CERES CAPITAL CORP.

INTERIM FINANCIAL STATEMENTS

JUNE 30, 2007

(Unaudited - Prepared by Management)

National Instrument 51-102 Notice.

The financial statements of Ceres Capital Corp. (the "Company") as at June 30, 2007 have been compiled by management and approved by the Company's Board of Directors.

These financial statements have not been reviewed or audited on behalf of the shareholders by the Company's independent external auditors, RSM Richter (Calgary) LLP.

Ceres Capital Corp.

Balance Sheets

June 30, 2007

(Unaudited - Prepared by Management)

	(Unaudited) June 30, 2007	(Audited) December 31, 2006
Assets		
Current		
Cash in trust	$ 1,523,114	$ 1,526,611
Accounts receivable	4,690	5,474
	1,527,804	1,532,085
Deferred organization expenses	-	604
	$ 1,527,804	$ 1,532,689
Liabilities		
Current		
Accounts payable and accrued liabilities	$ 11,110	$ 12,325
Shareholders' equity		
Share capital (Note 4)	1,455,042	1,451,330
Contributed surplus	250,922	252,384
Deficit	(189,270)	(183,350)
	1,516,694	1,520,364
	$ 1,527,804	$ 1,532,689

See accompanying notes

APPROVED ON BEHALF OF THE BOARD

Signed "Bohdan Romaniuk"

Signed "Ronald Allen"

Ceres Capital Corp.

Statements of Loss and Deficit

For the Period Ended June 30, 2007

(Unaudited - Prepared by Management)

	(Unaudited) Three Months Ended June 30, 2007	(Unaudited) Six Months Ended June 30, 2007
Interest income	$ 9,959	$ 19,712
Expenses		
General and administrative	15,803	25,632
Net loss for the period	(5,844)	(5,920)
Deficit beginning of period	(183,426)	(183,350)
Deficit end of period	$ (189,270)	$ (189,270)
Loss per share		
Basic	$ NIL	$ NIL
Diluted	$ NIL	$ NIL
Weighted average number of shares outstanding	10,255,625	10,253,500

See accompanying notes

Ceres Capital Corp.

Statements of Cash Flows

For the Period Ended June 30, 2007

(Unaudited - Prepared by Management)

	(Unaudited) Three Months Ended June 30, 2007	(Unaudited) Six Months Ended June 30,2007
Operating activities		
Net loss for the period	$ (5,844)	$ (5,920)
Deferred organization expenses		604
Change in non-cash working capital (Note 5)	7,982	(431)
	2,138	(5,747)
Financing activities		
Issuance of shares		2,250
Increase (decrease) in cash for the period	2,138	(3,497)
Cash in trust - beginning of period	1,520,976	1,526,611
Cash in trust - end of period	$ 1,523,114	$ 1,523,114

See accompanying notes

1. Nature of operations and going concern

Ceres Capital Corp. ("Ceres" or the "Company"), incorporated under the Business Corporation Act (Alberta) on June 5, 2006, is classified as a Capital Pool Company as defined in Policy 2.4 of the TSX Venture Exchange Inc. (the "Exchange"). The principal business of the Company is to identify and evaluate assets or businesses with a view to potentially acquiring them or an interest therein as a result of the closing of a purchase transaction, the exercising of an option or any concomitant transaction. The purpose of such an acquisition is to satisfy the related conditions of a qualifying transaction under the Exchange rules. See the "Qualifying Transaction" Note 7, below, for a description of the Company's proposed qualifying transaction.

This financial statement has been prepared in accordance with Canadian generally accepted accounting principles applied on a going concern basis, which assumes that the Company will be able to realize its assets and discharge its liabilities in the normal course of business.

The Company's continuing operations as intended are dependent upon its ability to identify, evaluate and negotiate an acquisition of assets or businesses, or an interest therein. Such an acquisition will be subject to the approval of the regulatory authorities concerned, and, in the case of a non-arm's length transaction, of the majority of the minority shareholders. The Exchange may suspend from trading or delist the common shares of the Company should it not carry out a qualifying transaction within 24 months of the date of listing on the Exchange.

2. Accounting policies

The interim financial statements for the period ended June 30, 2007 should be read in conjunction with the audited financial statements for Ceres Capital Corp. as at December 31, 2006. These interim financial statements are presented following the same accounting policies and methods of computation that were used in the audited financial statements of the Company for the year ended December 31, 2006 statements except for the changes in accounting policies described in note 3. Notes to these interim financial statements are provided in compliance with regulatory disclosure requirements. Disclosures that are normally required in the notes to the annual financial statements have been condensed or omitted in the notes to these interim financial statements.

3. Changes in accounting policies

During the period, the Company adopted the following accounting policies:

Accounting Changes
Effective January 1, 2007, the Company adopted the amended Canadian Institute of Chartered Accountants (CICA) Handbook Section 1506 "Accounting Changes". The changes to this Section particularly affect the following:

- An entity would be permitted to change an accounting policy only when it is required by a primary source of GAAP, or when the change results in a more reliable and relevant presentation in the financial statements;

3. Changes in accounting policies continued

- Changes in accounting policy should be applied retrospectively, except in cases where specific transitional provisions in a primary source of GAAP permit otherwise or where application to comparative information is impractical (the standard provides specific guidance as to what is considered impractical);
- Expanded disclosures about the effects of changes in accounting policy, estimates and errors on the financial statements; and
- Disclosure of new primary sources of GAAP that have been issued but have not yet come into effect and have not yet been adopted by the entity.

The adoption of the amended Section had no affect on the financial statement accounts of the Company.

Financial Instruments - Recognition and Measurement

Effective January 1, 2007 the Company adopted, on a retroactive without restatement basis, the new CICA Handbook Section 3855 "Financial Instruments Recognition and Measurement" which prescribes that all financial instruments within the scope of this standard, including derivatives, be initially measured at fair value (except for certain related party transactions) and included on a company's balance sheet. Subsequent measurement of financial instruments should be either at their fair value or, in limited circumstances when fair value may not be considered most relevant, at cost or amortized cost. It also specifies when gains and losses as a result of changes in fair value are to be recognized in the income statement. This standard is effective for interim and annual financial statements for fiscal years beginning on or after October 1, 2006. The adoption of this new requirement did not significantly affect the Company's financial statements.

Financial Instruments - Disclosure and Presentation

Effective January 1, 2007, the Company adopted, on a retroactive without restatement basis, reissued Section 3860 of the Handbook as Section 3861, "Financial Instruments - Disclosure and Presentation", which establishes standards for presentation of financial instruments and non-financial derivatives, and identifies the information that should be disclosed about them. The adoption of the new requirement did not affect the Company's financial statements.

Comprehensive Income

Effective January 1, 2007, the Company adopted, on a prospective basis, the new CICA Handbook Section 1530 "Comprehensive Income", which requires that an enterprise present comprehensive income and its components, in a financial statement that is displayed with the same prominence as other financial statements. This Section introduces a new requirement to present certain gains and losses temporarily outside net income. The adoption of the new requirement did not affect the Company's financial statements.

Primary sources of GAAP that have been issued but have not yet come into effect

Effective December 2006, the Accounting Standards Board (AcSB) issued three new CICA Handbook Sections; Section 3862 "Financial Instruments - Disclosures"; Section 3863 "Financial Instruments - Presentation"; and Section 1535 "Capital Disclosures". These new Sections carry forward unchanged presentation requirements of Section 3861 "Financial Instruments - Disclosure and Presentation", and converge with the capital disclosure-related amendments to International Accounting Standards. Section 3862 places an increased emphasis on disclosures about the risks associated with both recognized and unrecognized financial instruments and how these risks are managed and also simplifies the disclosures about concentrations of risk, credit risk, liquidity risk and market risk currently found in Section 3861. Additional requirements include: more extensive disclosures about exposures to liquidity; currency and other price risks and an analysis of the sensitivity of net income for possible changes thereto; more specific disclosures about collateral; and details of liabilities that are in default or in breach of their terms and conditions. Proposed Section 3863 carries forward, without change, the presentation-related requirements of Section 3861. Proposed Section 1535 requires the disclosure of an entity's objectives, policies and processes for managing capital; quantitative data about what the entity regards as capital, whether the entity has complied with any capital requirements and if it has not complied, the consequences of such non-compliance. As required, the Company will adopt these new accounting standards for its interim and annual financial statements beginning on January 1, 2008. The Company is in the process of assessing the full impact of these new Sections on its financial statements.

4. Share capital

(a) Authorized:
Unlimited number of common shares
Unlimited number of preferred shares, conditions to be determined

(b) Issued:

	Number	Amount
Common shares		
Balance December 31, 2006	10,250,000	1,451,330
Issued for cash on exercise of Agent's options	11,250	3,712
Balance June 30, 2007	10,261,250	$ 1,455,042

On March 5, 2007, the Agent exercised options to purchase 11,250 common shares of the Company. The Agent's options were exercised at $0.20 per share. The Company recorded non-cash share issue proceeds in the amount of $1,462 ($.13 per option) with a corresponding reduction to contributed surplus.

	Three Months Ended June 30, 2007	Six Months Ended June 30, 2007
5. Changes in non-cash working capital		
Accounts receivable	$ (497)	$ 784
Accounts payable and accrued liabilities	8,479	(1,215)
	$ 7,982	$ (431)

6. Financial instruments

Fair Value

Accounts receivable and accounts payable and accrued liabilities are all short-term in nature and as such, their carrying values approximate fair values.

Credit Risk

In the opinion of management, the Company is not exposed to a significant credit risk.

Interest Rate Risk

The Company is exposed to interest rate risk arising from fluctuations in the interest rate on cash in trust.

7. Qualifying Transaction

The Company has entered into a letter of intent (the "LOI") dated June 27, 2007 with certain majority shareholders of Mavix Inc. ("Mavix"), a Delaware corporation, whereunder the parties have agreed to negotiate a definitive agreement relating to a proposed reverse takeover transaction pursuant to which Ceres will acquire all of the issued and outstanding securities of Mavix in an arm's length transaction (the "Transaction"). The arm's length Transaction will constitute Ceres' "Qualifying Transaction" under all applicable policies of the Exchange.

If the Transaction is completed, Ceres will issue 37,480,543 common shares to the Mavix shareholders having a deemed value of $0.27 per share, which implies an entity value for Mavix of approximately $10,119,746. As such, if the Transaction is completed, Ceres will have 47,741,793 common shares issued and outstanding (on a non-diluted basis). The share consideration paid by Ceres may be adjusted based on an independent valuation of Mavix if the results of such valuation show Mavix to be valued at an amount materially less than $10,119,746.

Mavix owns all of the issued and outstanding shares of Mavix U.S.A., LLC ("Mavix USA"), an Illinois corporation. Mavix USA owns 91% of the issued and outstanding shares of Mavix Ltd. ("Mavix Israel"), an Israeli company.

7. Qualifying Transaction continued

Mavix also owns all of the issued and outstanding shares of Mavix Security Technology Inc. ("Mavix CDN"), a Canadian corporation based in Montreal, Quebec. For the purposes of the disclosure contained herein, the term "Mavix" shall include Mavix USA, Mavix Israel and Mavix CDN, unless otherwise specified.

Mavix produces video encoding hardware and software and offers all the tools required to build a digital surveillance and response system. Mavix hopes to become a leader in the market of high-end, scalable surveillance and response systems designed for homeland protection, intelligent monitoring of traffic, high-end surveillance, and the coordination of isolated islands of video data in the North American market. It provides such products and services to governments, militaries, local municipalities, cities, and defense and communications companies worldwide.

It is anticipated that the Transaction will be structured as a "three-cornered" amalgamation involving Ceres, Mavix and a wholly-owned subsidiary of Ceres incorporated under the laws of the State of Deleware, pursuant to which Ceres will acquire all of the issued and outstanding securities of Mavix in exchange for 37,480,543 common shares of Ceres. Accordingly, upon completion of the Transaction, Mavix will be wholly-owned subsidiary of Ceres and the former shareholders of Mavix will be shareholders of Ceres. Following the proposed Transaction, the business of Mavix will be conducted by a wholly-owned Delaware subsidiary of Ceres.

Mavix is currently undertaking a private placement of up to 7,500,000 shares at a price of $0.10 per share for aggregate gross proceeds to up to $750,000 (the "Mavix Private Placement"), or such greater amount as may be required by the Exchange. It is a condition precedent to the Transaction that the Mavix Private Placement be completed and that Mavix have positive working capital on closing of the Transaction. No additional Ceres common shares will be issued in exchange for the Mavix Private Placement shares as such Mavix shareholders will receive their pro rata portion of the 37,480,543 Ceres common shares issued in connection with the Transaction. The proceeds from the Mavix Private Placement will be used to provide the Resulting Issuer with additional working capital.

Upon completion of the Transaction, Ceres will grant an aggregate of 2,300,000 stock options to purchase common shares in Ceres, having an exercise price of $0.30 per share, to the employees and officers of Mavix.

The proposed qualifying transaction is subject to a number of conditions including the following:

(a) approval by the board of directors of both Ceres and Mavix;

(b) approval by the Mavix shareholders;

(c) satisfactory due diligence by both Ceres and Mavix;

7. Qualifying Transaction continued

(d) conversion of all outstanding Mavix shareholder loans, if any, to equity;

(e) completion of the Mavix Private Placement;

(f) Ceres having at least $1,200,000 in working capital;

(g) Mavix having positive working capital;

(h) all issued and outstanding Mavix warrants shall be exercised or terminated;

(i) Mavix appointing a Chief Financial Officer (who will become the Chief Financial Officer of the Resulting Issuer) who is acceptable to Ceres and who has experience with Canadian GAAP and Canadian public reporting requirements;

(j) negotiation and execution of a definitive agreement, and

(k) regulatory approval.

There can be no assurance that the Transaction will be completed as proposed, or at all.