

DEV INVESTMENTS INC.

(Unaudited)

FIRST QUARTER INTERIM REPORT

Period from December 1, 2002 to February 28, 2003

DEV INVESTMENTS INC.

Balance Sheet

February 28, 2003, with comparative figures for November 30, 2002

	February 28, 2003 (Unaudited)	November 30, 2002 (Audited)
Assets		
Current assets:		
Cash and short term deposits	\$ 125,962	\$ 128,390
Accrued interest	2,750	2,750
Funds held in trust	0	1,002
Prepaid expenses	119	119
Advances to related parties	6,000	6,000
Loan receivable	79,850	79,850
	<hr/>	<hr/>
	\$ 214,681	\$ 218,111
Liabilities and Shareholders' Equity		
Current liabilities:		
Accounts payable and accrued liabilities	\$ 1,678	\$ 4,172
Shareholders' equity:		
Share capital	329,214	329,214
Deficit	(116,211)	(115,275)
	<hr/>	<hr/>
	213,003	213,939
	<hr/>	<hr/>
	\$ 214,681	\$ 218,111

See accompanying notes to financial statements.

DEV INVESTMENTS INC.

Statements of Loss and Deficit

	Three Months Ended February 28 (Unaudited)	
	2003	2002
Interest income	\$ 224	\$ 0
Expenses		
Professional fees	0	0
Feasibility, advisory and due diligence	0	0
Corporate fees	0	2,193
Rent	760	1,367
Office and sundry	400	48
	<u>1,160</u>	<u>3,608</u>
Loss for the period	<u>(936)</u>	<u>(3,608)</u>
Deficit - Beginning of period	<u>(115,275)</u>	<u>(10,461)</u>
Deficit - End of period	<u>(116,211)</u>	<u>(14,069)</u>
Loss per common share	<u>\$ 0.0033</u>	<u>\$ 0.004</u>

(The accompanying notes are an integral part of these financial statements)

DEV INVESTMENTS INC.

Statements of Cash Flows

	Three Months Ended February 28 (Unaudited)	
	2003	2002
Operating activities		
Cash paid to suppliers	(2,652)	(1,415)
Interest received	224	630
	<u>(2,428)</u>	<u>(785)</u>
Investing activities		
Advances to related parties	0	5,000
Cash (required) provided	<u>(2,428)</u>	<u>4,215</u>
Cash and equivalents-Beginning of period	<u>128,390</u>	<u>307,506</u>
Cash and equivalents-End of period	<u>125,962</u>	<u>311,721</u>
Cash and equivalents comprised of:		
Cash in bank	125,962	304,762
Short term deposits	0	0
Funds held in trust	0	6,959
	<u>125,962</u>	<u>311,721</u>

(The accompanying notes are an integral part of these financial statements)

DEV INVESTMENTS INC.

Notes to Financial Statements (Unaudited)

The Corporation was incorporated by Certificate of Incorporation issued pursuant to the provisions of the Business Corporations Act (Alberta) on November 7, 2000 and commenced operations with the initial issuance of shares the same day. The articles of incorporation were amended by a Certificate of Amendment on April 9, 2001 to remove the private company provisions and the restrictions on share transfers. The principle business of the Corporation is to identify and evaluate corporations, assets or businesses with a view to their potential acquisition. The Corporation has completed a Capital Pool Company public offering by way of prospectus and its shares are listed for trading on the TSX Venture Exchange although the shares are currently suspended from trading under a cease trade order.

1. Accounting policies:

These interim financial statements should be read in conjunction with the Company's most recent annual financial statements.

These unaudited interim financial statements have been prepared by management in accordance with Canadian generally accepted accounting principles for interim financial information. Accordingly, they do conform in all respects to the requirements of Canadian generally accepted accounting principles for annual financial statements. These interim financial statements follow the same accounting policies and methods of application as the most recent annual financial statements.

3. Share capital:

	Number of Shares	Amount
Authorized:		
Unlimited number of common shares		
Unlimited number of preferred shares		
Common Shares Issued:		
November 7, 2000 – initial subscription	1,500,000	\$ 112,500
October 10, 2001 – public offering	2,000,000	300,000
Total	3,500,000	412,500
Deduct costs related to public offering		(83,286)
Balance, February 28, 2003	3,500,000	329,214

DEV INVESTMENTS INC.

Notes to Financial Statements, continued
(Unaudited)

There were no share transactions for the three months ended February 28, 2003.

Stock options

	Price	Number	Expiry Date
Directors' options	\$0.15	350,000	July 19,2006

Escrow shares

As at February 28, 2003 there are 1,500,000 common shares held in escrow pursuant to an escrow agreement dated October 10, 2001. The escrow shares are subject to release and restrictions governed by regulatory authority.