URBANA CORPORATION

2005 and 2004 Financial Statements

PKF Hill

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Auditors' Report

To the Shareholders of
Urbana Corporation

We have audited the statements of net assets of **Urbana Corporation** (the "Company") as at December 31, 2005 and December 31, 2004, the statement of investment portfolio at December 31, 2005 and the statements of operations and retained earnings (deficit), changes in net assets and cash flows for the years ended December 31, 2005 and December 31, 2004. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these 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, these financial statements present fairly, in all material respects, the financial position of the Company as at December 31, 2005 and December 31, 2004 and the results of its operations and its cash flows for the years then ended in accordance with Canadian generally accepted accounting principles.

PKF Hill LLP

February 15, 2006
except for note 12 which
is as of March 31, 2006

URBANA CORPORATION
Statements of Net Assets as at December 31

	2005	2004
ASSETS		
Marketable securities (notes 1 and 2)	$ 736,919	$ 871,118
New York Stock Exchange ("NYSE") memberships (three) (notes 1 and 2)	12,726,750	5,751,720
Resource properties (note 5)	-	1,088,757
Cash	71,387	102,841
Rental income receivable	4,790	371
Office equipment (note 4)	2,996	3,678
	$ 13,542,842	$ 7,818,485
LIABILITIES		
Loan payable (note 6)	$ 1,118,268	$ 1,118,268
Accounts payable and accrued liabilities	49,701	36,167
Future income taxes (note 3)	1,040,000	246,000
	2,207,969	1,400,435
NET ASSETS	11,334,873	6,418,050
SHAREHOLDERS' EQUITY		
Share capital (note 7)	6,098,893	6,098,893
Unrealized gains/losses of investments (notes 1 and 2)	5,805,832	(136,289)
Retained earnings (deficit) (note 3)	(569,852)	455,446
	11,334,873	6,418,050
	$ 13,542,842	$ 7,818,485
Number of common shares outstanding (note 7)	9,000,000	9,000,000
Net asset value per common share - basic and fully diluted	1.26	0.71

See accompanying notes

On behalf of the Board:

Director: "Thomas S. Caldwell"

Director: "John R. Campbell"

URBANA CORPORATION
Statements of Operations and Retained Earnings (Deficit)
Years Ended December 31

	2005	2004
Gains/losses		
Gain (loss) on sale of marketable securities	$ (165,516)	$ 69,005
Investment income		
Dividends	575	5,108
Consulting and other income (note 8)	87,540	104,496
NYSE seat rental income	283,774	347,931
	371,889	457,535
Expenses		
Investment management and performance fees (note 8)	6,274	13,054
Salaries and benefits	73,744	59,913
Administrative	145,564	105,498
Audit fees	20,000	15,000
Legal fees	100,839	153,210
Director fees	6,000	-
License fees	26,867	83,880
Bank charges and interest (note 8)	57,701	30,995
Amortization	682	838
	437,671	462,388
Net income (loss) before future income taxes	(231,298)	64,152
Provision for (reduction of) future income taxes (note 9(a))	794,000	(17,000)
Net income (loss) before unrealized gains/losses of investments	(1,025,298)	81,152
Unrealized gains/losses of investments		
Unrealized gain - NYSE memberships (notes 1 and 2)	6,975,030	-
Unrealized gain - marketable securities (notes 1 and 2)	61,129	-
Write-down of marketable securities	-	(136,289)
Write-down of resource properties (note 5)	(1,094,038)	-
	5,942,121	(136,289)
Total results of operations for the year	4,916,823	(55,137)
Retained earnings, beginning of year (note 3)	455,446	374,294
Retained earnings (deficit), end of year	$ (569,852)	$ 455,446
Basic and fully diluted income (loss) per share	0.55	(0.01)
Weighted average number of common shares outstanding	9,000,000	4,774,612

See accompanying notes

URBANA CORPORATION
Statements of Changes in Net Assets
Years Ended December 31

	2005	2004
Net assets, beginning of year	$ 6,418,050	$ 2,106,519
Operating activities		
Total results of operations for the year	4,916,823	(55,137)
Capital transactions		
Issuance of common shares	-	3,866,668
Debt conversion	-	500,000
Total capital transactions	-	4,366,668
Net assets, end of year	$ 11,334,873	$ 6,418,050
Unrealized gains/losses of investments		
Unrealized gains/losses of investments, beginning of year	$ (136,289)	$ -
Change during the year	5,942,121	(136,289)
Unrealized gains/losses of investments, end of year	$ 5,805,832	$ (136,289)

See accompanying notes

URBANA CORPORATION

Statements of Cash Flows
Years Ended December 31

	2005	2004
Operating activities		
Total results of operations for the year	$ 4,916,823	$ (55,137)
Add (deduct) items not involving cash		
Amortization	682	838
Write-down of marketable securities	-	136,289
Loss (gain) on sale of marketable securities	165,516	(69,005)
Unrealized gain - marketable securities	(61,129)	-
Unrealized gain - NYSE memberships	(6,975,030)	-
Write-down of resource properties	1,094,038	-
Future income taxes	794,000	(17,000)
	(65,100)	(4,015)
Net change in non-cash working capital items		
Rental income receivable	(4,419)	6,797
Accounts payable and accrued liabilities	13,534	(110,336)
	9,115	(103,539)
Cash flows from operating activities	(55,985)	(107,554)
Financing activities		
Issuance of loan payable	-	1,494,936
Repayments of loan payable	-	(376,668)
Repayments of convertible note	-	(500,000)
Issuance of common shares	-	3,866,668
Cash flows from financing activities	-	4,484,936
Investing activities		
Purchases of marketable securities	(983,834)	(7,301,695)
Proceeds of sale of marketable securities	1,013,646	6,363,293
Purchase of two NYSE memberships	-	(3,751,720)
Additions to resource properties (note 5)	(5,281)	(43,381)
Cash flows from investing activities	24,531	(4,733,503)
Net decrease in cash during the year	(31,454)	(356,121)
Cash, beginning of year	102,841	458,962
Cash, end of year	$ 71,387	$ 102,841

See accompanying notes

URBANA CORPORATION
Statement of Investment Portfolio
Year Ended December 31, 2005

Number	Description	Cost	Market Value
	Resource properties		
72	Resource claims - Urban Township	$ 1,094,038	$ -
	New York Stock Exchange Memberships		
3	Seats on the NYSE	$ 5,751,720	$ 12,726,750
	Marketable securities		
62,251	Units in the Caldwell Growth Opportunities Fund	$ 675,790	$ 736,919

See accompanying notes

1. Change in Accounting Policy

In 2005, the Company adopted prospectively, Accounting Guideline 18, "Investment Companies". As a result, the investments of the Company are recorded at fair value on the balance sheet (note 2) and the unrealized gains in investments are recorded in the statement of operations. For the year ended December 31, 2005, included in income is a $61,129 unrealized gain in marketable securities in addition to a $6,975,030 unrealized gain in NYSE memberships. In 2004, the marketable securities were recorded at market value (on the basis of the accounting policy being to record at the lower of cost and market) and the NYSE memberships were recorded at cost.

2. Summary of Significant Accounting Policies

The financial statements have been prepared by management in accordance with Canadian generally accepted accounting principles, the more significant of which are outlined below.

Urbana America Inc.

During 2005, the Company wound-up its wholly owned subsidiary, Urbana America Inc. and assumed its assets, obligations and operations. The 2004 financial statements were consolidated, a designation which is not required in 2005 due to the wind-up.

Use of estimates

The preparation of financial statements in conformity with Canadian generally accepted accounting principles (GAAP) requires management to make estimates and assumptions which affect the reported amounts of assets and liabilities and the disclosure of contingent assets and liabilities at the date of the financial statements and revenues and expenses for the reporting period. Actual results could differ from those estimates.

Revenue recognition

Rental revenue from the NYSE memberships is recognized over the term of the lease contract, on a straight-line basis.

Earnings (loss) per share

Basic earnings (loss) per share is computed by dividing the income (loss) for the year by the weighted average number of common shares outstanding during the year, including contingently issuable shares, which are included when the conditions necessary for issuance have been met. Diluted earnings (loss) per share is calculated in a manner similar to basic earnings (loss) per share, except that the weighted average number of shares outstanding is increased to include potential common shares from the assumed exercise of options and warrants, if dilutive. The number of additional shares included in the calculation is based on the treasury stock method for options and warrants and on the as-if-converted method for convertible securities.

Income taxes

The Company accounts for income taxes using the liability method, whereby future tax assets and liabilities are determined based on differences between the financial reporting and tax bases of assets and liabilities and measured using substantively enacted income tax rates and laws that are expected to be in effect when the differences are expected to reverse. Income tax expense for the year is the tax payable for the year and any change during the year in the future tax assets and liabilities. A valuation allowance is provided to the extent that it is more likely than not that future tax assets will not be realized.

2. Summary of Significant Accounting Policies - continued

Marketable securities

Marketable securities are recorded at fair value. Fair values for the units in the Caldwell Growth Opportunities Fund ("Fund") are provided by the investment manager's statement of account. The fair values are established by the Fund by valuing each held security based on closing market quotations, less estimated administration costs. At December 31, 2005, the cost of the marketable securities was $675,790 (2004 - $1,007,407) and the market value was $736,919 (2004 - $871,118).

NYSE memberships

The three NYSE memberships are recorded at fair value. Fair value is established by the most recent sale of NYSE memberships preceding the year end and translating this amount using the year end exchange rate. At December 31, 2005 and 2004, the cost of the three NYSE memberships was Cdn$5,751,720 (US$4,300,000).

Office equipment

Office equipment is recorded at cost and amortized at 20% per annum using the declining balance method of accounting.

Resource properties

Resource properties and related expenditures are recorded at cost, net of incidental revenues generated from the particular mineral properties. These net costs are deferred until the mineral properties to which they relate are placed into production, sold or abandoned.

General exploration costs not specifically relating to a mineral property are expensed as incurred.

As per Accounting Guideline 11 in the Canadian Institute of Chartered Accountants handbook, when there has been a delay in development activity that extends beyond three years, there is a presumption that a write-down of capitalization costs is necessary. In 2005, management determined that due to the lack of recent development activity for the resource properties, the capitalized costs of the resource properties would be written off (note 5).

3. Adjustments to Future Income Tax Balance

During 2004, it was determined that the Company's future income tax balance at January 1, 2004 was understated by $263,000. Accordingly, the retained earnings at the beginning of the year as presented in the 2004 statements were reduced by $263,000.

4. Office Equipment

Office equipment consists of the following:

	2005			2004
	Cost	Accumulated Amortization	Net	Net
Office equipment	$ 22,130	19,134	$ 2,996	$ 3,678

5. Resource Properties

Urban Township, Quebec

The Corporation holds 100% of the 72 claims Urban Township mineral prospect.

During the years, the following occurred:

	2005	2004
Balance, beginning of year	$ 1,088,757	$ 1,045,376
Additions	5,281	43,381
Write-down of resource properties	(1,094,038)	-
Balance, end of year	$ -	$ 1,088,757

6. Loan Payable

The loan payable of $1,118,268 from Caldwell Financial Ltd. (“CFL”) (note 8) incurs interest as mutually agreed at a rate not exceeding prime, secured by a promissory note and matures on December 31, 2010 with a right to prepayment without penalty.

7. Share Capital

Share capital consists of the following:

	Number	Amount
Authorized		
Unlimited preferred shares		
Unlimited common shares		
Unlimited Class A non-voting shares		
Issued - common shares		
Balance at January 1, 2004 and 2005	2,300,000	$ 1,732,225
Issued for cash consideration on May 14, 2004	3,000,000	3,000,000
Debt conversion on November 2, 2004	1,666,666	500,000
Exercise of warrants for cash in 2004	1,666,666	500,000
Private placement on November 24, 2004 for cash	366,668	366,668
Balance as at December 31, 2004 and 2005	9,000,000	$ 6,098,893

In 2004, CFL exercised the conversion provisions of a $500,000 note payable, resulting in the issuance of 1,666,666 common shares and 1,666,666 share purchase warrants, which were subsequently exercised for cash proceeds of $500,000.

The Directors, Officers and Employees Stock Option Plan (“Plan”) reserves 626,667 common shares that may be issued out of treasury to cover the Option Plan. The Plan restricts the exercise of options in any one year to 10% of the issued and outstanding shares. There is a further restriction in that only 5% may be exercised in any one year by any one person.

The price must not be less than the market price on the trading day next preceding the issue date of the options. The options are not assignable and must be exercised within ten years of their issue.

As none of the reserved options have been awarded, there are no outstanding options as at December 31, 2004 and 2005.

8. Related Party Transactions

CFL is a significant shareholder of the Company and under common management.

The NYSE memberships have been acquired by directors of Caldwell Asset Management Inc. ("CAM"), (a company under common management). All rights to income and gains and the related expenses and liabilities in connection with the memberships have been irrevocably assigned to the Company. Membership in the NYSE is at present restricted to individuals.

In 2004 and 2005, premises were rented from CAM and CFL.

Interest incurred by CFL in order to fund financing requirements of the Company (note 6), using resources over and above CFL's cash resources, is charged to the Company based on the interest CFL has to pay to its financial institution.

Included in accounts payable and accrued liabilities is $26,000 (2004 - $Nil) payable to related parties which are all under common management to the Company.

In 2005, the marketable securities were held with the Caldwell Opportunities Growth Fund, a fund with common management to the Company.

Included in the statements of operations and retained earnings (deficit) are the following income (expenses) related to transactions with related parties.

	2005	2004
Consulting and other income	$ 87,500	$ 65,000
Investment management and performance fees (refer above)	(6,274)	(13,054)
Interest on financing cash requirements (refer above)	(56,576)	(30,136)
Rent (refer above) included in administrative expenses	(96,300)	(45,341)

All related party transactions are recorded at their exchange amounts.

9. Income Taxes

(a) The Company's provision for future income taxes is summarized as follows:

	2005	2004
Income (loss) before income taxes	$ 5,710,823	$ (72,137)
Expected income taxes payable (recoverable) at statutory rates - 34.12% (2004 - 34.12%)	$ 1,948,533	$ (24,613)
Income tax effect of the following:		
Non-taxable portion of capital transactions	28,237	11,479
Non-taxable portion of unrealized gains	(1,200,369)	-
Other	17,599	(3,866)
	$ 794,000	$ (17,000)

9. Income Taxes - continued

(b) The Company has the following deductions which are potentially available for application against future earnings as described below and incorporated in the calculation of future income taxes. There is no expiry date for the use of these deductions.

		2005	2004
Canadian development expenses	(i)	$ 57,000	$ 57,000
Canadian exploration expenses	(ii)	102,000	97,000
Foreign exploration and development expenses	(iii)	25,000	25,000
Depletion	(iv)	17,000	17,000
Net capital losses (gross)	(v)	342,000	142,000

(i) May be claimed at 30% per annum against income from any source.

(ii) May be claimed against income from any source.

(iii) Using the diminishing balance method, may be claimed to the extent of the greater of 10% of accumulated expenditures and foreign resource income for the year.

(iv) To a maximum of 25% of net resource income.

(v) May be carried forward indefinitely to apply against future capital gains.

(c) The Company has accumulated losses for income tax purposes of $100,000 which can be carried forward to reduce future taxable income. These losses have been included in the computation of the future income tax liability. The non-capital losses expire as follows:

2006	$ 19,000
2009	10,000
2015	71,000
	$ 100,000

10. Financial Instruments

Unless otherwise noted, it is management's opinion that the Company is not exposed to significant interest, currency or credit risks arising from these financial instruments. The carrying amounts of financial assets and financial liabilities, except for the loan payable, reported in the balance sheets approximate fair values due to the short-term maturities of such instruments. The fair value of the loan payable is not determinable, due to the non-arms length nature of the transaction. The NYSE seats are denominated in US dollars and their respective rental income is also denominated in US dollars. The carrying value of marketable securities and the NYSE memberships approximate their fair value in accordance with the valuation policies described in note 2.

11. Comparative Amounts

Certain comparative amounts have been reclassified from those previously presented to conform to the presentation of the 2005 financial statements.

12. Subsequent Event

Subsequent to year end, the Company's three NYSE memberships were converted into shares of NYSE Group Inc. on the basis of 84,699 shares per Membership. As of March 31, 2006, the total holding of 254,097 shares was quoted at US$79.25 per share. On that basis, the investment was valued at US$20,137,187 or Cdn$23,502,111.

Dividend income amounting to US$148,199 net (after US withholding taxes), or Cdn$170,903, was received on the above shares on March 16, 2006.

The value of other marketable securities increased from $675,790 at year end to $1,092,166 at March 31, 2006, bringing the aggregate value of the investment holdings to $24,594,277.