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

APPLICABLE ONLY TO ISSUERS INVOLVED IN BANKRUPTCY PROCEEDINGS DURING
THE PRECEDING FIVE YEARS:

Indicate by check mark whether the registrant has filed all documents and reports required to be filed by Sections 12, 13 or 15(d) of the Securities Exchange Act of 1934 subsequent to the distribution of securities under a plan confirmed by a court. Yes No .

APPLICABLE ONLY TO CORPORATE ISSUERS

Indicate the number of shares outstanding of each of the issuer's classes of common stock, as of the latest practicable date: 88,662,002 shares of common stock, par value \$.001 per share, and 6,229,997 preferred shares, par value \$.001, outstanding as of March 31, 2011.

GLOBAL RESOURCE CORPORATION

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PART I – FINANCIAL INFORMATION

Item 1. Financial Statements.

The accompanying financial statements have been prepared in accordance with generally accepted accounting principles for interim financial information and in accordance with the instructions for Form 10-Q. Accordingly, they do not include all of the information and footnotes required by generally accepted accounting principles for complete financial statements.

In the opinion of management, the financial statements contain all material adjustments, consisting only of normal recurring adjustments necessary to present fairly the financial condition, results of operations, and cash flows of the Company for the interim periods presented.

The results for the period ended June 30, 2010 are not necessarily indicative of the results of operations for the full year. These financial statements and related footnotes should be read in conjunction with the financial statements and footnotes thereto included in the Company's Form 10-K filed with the Securities and Exchange Commission for the period ended December 31, 2009.

Global Resource Corporation
(A Development Stage Company)
Consolidated Balance Sheets

	(unaudited) June 30, 2010	December 31, 2009
ASSETS		
CURRENT ASSETS		
Cash and cash equivalents	\$ 55,850	\$ 40,620
Prepaid services	749,125	577,250
Total current assets	804,975	617,870
Property and equipment, net of depreciation	1,145,108	1,430,201
OTHER ASSETS		
Deposits	93,174	124,330
Patents	76,873	79,203
Prepaid patent costs	637,712	559,855
Total other assets	807,759	763,388
TOTAL ASSETS	\$ 2,757,842	\$ 2,811,459
LIABILITIES AND STOCKHOLDERS' EQUITY (DEFICIT)		
CURRENT LIABILITIES		
Accounts payable and accrued liabilities	\$ 1,414,164	\$ 1,094,844
Deferred revenue	241,667	120,000
Loans payable - equipment	5,054	17,738
Convertible promissory notes	1,124,448	-
Capital lease obligation - equipment	11,006	12,250
Royalty Advance	750,000	750,000
Severance payable	200,000	200,000
Total current liabilities	3,746,339	2,194,832
LONG-TERM LIABILITIES		
Capital lease obligation - equipment, net of current portion	-	5,252
Severance payable, net of current portion	741,742	1,435,485
Derivative financial instruments	31,052	-
Total long-term liabilities	772,794	1,440,737
Total liabilities	4,519,133	3,635,569
COMMITMENTS AND CONTINGENCIES		
STOCKHOLDERS' EQUITY (DEFICIT)		

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Preferred stock A - \$.001 par value 100,000,000 shares authorized, none issued and outstanding at June 30, 2010, none were issued and outstanding at December 31, 2009	-	-
Common stock, \$.001 par value; 200,000,000 shares authorized, 81,358,654 shares issued and 74,663,693 outstanding at June 30, 2010, 74,100,664 shares issued and 67,405,703 outstanding at December 31, 2009	81,359	74,100
Additional paid-in capital	47,045,757	42,880,641
Deficit accumulated in the development stage	(47,171,934)	(42,062,378)
	(44,818)	892,363
Treasury Stock at cost	(1,716,473)	(1,716,473)
Total stockholders' equity (deficit)	(1,761,291)	(824,110)
TOTAL LIABILITIES AND STOCKHOLDERS' EQUITY (DEFICIT)	\$ 2,757,842	\$ 2,811,459

See accompanying notes to consolidated financial statements.

Global Resource Corporation
(A Development Stage Company)
Consolidated Statements of Operations and Comprehensive Loss
(unaudited)

	Three Months Ended		Six Months Ended		July 19, 2002 (Inception) to
	June 30, 2010	June 30, 2009	June 30, 2010	June 30, 2009	June 30, 2010
REVENUES	\$88,333	\$ -	\$178,333	\$ -	\$ 358,333
COST OF REVENUES	\$-	\$ -	\$-	\$ -	\$ -
GROSS PROFIT	88,333	-	178,333	-	358,333
OPERATING EXPENSES					
General and administrative expenses	\$1,349,669	\$ 3,093,423	\$4,419,296	\$ 5,236,282	\$ 56,980,883
Research and development expenses	\$298,993	\$ 395,087	\$749,223	\$ 680,359	\$ 3,637,657
Total operating expenses	1,648,662	3,488,510	5,168,519	5,916,641	60,618,540
OPERATING LOSS	(1,560,329)	(3,488,510)	(4,990,186)	(5,916,641)	(60,260,207)
OTHER INCOME (EXPENSE)					
Loss on deposit and other	\$-	\$ -	\$-	\$ -	\$ (179,893)
Net realized loss on short-term investments	\$-	\$ -	\$-	\$ (17,438)	\$ (901,795)
Change in fair value of derivative financial instruments	\$(26,212)	\$ (948,619)	\$(101,529)	\$ (252,765)	\$ 13,850,150
Interest expense	\$(18,366)	\$ (4,465)	\$(18,149)	\$ (7,609)	\$ (88,427)
Interest income	\$-	\$ 58,490	\$308	\$ 113,987	\$ 408,238
Total other income (expense)	(44,578)	(894,594)	(119,370)	(163,825)	13,088,273
NET LOSS	\$(1,604,907)	\$ (4,383,104)	\$(5,109,556)	\$ (6,080,466)	\$ (47,171,934)
OTHER COMPREHENSIVE LOSS					
Unrealized gain (loss) on short-term investments	\$-	\$ 550,441	\$-	\$ 237,550	\$ —
Realized loss on short-term investments, net of taxes, reclassified from accumulated other comprehensive loss	\$-	\$ -	\$-	\$ -	\$ —

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COMPREHENSIVE LOSS	\$ (1,604,907)	\$ (3,832,663)	\$ (5,109,556)	\$ (5,842,916)	\$ (47,171,934)
BASIC AND DILUTED LOSS PER COMMON SHARE	\$ (0.02)	\$ (0.07)	\$ (0.07)	\$ (0.10)	
WEIGHTED AVERAGE NUMBER OF COMMON SHARES	74,622,910	63,367,077	71,615,721	63,144,988	

See accompanying notes to consolidated financial statements.

Global Resource Corporation
(A Development Stage Company)
Consolidated Statements of Stockholders' Equity (Deficit)

	Preferred Stock A	Preferred Stock B	Common Stock	Additional	Deficit		
	Par Value	Par Value	Par Value	Paid-In	Accumulated		
Preferred	\$.001	Preferred\$.001	Common	\$.001	during the	Deferre	
Shares	\$	\$	Shares	\$	Development	Compensa	
	Amount	SharesAmount	Shares	Amount	Stage		
Balance at July 19, 2002 (Inception)	\$-	\$- -		\$-	\$-	\$ -	\$-
Issuance of initial founders' shares, September 9, 2002 net of subsequent cancellations			2,555,000				
Common stock shares issued for cash :							
Common stock issued for cash in November 2002, at \$.50 per share plus 29,000 warrants			29,000		14,500		
Common stock shares issued for services rendered:							
Common stock issued for services rendered, on September 10, 2002, at \$0.472 per share			1,000,000		472,000		
Common stock issued for services			13,600		6,800		

rendered, in
November and
December ,
2002, at \$0.50
per share, plus
13,600 warrants

Net loss for the
period July 19,
2002
(Inception)
through
December 31,
2002 (Restated,
see Note 19)

(508,508)

Balance at
December 31,
2002 (Restated,
see Note 19)

- - - - 3,597,600 - 493,300 (508,508) -

Re-issuance of
initial founders'
shares, July
2003

1,455,000

Common stock
shares issued
for cash :

Common stock
issued for cash
from January
2003 to
December
2003, at \$.50
per share plus
519,800
warrants

519,800 259,900

Stock
subscriptions
receivable, net

Net loss for the
year ended
December 31,
2003,
(Restated, see
Note 19)

(203,659)

- - - - 5,572,400 - 753,200 (712,167) -

Balance at
December 31,
2003 (Restated,
see Note 19)

Common stock
shares issued
for cash :

Common stock
issued for cash
from January
2004 to
December
2004, at \$.50
per share plus
917,645
warrants

917,645

553,105

Common Stock
Shares issued
for services
rendered:

Common stock
issued for
services
rendered on
October 12,
2004, at \$1.00
per share

545,000

545,000

(545,000)

Other:

Common stock
issued in
exchange for
real estate on
August 25,
2004 at \$1.00
per share plus
500,000
warrants

500,000

500,000

Common stock
issued in
exchange for
real estate on
September 7,
2004 at \$1.00
per share plus
150,000
warrants

150,000

150,000

Common stock issued as charitable contribution on October 12, 2004, at \$1.00 per share					50,000		50,000		
Initial founders' shares cancelled on October 28, 2004					(250,000)			
Stock subscriptions receivable, net									
Net loss for the year ended December 31, 2004								(672,219)
Balance at December 31, 2004	-	-	-	-	7,485,045	-	2,551,305	(1,384,386) (545,000)
Common stock shares issued for cash :									
Common stock issued for cash from January 2005 to December 2005 at \$1.00 per share plus 163,980 warrants					165,980		181,980		
Common stock issued for cash from September 2005 to December 2005 at \$2.00 per share plus 270,470 warrants					270,470		443,930		

Common stock issued for cash on December 30 and 31, 2005, at \$1.02 per share plus 126,705 warrants	126,705	163,362
Common stock issued for cash on December 30, 2005, at \$.99 per share plus 8,000 warrants	2,000	1,985
Common stock issued for cash on December 30, 2005, at \$.73 per share plus 66,000 warrants	16,500	12,033
Common stock issued for cash on December 30, 2005, at \$.70 per share plus 472,000 warrants	118,000	82,808
Common stock issued for cash on December 30, 2005, at \$.65 per share plus 105,200 warrants	26,300	17,050
Common stock issued for cash on December 30, 2005, at \$.64 per share plus 60,800 warrants	15,200	9,750
Common stock issued for cash on December 30, 2005, at \$.36 per share plus 18,000 warrants	4,500	1,610

Common Stock
Shares issued
for services
rendered:

Common stock
issued for
services
rendered from
March 2005 to
December
2005, at \$1.00
per share, plus
53,000 warrants

53,500

53,500

Other:

Common stock
issued in
exchange for
real estate on
January 18,
2005 at \$1.00
per share plus
80,800 warrants

80,800

80,800

Common stock
issued to
Careful Sell
Holdings, LLC
to acquire
technology
with zero value
on February 23,
2005

7,500,000

Common stock
issued to
Careful Sell
Holdings, LLC
to acquire
technology
with zero value
on March 29,
2005

30,000,000

Common stock
issued for
payment of
debts on March
11, 2005, at

1,087

1,087

\$1.00 per share
plus 1,087
warrants

Stock
subscriptions
receivable, net

Amortization of
deferred
compensation

109,000

Net loss for the
year ended
December 31,
2005

(1,291,169)

Balance at
December 31,
2005

- - - - 45,866,087 - 3,601,200 (2,675,555) (436,000)

Common stock
shares issued
for cash :

Common stock
issued for cash
on February 9,
2006, at \$.31
per share plus
52,000 warrants

26,000

8,125

Common stock
issued for cash
on March 17,
2006, at \$.36
per share plus
308,000
warrants

154,000

55,175

Common stock
issued for cash
on May 20,
2006, at \$.49
per share plus
10,000 warrants

6,436

3,148

Common stock
issued for cash
on June 12,
2006, at \$.50
per share plus
50,000 warrants

25,000

12,485

Common stock
issued for cash

431,600

288,207

on September
14, 2006, at
\$.35 per share
plus 863,200
warrants

Common stock
issued for cash
from February
1, 2006 to
September 15,
2006 at \$1.00
per share plus
1,337,450
warrants

1,309,650

1,318,010

Common stock
issued for cash
in February
2006 and July
2006, at \$1.02
per share plus
922,000
warrants

486,000

495,614

Common stock
issued for cash
on January 9,
2006, at \$1.18
per share plus
61,000 warrants

61,000

72,000

Common stock
issued for cash
from January
2006 to
September 15,
2006 at \$2.00
per share plus
391,100
warrants

286,600

558,112

Common Stock
Shares issued
for services
rendered:

Common stock
issued for
services
rendered, on
September 22,
2006, at \$1.04
per share plus
14,123 warrants

14,123

14,746

Common stock issued for services rendered to old GRC (shell)'s officer, on September 23, 2006, at \$2.00 per share	25,000	25	49,975	
Other:				
Common stock issued in exchange for investment in real estate on September 18, 2006, at \$2.00 per share, plus 22,500 warrants	22,500		45,000	
Common stock issued for conversion of old GRC (shell)'s debt on September 26, 2006, at approximately \$0.05 per share	2,681,837	2,682	118,000	
Stock subscriptions receivable, net				
Reclass deferred compensation due to adoption of SFAS 123(R)			(436,000)	436,000
Amortization of deferred compensation			109,000	
Effect of reverse merger September 22, 2006	72,241	48,761	(169,444)	

Common and Preferred Stock A issued for merger with Mobilestream Oil, Inc. on December 31, 2006, at \$0.26 per share plus 27,205,867 warrants	35,236,188	35,236			11,145,255	11,145	3,310,274	(10,498)	
Cancellation of shares for merger with Mobilestream, Inc. on November 28, 2006					(37,500,000)	(37,500)	37,500		
Reclassification of derivative liability on warrants							(16,139,529)		
Net loss for the year ended December 31, 2006								(5,010,541)	
Balance at December 31, 2006	35,236,188	35,236	-	-	25,113,329	25,113	(6,648,402)	(7,696,594)	-
Common stock shares issued for cash :									
Common stock issued for cash from January 29, 2007 to February 21, 2007, at \$0.30 per share					17,500	18	5,232		
Common stock issued for cash from April 2, 2007 to June 25, 2007 at \$0.32 per share					499,564	500	157,709		

Common stock issued for cash on March 7, 2007, at \$1.08 per share (from stock to be issued liability)	186,822	187	201,156
Common stock issued for cash on October 25, 2007, at \$2.00 per share	2,500	2	4,998
Common stock issued for cash on December 20, 2007, at \$1.00 per share plus 625,000 warrants	1,000,000	1,000	999,000
Common Stock Shares issued for services rendered:			
Common stock issued for services rendered, on March 19, 2007 and July 9, 2007, at \$1.00 per share	9,700	10	9,690
Common stock issued for services rendered, on March 19 and 20, 2007, at \$0.50 per share	31,000	31	20,969
Common stock issued to employee for services rendered, on April 20, 2007, at \$1.38 per share	250,000	250	344,750
Common stock issued for services rendered, on	3,417	3	3,301

May 30, 2007,
at \$1.05 per
share

Common stock
issued to
employee for
services
rendered, on
June 1, 2007, at
\$1.36 per share

194,500 195 264,325

Common stock
issued for
services
rendered, on
July 18, 2007,
at \$0.80 per
share

37,500 37 29,963

Common stock
issued to
employee for
services
rendered, on
August 1, 2007,
at \$4.43 per
share

100,000 100 442,900

Common stock
issued to
employee for
services
rendered, on
August 19,
2007, at \$4.50
per share

250,000 250 1,124,750

Common stock
issued for
services
rendered, on
August 30,
2007, at \$2.27
per share

3,745 3 8,497

Common stock
issued for
services
rendered, on
August 30,
2007, at \$0.69
per share

30,041 30 20,698

Common stock
issued for
services
rendered, on

361,000 361 1,230,649

August 31, 2007, at \$3.41 per share			
Common stock issued for services to be performed, service valued on September 14, 2007, at \$2.29 per share	150,000	150	343,350
Common stock issued to employee for services rendered, on October 1, 2007, at \$2.60 per share	300,000	300	779,700
Common stock issued for services to be performed, service valued on October 02, 2007, at \$2.47 per share	350,000	350	864,150
Common stock issued for services to be performed, service valued on October 02, 2007, at \$2.40 per share	75,000	75	179,926
Common stock issued for services rendered, on October 9, 2007, at \$2.69 per share	47,579	47	127,703
Common stock issued to employee for services rendered, on October 22, 2007, at \$1.86 per share	50,000	50	92,950
	150,000	150	337,350

Common stock issued for services rendered, on October 29, 2007, at \$2.25 per share			
Common stock issued for services rendered, on November 9, 2007, at \$3.23 per share	130,000	130	419,770
Common stock issued for services rendered, on November 19, 2007, at \$3.50 per share	50,000	50	174,950
Common stock issued for services rendered, on November 26, 2007, at \$3.01 per share	30,000	30	90,270
Common stock issued for services rendered, on December 3, 2007, at \$2.00 per share	45,094	45	89,955
Common stock issued for services rendered, on December 4, 2007, at \$3.15 per share	50,000	50	157,450
Common stock issued for services rendered, on December 11, 2007, at \$2.50 per share	200,000	200	499,800
Common stock issued for	400,000	400	578,052

services rendered, on December 17, 2007, at \$1.446 per share

Common stock issued for services rendered, on December 17, 2007, at \$2.50 per share

100,000 100 249,900

Common stock issued for services rendered, on December 18, 2007, at \$3.02 per share

50,000 50 150,950

Common stock issued for services rendered, on December 21, 2007, at \$3.00 per share

40,000 40 119,960

Common stock issued for services rendered, on December 27, 2007, at \$3.10 per share

50,000 50 154,950

Other:

Preferred Stock B Shares issued for settlement of services

1,000 1 399,999

Treasury stock, purchased from former officer on May 17, 2007, at \$.70 per share

(94,961)

Stock subscriptions receiveable, net

Amortization of deferred compensation								109,000	
Reclassification of derivative liability into additional paid in capital due to cancellation of warrants								2,187,850	
Net loss for the year ended December 31, 2007 (Restated, see Note 20)									(6,578,331)
Balance at December 31, 2007 (Restated, see Note 20)	35,236,188	35,236	1,000	1	30,263,330	30,358	6,328,170	(14,274,925)	-
Common stock shares issued for cash :									
Common stock issued for cash on February 19, 2008, at \$2.00 per share					17,000	17	33,983		
Common stock issued for cash on March 5, 2008, at \$1.61 per share					31,057	31	49,969		
Common stock issued for cash from March 18, 2008 to October 15, 2008 at \$1.00 per share, plus 6,081,768 warrants					8,808,987	8,809	8,799,779		
Common stock issued for cash on March 26, 2008, at \$1.18 per share					9,000	9	10,611		

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Common stock issued for cash on April 11, 2008, at \$1.11 per share, plus 1,929,775 warrants	1,929,775	1,930	2,148,662
Common stock issued for cash on April 25, 2008, at \$1.19 per share, plus 1,487,139 warrants	1,487,139	1,487	1,771,366
Common stock issued for cash on May 15, 2008, at \$1.10 per share plus 39,100 warrants	39,100	39	42,891
Common stock issued for cash on August 21, 2008, at \$.88 per share	10,000	10	8,740
Common stock issued for cash on September 4, 2008, at \$1.04 per share	13,867	14	14,384
Common stock issued on December 16, 2008, at \$0 per share	850,000	850	1,089
Common stock shares issued for services rendered:			
Common stock issued for services rendered, on February 1, 2008, at \$2.95 per share	100,000	100	294,900
Common stock issued for services	150,000	150	394,350

rendered, on February 6, 2008, at \$2.63 per share			
Common stock issued for services rendered, on February 13, 2008, at \$2.39 per share	12,500	13	29,862
Common stock issued for services rendered, on February 15, 2008, at \$2.42 per share	20,000	20	48,380
Common stock issued for services rendered, on February 28, 2008, at \$2.15 per share	25,000	25	53,725
Common stock issued for services rendered, on February 29, 2008, at \$2.19 per share	175,000	175	383,075
Common stock issued for services rendered, on March 14, 2008, at \$2.10 per share	5,000	5	10,495
Common stock issued for services rendered, on March 18, 2008 and March 19, 2008 at \$1.60 per share	50,000	50	79,950
Common stock issued for services rendered, on	1,436,666	1,437	2,728,228

March 31, 2008 and April 4, 2008 at \$1.90 per share			
Common stock issued for services rendered, on April 1, 2008, at \$1.95 per share	70,000	70	136,430
Common stock issued for penalty, on April 2, 2008, at \$1.84 per share	50,000	50	91,950
Common stock issued for services rendered, on April 14, 2008, at \$3.05 per share	150,000	150	457,350
Common stock issued for services rendered, on April 29, 2008, at \$3.07 per share	883,333	883	2,710,950
Common stock issued for services rendered, on May 7, 2008, at \$2.55 per share	1,000,000	1,000	2,549,000
Common stock issued for services rendered, on May 12, 2008, at \$2.65 per share	20,000	20	52,980
Common stock issued for services rendered, on May 13, 2008, at \$2.79 per share	50,000	50	139,450

Common stock issued for services rendered, on June 3, 2008, at \$2.10 per share	150,000	150	314,850
Common stock issued for services rendered, on June 11, 2008 and June 13, 2008 at \$2.25 per share	213,750	214	480,724
Common stock issued for penalty to "POOF", on June 30, 2008, at \$2.09 per share	650,000	650	1,357,850
Common stock issued for services rendered, on July 14, 2008, at \$1.66 per share	200,000	200	331,800
Common stock issued for services rendered, on July 25, 2008, at \$1.40 per share	75,000	75	104,925
Common stock issued for services rendered, on August 8, 2008, at \$1.03 per share	75,000	75	77,175
Common stock issued for services rendered, on August 25, 2008, at \$1.25 per share	6,000	6	7,494
Common stock issued for	1,500,000	1,500	1,438,500

services rendered, on September 8, 2008, at \$.96 per share			
Common stock issued for services rendered, on October 7, 2008, at \$1.49 per share	100,000	100	148,900
Common stock issued for services rendered, on October 15, 2008, at \$1.25 per share	60,000	60	74,940
Common stock issued for services rendered, on October 20, 2008, at \$1.50 per share	125,000	125	187,375
Common stock issued for services rendered, on October 24, 2008, at \$1.37 per share	100,000	100	136,900
Common stock issued for services rendered, on October 31, 2008, at \$1.55 per share, plus 300,000 warrants	150,000	150	232,350
Common stock issued for services rendered, on December 16, 2008, at \$1.35 per share	12,600	13	16,997
Common stock issued for	100,000	100	107,900

services rendered, on December 18, 2008, at \$1.08 per share

Common stock issued to employees for services rendered, on June 26, 2008, at \$2.08 per share

7,500 8 16,632

Common stock warrants and option activity:

Common Stock Warrants issued for services (BOD) on February 7, 2008, at \$2.43 per share (6,000 warrants)

21,870

Common Stock Warrants issued for services (BOD) on May 21, 2008, at \$2.47 per share (9,000 warrants)

14,795

Common Stock Warrants issued for services (BOD) on September 23, 2008, at \$2.25 per share (25,000 warrants)

50,000

Common Stock Warrants issued for services (BOD) on November 13, 2008, at \$1.35 per share

24,600

(20,000 warrants)					
Common Stock Warrants issued for services to non-employee on September 3, 2008, at \$2.75 per share (76,500 warrants)				78,030	
Common Stock Warrants issued for services to non-employee on October 1, 2008, at \$1.36 per share (300,000 warrants)				102,285	
Common Stock Warrants exercised cashless by Nutmeg/Black Diamond on April 2, 2008, at \$1.84 per share	124,489	124	(124)	
Common Stock Warrants exercised cashless by POOF on July 3, 2008, at \$1.42 per share	325,957	326	(326)	
Common Stock Options issued to employee on October 1, 2008, at fair value of \$1.04 per share				1,040,000	
Other:					
Preferred stock B - converted to common	(1,000)	(1)	206,559	207	(206)

stock on April
8, 2008

Preferred stock
A - converted
by former
officer into
common stock
on June 25,
2008

(1,791,064)	(1,791)	895,532	895	896
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Preferred stock
A - converted
by former
officer into
common stock
on August 13,
2008

(33,440,124)	(33,440)	16,720,062	16,720	16,720
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Treasury stock,
purchased from
former officer
on August 13,
2008, for \$.25
per share

(6,600,000)

Stock
subscription
receivable, net

(130,518)

Record other
comprehensive
loss - net
unrealized gain
/(loss) on
short-term
investments :

Other
comprehensive
loss - net
unrealized loss
recorded at
June 30, 2008

Other
comprehensive
loss - net
unrealized loss
recorded at
September 30,
2008

Other
comprehensive
loss - net

unrealized loss recorded at December 31, 2008									
Reclassification of unrealized loss deemed to be other than temporary									
Amortization and write-off of deferred compensation							218,000		
Net loss for the year ended December 31, 2008									(15,495,349)
Balance at December 31, 2008	5,000	\$5	-	\$-	62,854,203	\$69,549	35,842,053	\$	(29,770,274) \$-
Common stock shares issued for cash :									
Common stock issued for cash on December 15, 2009, at \$0.50 per share					250,000	250	125,581		
Common stock shares issued for services rendered:									
Common stock issued for services rendered, on January 8, 2009, at \$1.17 per share plus 150,000 warrants					60,000	60	70,140		
Common stock issued for services rendered, on February 24,					15,000	15	19,485		

2009, at \$1.30 per share			
Common stock issued for services rendered, on March 20, 2009, at \$1.25 per share plus 60,041 warrants	19,000	19	23,731
Common stock issued for services rendered, on April 22, 2009, at \$1.13 per share	225,000	225	254,025
Common stock issued for services rendered, on March 24, 2009, at \$1.37 per share	105,000	105	143,745
Common stock issued for services rendered, on May 12, 2009, at \$1.64 per share	300,000	300	491,700
Common stock issued for services rendered, on September 10, 2009, at \$0.90 per share	125,000	125	112,375
Common stock issued for services rendered, on October 10, 2009, at \$1.08 per share	600,000	600	647,400
Common stock issued for services rendered, on October 10, 2009, at \$1.08	450,000	450	485,550

per share			
Common stock issued for services rendered, on November 20, 2009, at \$0.91 per share	250,000	250	227,250
Common stock issued for services rendered, on November 23, 2009, at \$0.87 per share	250,000	250	217,250
Common stock issued for services rendered, on November 30, 2009, at \$0.80 per share	300,000	300	239,700
Common stock issued for services rendered, on December 17, 2009, at \$0.62 per share	400,000	400	231,600
Common stock issued for services rendered, on December 15, 2009, at \$0.58 per share	200,000	200	115,800
Common stock issued for services rendered, on December 15, 2009, at \$0.58 per share	200,000	200	115,800
Common stock issued for services rendered, on December 16, 2009, at \$0.58 per share	200,000	200	137,663
	500,000	500	309,500

Common stock
issued for
services
rendered, on
December 17,
2009, at \$0.62
per share

Common stock
issued for
services
rendered, on
December 21,
2009, at \$0.59
per share

100,000 100 58,900

Common stock
warrants and
option activity:

Common Stock
Warrants issued
for services to
non-employees
on January 2,
2009, at \$1.50
per share

103,147

Common Stock
Warrants issued
for services to
non-employees
on February 18,
2009, at \$2.50
per share

31,666

Common Stock
Warrants issued
for services to
non-employees
on March 2,
2009, at \$1.02
per share

54,618

Common Stock
Warrants issued
for services
(BOD) on
March 27,
2009, at \$1.04
per share
(30,000
warrants)

27,119

Common Stock
Warrants issued

24,519

for services (BOD) on August 5, 2009, at \$1.10 per share (25,000 warrants)	
Common Stock Warrants amortization expense for warrants issued for services to non-employees on October 31, 2008, at \$1.58 per share	306,855
Record Common Stock Options expense for options issued to former employee on October 5, 2009, at fair value of \$1.18 per share	1,986,236
Common Stock Warrants issued for services to non-employees on April 1, 2009, at \$1.50 per share	98,661
Common Stock Warrants issued for services to non-employees on April 1, 2009, at \$1.01 per share	140,880
Common Stock Warrants issued for services to non-employees on November 11, 2009, at \$0.58 per share	54,653
Common Stock Warrants issued for services to	17,584

non-employees on November 23, 2009, at \$0.58 per share									
Common stock Warrants issued for services to former employee on December 15, 2009 at \$0.58 per share									93,836
Common stock Warrants issued for services to former employee on December 15, 2009 at \$0.58 per share									71,616
Other:									
Preferred stock A - converted to common stock on January 6, 2009	(5,000)	(5)	2,500	2	3		
Record other comprehensive loss - unrealized loss recorded at July 31, 2009									
Net loss for the year ended December 31, 2009									(12,292,104)
Balance at December 31, 2009	-	\$-	-	\$-	67,405,703	\$74,100	42,880,641	\$	(42,062,378) \$-
Common stock shares issued for cash :									
Common stock issued for cash					97,950	98	39,090		

on January 14, 2010, at \$0.40 per share			
Common stock issued for cash on January 25, 2010, at \$0.65 per share	153,847	154	99,846
Common stock issued for cash on January 28, 2010, at \$0.40 per share	175,000	175	69,729
Common stock issued for cash on February 5, 2010, at \$0.33 per share	300,000	300	99,661
Common stock issued for cash on February 9, 2010, at \$0.40 per share	100,000	100	39,900
Common stock issued for cash on February 23, 2010, at \$0.40 per share	32,500	32	12,968
Common stock issued for cash on February 23, 2010, at \$0.30 per share	156,000	156	46,644
Common stock issued for cash on February 26, 2010, at \$0.30 per share	50,000	50	14,950
Common stock issued for cash on March 5, 2010, at \$0.25 per share	155,000	155	38,595
Common stock issued for cash on March 10, 2010, at \$0.30 per share	66,667	67	19,904
Common stock issued for cash on March 12,	283,333	283	84,678

2010, at \$0.30 per share			
Common stock issued for cash on March 25, 2010, at \$0.19 per share	265,625	266	49,734
Common stock shares issued for services rendered:			
Common stock issued for services rendered, on January 6, 2010, at \$.58 per share	725,000	725	419,775
Common stock issued for services rendered, on January 12, 2010, at \$.75 per share	330,642	331	247,431
Common stock issued for services rendered, on February 2, 2010, at \$.62 per share	250,000	250	154,750
Common stock issued for services rendered, on February 5, 2010, at \$.57 per share	250,000	250	142,250
Common stock issued for services rendered, on February 9, 2010, at \$.62 per share	164,423	164	101,475
Common stock issued for services rendered, on	5,050	5	2,495

February 12, 2010, at \$.50 per share				
Common stock issued for services rendered, on February 17, 2010, at \$.51 per share	500,000	500	254,500	
Common stock issued for services rendered, on February 23, 2010, at \$.45 per share	300,000	300	134,700	
Common stock issued for services rendered, on February 24, 2010, at \$.45 per share	10,000	10	5,090	&#