DPVC INC.

FINANCIAL STATEMENTS

DECEMBER 31, 2009 and 2008

Scarrow & Donald LLP

SCARROW & DONALD LLP
CHARTERED ACCOUNTANTS
100 - Five Donald Street
Winnipeg, Manitoba R3L 2T4
Telephone: (204) 982-9800
Fax: (204) 474-2886
www.scarrowdonald.mb.ca

April 19, 2010

AUDITORS' REPORT

To the Shareholders of
DPVC Inc.:

We have audited the balance sheets of DPVC Inc. as at December 31, 2009 and 2008 and the statements of operations and deficit and cash flow for the year ended December 31, 2009 and for the period from the date of incorporation on June 3, 2008 to December 31, 2008. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on the financial statements based on our audits.

We conducted our audits in accordance with Canadian generally accepted auditing standards. Those standards require that we plan and perform an audit to obtain reasonable assurance whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation.

In our opinion, the financial statements present fairly, in all material respects, the financial position of the Company as at December 31, 2009 and 2008 and the results of its operations and its cash flows for the year ended December 31, 2009 and the period from the date of incorporation on June 3, 2008 to December 31, 2008 in accordance with Canadian generally accepted accounting principles.

Scarrow & Donald LLP

Chartered Accountants
Winnipeg, Canada

For this communication, together with the work done to prepare this communication and for the opinions we have formed, if any, we accept and assume responsibility only to the addressee of this communication, as specified in our letter of engagement.

DPVC INC.
BALANCE SHEETS
(expressed in Canadian Dollars)
As at December 31

	2009	2008
ASSETS		
Current		
Cash (note 4)	$ 301,007	$ 323,794
Accrued interest	-	109
Accounts receivable	803	3,828
	301,810	327,731
Deferred charges	72,608	-
	$ 374,418	$ 327,731
LIABILITIES AND SHAREHOLDERS' EQUITY		
Current		
Accounts payable and accrued liabilities	$ 78,113	$ 7,751
Shareholders' Equity		
Share capital (note 6)	318,297	318,297
Contributed surplus (note 7)	8,169	8,169
Deficit	(30,161)	(6,486)
	296,305	319,980
	$ 374,418	$ 327,731

Subsequent Events (note 13)

Approved by the Board:

"T. Richard Turner" — Director

"D. Neil McDonnell" — Director

The accompanying notes are an integral part of these financial statements.

DPVC INC.

STATEMENTS OF OPERATIONS AND DEFICIT
(expressed in Canadian Dollars)
For the period ended December 31

	For the year ended December 31, 2009	For the period from June 3, 2008 to December 31, 2008
EXPENSES		
Filing fees	$ 11,729	$ 3,128
Professional fees	9,857	5,151
Bank charges	170	9
General and administrative expenses	621	-
Write down of acquisition costs	1,318	-
	23,695	8,288
OTHER ITEM		
Interest income	20	1,802
Loss and Comprehensive Loss	(23,675)	(6,486)
Deficit, Beginning of Period	**(6,486)**	-
Deficit, End of Period	**($ 30,161)**	**($ 6,486)**
Basic and Diluted Loss Per Common Share (note 5)	**($ 0.01)**	**($ 0.01)**
Weighted Average Number of Common Shares Outstanding	**3,000,000**	**1,066,651**

The accompanying notes are an integral part of these financial statements.

DPVC INC.
STATEMENTS OF CASH FLOW
(expressed in Canadian Dollars)
For the period ended December 31

	For the year ended December 31, 2009	For the period from June 3, 2008 to December 31, 2008
CASH FLOWS FROM OPERATING ACTIVITIES		
Loss for the period	($ 23,675)	($ 6,486)
Changes in non-cash working capital items		
Change in accounts receivable	3,025	(3,828)
Change in accrued interest	109	(109)
Change in accounts payable and accrued liabilities	(2,246)	7,751
Cash flow from operating activities	**(22,787)**	**(2,672)**
CASH FLOW FROM FINANCING ACTIVITIES		
Issuance of common shares	-	400,000
Share issuance costs	-	(73,534)
Cash flow from financing activities	**-**	**326,466**
Change in cash for the period	**(22,787)**	**323,794**
Cash, Beginning of Period	**323,794**	**-**
Cash, End of Period	**$ 301,007**	**$ 323,794**

The accompanying notes are an integral part of these financial statements.

1. Incorporation

DPVC Inc. (the "Company") was incorporated under the *Canada Business Corporations Act* on June 3, 2008 and is classified as a capital pool company as defined in TSX Venture Exchange Inc. (the "Exchange") Policy 2.4. The Company issued share capital and commenced operations on June 30, 2008.

2. Summary of Significant Accounting Policies

An assumption underlying the preparation of financial statements in accordance with Canadian generally accepted accounting principles is that the entity will continue for the foreseeable future and will be able to realize its assets and discharge liabilities in the normal course of operations. These financial statements are prepared in accordance with Canadian generally accepted accounting principles, are expressed in Canadian dollars and include the following significant accounting policies.

a) Accounting changes

The Canadian Institute of Chartered Accountants amended Section 3862, titled "Financial Instruments – Disclosures" to improve disclosures related to fair value measurements of financial instruments, including the relative reliability of the inputs used in those measurements and liquidity risk. These disclosures are effective for the Company's December 31, 2009 annual financial statements. These amendments did not impact the Company's financial position or results of operations.

b) Accounting Estimates

The preparation of financial statements in accordance with Canadian generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amount of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amount of revenues and expenses during the reporting period. These estimates are reviewed periodically, and, as adjustments become necessary, they are reported in earnings in the period in which they become known.

c) Deferred charges

Deferred charges represent the costs related to the Qualifying Transaction and issuance of new common shares. These costs are not amortized and will be allocated at the time of successful conclusion of the Qualifying Transaction and public offering.

2. Summary of Significant Accounting Policies (continued)

d) Financial Instruments-

All financial instruments are required to be measured at fair value on initial recognition, except for certain related party transactions. Measurement in subsequent periods depends on whether the financial instrument has been classified as held for trading, available for sale, held to maturity, loans and receivables, or other liabilities. Transactions to purchase or sell financial assets are recorded on the settlement date.

Financial assets and financial liabilities classified as held-for-trading are subsequently measured at fair value with gains and losses recognized in net earnings. Financial assets classified as held-to-maturity, loans and receivables, and other liabilities are subsequently measured at their amortized cost, using the effective interest method. Available-for-sale financial assets are subsequently measured at fair value with unrealized gains and losses recognized in other comprehensive income until the financial asset is derecognized. Investments in equity instruments are classified as available-for-sale if they do not have a quoted market price in an active market and are measured at cost.

Net gains and losses arising from changes in fair value of loans and receivables, held-to-maturity investments, and other liabilities are recognized in net income upon derecognition or impairment. The Company does not reclassify a financial instrument into or out of the held-for-trading category while it is held or issued, except in rare circumstances.

Derivative instruments are recorded at fair value including those derivatives that are embedded in a financial instrument or other contract but are not closely related to the host financial instrument or contract, respectively. Changes in the fair values of derivative instruments are recognized in net earnings, except for derivatives that are designated as cash flow hedges, in which case the fair value change for the effective portion of such hedging relationships are recognized in other comprehensive income. The Company presently does not have any derivative financial instruments.

2. Summary of Significant Accounting Policies (continued)

The Company has designated its financial instruments as follows:

Financial Statement Item	Classification	Measurement
Cash	Held for trading	Fair Value
Accounts receivable	Loans and receivables	Amortized cost
Accounts payables	Other liabilities	Amortized cost

Transaction costs are expensed as incurred for financial instruments classified or designated as held for trading. For other financial instruments, transaction costs are added to the related financial asset or liability on initial recognition and are measured at amortized cost using the effective interest method.

The Company assesses impairment of all its financial assets, except those classified as held for trading. Management considers whether there has been a breach in contract, such as a default or delinquency in interest or principal payments in determining whether objective evidence of impairment exists. Impairment is measured as the difference between the asset's carrying value and its fair value. Impairment is included in current earnings.

Comprehensive income includes net income and other comprehensive income. Other comprehensive income generally includes unrealized gains and losses on financial assets classified as available-for-sale, unrealized foreign currency translation adjustments net of hedging arising from self-sustaining foreign operations, and changes in the fair value of the effective portion of cash flow hedging instruments. The Company's financial statements will include a statement of other comprehensive income for any items included in other comprehensive income while the cumulative amount and accumulated other comprehensive income, will be presented as a category of shareholders' equity.

2. Summary of Significant Accounting Policies (continued)

e) Fair values-

The fair value of a financial instrument is the amount of consideration that could be agreed upon in an arm's length transaction between knowledgeable, willing parties who are under no obligation to act. In certain circumstances, however, the initial fair value may be based on other observable current market transactions in the same instrument, without modification or on a valuation technique using market based inputs.

Fair value measurements recognized in the balance sheet are categorized using a fair value hierarchy that reflects the significance of inputs used in determining the fair values:

- Quoted prices (unadjusted) in active markets for identical assets or liabilities (Level 1)
- Inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e., as prices) or indirectly (i.e., derived from prices) (Level 2); and
- Inputs for the asset or liability that are not based on observable market date (unobserved inputs) (Level 3).

Each type of fair value is categorized based on the lowest level input that is significant to the fair value measurement in its entirety.

2. Summary of Significant Accounting Policies (continued)

f) Stock Options

The Company has a stock option plan available for officers, employees and directors. The fair value based method of accounting is applied to all stock-based compensation. Compensation expense for option based compensation awards is recognized when stock options are granted over the vesting periods. The fair value of stock options and warrants granted are estimated on the date of grant using the Black-Scholes option-pricing model. On the exercise of stock options, consideration received and the accumulated stock options amount relating thereto is credited to share capital. Awards of options and warrants related to private placements or public offerings of common shares are treated as share issue costs.

g) Cash

Cash consists of cash on deposit, and highly liquid short-term interest bearing securities with maturities at the date of purchase of three months or less.

h) Loss Per Share

The Company uses the treasury stock method to compute the dilutive effect of options, warrants and similar instruments. Under this method the dilutive effect on earnings per share is recognized on the use of the proceeds that could be obtained upon exercise of options, warrants and similar instruments. It assumes that the proceeds would be used to purchase common shares at the average market price during the period.

Common shares held in escrow that are only released upon contingent events are not included in the calculation of the weighted average number of common shares.

Basic loss per share is calculated by dividing the loss by the weighted average number of common shares outstanding during the year. The weighted average number of common shares outstanding during the year is net of contingently returnable common shares.

i) Revenue Recognition Accounting Policy

Interest revenue is recognized when reasonable assurance exists regarding measurement and collectability on a time proportion basis.

3. Future Changes to Significant Accounting Policies

CICA Handbook Section 1582 – Business Combinations will apply prospectively to business combinations for which the acquisition date is on or after the beginning of the first annual reporting period beginning on or after January 1st, 2011. CICA Handbook Sections 1601 – Consolidations and 1602 – Non-controlling interests will be effective for interim and annual financial statements relating to fiscal years beginning on or after January 1st, 2011. Earlier adoption of these sections is permitted as of the beginning of a fiscal year. All three sections must be adopted concurrently. These sections replace the former CICA Handbook Sections 1581 – Business Combinations and 1600 – Consolidated Financial Statements. CICA Handbook Section 1582 establishes standards for the accounting for a business combination. CICA Handbook Section 1601 establishes standards for the preparation of consolidated financial statements. CICA Handbook Section 1602 establishes standards for accounting for a non-controlling interest in a subsidiary in consolidated financial statements subsequent to a business combination. The Company is currently considering the effect on the financial statements of the new standards.

The CICA Accounting Standards Board has adopted a strategic plan for the direction of accounting standards in Canada. As part of that plan, accounting standards for public companies will be required to converge with International Financial Reporting Standards for fiscal years beginning on or after January 1, 2011 with comparative figures presented on the same basis.

The Company is currently in the process of evaluating the potential impact of IFRS to its consolidated financial statements. This will be an ongoing process as the International Accounting Standards Board and the AcSB issue new standards and recommendations. The Company's consolidated financial performance and financial position as disclosed in Company's current GAAP financial statements may be significantly different when presented in accordance with IFRS.

4. Restriction on Use of Proceeds

The proceeds raised from the issuance of share capital may only be used to identify and evaluate assets or businesses for future investment, with the exception that up to 30% of the gross proceeds may be used to cover prescribed costs of issuing the common shares or administrative and general expenses of the Company. These restrictions apply until completion of a Qualifying Transaction by the Company as defined under the policies of the Exchange.

5. Loss per Share

The weighted average basic and diluted common shares outstanding for the three months and nine months ended December 31, 2009 is 3,000,000 (2008: 1,066,651). As the company is in a loss position, stock options outstanding are anti-dilutive.

(expressed in Canadian dollars)

6. Share Capital

	Number of Common Shares	Amount
Authorized:		
Unlimited number of common shares		
Issued and outstanding:		
Common shares issued pursuant to private place at 0.10 per share (a)	2,000,000	$ 200,000
Common shares issued pursuant to initial public offering at $0.20 per share (b)	1,000,000	$ 200,000
Agent's options (b)		$ (8,169)
Share issuance costs (b)		$(73,534)
Balance as at December 31, 2009 and 2008	3,000,000	$ 318,297

(a) On June 30, 2008 the Company issued 2,000,000 common shares for cash consideration of $200,000. These common shares are held in escrow pursuant to the requirements of the Exchange to be released 10% on the issuance of the Final Exchange Bulletin (as defined under the policies of the Exchange) and 15% on each of the 6th, 12th, 18th, 24th, 30th and 36th months following the issuance of the Final Exchange Bulletin. All common shares acquired on exercise of stock options prior to the completion of a Qualifying Transaction must also be deposited in escrow and will be subject to escrow until the Final Exchange Bulletin is issued.

In addition, all common shares of the Company acquired in the secondary market prior to the completion of a Qualifying Transaction by any person or corporation who becomes a control person are required to be deposited in escrow. Subject to certain exemptions permitted by the exchange, all securities of the Company held by principals of the resulting issuer will also be escrowed.

(expressed in Canadian dollars)

7. Share Capital (continued)

(b) On October 17, 2008, the Company completed an initial public offering (the "Offering") by the issuance of 2,000,000 common shares at a price of $0.20 per common share for gross proceeds of $200,000. The agent for the Offering, (the "Agent"), received a cash commission of 10% of the gross proceeds of the Offering ($20,000) and reimbursement of the Agent's legal fees and an administration fee. The Agent was also granted 100,000 options (the "Agent's Options") equal to 10% of the number of common shares sold pursuant to the Offering (valued at $8,169) which was recorded as contributed surplus. Each Agent's Options entitles the Agent to purchase a common share for a period of 24 months from the date that the Company's common shares were listed on the TSX Venture Exchange (expiry date: October 16, 2010) at an exercise price of $0.20 per common share. Additional share issue costs of $73,534 were incurred in connection with the Offering.

8. Contributed Surplus

Balance as at December 31, 2009 and 2008	$ 8,169

9. Stock Options

Stock option transactions and the number of stock options outstanding are summarized as follows:

	Number of Options	Weighted Average Exercise Price
Opening, June 3, 2008	-	-
Stock options granted – October 17, 2008	100,000	$0.20
Balance, December 31, 2009 and 2008	100,000	$0.20

(expressed in Canadian dollars)

9. Stock Options (continued)

The following table summarizes information about stock options outstanding at December 31, 2009:

	Number of Options	Exercise Price	Expiry Date
Options outstanding at December 31, 2008 and 2009	100,000	$ 0.20	October 16, 2010
Options exercisable at December 31, 2008 2009	100,000	$0.20	October 16, 2010

For the period ended December 31, 2008, the Company recognized $8,169 in stock-based compensation for stock options granted. The fair value of each stock option grant is estimated on the date of the grant using the Black-Scholes option pricing model with the following assumptions:

Dividend yield	0%
Risk-free interest rate	2.349%
Expected average option term	24 months
Volatility	73%

(expressed in Canadian dollars)

10. Income Taxes

The Company has approximately $37,133 of unused tax losses that will expire in 2029, $14,988 of unused tax losses that will expire in 2028, and $51,245 of unused income tax deductions for which no future income tax asset has been recognized. The Company would be subject to a statutory tax rate of 30.00% (2008 - 30.63%).

A reconciliation between the statutory Canadian income tax rate and the actual effective rate is as follows:

	2009	2008
Basic statutory tax rate	30.00%	30.63%
Loss before taxes	($ 23,675)	($ 6,456)
Expected tax recovery on net loss, before income tax	7,103	1,986
Differences due to recognition of items for tax purposes		
Permanent differences	(99)	22,526
Change in income tax rate	(506)	-
Increase in valuation allowance	(6,498)	(24,512)
Provision for income taxes	$ -	$ -

The significant components of the Company's future income tax assets is as follows:

	2009	2008
Future income tax asset		
Non-capital loss carry forward	$ 15,636	$ 4,591
Share issuance costs	15,098	19,921
Cumulative eligible capital	276	-
	31,110	24,512
Valuation allowance	(31,110)	(24,512)
Future income tax asset	$ -	$ -

11. Capital Management

The Company's objectives when managing capital, which is share capital and deficit, are to safeguard its ability to continue as a going concern, so that it can continue to provide returns for shareholders and benefits for other stakeholders, and to provide an adequate return to shareholders by pricing products and services commensurately with the level of risk.

The Company sets the amount of capital in proportion to risk. The Company manages the capital structure and makes adjustments to it in the light of changes in economic conditions and the risk characteristics of the underlying assets. In order to maintain or adjust the capital structure, the Company may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new common shares, or sell assets to reduce debt.

The Company monitors capital from time-to-time using a variety of measures. Monitoring procedures are typically performed as a part of the overall management of the Company's operations. The Company's strategy during the period, which was unchanged from the prior period, was to maintain its ability to secure access to financing at a reasonable cost. The requirements and terms of sources of capital cannot be predicted and change in ways the Company cannot predict.

12. Risk Management and Fair Values

Management's risk management policies are typically performed as a part of the overall management of the Company's operations. Management is aware of risks related to these objectives through direct personal involvement with employees and outside parties. In the normal course of its business, the Company is exposed to a number of risks that can affect its operating performance. Management's close involvement in operations helps identify risks and variations from expectations. The Company has not designated transactions as hedging transactions to manage risk. As a part of the overall operation of the Company, management considers the avoidance of undue concentrations of risk. These risks and the actions taken to manage them include the following:

Liquidity Risk:

Liquidity risk is the risk that the Company cannot meet its financial obligations associated with financial liabilities in full. The Company's source of liquidity is its equity. The risk with issuing new capital is that the capital markets may not be receptive to an equity issue with financial terms favourable to the Company. The funds are primarily used to finance working capital and are adequate to meet the Company's financial obligations associated with financial liabilities.

12. Risk Management and Fair Values (continued)

Interest Rate Risk:

Interest rate risk is the risk that changes in market interest rates may have an effect on the cash flows associated with some financial instruments, known as interest rate cash flow risk, or on the fair value of other financial instruments, known as interest rate price risk. The Company invests in short-term investments that may be cashed prior to maturity.

Credit Risk:

Credit risk arises from the possibility that debtors may be unable to fulfill their commitments. For a financial asset, this is typically the gross carrying amount, net of any amounts offset and any impairment losses. The Company has credit policies to address credit risk on accounts receivable, which may include the analysis of the financial position of the debtor and review of credit limits. The Company also may review credit history before establishing credit and review credit performance. An allowance for doubtful accounts or other impairment provisions are established based upon factors surrounding credit risk, historical trends and other information.

A financial asset is past due when a debtor has failed to make a payment when contractually due. The Company has no financial assets that are past due and does not have an allowance for doubtful accounts receivable.

(expressed in Canadian dollars)

12. Risk Management and Fair Values (continued)

Sensitivity Analysis:

The sensitivity analyses below show the impact on net loss and comprehensive loss if interest rates on short-term investments had been higher or lower:

Interest rate	-0.50%	-0.25%	+0.25%	+0.50%
Year ended December 31, 2009	$ -	$ -	$ 777	$ 1,555
Year ended December 31, 2008	($ 633)	($ 317)	$ 317	$ 633

The sensitivity analyses do not take into consideration that the Company's assets and liabilities are actively managed. Additionally, the financial position of the Company may vary at the time that any actual market movement occurs or be mitigated by management actions to reduce exposure to risks.

Other limitations in the above sensitivity analyses include the use of hypothetical market movements to demonstrate potential risk that only represent the Company's view of possible near-term market changes that cannot be predicted with any certainty; and the assumption that all interest rates move in an identical fashion.

Fair Values:

The fair value of cash, accounts receivable, and accounts payable approximates its recorded value. Fair value is an estimate of the amount at which items might be exchanged in an arm's length transaction between knowledgeable willing parties who are under no compulsion to act. Fair value should not be interpreted as an amount that could be realized in immediate settlement of the instruments. The estimate of fair value at year-end may not represent fair values at any other date. The determination of fair value is also affected by the use of judgment and by uncertainty.

The fair value hierarchy of financial instruments measured at fair value on the balance sheet is level 1 for cash (2008 – level 1).

13. Subsequent Events

On April 16, 2010, the Company completed a public offering (the "Offering") by the issuance of 19,952,983 common shares at a price of $0.35 per common share for gross proceeds of $6,983,544. The agents for the Offering, (the "Agents"), received a cash commission of 7% of the gross proceeds of the Offering ($488,848) and reimbursement of the Agents' legal fees and an administration fee.

On April 16, 2010, the Company acquired a 50% interest in each of two Nevada limited partnerships, Deer Springs Crossing, LP ("DSC LP") and LV Loan Holdings LP ("LVLH LP"). DSC LP owns certain land located in Las Vegas, Nevada (the "Deer Springs Property") and LVLH LP owns a promissory note (with respect to a loan related to the Deer Springs Property) and certain related security documents.

On April 16, 2010, the Company also entered into an asset management agreement with TitanStar Capital Corporation (the "Asset Manager"), pursuant to which the Asset Manager will provide asset management, administrative and other services to the Company and its subsidiaries. On April 16, 2010, the Company granted to the Asset Manager options to purchase 100,000 common shares. Each option will allow the Asset Manager to purchase one common share at a price of $0.35 per Share from the date of issuance until the fifth anniversary of the issuance of such options.