

**DEV INVESTMENTS INC.**  
**Statement of Loss and Deficit**  
**Nine months ended August 31, 2002 and 2001**

|                              | <u>2002</u>      | <u>2001</u>  |
|------------------------------|------------------|--------------|
| EXPENSES                     |                  |              |
| Professional fees            | \$ 30,883        | 0            |
| Rent                         | 2,929            | 0            |
| Corporate fees               | 6,247            | 0            |
| Office and sundry            | <u>595</u>       | <u>0</u>     |
|                              | <u>40,654</u>    | <u>0</u>     |
| LOSS FROM OPERATIONS         | 40,654           | 0            |
| OTHER INCOME                 |                  |              |
| Interest                     | <u>850</u>       | <u>0</u>     |
| NET LOSS                     | 39,804           | 0            |
| DEFICIT, BEGINNING OF PERIOD | <u>10,461</u>    | <u>0</u>     |
| DEFICIT, END OF PERIOD       | \$ <u>50,265</u> | <u>0</u>     |
| LOSS PER SHARE               | \$ <u>0.015</u>  | <u>0.000</u> |

**DEV INVESTMENTS INC.****Balance Sheet****At August 31, 2002 and 2001**

|   | <u>2002</u>       | <u>2001</u>    |
|---|-------------------|----------------|
| <b>Assets</b>                               |                   |                |
| Current assets                              |                   |                |
| Cash and short-term deposits                | \$ 271,324        | 112,500        |
| Accrued interest                            | 850               | 0              |
| Funds held in trust                         | 1,002             | 0              |
| Prepaid expenses                            | 4,167             | 0              |
| Advances to related party                   | <u>4,000</u>      | <u>0</u>       |
|   | \$ <u>281,343</u> | <u>112,500</u> |
| <b>Liabilities and Shareholders' Equity</b> |                   |                |
| Current liabilities                         |                   |                |
| Accounts payable                            | \$ <u>2,394</u>   | <u>0</u>       |
| <b>Share capital</b>                        | 329,214           | 112,500        |
| <b>Deficit</b>                              | <u>(50,265)</u>   | <u>0</u>       |
|   | \$ <u>281,343</u> | <u>112,500</u> |

**DEV INVESTMENTS INC.****Statement of Cash Flow****Nune months ended August 31, 2002 and 2001**

|  | <u>2002</u>       | <u>2001</u>    |
|--|-------------------|----------------|
| OPERATING ACTIVITIES                           |                   |                |
| Cash paid to suppliers                         | \$ (40,180)       | 0              |
| Interest received                              | 0                 | 0              |
|  | <u>(40,180)</u>   | <u>0</u>       |
| INVESTMENT ACTIVITIES                          |                   |                |
| Advances to related party                      | 5,000             | 0              |
|  | 9                 |                |
| CASH PROVIDED                                  | (35,180)          | 0              |
| CASH AND CASH EQUIVALENTS, BEGINNING OF PERIOD | <u>307,506</u>    | <u>112,500</u> |
| CASH AND CASH EQUIVALENTS, END OF PERIOD       | \$ <u>272,326</u> | <u>112,500</u> |
| CASH AND CASH EQUIVALENTS IS COMPRISED OF:     |                   |                |
| Cash in bank                                   | \$ 271,324        | 112,500        |
| Funds held in trust                            | <u>1,002</u>      | <u>0</u>       |
|  | <u>272,326</u>    | <u>112,500</u> |