UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington D.C. 20549

FORM 10-QSB

QUARTERLY REPORT UNDER SECTION 13 OR 15(d)
OF THE SECURITIES EXCHANGE ACT OF 1934

For Quarter Ended: February 28, 2006 Commission File Number 000-49908

CYTODYN, INC.

(Exact name of small business issuer as specified in its charter)

COLORADO	75-3056237
(State or other jurisdiction of incorporation or organization)	(I.R.S. Employer Identification No.)

227 E. Palace Avenue, Suite M, Santa Fe, New Mexico	87501
(Address of principal executive offices)	(Zip code)

(505) 988-5520
(Registrant's telephone number, including area code)

200 W. DeVargas Street, Suite 1, Santa Fe, New Mexico 87501
(Former address, changed sine last report)

Check whether the issuer (1) filed all reports required to be filed by Section 13 or 15(d) of the Exchange Act during the past 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days.

Yes X No

Indicate the number of shares outstanding of each of the issuer's classes of common equity, as of the latest practicable date.

Class	Number of shares outstanding at April 19, 2006
Common stock, no par value	8,757,664

Transitional Small Business Disclosure Format: Yes No X

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act): Yes No X

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Part I, Item 1. Financial Statements

CYTODYN, INC.
(A Development Stage Company)
Condensed Balance Sheet
(Unaudited)

February 28, 2006

Assets

Current assets:	
Cash	$ 91,347
Prepaid expenses	229,228
Total current assets	320,575
Furniture and equipment, less accumulated depreciation of $1,957	2,581
Intangible asset, less accumulated amortization of $1,531	1,369
Deposit	495
	$ 325,020

Liabilities and Shareholders' Deficit

Current liabilities:	
Accounts payable	$ 70,454
Accrued liabilities	121,036
Notes payable, net (Note 3)	17,903
Indebtedness to related parties (Note 2)	490,802
Total current liabilities	700,195
Shareholders' deficit:	
Preferred stock, no par value; 5,000,000 shares authorized, -0- shares issued and outstanding	--
Common stock, no par value; 25,000,000 shares authorized, 8,757,664 shares issued and outstanding	2,505,067
Additional paid-in capital	263,442
Accumulated deficit	(1,601,912)
Deficit accumulated during development stage	(1,541,772)
Total shareholders' deficit	(375,175)
	$ 325,020

See accompanying notes to condensed financial statements

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CYTODYN, INC.
(A Development Stage Company)
Condensed Statements of Operation
(Unaudited)

	Three Months Ended February 28,	Nine Months Ended February 28,

	2006	2005	2006	2005
<S>	<C>	<C>	<C>	<C>
Operating expenses:				
General and administrative (Note 7)	$ 229,764	$ 89,435	$ 379,445	$ 320,785
Stock-based compensation:				
Financial consulting services (Note 5)	24,723	--	24,723	11,928
Depreciation	589	460	1,613	1,211
Research and Development	--	362,342	--	362,342
Total operating expenses	255,076	452,237	405,781	696,266
Operating loss	(255,076)	(452,237)	(405,781)	(696,266)
Interest income	2	3	100	230
Interest expense:				
Interest on convertible debt (Note 3)	(895)	--	(895)	--
Discount on convertible debt (warrants) (Note 3)	(10,374)	--	(10,374)	--
Discount on convertible debt (beneficial conversion) (Note 3)	(7,529)	--	(7,529)	--
Other	(162)	(92)	(2,166)	(422)
Loss before income taxes	(274,034)	(452,326)	(426,645)	(696,458)
Income tax provision (Note 4)	--	--	--	--
Net loss	$ (274,034)	$ (452,326)	$ (426,645)	$ (696,458)
Basic and diluted loss per share	$ (0.03)	$ (0.06)	$ (0.05)	$ (0.09)
Basic and diluted weighted average common shares outstanding	8,542,032	8,069,307	8,542,032	8,069,307

</TABLE>

See accompanying notes to condensed financial statements

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CYTODYN, INC.
(A Development Stage Company)
Condensed Statement of Changes in Shareholders' Deficit
(Unaudited)

	Preferred Stock		Common Stock	
	Shares	Amount	Shares	Amount
<S>	<C>	<C>	<C>	<C>
Balance at June 1, 2005	--	$ --	8,069,307	$ 1,916,334
June through July 2005, sale of common stock less offering costs of $27,867 ($.75/share) (Note 5)	--	--	289,890	189,551
August 2005, common shares issued to extinguish promissory notes payable and related interest ($.75/share) (Note 3)	--	--	160,110	120,082
November 2005, 94,500 warrants exercised ($.30/share) (Note 5)	--	--	94,500	28,350
January through February 2006, common shares issued for services (Note 5)	--	--	143,857	250,750
January through February 2006, warrants issued with convertible debt (Note 3)	--	--	--	--
Beneficial conversion on convertible debt (Note 3)	--	--	--	--
Net loss, period ended November 30, 2005	--	--	--	--
Balance at November 30, 2005	--	$ --	8,757,664	$ 2,505,067

	Deficit Accumulated

	Additional Paid-in Capital	Accumulated Deficit	During Development Stage	Total
Balance at June 1, 2005	$ 40,942	$(1,601,912)	$ (1,115,127)	$ (759,763)
June through July 2005, sale of common stock less offering costs of $27,867 ($.75/share) (Note 5)	--	--	--	189,551
August 2005, common shares issued to extinguish promissory notes payable and related interest ($.75/share) (Note 3)	--	--	--	120,082
November 2005, 94,500 warrants exercised ($.30/share) (Note 5)	--	--	--	28,350
January through February 2006, common shares issued for services (Note 5)	--	--	--	250,750
January through February 2006, warrants issued with convertible debt (Note 3)	128,929	--	--	128,929
Beneficial conversion on convertible debt (Note 3)	93,571	--	--	93,571
Net loss, period ended November 30, 2005	--	--	(426,645)	(426,645)
Balance at November 30, 2005	$ 263,442	$(1,601,912)	$(1,541,772)	$ (375,175)

</TABLE>

See accompanying notes to condensed financial statements

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CYTODYN, INC.
(A Development Stage Company)
Condensed Statement of Cash Flows
(Unaudited)

	Nine Months Ended February 28,	
	2006	2005
<S>	<C>	<C>
Net cash used in operating activities	$ (315,921)	$ (194,361)
Cash flows from investing activities:		
Property and equipment purchases	(936)	(3,167)
Net cash used in investing activities	(936)	(3,167)
Cash flows from financing activities:		
Capital contributions by president (Note 2)	--	5,512
Proceeds from notes payable issued to related parties (Note 5)	5,197	5,000
Proceeds from notes payable issued to others (Note 3)	222,500	85,000
Payment of notes payable to related parties (Note 2)	(38,324)	--
Proceeds from sale of common stock	217,418	--
Proceeds from exercise of common stock warrants	28,350	--
Payments for offering costs	(27,867)	--
Net cash provided by financing activities	407,274	95,512
Net change in cash	90,417	(102,016)
Cash, beginning of period	930	186,964
Cash, end of period	$ 91,347	$ 84,948

Supplemental disclosure of cash flow information:
Cash paid during the period for:

Income taxes	$ --	$ --
Interest	$ 138	$ 375
Noncash investing and financing transactions:		
Common stock issued to extinguish promissory notes payable and related interest (Note 3)	$ 120,082	$ --

</TABLE>

See accompanying notes to condensed financial statements

CYTODYN, INC.
(A Development Stage Company)

Notes to Condensed Financial Statements
(Unaudited)

Note 1: Basis of Presentation

The condensed financial statements presented herein have been prepared by the Company in accordance with the instructions for Form 10-QSB and the accounting policies in its Form 10-KSB filed for the year ended May 31, 2005 and should be read in conjunction with the notes thereto.

In the opinion of management, the accompanying condensed financial statements contain all adjustments (consisting only of normal recurring adjustments) which are necessary to provide a fair presentation of operating results for the interim periods presented. The results of operations presented for the period ended February 28, 2006 are not necessarily indicative of the results to be expected for the year.

The Company is in the development stage in accordance with Statements of Financial Accounting Standards (SFAS) No. 7 "Accounting and Reporting by Development Stage Enterprises".

Financial data presented herein are unaudited.

Note 2: Related Party Transactions

As of May 31, 2005, the Company owed two officers promissory notes totaling of $86,502. The notes are due on demand and carry no interest rate. On June 2, 2005, an officer advanced the Company an additional $5,000 for working capital; on July 13, 2005, the Company repaid an officer $38,324; on August 31, 2005, an officer advanced the Company $197; and on January 4, 2006, an officer advanced the company $18,000. Management plans to repay the notes through cash payments, issuance of the Company's common stock, or a combination thereof. The balance due of $71,375 remained unpaid at February 28, 2006 and is included in the accompanying condensed financial statements as "Indebtedness to related parties".

A director has provided legal services to the Company over the past several years. As of May 31, 2005, the Company owed the director $87,185 for legal services. During the nine months ended February 28, 2006, the Company repaid the director $5,000. The remaining balance of $82,185 is included in the accompanying financial statements as "Indebtedness to related parties". As of February 28, 2006, no arrangements had been made for the Company to repay the balance of this obligation. The Company anticipates that the director will continue to provide legal services in the future.

Note 3: Notes Payable

As of May 31, 2005, the Company had seven unsecured notes payable to individuals, totaling $121,000. The notes were issued in February and March 2005, carried a 5% interest rate, and matured one year from the date of the note. On August 29, 2005, the Company extinguished the outstanding promissory notes and related accrued interest with the issuance of 160,110 shares of its common stock and payment of $3,189.46 representing $3,172.46 in accrued interest and $17.00 in lieu of fractional shares.

During quarter ended February 28, 2006, the Company issued convertible promissory notes and warrants to purchase common stock to individuals in exchange for proceeds totaling $222,500. The notes bear interest at five percent per annum and mature in January and February 2007. Principal and accrued

interest are payable in any combination of cash and common stock of the Company at the option of the lender. The Company can repay principal and accrued

interest with common stock at a rate of $1.25 per share. Accrued interest payable on the notes totaled $895 at February 28, 2006.

The warrants to purchase common stock which accompanied the convertible promissory notes are exercisable at $2.50 per share, vest immediately, and expire in October 2010. Pursuant to APB No. 14, the Company valued the warrants at their relative fair value of $128,929. To recognize the relative fair value of the warrants, the Company discounted the notes and increased additional paid in capital in the condensed financial statements. The discount is amortized over one year. During the quarter ended February 28, 2006, the Company amortized $10,374 of the discount.

In accordance with EITF 98-5 and EITF 00-27, the Company valued the intrinsic value of the imbedded beneficial conversion feature related to the option for conversion into the Company's common stock at $93,571. To recognize the beneficial conversion feature, the Company discounted the notes and increased additional paid-in capital in the accompanying consolidated financial statements. The discount is amortized over one year. During the quarter ended February 28, 2006, the Company amortized $7,529 of the discount.

On January 5, 2005, we entered into a buy-sell agreement to purchase intellectual property owned by Symbion. The agreement describes the intellectual property in detail which summarized, is the Phase 1 clinical data and the protocol for the Phase II study.

Under the terms of this agreement:

* CytoDyn, Inc may purchase Symbion's Phase I clinical data in connection with obtaining approval from the FDA to conduct the Phase II/Phase III stud(ies) for Cytolin.
* CytoDyn, Inc will grant 83,122 non-qualified stock options with an exercise price of $.75 per share that will vest immediately and be exercisable over 5 years.
* CytoDyn, Inc were to pay $25,000 to Symbion by February 10, 2005, 30 days after execution of the agreement.
* CytoDyn, Inc will pay $275,000 to Symbion once our secondary financing is received.

We have paid Symbion $25,000 out of the loan proceeds we received in March 2005. Although the payment was late, Symbion has accepted it and the contract is in force.

Symbion has agreed to amend the agreement to allow an extension of time for us to pay Symbion the remaining balance due. The options were granted on March 20, 2006 by the Board of Directors.

Note 4: Income Taxes

The Company records its income taxes in accordance with SFAS No. 109, "Accounting for Income Taxes". The Company incurred net operating losses for all periods presented resulting in a deferred tax asset, which was fully allowed for by a valuation allowance; therefore, the net benefit and expense resulted in $-0- income taxes.

<TABLE>
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Note 5: Shareholders' Equity

Common Stock Sales

The Company filed a Registration Statement on Form SB-2 with the SEC to offer 450,000 common shares for sale at a price of $.75 per share. The SEC declared the Form SB-2 effective June 17, 2005. The Company completed its public offering on July 31, 2005. The Company sold 289,890 shares of its common stock for net proceeds of $189,551, after deducting offering costs totaling $27,867.

Common Stock for Services

During the nine months ended February 28, 2006, the Company issued 1,000 restricted common shares to an individual for services performed in September 2005. The Company valued the stock at the price it sold its shares at its public offering. During the nine months ended February 28, 2006, the Company issued 142,857 restricted common shares to a public relations company in accordance with an agreement to perform services over the following year. The Company valued the shares at the bid price on the date the agreement was executed.

Common Stock Awards

On September 22, 2005, an investor exercised warrants to purchase 94,500 shares

of the Company's common stock at $.30 per share. The Company received proceeds of $28,350. The following schedule summarizes the changes in the Company's outstanding stock awards:

	Awards Outstanding and Exercisable		Weighted Average
	Number of Shares	Exercise Price Per Share	Exercise Price Per Share
<S>	<C>	<C>	<C>
Balance at May 31, 2005.....	576,000	$0.30 to $1.50	$ 0.48
Awards granted.....	178,000	$2.50	$ 2.50
Awards exercised.....	(94,500)	$0.30	$ 0.30
Awards cancelled/expired....	--	$0.00	$ -
Balance at February 28, 2006...	659,500	$0.30 to $1.50	$ 1.05

</TABLE>

Note 6: Commitment and Contingency

The Company has signed Personal Service Agreements with three officers that cover the two years ended May 31, 2005 and 2006. Under the terms of the agreements, if an officer is terminated by the Company without cause or terminates service for good cause within three months of a change in control, the Company is required to pay the officer the balance of the base salary for the term of the agreement and for an additional 12 months after the expiration of the term.

Rex H. Lewis, a Defendant and former director and C.E.O. of Amerimmune Pharmaceuticals, Inc. filed a First Amended Cross-Complaint against CytoDyn of New Mexico, Inc., (predecessor company) Allen D. Allen, Corinne E. Allen, Ronald J. Tropp, Brian J. McMahon , Daniel M. Strickland, M.D. and unknown others designated as "Does 101-150".

The Cross-Complaint was settled pursuant to a settlement agreement entered into by the parties involved. The terms of the agreement are confidential.

In connection with that settlement, Mr. Lewis and Maya LLC were awarded by the Los Angeles Superior Court attorneys' fees in the amount of approximately $150,000. We have appealed the Court's order. The matter has not yet been briefed. Management believes it is reasonably possible that we will not prevail on appeal.

Note 7: General and Administrative Expenses

General and administrative expenses consist of the following:

	For The Nine Months Ended February 28, 2006	
	2006	2005
Salaries and payroll taxes	$ 143,372	$ 116,033
Legal	98,425	119,331
Other professional fees and services ...	43,779	9,214
Patent fees	19,197	11,129
Insurance	36,757	36,952
Office, travel, and other	37,915	28,126
	$ 379,445	$ 320,785

Note 8: Financial Information - Development Stage

Following is the Statement of Operations for the period in which the Company has been in the development stage as required by SFAS No. 7.

	October 28, 2003 Through February 28, 2006
Operating expenses:	
General and administrative	$ 1,082,395
Stock-based compensation (consultants)	250,750
Legal fees, related party	45,950

Depreciation	3,488
Research and development	362,342
Total operating expenses	1,744,925
Operating loss	(1,744,925)
Interest income	677
Interest expense:	
Interest on convertible debt	(895)
Discount on convertible debt (warrants)	(10,374)
Discount on convertible debt (beneficial conversion)	(7,529)
Other	(4,753)
Loss before income taxes	(1,767,799)
Income tax provision	--
Net loss	$(1,767,799)

Following is the Statement of Cash Flows for the period in which the Company has been in the development stage as required by SFAS No. 7.

October 28, 2003 Through February 28, 2006

Net cash used in operating activities	$(1,367,495)
Cash flows from investing activities:	
Equipment purchases	(7,438)
Net cash used in investing activities	(7,438)
Cash flows from financing activities:	
Capital contributions by officer	5,512
Proceeds from notes payable issued to related parties	501,691
Repayment of notes payable to related parties	(88,324)
Proceeds from notes payable issued to individuals	343,500
Proceeds from the sale of common stock	757,418
Proceeds from exercised common stock warrants	28,350
Payment of offering costs	(81,867)
Net cash provided by financing activities	1,466,280
Net change in cash	91,347
Cash, beginning of period	--
Cash, end of period	$ 91,347
Supplemental disclosure of cash flow information:	
Income taxes	$ --
Interest	$ 825
Non-cash investing and financing transactions:	
Net assets acquired in exchange for common stock in CytoDyn/Rexray business combination	$ 7,542

Common stock issued to former officer to repay working capital advance	$ 5,000
Common stock issued to extinguish promissory note payable and related interest	$ 120,082

Note 9: Litigation

Rex H. Lewis, a Defendant and former director and C.E.O. of Amerimmune Pharmaceuticals, Inc. filed a First Amended Cross-Complaint against CytoDyn of New Mexico, Inc., (predecessor company) Allen D. Allen, Corinne E. Allen, Ronald J. Tropp, Brian J. McMahon , Daniel M. Strickland, M.D. and unknown others designated as "Does 101-150".

The Cross-Complaint was settled pursuant to a settlement agreement entered into by the parties involved. The terms of the agreement are confidential.

In connection with that settlement, Mr. Lewis and Maya LLC were awarded by the Los Angeles Superior Court attorneys' fees in the amount of approximately $150,000. We have appealed the Court's order. The matter has not yet been briefed. Management believes we have a strong basis to appeal.

Rex Lewis and Maya LLC filed a complaint against CytoDyn, Inc., CytoDyn of New Mexico, Inc., Allen D. Allen and Corinne Allen in the Los Angeles Superior Court. The complaint sought monetary damages and contains causes of action against us. We and the other defendants have demurred and moved to strike many of the allegations contained in the causes of actions. The Court has not yet ruled on the demurrer or the motion to strike. Neither party has conducted any discovery at this time as it is not clear what claims will be at issue. No trial date has been set.

Part I. Item 2. Management's Discussion and Analysis or Plan of Operation

Plan of Operation

During the next 12 months, our objectives are

Cytolin (AIDS Drug)

* to mount further FDA clinical trials in needed to get Cytolin to U.S. markets;
* to begin development of Cytolin(r) in China through joint venture with Timeway International;
* to continue our efforts to protect our technology by obtaining additional patents in The United Kingdom, the European Union and Hong Kong;
* to enforce court judgments that have been awarded to us and Symbion Research International, Inc.; and
* To acquire complimentary drugs for our drug pipeline through a strategic alliance with UTEK(r).

Formaxycin(tm)(Cancer Drug)

* to negotiate for a contract manufacturer; and
* to begin preclinical studies.

Operations

* to raise approximately $3 to $5 million in additional funds to support our research and development efforts, the clinical trials relating to Cytolin, and our general and administrative expenses;
* to explore other national or international joint venture or licensing arrangements including through, Charkit Chemical Corporation and OmniChem;
* to appoint additional independent directors; and
* to expand our Scientific Advisory Board.

Clinical Trials on Cytolin(r)

Phase I clinical trials were conducted by Symbion Research International under the sponsorship of Amerimmune, Inc. during 2002. We believe that the data from these trials support approval by the FDA of Phase II trials. The results of the Phase I clinical trials were awarded to Symbion by the Superior Court of

California due to a breach of contract on the part of Amerimmune.

Projected costs to complete our research and development and to obtain FDA approval Phase II clinical trials:

We have negotiated with Symbion International for the right to use the Phase 1 data for a total of $362,000 and to seek approval for the Phase II trials from the FDA. If the Phase II study is approved by the FDA, we expect it, together with the pre-Phase II efforts, to cost an estimated $2,050,000 to $3,350,000 for Symbion to conduct the clinical trials, plus estimated manufacturing and supply costs of $350,000 to $400,000 and $362,000 for the Phase Ia/b data for a total of $2,762,000 to $ 4,112,000.

Timing and anticipated completion dates for research and development:

These trials can take anywhere from 29 to 42 months. Until we have met with the FDA, which we hope to do within the next two months, we cannot be certain what additional studies, assuming that Phase II study supports the efficacy and safety of Cytolin, will be required to receive marketing approval.

Date we expect to begin benefiting from the product:

We expect to complete our research and development of all Cytolin clinical trials needed for approval of a marketing application if at all by December 2009.

Risks and uncertainties associated with completing development within reasonable period of time and if products are not completed on a timely basis:

Even if we are able to complete the development within a reasonable period of time our competitors could still come out with something competitive to our product. Toxicity in the product could go undetected until Phase IV Safety Surveillance after drug approval. We may have to continue to litigate to protect technology, or challenges to patents that have not yet expired, etc. The medical community may lack of acceptance of our product. There may be an inability to secure 3rd party payees such as if Medicare would cover costs. Post registration manufacturing problems or downturn of economy or industry could also be risks.

If we are unable to complete clinical trials on a timely basis, with favorable results, our costs will increase significantly and we may not have enough capital to support further research and development and continue in business. Also, if we incur significant delays in being able to market our product, even if we are ultimately able to do so, we will be delayed in earning revenues and probably will require additional financing to continue in business.

Development of Cytolin(r) in China.
- ----------

We signed a letter of intent with Timeway International to form a joint venture for the purpose of developing, manufacturing and distributing Cytolin(r) in China. As of the date of this filing, Timeway is reviewing the data from our FDA IND (Investigative New Drug Application) and negotiations should commence following the completion of Timeway's due diligence.

Other Products in Pipeline
- ----------

Formaxycin(tm): Our CEO, Allen D. Allen acquired the intellectual property rights from Dr. Vera Stecher for a cancer treatment which he will license to us as part of his portfolio of intellectual property. We are in the preclinical stage as a treatment for cancerous and pre-cancerous cells. We applied for a

U.S. trademark, Formaxycin(tm) for the cancer treatment. We are in the process of looking for a manufacturer for the preclinical work. and have executed a Confidentiality Agreement with Charkit Chemical to assist us in this matter, as well as with overseas licensing matters.

Projected costs to manufacture and complete the necessary pre-clinical testing cannot be estimated until a manufacturing agreement has been executed.

Timing and anticipated completion dates for research and development cannot be estimated until a manufacturing agreement has been executed.

The date we expect to begin benefiting from the product could be anywhere from two years to eight years depending upon the method of extraction of a nonsynthetic antineoplastic agent and licensing, if any.

Risks and uncertainties

There can be no assurance that Formaxycin will be approved as a drug nor acceptable as a nutraceutical nor that a patent will be issued and enforceable. Competing products could adversly impact the demand for Formaxycin even if a stage is reached where we could market it.

Patents

During fiscal year 2004, several European patents were granted. The new patents are covered by our License Agreement with Allen D. Allen, our president that gives us the exclusive right to develop his technology worldwide. These patents are designated European Patent No. 94 912826.8, for the United Kingdom, Germany, France, Switzerland, Italy, the Netherlands, Portugal, Spain, and Sweden, and are the counterparts to our United States Patent No. 5424066. Patents are pending in those same countries which, if granted, will be the equivalent of our United States Patent No. 5651970. We estimate the costs associated with these pending patents to be approximately $65,000, including amounts we have already spent. We may file additional patents during the current fiscal year if our research and development efforts warrant them, but we do not have any such potential patents identified at this time other than Hong Kong. The license acquired gives us the right to develop Mr. Allen's patents worldwide.

We have applied for the trademark name Formaxycin(tm) as the name of its cancer treatment in the preclinical stages.

Litigation

For a thorough discussion of our pending litigation, please see the section entitled "Legal Proceedings."

Establishing a Market and Obtaining Funding
- ----------

On June 17, 2005 5:00pm EST, the Securities and Exchange Commission declared our public registration prospectus effective. 450,000 shares were then sold at $0.75 per shares and the offering was closed July 31, 2005. The proceeds from the public offering will pay for company expenditures through January 2006. We will require additional funding during the 2006 fiscal year in order to continue with research and development efforts and to stay in business. If we are able to complete further offerings, we will not be able to pay our expenses for more than six months. Additional funding will have to occur within the next twelve months in order to continue operations. The amount of that funding is directly related to the clinical trials we are able to conduct and the amounts we will need to continue operations.

On January 3, 2006 we entered into a Financial Representative Agreement ("Agreement") with J.P Turner & Company LLC. Under the Agreement, J.P Turner's investment banking division will on a best efforts basis attempt to find investors to complete an offering to raise capital to fund our operations. The amount of capital has not yet been decided. In return JP Turner will receive 10% commission in cash and warrants to purchase a number of our restricted common shares equal to 10% of the gross proceeds of the offering. The strike price of the warrants shall be the lesser of the closing bid price of our stock on the day prior to the Closing or the price paid by the investors. The warrants vest immediately and may be exercised over five years. Warrants have customary anti-dilution provisions for stock dividends, splits, mergers and sale of substantially all of the assets. There is a cashless exercise provision. JP Turner played a similar role in our original private placement. Past performance does not guarantee future success. The term of the agreement is for one year. All terms for the investment shall be satisfactory to us.

In January and February 2006, we issued Convertible Notes totaling $222,500. The terms are:
$1.25 Conversion price for stock and an equal amount in warrants were also assigned. The notes carry 5% interest and are due in 1 year.

The NASD assigned us the ticker symbol CYDY.OB and we were cleared to trade on the Over-The-Counter-Bulletin Board (OTCBB) on November 18, 2005. We intend to apply for a listing on a national stock exchange such as the NASDAQ within the next 12 months.

In addition to operating funds, we will need from approximately $2,762,000 to $4,112,000 for research and development, including clinical trials, and manufacturing and supply costs, depending upon whether we are approved by the FDA to conduct a Phase II study on Cytolin(r). We have not yet determined what additional capital will be needed to develop Formaxycin(tm) at the date of this filing. Those amounts will also need to be raised.

We do not have any of this funding arranged or secured, and we do not yet have plans for raising the funding we require. We anticipate that we will seek the funding through further equity offerings, either by private placement or by

registered offering, or by possible joint venture arrangements with other parties. If we are unable to secure the necessary funding, we will not be able to conduct our research and development activities or to continue in business.

Joint Ventures

Buy-Sell Agreement with Symbion Research International. Effective January 5, 2005.

On January 5, 2005, we entered into a buy-sell agreement to purchase intellectual property owned by Symbion. The agreement describes the intellectual property in detail which summarized, is the Phase 1 clinical data and the protocol for the Phase II study.

Under the terms of this agreement:

* CytoDyn, Inc may purchase Symbion's Phase I clinical data in connection with obtaining approval from the FDA to conduct the Phase II/Phase III stud(ies) for Cytolin.
* CytoDyn, Inc will grant 83,122 non-qualified stock options with an exercise price of $.75 per share that will vest immediately and be exercisable over 5 years.
* CytoDyn, Inc were to pay $25,000 to Symbion by February 10, 2005, 30 days after execution of the agreement.
* CytoDyn, Inc will pay $275,000 to Symbion once our secondary financing is received.

We have paid Symbion $25,000 out of the loan proceeds we received in March 2005. Although the payment was late, Symbion has accepted it and the contract is in force.

Symbion has agreed to amend the agreement to allow an extension of time for us to pay Symbion the remaining balance due. The options were granted on March 20, 2006 by the Board of Directors.

The results of the Phase II/III stud(ies) for Cytolin shall be the sole property of CytoDyn, Inc. upon Symbion's receipt of the final payment called for by this agreement. If all remaining payments are not received, the property shall revert to Symbion.

Consulting Agreement with Jacob Lalezari, M.D.:

We have entered into a consulting agreement with Dr. Jacob Lalezari to consult with us on our next clinical trials, including but not limited to, revising the protocol, conducting clinical trials as the medical monitor. Dr. Lalezari is a premier AIDS doctor in the U.S who has conducted numerous clinical trials for big pharmaceutical companies such as, Glaxo, Human Genome Sciences, ViTex, Pfizer, Xcyte, BMS, Roche, and Aventis. His expertise and cooperation could help us get this treatment approved the fastest, safest way possible.

Letter of Intent with Timeway International for Chinese Joint Venture:

We have executed a Letter of Intent with Timeway International, Inc in February 2006. Timeway is a Hong Kong Limited Liability Company with business headquarters in Beijing, Peoples Republic of China. Timeway will invest its market resources and capital into the joint venture. We will invest our drug pipelines, technology license and know how and restricted stock at a discount commensurate to funding or working capital invested by Timeway. We will control 51% of the Chinese joint venture. There is no guarantee that the joint venture will be created. The parties are performing due diligence and negotiating possible terms of an agreement.

Consulting Agreement with Huey Hua

We have entered into a consulting agreement with Huey Hua. Mr. Hua will use his efforts to help us with our Chinese ventures in exchange for $15,000 and restricted stock. The amount of stock is yet to be determined but will vest monthly over 5 years.

Consulting Agreement with Don Donchuanchom

We have entered into a consulting agreement with Don Donchuanchom. He will use his efforts to help us with disseminating public information to our investors and the investment community in exchange for $5,000 a month and restricted stock. The amount of stock is yet to be determined but will vest monthly over 5 years.

Contract with Wall St. Direct

We have entered into an agreement with Wall St. Direct wherein Wall St. Direct agrees to provide investor relations and advertising services in exchange for 142,857 shares of common stock.

Contract with Financial News USA

We have entered into an agreement with Financial News USA wherein Financial News USA agrees to provide financial consulting services including analyst coverage at the price of $3,500.

Contract with UTEK(r)

We have entered into an agreement with UTEK(r) wherein UTEK(r) agrees to identify and present new technology and company acquisition opportunities for CytoDyn in exchange for 40,000 unregistered shares of common stock. 1/12th of the shares (3,333) shall vest each month during the term of the12 month agreement.

UTEK(r) is a leading, market-driven technology transfer company that enables companies to rapidly acquire innovative technologies from universities and research laboratories worldwide. UTEK facilitates the identification and then finances the acquisition of external technologies for clients in exchange for their equity securities. This unique process is called U2B(r). In addition to its U2B(r) service, UTEK offers both large and small capitalization companies the tools to search, analyze and manage university intellectual properties. UTEK has operations in the United States, United Kingdom and Israel. For more information about UTEK, please visit its website at www.utekcorp.com.

Contract with Ajinomoto OmniChem

We have entered into a nondisclsoure agreement with Ajinomoto OmniChem to explore a business opportunity of mutual interest to manufacture our cancer therapy Formaxycin(tm).

On January 3, 2006 we entered into a Financial Representative Agreement with J.P Turner & Company LLC. Under this agreement, J.P Turner's investment banking division will on a best efforts basis attempt to find investors to complete an offering to raise capital to fund our continuing operations.

We may also pursue joint ventures or other arrangements to obtain funding for our Cytolin-related endeavors, but we have not pursued this possibility and do not have any prospects at this time.

Other Matters:

We do not expect, in the next 12 months, to make any significant expenditures for equipment.

We currently have 6 employees. We will continue to add staff as funds become available. We hired 3 additional employees, two full-time and one part-time this last quarter. We may hire an additional two to three financial, medical or business experts in the near future.

During the fiscal year ended May 31, 2005, we expended $157,927 in professional fees, consisting of $129,664 legal fees and professional fees incurred in connection with our public registration, our additional patent protection filings, and litigating our pending lawsuits, and $10,676 in accounting and auditing fees. Transfer agent fees and EDGAR filing fees were $12,643. $5,000 was paid for consulting work to Symbion as under our consulting agreement. For the year ended May 31, 2005, $87,185 in legal fees was owed to our director, Ronald Tropp. We expect to incur similar fees in the current fiscal year, based on our research and development efforts, our need for additional capital, and continuing litigation.

Part I. Item 3. Controls and Procedures -
- -------

(a) Evaluation of disclosure controls and procedures

We maintain controls and procedures designed to ensure that information required to be disclosed in the reports that we file or submit under the Securities Exchange Act of 1934 is recorded, processed, summarized and reported within the time periods specified in the rules and forms of the Securities and Exchange Commission. Based upon their evaluation of those controls and procedures performed as of the end of the period

covered by this report, our chief executive officer and the chief financial officer concluded that our disclosure controls and procedures were adequate.

(b) Changes in internal controls

There were no significant changes in our internal controls or in other factors that could significantly affect these controls subsequent to the date of the evaluation of those controls by the chief executive officer and chief financial officer.

Part 2. Other Information

Item 1 - Legal Proceedings.

Rex H. Lewis, a Defendant and former director and C.E.O. of Amerimmune Pharmaceuticals, Inc. filed a First Amended Cross-Complaint against CytoDyn of New Mexico, Inc., (predecessor company) Allen D. Allen, Corinne E. Allen, Ronald J. Tropp, Brian J. McMahon , Daniel M. Strickland, M.D. and unknown others designated as "Does 101-150".

The Cross-Complaint was settled pursuant to a settlement agreement entered into by the parties involved. The terms of the agreement are confidential.

In connection with that settlement, Mr. Lewis and Maya LLC were awarded by the Los Angeles Superior Court attorneys' fees in the amount of approximately $150,000.
We have appealed the Court's order. The matter has not yet been briefed. Management believes we have a strong basis to appeal.

Rex Lewis and Maya LLC filed a complaint against CytoDyn, Inc., CytoDyn of New Mexico, Inc., Allen D. Allen and Corinne Allen in the Los Angeles Superior Court. The complaint sought monetary damages and contains causes of action against us. We and the other defendants have demurred and moved to strike many of the allegations contained in the causes of actions. The Court has not yet ruled on the demurrer or the motion to strike. Neither party has conducted any discovery at this time as it is not clear what claims will be at issue. No trial date has been set.

Item 2 - Changes in Securities and Small Business Issuer Purchases of Equity Securities.

In January and February 2006, we issued Convertible Notes totaling $222,500. The principal balance of each note is convertible at the option of the holder into shares of our common stock based upon a conversion price of $1.25 per share. In connection with this offering we also issued warrants in an equal amount with an exercise price of $1.25 per share.

We recently entered into an agreement with Wall St. Direct wherein Wall St. Direct agrees to provide investor relations and advertising services. In connection with services rendered, on January 26, 2006 we issued Wall St. Direct 142,857 shares of our common stock.

We have entered into an agreement with UTEK(r) wherein UTEK(r) agrees to identify and present new technology and company acquisition opportunities for CytoDyn in exchange for 40,000 unregistered shares of our common stock.

Item 3 - Defaults Upon Senior Securities.

No response required.

Item 4 - Submission of Matters to a Vote of Security Holders.

An annual meeting of the shareholders was held January 31, 2006 . A definitive proxy was filed and solicited. Matters voted on were as follows:

PROPOSAL NO. 1 ELECTION OF DIRECTORS For 5,597,336 Against 0 Abstain 0

Director and Nominees for Director Our Board of Directors currently consists of five persons, all of whom are standing for reelection at the Annual Meeting. In the event that any person nominated as a director becomes unavailable or declines to serve as a director at the time of the Annual Meeting, the proxy holders will vote the proxies in their discretion for any nominee who is designated by the current Board of Directors to fill the vacancy. It is not expected that any of the nominees will be unavailable to serve. The name of the nominees for election to the Board of Directors at the Annual Meeting, age as of the Record Date, and certain information are set forth below.

Name	Age	Principal Occupation
Allen D. Allen	69	Chief Executive Officer, CytoDyn
Corinne E. Allen	38	Vice President Business Development, Secretary, Treasurer, CytoDyn
Daniel M. Strickland, MD	60	Physician specializing in reproductive endocrinology
Vera Stecher, Phd.	55	Medical Director, Pfizer Global Pharmaceuticals Inc.
Wellington A. Ewen	65	Chief Financial Officer CytoDyn

PROPOSAL NO. 2 RATIFICATION OF APPOINTMENT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM Approval of Services.

For 5,597,336 Against 0 Abstain 0

PROPOSAL NO. 3 APPROVAL OF 2005 STOCK INCENTIVE PLAN

For 5,597,336 Against 0 Abstain 0

Item 5 - Other Information.

No response required.

Item 6 - Exhibits and Reports on Form 8-K.

(a) Exhibits:

1. 31.1: Certification by the CEO
2. 31.2: Certification by the CFO
3. 32.1: Certification Pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002 - CEO
4. 32.2: Certification Pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002 - CFO

(b) Reports on Form 8-K:

On January 6, 2006 we filed an8K disclosing a Financial Representative agreement entered into with JP Turner & Co., LLC. Under the Agreement, J.P Turner's investment banking division will on a best efforts basis attempt to find investors to complete an offering to raise capital

SIGNATURES

The financial information furnished herein has not been audited by an independent accountant; however, in the opinion of management, all adjustments (only consisting of normal recurring accruals) necessary for a fair presentation of the results of operations for the three months ended February 28, 2006 have been included.

Pursuant to the requirements of the Securities and Exchange Act of 1934, the Registrant has duly caused this report to be signed on its behalf by the undersigned thereunto duly authorized.

CYTODYN, INC.
(Registrant)

DATE: April 14, 2006

BY: /s/ Allen D. Allen
Allen D. Allen
President and CEO

Exhibit 31.1

CERTIFICATION
- ------------

I, Allen D. Allen, certify that:

1. I have reviewed this quarterly report on Form 10-QSB of CytoDyn, Inc.

2. Based on my knowledge, this quarterly report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the small business issuer as of, and for, the periods presented in this report;

4. The small business issuer's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the small business issuer and have:

a) Designed such disclosure controls and procedures , or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the small business issuer, including any consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

c) Evaluated the effectiveness of the small business issuer's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

d) Disclosed in this report any change in the small business issuer's internal control of financial reporting that occurred during the small business issuer's most recent fiscal quarter (the small business issuer's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect the small business issuer's internal control over financial reporting; and

5. The small business issuer's other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the small business issuer's auditors and the audit committee of the small business issuer's board of directors (or persons performing the equivalent functions):

a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the small business issuer's ability to record, process, summarize and report financial information; and

b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the small business issuer's internal control over financial reporting.

Date: April 14, 2006

/s/ Allen D. Allen
- ----------------------
Allen D. Allen
Chief Executive Officer

Exhibit 31.2

CERTIFICATION
- ------------

I, Wellington A. Ewen, certify that:

1. I have reviewed this quarterly report on Form 10-QSB of CytoDyn, Inc.

2. Based on my knowledge, this quarterly report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the small business issuer as of, and for, the periods presented in this report;

4. The small business issuer's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the small business issuer and have:

a) Designed such disclosure controls and procedures , or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the small business issuer, including any consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

c) Evaluated the effectiveness of the small business issuer's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

d) Disclosed in this report any change in the small business issuer's internal control of financial reporting that occurred during the small business issuer's most recent fiscal quarter (the small business issuer's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect the small business issuer's internal control over financial reporting; and

5. The small business issuer's other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the small business issuer's auditors and the audit committee of the small business issuer's board of directors (or persons performing the equivalent functions):

a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the small business issuer's ability to record, process, summarize and report financial information; and

b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the small business issuer's internal control over financial reporting.

Date: April 14, 2006

/s/ Wellington A. Ewen
- ------------------------
Wellington A. Ewen
Chief Financial Officer

Exhibit 32.1

CERTIFICATION PURSUANT TO
18 U.S.C. SECTION 1350,
AS ADOPTED PURSUANT TO
SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002

In connection with the Quarterly Report of CytoDyn, Inc. (the "Company") on Form 10-QSB for the period ending November 30, 2005, as filed with the Securities and Exchange Commission on the date hereof (the "Report"), I, Allen D. Allen, Chief Executive Officer of the Company, certify, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that:

(1) The Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934; and

(2) The information contained in the Report fairly presents, in all material respects, the financial condition and result of operations of the Company.

/s/ Allen D. Allen
- ----------------------
Allen D. Allen
Chief Executive Officer
April 14, 2006

Exhibit 32.2

CERTIFICATION PURSUANT TO
18 U.S.C. SECTION 1350,
AS ADOPTED PURSUANT TO
SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002

In connection with the Quarterly Report of CytoDyn, Inc. (the "Company") on Form 10-QSB for the period ending November 30, 2005, as filed with the Securities and Exchange Commission on the date hereof (the "Report"), I, Wellington A. Ewen, Chief Financial Officer of the Company, certify, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that:

(1) The Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934; and

(2) The information contained in the Report fairly presents, in all material respects, the financial condition and result of operations of the Company.

/s/ Wellington A. Ewen
- ------------------------
Wellington A. Ewen
Chief Financial Officer
April 14, 2006