

# CONSOLIDATED STATEMENTS OF SHAREHOLDERS' EQUITY

	Ordinary and priority shares (Note 18) \$'000	Additional paid-in capital \$'000	Other reserves \$'000	Note receivable contributed for equity (Note 14) \$'000	Accum- ulated deficit \$'000	Accumulated other compre- hensive income (loss) \$'000	Compre- hensive income (loss) \$'000
<b>BALANCE AT MAY 31, 1998</b>	7,679	108,561	–	–	(14,339)	(49)	
Net loss	–	–	–	–	(19,847)	–	(19,847)
13,239,707 shares issued	3,438	48,597	–	–	–	–	–
Foreign currency translation adjustments	–	–	–	–	–	960	960
Comprehensive loss							<b>(18,887)</b>
<b>BALANCE AT MAY 31, 1999</b>	<b>11,117</b>	<b>157,158</b>	<b>–</b>	<b>–</b>	<b>(34,186)</b>	<b>911</b>	
Net income	–	–	–	–	273	–	273
7,507,591 shares issued for a note receivable	1,949	103,314	–	(104,114)	–	–	–
19,676,771 shares issued in satisfaction of rights	5,109	(5,109)	–	–	–	–	–
12,519,307 shares issued for cash	3,251	155,985	–	–	–	–	–
Deemed distribution – cash	–	–	(100,000)	–	–	–	–
Deemed distribution – note payable	–	–	(104,114)	–	–	–	–
Interest receivable on note contributed for equity	–	–	–	(5,864)	–	–	–
Foreign currency translation adjustments	–	–	–	–	–	(1,250)	(1,250)
Other	–	34,747	–	–	–	–	–
Comprehensive loss							<b>(977)</b>
<b>BALANCE AT MAY 31, 2000</b>	<b>21,426</b>	<b>446,095</b>	<b>(204,114)</b>	<b>(109,978)</b>	<b>(33,913)</b>	<b>(339)</b>	
Net Income	–	–	–	–	17,075	–	17,075
Foreign currency translation adjustments	–	–	–	–	–	(1,835)	(1,835)
Interest receivable on note contributed for equity	–	–	–	(11,906)	–	–	–
Interest received on note contributed for equity	–	–	–	14,839	–	–	–
Other	–	(3,744)	–	–	–	–	–
Comprehensive income							<b>15,240</b>
<b>BALANCE AT JUNE 30, 2001</b>	<b>21,426</b>	<b>442,351</b>	<b>(204,114)</b>	<b>(107,045)</b>	<b>(16,838)</b>	<b>(2,174)</b>	

The accompanying notes are an integral part of these consolidated statements of shareholders' equity.