

BALANCE SHEET
NANOLOGIX, INC.
(A DEVELOPMENT STAGE COMPANY)
December 31, 2006 and 2005

	DECEMBER 31,	
ASSETS	2006	2005
CURRENT ASSETS		
Cash and cash equivalents	\$ 58,186	\$ 331
Accounts receivable	220,000	2,680
Trading securities	10	10
TOTAL CURRENT ASSETS	278,196	3,021
 OTHER ASSETS		
Deposits	12,999	400
Patent costs, net of accumulated amortization of 281,286 in 2006 and \$255,670 in 2005	514,941	352,470
TOTAL OTHER ASSETS	527,940	352,870
TOTAL ASSETS	\$ 806,136	\$ 355,891

LIABILITIES AND STOCKHOLDERS' EQUITY

CURRENT LIABILITIES

Accounts payable	\$ 123,532	\$ 19,483
Accrued salaries	5,000	20,390
Accrued bonuses	-	40,000
Accrued payroll taxes and penalties	5,935	15,949
Loan payable - shareholder	-	1,570
TOTAL CURRENT LIABILITIES	134,467	97,392

STOCKHOLDERS' EQUITY

Convertible preferred stock, \$.0001 par value, 50 shares authorized, issued and outstanding 2 share in 2006 and 1 shares in 2005	192,500	97,500
Common stock, \$.0001 par value, 100,000,000 shares authorized, issued and outstanding 61,635,684 shares in 2006 and 40,763,903 in 2005	6,164	4,076
Additional paid in capital	16,281,654	13,633,672
Deficit accumulated during the development stage	(15,808,649)	(13,476,749)
TOTAL LIABILITIES AND STOCKHOLDERS' EQUITY	\$ 806,136	\$ 355,891