

DPC BIOSCIENCES CORPORATION

**CONSOLIDATED
FINANCIAL STATEMENTS**

AS AT FEBRUARY 28, 2006

(Unaudited)

DPC BIOSCIENCES CORPORATION

FEBRUARY 28, 2006

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DPC BIOSCIENCES CORPORATION
BALANCE SHEET
AS AT FEBRUARY 28, 2006 AND NOVEMBER 30, 2005
(Unaudited)

	February 28 2006	November 30 2005 (Audited)
ASSETS		
Current assets		
Cash	\$ 418,891	\$ 12,823
Accounts Receivable	2,517	6,107
	\$ 421,408	\$ 18,930
LIABILITIES AND SHAREHOLDERS' EQUITY		
CURRENT LIABILITIES		
Accounts Payable and Accrued Liabilities	\$ 13,104	\$ 278,039
Current portion of long-term debt	0	52,904
	13,104	330,943
SHAREHOLDERS' EQUITY		
Capital Stock (Note 2)	6,063,921	5,613,921
Contributed surplus	1,992,125	1,992,125
Deficit	(7,647,742)	(7,918,059)
	408,304	(312,013)
	\$ 421,408	\$ 18,930

On behalf of the Board

Signed "*Christopher Kape*", Director

Signed "*Morden C. Lazarus*", Director

DPC BIOSCIENCES CORPORATION
STATEMENT OF OPERATIONS AND DEFICIT
FOR THE THREE MONTHS ENDED FEBRUARY 28, 2006 AND 2005
(Unaudited)

	February 28 2006	February 28 2005
Revenue	\$ 0	\$ 0
Operating Expenses		
Consulting Fees	\$ 16,500	\$ 0
Professional Fees	22,090	7,181
General and administrative	13,783	1,862
Loss before extraordinary item and discontinued operations	52,373	9,043
Gain on Sale of Subsidiary (Note 3)	322,690	0
INCOME FOR THE PERIOD	270,317	9,043
DEFICIT, Beginning of the Period	7,918,059	1,615,429
DEFICIT, End of Period	7,647,742	1,624,472
Net earnings (loss) per share, basic and fully diluted	\$ 0.01	\$ 0.00
Weighted average number of common shares basic and fully diluted	23,506,533	19,006,533

DPC BIOSCIENCES CORPORATION
STATEMENT OF CASH FLOWS
FOR THE THREE MONTHS ENDED FEBRUARY 28, 2006 AND 2005
(Unaudited)

	February 28 2006	February 28 2005
Cash Flows from (used in) Operating Activities		
Net Income (Loss)	\$ 270,317	\$ (9,043)
Adjustments to reconcile net loss to net cash provided by (used in) operating activities		
Gain on Sale of Subsidiary	(322,690)	0
Accounts receivable	3,579	(368)
Accounts Payable	<u>4,852</u>	<u>72</u>
Net Cash provided by (used in) Operating Activities	(43,942)	(9,339)
Cash Flows from (used in) Investing Activities		
Proceeds from Disposition of Subsidiary	<u>10</u>	<u>0</u>
Net Cash provided by (used in) Investing Activities	10	0
Cash Flows from (used in) Financing Activities		
Capital Stock	<u>450,000</u>	<u>0</u>
Net Cash provided by (used in) Financing Activities	450,000	0
Increase (decrease) in Cash and Cash Equivalents	406,068	(9,339)
Cash and Cash Equivalents at beginning of Period	<u>12,823</u>	<u>13,471</u>
Cash and Cash Equivalents at end of Period	\$ <u><u>418,891</u></u>	\$ <u><u>4,132</u></u>

**DPC BIOSCIENCES CORPORATION
NOTES TO FINANCIAL STATEMENTS
AS AT FEBRUARY 28, 2006
(UNAUDITED)**

1. Basis of Presentation

(a) Interim financial statements

The financial statements included in this report are unaudited and reflect normal and recurring adjustments which are, in the opinion of the Company, considered necessary for a fair presentation. These financial statements have been prepared in conformity with Canadian generally accepted accounting principles and should be read in connection with the consolidated financial statements and the notes thereto as at and for the year ended November 30, 2005.

(b) Going concern

The financial statements are prepared in accordance with generally accepted accounting principles with the assumption that the Corporation will be able to realize its assets and discharge its liabilities in the normal course of business as a going concern.

The Corporation is currently reorganizing and has sustained material losses in recent years. Therefore, its continued existence will depend on its ability to secure future revenue producing activities and to successfully arrange for the financing of these activities.

2. Capital Stock

Authorized: Unlimited number of common shares

	February 28, 2005	November 30, 2005
Issued and fully paid:		
29,006,533 (November 30, 2005 - 20,006,533)	\$ 6,063,921	\$ 5,613,921

On January 12, 2006, the Company completed a private placement of 3,000,000 common shares for total gross proceeds of \$150,000. Furthermore, effective January 30, 2006, the Company completed a private placement of 6,000,000 common shares for total gross proceeds of \$300,000

3. Disposition of Investment

On December 20, 2005 the Corporation sold all of its shares in DPC Biosciences Inc. for a total cash consideration of \$10 resulting in a gain of \$322,690.