. Any common shares acquired pursuant to the exercise of options prior to completion of the Qualifying Transaction, must be deposited in escrow and will be subject to escrow until the final Exchange bulletin is issued.

During the year ended April 30, 2007, the Company granted 400,000 incentive stock options to its directors and officers which may be exercised within 5 years from the date of grant at a price of \$0.15 per share.

During the year ended April 30, 2007, the Company also granted 150,000 agent's options at a price of \$0.15 per share in connection to its IPO (note 2(b)).

A summary of the Company's stock options at October 31, 2008 is presented below:

|                               | Options Outstanding | Weighted Average<br>Exercise Price |
|-------------------------------|---------------------|------------------------------------|
| Balance, April 30, 2008       | 550,000             | 0.15                               |
| Exercised                     | (22,127)            | 0.15                               |
| Exercisable, October 31, 2008 | 527,873             | \$ 0.15                            |

### d. Contributed surplus

|                                   |    | July 31, 2008 |
|-----------------------------------|----|---------------|
| Beginning balance, April 31, 2008 | \$ | 57,665        |
| Fair value of option exercised    |    | (2,163)       |
| Ending balance, October 31, 2008  | \$ | 55,502        |

# ULDAMAN CAPITAL CORP.

Notes to Financial Statements

October 31, 2008

(Unaudited - Prepared by management)

## 4. Related party transactions

During the six months ended October 31, 2008, the Company incurred the following amounts through transactions to a company having directors in common:

| For the six months ended October 31, 2008 |    |               |
|---|----|---------------|
| Expenses                                  |    | Amount        |
| Office & Administration                   | \$ | 8,000         |
| Rent                                      |    | 12,500        |
|   | \$ | <b>20,500</b> |

These transactions were in the normal course of operations and were measured at the exchange amount, which represented the amount of consideration established by management to be fair value.

## 5. Contingencies and commitments

The Company ("Uldaman") has entered into a letter of intent dated July 18, 2008 with Khyber Capital Corp. ("Khyber") to acquire all of the issued and outstanding shares of Khyber. Khyber is a private company incorporated under the laws of the Province of British Columbia, and through its wholly owned U.S. subsidiary is the owner of interests in certain non-producing oil and gas properties located in Toole County, Montana.

Pursuant to the business combination shareholders of Khyber will receive one share of Uldaman for each share of Khyber held by them. The final structure of the business combination will be determined based upon a consideration of the applicable corporate, securities and tax implications, however initially it is expected that the transaction will be effected either by Khyber amalgamating with the Company or with a subsidiary of the Company to be incorporated for that purpose. On closing, the Company intends to change its name to Sunburst Oil & Gas Corp.

Certain directors and principal shareholders of Khyber are also directors and principal shareholders of Uldaman, and accordingly the transaction may be considered a non-arm's length Qualifying Transaction under the policies of the TSX Venture Exchange and would in such event be subject to disinterested shareholder approval.

The Company will concurrently with the Transaction, conduct a private placement of up to 6 million units at \$0.30 per unit, each unit consisting of one common share of the Company and one half of a warrant exercisable at \$0.40 to acquire an additional common share of the Company for a period of 12 months from closing of the private placement and thereafter at \$0.50 for a total of 18 months from the closing of the private placement (the "CPC Offering"). The CPC Offering will be arranged by and through directors and officers of the Company and may involve brokers or finders. The Company will seek Exchange acceptance to the closing of all or part of the CPC Offering prior to the closing date of the Transaction, and to the advancement of such portion thereof to Khyber as may be permitted under the policies of the Exchange.

In addition, Khyber will concurrently with the Transaction, conduct a private placement of up to 4 million units at \$0.30 per unit, each unit consisting of one common share of Khyber and one half of a warrant exercisable at \$0.40 to acquire an additional share for a period of 12 months from closing of the private placement and thereafter at \$0.50 for a total of 18 months from the closing of the private placement (the "Khyber Offering"). The Khyber Offering will be arranged by and through directors and officers of Khyber and may involve brokers or finders. The proceeds of the CPC Offering and the Khyber Offering will be used to fund commitments on the exploration and development of

# ULDAMAN CAPITAL CORP.

Notes to Financial Statements

October 31, 2008

(Unaudited - Prepared by management)

---

Khyber's oil and gas interests, to increase Khyber's ownership of such oil and gas interests and to fund ongoing working capital requirements.

Under the terms of the letter of intent, it is expected that the Company will issue a total of up to 16,474,999 common shares to Khyber shareholders. In addition, a total of 1,500,000 Khyber warrants will be exchanged for warrants of the Company. On a consolidated basis, and assuming the completion of the CPC Offering and the Khyber Offering, the resulting Company will on closing of the acquisition have approximately 30,474,999 shares issued and outstanding and 37,374,999 shares on a fully diluted basis assuming no further securities are issued. The three current directors of Uldaman hold in the aggregate 4,240,000 shares of Khyber representing 25.74% of the outstanding shares of Khyber. On a consolidated basis with Uldaman, assuming completion of the Qualifying Transaction, those directors would hold in the aggregate 5,840,000 shares representing 13.91% of the resulting company, prior to the exercise of options and warrants. In addition, the directors hold warrants of Khyber, exercisable to acquire an additional 1,500,000 shares at \$0.05 per share.

## **6. Subsequent events**

On November 4, 2008, the Company received an extension from the TSX Venture Exchange to complete its qualifying transaction. Pursuant to the extension, the Company will have until April 30, 2009 to complete its qualifying transaction. In connection with the transaction, the Company is obtaining a National Instrument 51-101 compliant reserve report. Completion of the transaction with Khyber remains subject to regulatory and shareholder approval.