Form 5500

Department of the Treasury
Internal Revenue Service

Department of Labor
Employee Benefits Security Administration

Pension Benefit Guaranty Corporation

Annual Return/Report of Employee Benefit Plan

This form is required to be filed for employee benefit plans under sections 104 and 4065 of the Employee Retirement Income Security Act of 1974 (ERISA) and sections 6047(e), and 6058(a) of the Internal Revenue Code (the Code).

▶ **Complete all entries in accordance with the instructions to the Form 5500.**

OMB Nos. 1210-0110
1210-0089

2010

This Form is Open to Public Inspection

Part I Annual Report Identification Information

For calendar plan year 2010 or fiscal plan year beginning 01/01/2007 and ending 12/31/2007

A This return/report is for:
- [ ] a multiemployer plan;
- [ ] a multiple-employer plan; or
- [X] a single-employer plan;
- [ ] a DFE (specify) ____

B This return/report is:
- [X] the first return/report;
- [ ] the final return/report;
- [ ] an amended return/report;
- [ ] a short plan year return/report (less than 12 months).

C If the plan is a collectively-bargained plan, check here. . . . . ▶ [ ]

D Check box if filing under:
- [ ] Form 5558;
- [ ] automatic extension;
- [X] the DFVC program;
- [ ] special extension (enter description)

Part II Basic Plan Information—enter all requested information

1a Name of plan
KIMBERLITE 401 (K) PLAN

1b Three-digit plan number (PN) ▶ 001

1c Effective date of plan 07/01/1998

2a Plan sponsor's name and address (employer, if for a single-employer plan)
(Address should include room or suite no.)
KIMBERLITE CORPORATION

3621 W BEECHWOOD STE. 105
FRESNO, CA 93711-0648

3621 W BEECHWOOD STE. 105
FRESNO, CA 93711-0648

2b Employer Identification Number (EIN)
77-0444505

2c Sponsor's telephone number
559-264-9730

2d Business code (see instructions)
561600

Caution: A penalty for the late or incomplete filing of this return/report will be assessed unless reasonable cause is established.

Under penalties of perjury and other penalties set forth in the instructions, I declare that I have examined this return/report, including accompanying schedules, statements and attachments, as well as the electronic version of this return/report, and to the best of my knowledge and belief, it is true, correct, and complete.

SIGN HERE	Filed with authorized/valid electronic signature.	08/26/2010	THOMAS PATTERSON
	Signature of plan administrator	Date	Enter name of individual signing as plan administrator
SIGN HERE			
	Signature of employer/plan sponsor	Date	Enter name of individual signing as employer or plan sponsor
SIGN HERE			
	Signature of DFE	Date	Enter name of individual signing as DFE

3a Plan administrator's name and address (if same as plan sponsor, enter "Same")
KIMBERLITE CORPORATION

3621 W BEECHWOOD STE. 105
FRESNO, CA 93711-0648

3b Administrator's EIN
77-0444505

3c Administrator's telephone number
559-264-9730

4 If the name and/or EIN of the plan sponsor has changed since the last return/report filed for this plan, enter the name, EIN and the plan number from the last return/report:

a Sponsor's name

4b EIN

4c PN

5	Total number of participants at the beginning of the plan year	**5**	166
6	Number of participants as of the end of the plan year (welfare plans complete only lines **6a, 6b, 6c,** and **6d**).		
a	Active participants	**6a**	162
b	Retired or separated participants receiving benefits	**6b**	0
c	Other retired or separated participants entitled to future benefits	**6c**	16
d	Subtotal. Add lines **6a**, **6b**, and **6c**	**6d**	178
e	Deceased participants whose beneficiaries are receiving or are entitled to receive benefits	**6e**	0
f	Total. Add lines **6d** and **6e**	**6f**	178
g	Number of participants with account balances as of the end of the plan year (only defined contribution plans complete this item)	**6g**	79
h	Number of participants that terminated employment during the plan year with accrued benefits that were less than 100% vested	**6h**	0
7	Enter the total number of employers obligated to contribute to the plan (only multiemployer plans complete this item)	**7**	

8a If the plan provides pension benefits, enter the applicable pension feature codes from the List of Plan Characteristic Codes in the instructions:
2E 2F 2G 2J 2K 3E

b If the plan provides welfare benefits, enter the applicable welfare feature codes from the List of Plan Characteristic Codes in the instructions:

9a Plan funding arrangement (check all that apply)

(1)		Insurance
(2)		Code section 412(e)(3) insurance contracts
(3)	X	Trust
(4)		General assets of the sponsor

9b Plan benefit arrangement (check all that apply)

(1)		Insurance
(2)		Code section 412(e)(3) insurance contracts
(3)	X	Trust
(4)		General assets of the sponsor

10 Check all applicable boxes in 10a and 10b to indicate which schedules are attached, and, where indicated, enter the number attached. (See instructions)

a Pension Schedules

(1)	X	**R** (Retirement Plan Information)
(2)		**MB** (Multiemployer Defined Benefit Plan and Certain Money Purchase Plan Actuarial Information) - signed by the plan actuary
(3)		**SB** (Single-Employer Defined Benefit Plan Actuarial Information) - signed by the plan actuary

b General Schedules

(1)	X	**H** (Financial Information)
(2)		**I** (Financial Information – Small Plan)
(3)		**A** (Insurance Information)
(4)		**C** (Service Provider Information)
(5)	X	**D** (DFE/Participating Plan Information)
(6)		**G** (Financial Transaction Schedules)

SCHEDULE D (Form 5500)

Department of the Treasury
Internal Revenue Service

Department of Labor
Employee Benefits Security Administration

DFE/Participating Plan Information

This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA).

▶ **File as an attachment to Form 5500.**

Official Use Only

OMB No. 1210-0110

2007

This Form is Open to Public Inspection.

For calendar plan year 2007 or fiscal plan year beginning , and ending ,

A Name of plan or DFE	**B** Three-digit plan number ▶
KIMBERLITE 401(K) PLAN	001
C Plan or DFE sponsor's name as shown on line 2a of Form 5500	**D** Employer Identification Number
KIMBERLITE CORPORATION	77-0444505

Part I Information on interests in MTIAs, CCTs, PSAs, and 103-12 IEs (to be completed by plans and DFEs)

(a) Name of MTIA, CCT, PSA, or 103-12IE FID MGD INC PORT

(b) Name of sponsor of entity listed in (a) FIDELITY MANAGEMENT TRUST COMPANY

(c) EIN-PN 04-3022712-024 **(d)** Entity code C **(e)** Dollar value of interest in MTIA, CCT, PSA, or 103-12IE at end of year (see instructions) 99680

(a) Name of MTIA, CCT, PSA, or 103-12IE

(b) Name of sponsor of entity listed in (a)

(c) EIN-PN **(d)** Entity code **(e)** Dollar value of interest in MTIA, CCT, PSA, or 103-12IE at end of year (see instructions)

(a) Name of MTIA, CCT, PSA, or 103-12IE

(b) Name of sponsor of entity listed in (a)

(c) EIN-PN **(d)** Entity code **(e)** Dollar value of interest in MTIA, CCT, PSA, or 103-12IE at end of year (see instructions)

(a) Name of MTIA, CCT, PSA, or 103-12IE

(b) Name of sponsor of entity listed in (a)

(c) EIN-PN **(d)** Entity code **(e)** Dollar value of interest in MTIA, CCT, PSA, or 103-12IE at end of year (see instructions)

Official Use Only

(a) Name of MTIA, CCT, PSA, or 103-12IE _____

(b) Name of sponsor of entity listed in (a) _____

(c) EIN-PN _____ **(d)** Entity code ____ **(e)** Dollar value of interest in MTIA, CCT, PSA, or 103-12IE at end of year (see instructions) _____

(a) Name of MTIA, CCT, PSA, or 103-12IE _____

(b) Name of sponsor of entity listed in (a) _____

(c) EIN-PN _____ **(d)** Entity code ____ **(e)** Dollar value of interest in MTIA, CCT, PSA, or 103-12IE at end of year (see instructions) _____

(a) Name of MTIA, CCT, PSA, or 103-12IE _____

(b) Name of sponsor of entity listed in (a) _____

(c) EIN-PN _____ **(d)** Entity code ____ **(e)** Dollar value of interest in MTIA, CCT, PSA, or 103-12IE at end of year (see instructions) _____

(a) Name of MTIA, CCT, PSA, or 103-12IE _____

(b) Name of sponsor of entity listed in (a) _____

(c) EIN-PN _____ **(d)** Entity code ____ **(e)** Dollar value of interest in MTIA, CCT, PSA, or 103-12IE at end of year (see instructions) _____

(a) Name of MTIA, CCT, PSA, or 103-12IE _____

(b) Name of sponsor of entity listed in (a) _____

(c) EIN-PN _____ **(d)** Entity code ____ **(e)** Dollar value of interest in MTIA, CCT, PSA, or 103-12IE at end of year (see instructions) _____

(a) Name of MTIA, CCT, PSA, or 103-12IE _____

(b) Name of sponsor of entity listed in (a) _____

(c) EIN-PN _____ **(d)** Entity code ____ **(e)** Dollar value of interest in MTIA, CCT, PSA, or 103-12IE at end of year (see instructions) _____

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Part II Information on Participating Plans (to be completed by DFEs)

(a) Plan name _____

(b) Name of plan sponsor _____ (c) EIN-PN _____

(a) Plan name _____

(b) Name of plan sponsor _____ (c) EIN-PN _____

(a) Plan name _____

(b) Name of plan sponsor _____ (c) EIN-PN _____

(a) Plan name _____

(b) Name of plan sponsor _____ (c) EIN-PN _____

(a) Plan name _____

(b) Name of plan sponsor _____ (c) EIN-PN _____

(a) Plan name _____

(b) Name of plan sponsor _____ (c) EIN-PN _____

(a) Plan name _____

(b) Name of plan sponsor _____ (c) EIN-PN _____

(a) Plan name _____

(b) Name of plan sponsor _____ (c) EIN-PN _____

SCHEDULE H (Form 5500)

Department of the Treasury
Internal Revenue Service

Department of Labor
Employee Benefits Security Administration

Pension Benefit Guaranty Corporation

Financial Information

This schedule is required to be filed under Section 104 of the Employee Retirement Income Security Act of 1974 (ERISA) and section 6058(a) of the Internal Revenue Code (the Code).

▶ **File as an attachment to Form 5500.**

Official Use Only

OMB No. 1210-0110

2007

This Form is Open to Public Inspection.

For calendar year 2007 or fiscal plan year beginning , and ending ,

A Name of plan KIMBERLITE 401(K) PLAN	**B** Three-digit plan number ▶ 001
C Plan sponsor's name as shown on line 2a of Form 5500 KIMBERLITE CORPORATION	**D** Employer Identification Number 77-0444505

Part I Asset and Liability Statement

1 Current value of plan assets and liabilities at the beginning and end of the plan year. Combine the value of plan assets held in more than one trust. Report the value of the plan's interest in a commingled fund containing the assets of more than one plan on a line-by-line basis unless the value is reportable on lines 1c(9) through 1c(14). Do not enter the value of that portion of an insurance contract which guarantees, during this plan year, to pay a specific dollar benefit at a future date. **Round off amounts to the nearest dollar.** MTIAs, CCTs, PSAs, and 103-12 IEs do not complete lines 1b(1), 1b(2), 1c(8), 1g, 1h, and 1i. CCTs, PSAs, and 103-12 IEs also do not complete lines 1d and 1e. See instructions.

Assets		(a) Beginning of Year	(b) End of Year
a Total noninterest-bearing cash	a		
b Receivables (less allowance for doubtful accounts):			
(1) Employer contributions	b(1)		
(2) Participant contributions	b(2)		
(3) Other	b(3)		
c General investments:			
(1) Interest-bearing cash (include money market accounts & certificates of deposit)	c(1)		
(2) U.S. Government securities	c(2)		
(3) Corporate debt instruments (other than employer securities):			
(A) Preferred	c(3)(A)		
(B) All other	c(3)(B)		
(4) Corporate stocks (other than employer securities):			
(A) Preferred	c(4)(A)		
(B) Common	c(4)(B)		
(5) Partnership/joint venture interests	c(5)		
(6) Real estate (other than employer real property)	c(6)		
(7) Loans (other than to participants)	c(7)		
(8) Participant loans	c(8)	52137	40728
(9) Value of interest in common/collective trusts	c(9)	159994	99680
(10) Value of interest in pooled separate accounts	c(10)		
(11) Value of interest in master trust investment accounts	c(11)		
(12) Value of interest in 103-12 investment entities	c(12)		
(13) Value of interest in registered investment companies (e.g., mutual funds)	c(13)	1136668	1384917
(14) Value of funds held in insurance co. general account (unallocated contracts)	c(14)		
(15) Other	c(15)		

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		(a) Beginning of Year	(b) End of Year
1d Employer-related investments:			
(1) Employer securities	d(1)		
(2) Employer real property	d(2)		
e Buildings and other property used in plan operation	e		
f Total assets (add all amounts in lines 1a through 1e)	f	1352857	1525325
Liabilities			
g Benefit claims payable	g		
h Operating payables	h		
i Acquisition indebtedness	i		
j Other liabilities	j		
k Total liabilities (add all amounts in lines 1g through 1j)	k	0	0
Net Assets			
l Net assets (subtract line 1k from line 1f)	l	1352857	1525325

Part II Income and Expense Statement

2 Plan income, expenses, and changes in net assets for the year. Include all income and expenses of the plan, including any trust(s) or separately maintained fund(s) and any payments/receipts to/from insurance carriers. Round off amounts to the nearest dollar. MTIAs, CCTs, PSAs, and 103-12 IEs do not complete lines 2a, 2b(1)(E), 2e, 2f, and 2g.

Income		(a) Amount	(b) Total
a **Contributions:**			
(1) Received or receivable in cash from: (A) Employers	a(1)(A)		
(B) Participants	a(1)(B)	141367	
(C) Others (including rollovers)	a(1)(C)	11031	
(2) Noncash contributions	a(2)		
(3) Total contributions. Add lines **2a(1)(A), (B), (C),** and line **2a(2)**	a(3)		152398
b **Earnings on investments:**			
(1) Interest:			
(A) Interest-bearing cash (including money market accounts and certificates of deposit)	b(1)(A)		
(B) U.S. Government securities	b(1)(B)		
(C) Corporate debt instruments	b(1)(C)		
(D) Loans (other than to participants)	b(1)(D)		
(E) Participant loans	b(1)(E)	3341	
(F) Other	b(1)(F)		
(G) Total interest. Add lines **2b(1)(A)** through **(F)**	b(1)(G)		3341
(2) Dividends: (A) Preferred stock	b(2)(A)		
(B) Common stock	b(2)(B)		
(C) Total dividends. Add lines **2b(2)(A)** and **(B)**	b(2)(C)		
(3) Rents	b(3)		
(4) Net gain (loss) on sale of assets: (A) Aggregate proceeds	b(4)(A)		
(B) Aggregate carrying amount (see instructions)	b(4)(B)		
(C) Subtract line **2b(4)(B)** from line **2b(4)(A)** and enter result.	b(4)(C)		

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		(a) Amount	(b) Total
2b (5) Unrealized appreciation (depreciation) of assets: (A) Real estate	b(5)(A)		
(B) Other	b(5)(B)		
(C) Total unrealized appreciation of assets. Add lines **2b(5)(A)** and **(B)**	b(5)(C)		
(6) Net investment gain (loss) from common/collective trusts	b(6)		0
(7) Net investment gain (loss) from pooled separate accounts	b(7)		
(8) Net investment gain (loss) from master trust investment accounts	b(8)		
(9) Net investment gain (loss) from 103-12 investment entities	b(9)		
(10) Net investment gain (loss) from registered investment companies (e.g., mutual funds)	b(10)		163,811
c Other income	c		
d Total income. Add all **income** amounts in column (b) and enter total	d		319550
Expenses			
e Benefit payment and payments to provide benefits:			
(1) Directly to participants or beneficiaries, including direct rollovers	e(1)	145493	
(2) To insurance carriers for the provision of benefits	e(2)		
(3) Other	e(3)		
(4) Total benefit payments. Add lines **2e(1)** through **(3)**	e(4)		145493
f Corrective distributions (see instructions)	f		
g Certain deemed distributions of participant loans (see instructions)	g		
h Interest expense	h		
i Administrative expenses: (1) Professional fees	i(1)		
(2) Contract administrator fees	i(2)		
(3) Investment advisory and management fees	i(3)		
(4) Other	i(4)	1589	
(5) Total administrative expenses. Add lines **2i(1)** through **(4)**	i(5)		1589
j Total expenses. Add all **expense** amounts in column (b) and enter total	j		147082
Net Income and Reconciliation			
k Net income (loss) (subtract line 2j from line 2d)	k		172,468
l Transfers of assets			
(1) To this plan	l(1)		
(2) From this plan	l(2)		

Part III Accountant's Opinion

3 Complete lines 3a through 3c if the opinion of an independent qualified public accountant is attached to this Form 5500. Complete line 3d if an opinion is not attached.

a The attached opinion of an independent qualified public accountant for this plan is (see instructions):
(1) [X] Unqualified (2) [ ] Qualified (3) [ ] Disclaimer (4) [ ] Adverse

b Did the accountant perform a limited scope audit pursuant to 29 CFR 2520.103-8 and/or 103-12(d)? [X] Yes [ ] No

c Enter the name and EIN of the accountant (or accounting firm) ▶ 77-0183229
FINCH OCHELTREE & CO

d The opinion of an independent qualified public accountant is **not attached** because:
(1) [ ] this form is filed for a CCT, PSA or MTIA. (2) [ ] it will be attached to the next Form 5500 pursuant to 29 CFR 2520.104-50.

Official Use Only

Part IV Transactions During Plan Year

4 CCTs and PSAs do not complete Part IV. MTIAs, 103-12 IEs, and GIAs do not complete 4a, 4e, 4f, 4g, 4h, 4k, or 5. 103-12 IEs also do not complete 4j.

During the plan year:		Yes	No	Amount
a Did the employer fail to transmit to the plan any participant contributions within the time period described in 29 CFR 2510.3-102? (See instructions and DOL's Voluntary Fiduciary Correction Program.)	a		X	
b Were any loans by the plan or fixed income obligations due the plan in default as of the close of plan year or classified during the year as uncollectible? Disregard participant loans secured by participant's account balance. (Attach Schedule G (Form 5500) Part I if "Yes" is checked)	b		X	
c Were any leases to which the plan was a party in default or classified during the year as uncollectible? (Attach Schedule G (Form 5500) Part II if "Yes" is checked)	c		X	
d Were there any nonexempt transactions with any party-in-interest? (Do not include transactions reported on line 4a. Attach Schedule G (Form 5500) Part III if "Yes" is checked on line 4d.)	d		X	
e Was this plan covered by a fidelity bond?	e	X		500,000.
f Did the plan have a loss, whether or not reimbursed by the plan's fidelity bond, that was caused by fraud or dishonesty?	f		X	
g Did the plan hold any assets whose current value was neither readily determinable on an established market nor set by an independent third party appraiser?	g		X	
h Did the plan receive any noncash contributions whose value was neither readily determinable on an established market nor set by an independent third party appraiser?	h		X	
i Did the plan have assets held for investment? (Attach schedule(s) of assets if "Yes" is checked, and see instructions for format requirements)	i	X		
j Were any plan transactions or series of transactions in excess of 5% of the current value of plan assets? (Attach schedule of transactions if "Yes" is checked and see instructions for format requirements)	j		X	
k Were all the plan assets either distributed to participants or beneficiaries, transferred to another plan, or brought under the control of the PBGC?	k		X	

5a Has a resolution to terminate the plan been adopted during the plan year or any prior plan year? If yes, enter the amount of any plan assets that reverted to the employer this year ☐ **Yes** ☒ **No** **Amount** _____

5b If, during this plan year, any assets or liabilities were transferred from this plan to another plan(s), identify the plan(s) to which assets or liabilities were transferred. (See instructions).

5b(1) Name of plan(s)	**5b(2)** EIN(s)	**5b(3)** PN(s)

Official Use Only

SCHEDULE R (Form 5500)

Department of the Treasury
Internal Revenue Service

Department of Labor
Employee Benefits Security Administration

Pension Benefit Guaranty Corporation

Retirement Plan Information

This schedule is required to be filed under sections 104 and 4065 of the Employee Retirement Income Security Act of 1974 (ERISA) and section 6058(a) of the Internal Revenue Code (the Code).

▶ **File as an Attachment to Form 5500.**

OMB No. 1210-0110

2007

This Form is Open to Public Inspection.

For calendar year 2007 or fiscal plan year beginning , and ending ,

A Name of plan KIMBERLITE 401(K) PLAN	**B** Three-digit plan number ▶ 001
C Plan sponsor's name as shown on line 2a of Form 5500 KIMBERLITE CORPORATION	**D** Employer Identification Number 77-0444505

Part I Distributions

All references to distributions relate only to payments of benefits during the plan year.

1 Total value of distributions paid in property other than in cash or the forms of property specified in the instructions . . . . . 1 $ 0

2 Enter the EIN(s) of payor(s) who paid benefits on behalf of the plan to participants or beneficiaries during the year (if more than two, enter EINs of the two payors who paid the greatest dollar amounts of benefits). 04-6568107

Profit-sharing plans, ESOPs, and stock bonus plans, skip line 3.

3 Number of participants (living or deceased) whose benefits were distributed in a single sum, during the plan year 3

Part II Funding Information (If the plan is not subject to the minimum funding requirements of section 412 of the Internal Revenue Code or ERISA section 302, skip this Part)

4 Is the plan administrator making an election under Code section 412(c)(8) or ERISA section 302(c)(8)? . . . . . ☐ Yes ☐ No ☐ N/A

If the plan is a defined benefit plan, go to line 7.

5 If a waiver of the minimum funding standard for a prior year is being amortized in this plan year, see instructions, and enter the date of the ruling letter granting the waiver . . . . . ▶ Month ____ Day ____ Year ____

If you completed line 5, complete lines 3, 9, and 10 of Schedule B and do not complete the remainder of this schedule.

6a	Enter the minimum required contribution for this plan year	6a $
b	Enter the amount contributed by the employer to the plan for this plan year	6b $
c	Subtract the amount in line 6b from the amount in line 6a. Enter the result (enter a minus sign to the left of a negative amount)	6c $

If you completed line 6c, skip lines 7 and 8 and complete line 9.

7 If a change in actuarial cost method was made for this plan year pursuant to a revenue procedure providing automatic approval for the change or a class ruling letter, does the plan sponsor or plan administrator agree with the change? . . ☐ Yes ☐ No ☐ N/A

Part III Amendments

8 If this is a defined benefit pension plan, were any amendments adopted during this plan year that increased or decreased the value of benefits? If yes, check the appropriate box(es). If no, check the "No" box. (See instructions.) . . . . . ☐ Increase ☐ Decrease ☐ No

Part IV Coverage (See instructions.)

9 Check the box for the test this plan used to satisfy the coverage requirements . . . . ☐ the ratio percentage test ☐ average benefit test

Financial Statements

Kimberlite Corporation 401(k) Plan

December 31, 2007 & 2006

and for the years then ended

Kimberlite Corporation 401(k) Plan

Index to Financial Statements

December 31, 2007 and 2006

	Page(s)
Independent Auditor's Report	1
Statement of Net Assets Available for Benefits	2
Statements of Changes in Net Assets Available for Benefits	3
Notes to Financial Statements	4 - 9
Supplemental Schedules	10

Independent Auditor's Report

To the Administrative Committee of
the Kimberlite Corporation 401(k) Plan
Fresno, California

We were engaged to audit the Financial Statements of the Kimberlite Corporation 401(k) Plan as of December 31, 2007 and 2006, and for the year ended December 31, 2007 and the supplemental schedules as of and for the year ended December 31,2007 as listed in the accompanying index. These financial statements and supplemental schedules are the responsibility of the Plan's management.

As permitted by 29 CFR 2520.103-8 of the Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974, the plan administrator instructed us not to perform, and we did not perform, any auditing procedures with respect to the information summarized in Note 4, which was certified by Fidelity Investments, the custodian of the Plan, except for comparing the information with the related information included in the financial statements and the supplemental schedules. We have been informed by the plan administrator that the custodian holds the Plan's investment assets and executes investment transactions. The plan administrator has obtained a certification from the custodian as of and for the year ended December 31, 2007 and 2006, that the information provided to the plan administrator by the custodian is complete and accurate.

Because of the significance of the information that we did not audit, we are unable to, and do not, express an opinion on the accompanying financial statements and supplemental schedules taken as a whole. The form and content of the information included in the financial statements and supplemental schedules, other than that derived from the information certified by the custodian, have been audited by us in accordance with auditing standards generally accepted in the United States of America and, in our opinion, are presented in compliance with the Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974.

Finch, Ocheltree, Rowland & Shoopman, LLP
Certified Public Accountants
Fresno, CA

September 1, 2008

Kimberlite Corporation 401(k) Plan
Statement of Net Assets Available for Benefits
December 31, 2007 and 2006

	2007	2006
Assets		
Investments at fair value (Note 4)	$ 1,470,109	$ 1,300,299
Receivables		
Participant loans	40,728	52,137
Interest	537	421
Contributions	13,951	0
Total Receivables	$ 55,216	$ 52,558
Total Assets	$ 1,525,325	$ 1,352,857
Net assets available for benefits	$ 1,525,325	$ 1,352,857

Kimberlite Corporation 401(k) Plan
Statement of Changes in Net Assets Available for Benefits
For the Year Ended December 31, 2007

		2007
Additions to Net Assets Attributed to		
Investment income		
Appreciation in fair value of investments (Note 4)	$	61,820
Interest and dividends		101,991
Net investment income	$	163,811
Contributions		
Participants		141,367
Rollover		11,031
Loan interest		3,341
Total additions	$	319,550
Deductions from Net Assets Attributed to		
Benefits paid directly to participants	$	145,493
Administrative expenses		1,589
Total deductions	$	147,082
Net increase	$	172,468
Net assets available for benefits		
Beginning of year		1,352,857
End of year	$	1,525,325

See Accompanying Notes and Accountants' Report

1. Description of Plan

The following brief description of the Kimberlite Corporation (Company) 401(k) Plan (Plan) is provided for general information purposes only. Participants should refer to the Plan Documents for more complete information.

General

The Plan is a defined contribution plan covering all full-time employees. Employees are eligible to participate on the first day of the month following their hire date. Employees cannot be covered by a collective bargaining agreement for which retirement benefits have been the subject of good faith negotiations. The Plan is subject to the provisions of the Employee Retirement Income Security Act (ERISA).

Contributions

Participants who have attained age 50 before the end of the Plan year are eligible to make catch-up contributions. Participants may also contribute amounts representing distributions from qualified defined benefit or defined contribution plans. Participants direct the investment of their contributions into various investment options offered by the Plan.

Participant accounts

Participant accounts are credited with participant deferrals up to 15% of eligible compensation or $15,500 in a calendar year

Vesting

On January 1, 2003 the Company formed an Employee Stock Ownership Plan and discontinued employer contributions to the 401(k) Plan. The employer matching contributions made prior to forming the Employee Stock Owners Plan will become vested based on the following schedule:

Years of Credited Service	Percent Vested and Non-Forfeitable
4 years or more	100%

Upon the attainment of normal retirement age, or in the event of termination of an employee's participation by reason of the participant's death or disability, the full value of the participant's account will become vested and non-forfeitable.

1. Description of Plan (Continued)

Upon termination of employment, the non-vested portion of a participant's employer account will be forfeited and remain in the Plan to be used for administrative expenses. Forfeitures of $2,308 have been credited during 2007.

Investment options

Each participant is responsible for choosing his/her own investment alternatives. A participant may direct his/her account among the following Fidelity Investment Funds:

Investment Funds	Investment Type
Fidelity Managed Income Portfolio	Short Term Securities
Fidelity Investment Grade Bond Fund	Corporate Bonds
Fidelity Puritan Fund	60% Stock 40% Bonds
Fidelity Equity-Income fund	Stocks
Fidelity Fund	Stocks
Fidelity Blue Chip Growth Fund	Stocks
Fidelity Emerging Markets	Stocks
Fidelity Aggressive Growth Fund	Stocks
Fidelity Diversified International Fund	International Stocks
Fidelity OTC Portfolio	Stocks
Fidelity Value	Stocks
Fidelity Dividend Growth	Stocks
Fidelity Small Cap Stock	Stocks
Fidelity Freedom Income	Stocks
Fidelity Freedom 2000	Stocks
Fidelity Freedom 2010	Stocks
Fidelity Freedom 2020	Stocks
Fidelity Freedom 2030	Stocks
Fidelity Freedom 2040	Stocks
Spartan US Equity Index	Stocks
Fidelity Freedom 2005	Stocks
Fidelity Freedom 2015	Stocks
Fidelity Freedom 2025	Stocks
Fidelity Freedom 2035	Stocks
Fidelity Freedom 2045	Stocks

1. Description of Plan (Continued)

Amendment and termination of plan

The Employer shall have the right to amend the Plan by resolution of the Employer's Board of Directors, provided that no amendment shall attempt to cause any of the assets of the Plan to be used for or diverted to purposes other than for the exclusive benefit of participants or their beneficiaries.

In the event the Employer elects to terminate the Plan or discontinue operation of its business, the entire interest of the participants shall vest 100% immediately and be non-forfeitable.

Participant loans

The Plan allows participants to obtain loans from a minimum of $1,000 to a maximum of $50,000 as approved by the plan administrator. The participant may have only one loan outstanding at any time, the loan shall bear a reasonable rate of interest, and will be repaid on at least a quarterly basis over a five year period, unless it is for the purchase of a principal residence, in which case it may be repaid over ten years

2. Investment Valuation and Income Recognition

The Plan's investments are stated at fair value. Quoted market prices are used to value investments. Shares of mutual funds are valued at the net asset value of shares held by the Plan at year end. Participant loans are valued at their outstanding balances, which approximate fair value.

Purchases and sales of securities are recorded on a trade-date basis. Dividends are recorded on the ex-dividend date.

3. Summary of Significant Accounting Policies

Basis of presentation

The accompanying financial statements have been prepared on the accrual basis of accounting and present the net assets available for plan benefits and changes in those net assets at current values. The difference between current value and the cost of the investments is reflected in the statement of changes in net assets available for plan benefits as appreciation in fair value of investments.

3. Summary of Significant Accounting Policies (Continued)

Basis of presentation (continued)

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and changes thereto and disclosure of contingent assets and liabilities. Actual results could differ from those estimates.

Federal income taxes

The Plan files an annual informational return/report (Form 5500) with the Internal Revenue Service under the tax exempt status allowed under the provisions of the Internal Revenue Code Sections 501(a).

Concentration of credit risk

Financial Accounting Standards Board Statement No. 105 requires disclosure in the financial statements relating to concentrations of credit risk and financial instruments with off-balance-sheet risk. Financial instruments that potentially subject the Plan to concentrations of credit risk consist principally of investments, which are subject to market fluctuations and/or changes in interest rates. Due to the level of risk associated with certain investment securities, it is at least reasonably possible that changes in the values of investment securities will occur in the near term and that such changes could materially affect participants' account balances and the amounts reported in the statement of net assets available for benefits.

4. Investments

The following information included in the accompanying financial statements was obtained from data that has been prepared and certified to as complete and accurate by the trustee.

Investments are held at Fidelity and are valued at fair value as determined by quoted market prices as of the plan year end. The investments and their respective current balances at December 31, 2007, are as follows:

Investment	Shares	Fair Value	Realized/Unrealized Appreciation (Depreciation)	Interest/ Dividend
Fidelity Fund	1163.415	$ 46,362	$ 4,031	$ 2,187
Fidelity Puritan *	5953.779	113,300	(5,872)	12,040
Fidelity Equity Inc *	1930.560	106,490	(6,701)	7,551
Fidelity Invst Gr Bd *	10733.700	77,175	(1,731)	3,578
Fidelity Value	517.010	38,781	(1,764)	3,600
Fidelity OTC Port	1130.366	58,971	11,513	0
Fidelity Blue Chip *	6725.923	296,344	(2,227)	31,796
Fidelity Emerg Mrkts *	4945.632	167,410	39,644	7,382
Fidelity Aggr Growth *	5167.354	118,952	16,846	38
Fidelity Divers Intl *	2752.426	109,822	8,347	7,877
Fidelity Dividend Growth	608.730	17,897	(1,380)	1,412
Fidelity SM CAP Stk *	4150.568	72,344	(2,241)	11,616
Fidelity Freedom Income	63.918	732	(10)	33
Fidelity Freedom 2000	51.625	639	(14)	30
Fidelity Freedom 2010	2667.804	39,537	434	2,222
Fidelity Freedom 2020	252.988	4,000	108	366
Fidelity Freedom 2030	2592.955	42,836	1,392	2,795
Fid Mgd Inc Port *	100763.540	100,763	(11)	5,226
Spartan US Equity Index	547.753	28,428	666	518
Fidelity Freedom 2040	2807.433	27,316	498	1,612
Fidelity Freedom 2005	.821	10	95	1
Fidelity Freedom 2015	21.317	266	116	17
Fidelity Freedom 2025	64.121	845	60	52
Fidelity Freedom 2035	62.195	851	21	41
Fidelity Freedom 2045	3.278	38	0	1
		$ 1,470,109	$ 61,820	$ 101,991

*Investments that represent 5% or more of the plan net assets.

5. Tax Status

Although the Plan has not requested a determination letter from the Internal Revenue Service concerning the Plan's tax status, the Plan has been based on a prototype plan and the employer believes the Plan is designed and is currently being operated in compliance with applicable requirements of the Internal Revenue Code.

6. Plan Termination

Although it has not expressed any intent to do so, the Company has the right under the Plan to terminate the Plan subject to provisions of ERISA. In the event of Plan termination, participants would become 100 percent vested in their employer contributions.

Kimberlite Corporation 401(k) Plan
Supplemental Schedules
December 31, 2007

Schedule of Delinquent Participant Contributions

(a) Identity of party involved	(b) Relationship to plan, employer or other party-in-interest	(c) Description of transaction, including rate of interest	(d) Amount on line 4(a)	(e) Lost interest
Kimberlite Corporation	Plan Sponsor	Employee deferrals not deposited to Plan in a timely manner. Interest rate of 8% per annum.	$ 34,098	$116
Total			$ 34,098	$116

It was noted that there were unintentional delays by the Company in submitting 2007 employee deferrals. Management has implemented policies and procedures to ensure that employee deferrals are contributed timely according to DOL regulations.

Form **5558**
(Rev. January 2008)
Department of the Treasury
Internal Revenue Service

Application for Extension of Time To File Certain Employee Plan Returns

▶ For Privacy Act and Paperwork Reduction Act Notice, see instructions on page 3.

OMB No. 1545-0212

File With IRS Only

Part I Identification

A Name of filer, plan administrator, or plan sponsor (see instructions)
Kimberlite Corporation

Number, street, and room or suite no. (If a P.O. box, see instructions)
3621 W. Beechwood, Suite 105

City or town, state, and ZIP code
Fresno, CA 937110648

B Filer's identifying number (see instructions).
☒ Employer identification number (EIN).
77 0444505
☐ Social security number (SSN)

C	Plan name	Plan number	Plan year ending— MM	DD	YYYY
1	Kimberlite 401(k) Plan	0 0 1	12	31	2007
2					
3					

Part II Extension of Time to File Form 5500 or Form 5500-EZ *(see instructions)*

1 I request an extension of time until 10 / 15 / 2008 to file Form 5500 or Form 5500-EZ.

The application **is automatically approved** to the date shown on line 1 (above) if: **(a)** the Form 5558 is filed on or before the normal due date of Form 5500 or 5500-EZ for which this extension is requested, and **(b)** the date on line 1 is no more than 2½ months after the normal due date.

You must attach a copy of this Form 5558 to each Form 5500 and 5500-EZ filed after the due date for the plans listed in C above.

Note. A signature is not required if you are requesting an extension to file Form 5500 or Form 5500-EZ.

Part III Extension of Time to File Form 5330 *(see instructions)*

2 I request an extension of time until ____ / ____ / ____ to file Form 5330.
You may be approved for up to a six (6) month extension to file Form 5330, after the normal due date of Form 5330.

a Enter the Code section(s) imposing the tax . . . . . ▶ a

b Enter the payment amount attached . . . . . ▶ b

c For excise taxes under section 4980 or 4980F of the Code, enter the reversion/amendment date . . . ▶ c

3 **State in detail why you need the extension**

Copy

Under penalties of perjury, I declare that to the best of my knowledge and belief, the statements made on this form are true, correct, and complete, and that I am authorized to prepare this application.

Signature ▶ **Date** ▶