NANOVIRICIDES, INC.	
Form 10-Q	
November 14, 2013	

UNITED STATES SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

FORM 10-Q

QUARTERLY REPORT UNDER SECTION 13 OR 15(d) OF

THE SECURITIES EXCHANGE ACT OF 1934.

For the quarterly period ended September 30, 2013

Commission File Number: 333-148471

NANOVIRICIDES, INC.

(Exact name of Company as specified in its charter)

<u>NEVADA</u> <u>76-0674577</u>

(State or other jurisdiction) (IRS Employer Identification No.)

of incorporation or organization)

135 Wood Street, Suite 205

West Haven, Connecticut 06516

(Address of principal executive offices and zip code)

(203) 937-6137

(Company's telephone number, including area code)

Indicate by check mark whether the Company (1) has filed all reports required to be filed by Section 13 or 15(d) of the Exchange Act during the preceding 12 months (or for such shorter period that the Company was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes x No "

Indicate by check mark whether the Company has submitted electronically and posted on its corporate web site, if any, every Interactive Data File required to be submitted and posted pursuant to Rule 405 of Regulation S-T (§232.405 of this chapter) during the preceding 12 months (or for such shorter period that the Company was required to submit and post such files). Yes x No "

Indicate by check mark whether the Company is a larger accelerated filer, an accelerated filer, or a non-accelerated filer. See definition of "accelerated filer and large accelerated filer" in Rule 12b-2 of the Exchange Act. (Check one)

Large accelerated filer "Accelerated filer "Non-accelerated filer x Smaller reporting company"

Indicate by check mark whether the Company is a shell company (as defined in Rule 12b-2 of the Exchange Act).

Yes" No x

The number of shares outstanding of the Company's Common Stock as of November 14, 2013 was: 50,028,701.

NanoViricides, Inc.

FORM 10-Q

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PART I FINANCIAL INFORMATION

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(A Development Stage Company)

Balance Sheets

	September 30, 2013 (Unaudited)	June 30, 2013
ASSETS CURRENT ASSETS: Cash and cash equivalents Prepaid expenses Other current assets	\$ 19,200,882 805,145	\$13,923,245 598,380 -
Total Current Assets	20,006,027	14,521,625
PROPERTY AND EQUIPMENT Property and equipment Accumulated depreciation	3,779,636 (1,089,471	1,505,648) (1,036,752)
Property and equipment, net	2,690,165	468,896
TRADEMARK Trademark Accumulated amortization Trademark, net	458,954 (44,114 414,840	458,954) (41,921) 417,033
SECURITY DEPOSIT	2,000,000	1,000,000
Total Assets	\$ 25,111,032	\$16,407,554
LIABILITIES AND STOCKHOLDERS' EQUITY CURRENT LIABILITIES: Accounts payable Accounts payable – related parties Accrued expenses	\$ 408,058 1,139,825 319,612	\$263,258 710,567 204,359
Total Current Liabilities	1,867,495	1,178,184
Debentures payable Derivative liability	3,603,554 7,888,736	3,468,073 3,751,645

Total Long Term Liabilities	11,492,290	7,219,718
Total Liabilities	13,359,785	8,397,902
COMMITMENTS AND CONTINGENCIES		
STOCKHOLDERS' EQUITY:		
Series A Convertible Preferred stock, \$0.001 par value, 2,990,000 shares designated, 2,990,000 shares issued and outstanding	2,990	2,990
Series B Convertible Preferred stock, \$0.001 par value, 10,000,000 shares designated, 0, and 0 shares issued and outstanding, respectively	-	-
Series C Convertible Preferred stock, \$0.001 par value, 10,000,000 shares designated, 0 and 0 shares issued and outstanding, respectively	-	-
Common stock, \$0.001 par value; 85,714,285 shares authorized; 50,028,701 and 47,026,173 shares issued and outstanding, respectively	50,029	47,026
Additional paid-in capital	56,270,792	46,259,420
Deficit accumulated during the development stage	(44,572,564) (38,299,784)
Total Stockholders' Equity	11,751,247	8,009,652
Total Liabilities and Stockholders' Equity	\$ 25,111,032	\$16,407,554

See accompanying notes to the financial statements

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(A Development Stage Company)

Statements of Operations

(Unaudited)

					For the Period from		
	For the Three Months		For the Three Months		May 12, 2005		
	Ended	I	Ended		(inception) through		
	September 30, 2013	September 30, 2012			September 30, 2013		
	(Unaudited)	((Unaudited)		(Unaudited)		
OPERATING EXPENSES Research and development	\$ 1,174,221	9	\$ 1,209,818		\$ 23,978,281		
Refund credit research and development costs General and administrative	- 714,561		381,167		(420,842 13,729,409)	
Total operating expenses	1,888,782		1,590,985		37,286,848		
LOSS FROM OPERATIONS	(1,888,782)	(1,590,985)	(37,286,848)	
OTHER INCOME (EXPENSE):							
Interest income, net	9,560		33,303		277,258		
Interest expense	(120,986)	-		(298,024)	
Discount on convertible debentures Beneficial conversion feature of convertible	(135,481)	-		(1,123,914)	
debentures	-		-		(713,079)	
Change in fair market value of derivatives	(4,137,091)	(246,273)	(5,427,957)	
Other income (expense), net	(4,383,998)	(212,970)	(7,285,716)	
LOSS BEFORE INCOME TAXES	(6,272,780)	(1,803,955)	(44,572,564)	
INCOME TAX PROVISION	-		-		-		
NET LOSS	\$ (6,272,780) \$	\$ (1,803,955)	\$ (44,572,564)	
NET LOSS PER COMMON SHARE - BASIC AND DILUTED:	\$ (0.13) \$	\$ (0.04)			

Weighted average common shares outstanding

- basic and diluted 47,672,029 41,305,842

See accompanying notes to the financial statements

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NanoViricides, Inc.

(A Development Stage Company)

Statement of Stockholders' Equity

For the Fiscal Year Ended June 30, 2013, 2012 and 2011

										I
	Series A Pre Stock: Par \$		Series B Preferred Par \$0.00		Series O Preferre Stock: I \$0.001	ed	Common Stoc \$0.001	k: Par	Additional	Stock I
	Number of		Number of		Number	r	Number of		Paid-in	Subscriptionl
	Shares	Amount		Amou	n S hares	Am	o Sina res	Amount	Capital	Receivable S
Please refer to For 2009	rm 10K for th	ne fisacal	year ended	d June 3	0, 2011	filed	with SEC on O	ectober 13, 2	2011 for equity	transactions o
Balance, June 30, 2009	-	\$-	-	\$-		\$	125,299,457	\$125,299	\$14,455,778	\$(100,000) \$
Collection of stock subscription receivable Common shares issued for consulting and legal services valued at \$.66 per share, July 31, 2009 Common shares issued for consulting							7,576	8	4,992	100,000
services valued at \$.66 per share, July 31, 2009 Warrants issued to Scientific							8,485	8	5,592	
Advisory Board, August 15, 2009							6,512	7	41,400 4,993	

Common shares			
issued for			
consulting and			
legal services			
valued at \$.86			
per share, August			
31, 2009			
Common shares			
issued for			
consulting	5,814	6	5,594
services valued at	3,014	U	3,374
\$.86 per share,			
August 31, 2009			
Common shares			
issued for			
consulting			
services valued at	6,292	6	5,594
\$.89 per share,			
September 30, 2009			
Common shares			
issued for			
consulting and			
legal services	5,618	6	4,994
valued at \$.89	3,010	U	4,994
per share,			
September 30,			
2009			
Payment of			(5,250)
Finder's Fee			(3,230)
Common shares			
and warrants			
issued in			
connection with			
private	2,675,000	2,675	1,334,825
placement of			
common stock,			
September 30,			
2009			
Common shares			
and warrants			
issued in			
connection with	3,759,800	3,760	1,876,140
warrant	- , ,	- ,	, , -
conversion,			
September 30,			
2009	25.000	25	10.065
Common shares	35,088	35	19,965
issued for			
consulting and			
legal services			

valued at \$.57 per share, October 1, 2009 Common shares			
issued for Legal services valued at \$56.50 per share, October 26, 2009	12,500	13	7,050
Warrants issued for commissions, October 26, 2009 Common shares			3,570
issued for consulting and legal services valued at \$.73	6,859	7	4,993
per share, October 31, 2009 Common shares issued for			
consulting services valued at \$.73 per share, October 31, 2009 Common shares	7,682	8	5,592
issued upon conversion of Warrants, November 10,	10,000	10	1,430
2009 Warrants issued to Scientific Advisory Board, November 15,			39,600
2009 Common shares issued in payment of	22.500	22	25 167
accounts payable, November 25, 2009 Common shares	32,500	33	25,167
issued for consulting and legal services valued at \$.86 per share,	5,814	6	4,994
November 30, 2009 Common shares issued for	9,767	10	8,390

consulting services valued at \$.86 per share, November 30, 2009 Common shares issued for						
consulting services valued at \$.85 per share, December 31, 2009				9,917	10	8,390
Common shares issued for consulting and legal services				5,903	6	4,994
valued at \$.85 per share, December 31, 2009				,		,
Common shares issued for consulting and legal services valued at \$1.043				4,794	5	4,995
per share, January 31, 2010 Warrants issued to Scientific Advisory Board,						40,200
February 15, 2010 Series A						, , , ,
Preferred Shares issued for TheraCour	7,000,000	7,000				
license valued at \$.001 par value, February 15, 2010 Common shares	7,000,000	7,000				
issued for consulting services valued at				4,562	5	4,995
\$1.096 per share, February 28, 2010						
Common shares issued for employee stock compensation				125,000	125	156,125

valued at \$1.25 per share, March 3, 2010 Common shares issued for employee stock compensation valued at \$1.25 per share, March 3, 2010 Series A Preferred Shares			125,000	125	156,125
issued for employee stock compensation, March 3, 2010 Series A Preferred Shares	250,000	250			513,573
issued for employee stock compensation, March 3, 2010 Series A Preferred Shares	250,000	250			513,573
issued for employee stock compensation, March 3, 2010 Common shares issued for	93,750	94			192,590
consulting and legal servies valued at \$1.25 per share, March 3, 2010 Common shares issued for			1,000	1	1,249
consulting services valued at \$1.417 per share, March 31, 2010 Common shares issued in lieu of			3,529	4	4,996
payment of accounts payable - All Sciences			39,625	40	31,660
Common shares issued for consulting and legal services			2,396	2	4,998

•	9	,			
valued at \$2.087					
per share, April					
30, 2010					
Series B					
Preferred Shares					
issued to SeaSide	500,000	500			4,999,500
88, LP, May 12,					
2010					
Placement					
Agents Fees related to sale of					
Convertible					(400,000)
Preferred shares,					
May 12, 2010					
Legal Fees					
related to Sale of					
Convertible					(50,000)
Preferred Stock,					
May 12, 2010					
Derivative					
Liability -					:
Issuance of					(1,787,379)
Series B					
Preferred Shares Common shares					
issued for					
conversion of					
Series B					
Preferred Shares			319,331	319	
at \$1.88 per					
share, May 12,					
2010					
Retirement of					
Series B					
Preferred Shares	(50.000)	450.)			
converted into	(60,000)	(60)			
common stock by					
SeaSide 88, LP, May 12, 2010					
Derivative					
Liability -					
Retirement of					120 072
Series B					128,053
Preferred Shares,					
May 12, 2010					
Warrants issued					
to Scientific					82,800
Advisory Board,					52,000
May 15, 2010			200.400	200	
Common shares			398,189	398	
issued for					

•	3				
conversion of					
Series B					
Preferred Shares					
at \$1.51 per					
share, May 26,					
2010					
Retirement of Series B					
Preferred Shares					
converted into	(60,000)	(60)			
common stock by	(00,000)	(00)			
SeaSide 88, LP,					
May 26, 2010					
Dividend paid to					
Seaside 88, LP,					(16,877)
May 26, 2010					
Common shares					
issued as					
Dividend to			10,300	10	16,867
Seaside 88, LP at			-,	-	- ,
\$1.64, May 26,					
2010 Derivative					
Liability -					
Retirement of					
Series B					151,852
Preferred Shares,					
May 26, 2010					
Common shares					
issued for					
consulting and					
legal services			2,400	2	4,998
valued at \$2.083					
per share, May					
31, 2010					
Common shares issued for					
conversion of					
warrants to					
Common Stock			195,000	195	194,805
at \$1.00 per					
share, June 9,					
2010					
Common shares					
issued for					
conversion of					
Series B			426,721	427	
Preferred Shares			•		
at \$1.41 per					
share, June 9, 2010					
201U					

	0	,			
Retirement of Series B Preferred Shares converted into common stock by SeaSide 88, LP, June 9, 2010	(60,000)	(60)			
Dividend paid to Seaside 88, LP, June 9, 2010 Common shares issued as					(14,575)
Dividend to Seaside 88, LP at \$1.41, June 9, 2010 Derivative			10,366	10	14,565
Liability - Retirement of Series B Preferred Shares, June 9, 2010 Common shares issued for					149,364
consulting and legal services valued at \$1.77 per share, June 9, 2010 Common shares			11,300	11	19,989
issued for consulting and legal services valued at \$1.77 per share, June 9, 2010 Common shares issued for conversion of			2,000	2	3,538
Series B Preferred Shares at \$1.59 per share, June 23, 2010 Retirement of Series B Preferred Shares			377,905	378	
converted into common stock by SeaSide 88, LP, June 23, 2010	(60,000)	(60)			

Dividend paid to Seaside 88, LP, June 23, 2010 Common shares issued as Dividend to Seaside 88, LP at \$1.59, June 23, 2010 Derivative					7,731	7	(12,274) 12,268
Liability - Retirement of Series B Preferred Shares, June 23, 2010 Common shares issued for							120,254
consulting and legal services valued at \$1.043 per share, June 30, 2010					2,738	2	4,998
Net loss							
Balance, June 30, 2010	7,593,750	7,594	260,000	260	133,980,471	133,981	23,116,612 -
Common shares issued for conversion of Series B Preferred Shares at \$1.51 per share, July 7, 2010					397,088	397	
Retirement of Series B							
Preferred Shares converted into common stock by SeaSide 88, LP, July 7, 2010			(60,000)	(60)			
Dividend paid to Seaside 88, LP,							(9,973)
July 7, 2010 Common shares issued as dividend to Seaside 88, LP at \$1.65 per share,					6,061	6	9,967

9	Ü	,			
July 7, 2010					
Derivative liability -					
retirement of					
Series B					116,715
Preferred Shares,					
July 7, 2010					
Common shares					
issued for					
conversion of Series B					
Preferred Shares			463,177	463	
at \$1.30 per					
share, July 21,					
2010					
Retirement of					
Series B					
Preferred Shares	(60,000)	(60)			
converted into	(60,000)	(60)			
common stock by SeaSide 88, LP,					
July 21, 2010					
Dividend paid to					
Seaside 88, LP,					(7,671)
July 21, 2010					
Common shares					
issued as					
dividend to Seaside 88, LP at			5,794	6	7,665
\$1.32 per share,					
July 21, 2010					
Derivative					
liability -					
retirement of					113,700
Series B					113,700
Preferred Shares,					
July 21, 2010 Common shares					
issued for					
consulting and					
legal services			3,086	3	4,997
valued at \$2.087					
per share, July					
31, 2010			526.016	507	
Common shares issued for			526,916	527	
conversion of					
Series B					
Preferred Shares					
at \$1.14 per					
share, August 4,					

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2010 Retirement of Series B Preferred Shares	(60 000)	(50)				
converted into common stock by	(60,000)	(60)				
SeaSide 88, LP, August 4, 2010						
Dividend paid to Seaside 88, LP,					(5,370)
August 4, 2010 Common shares						
issued as dividend to						
Seaside 88, LP,			4,716	5	5,365	
at \$1.14 per share, August 4,						
2010 Derivative						
liability - retirement of						
Series B Preferred Shares,					104,480	
August 4, 2010						
Warrants issued to Scientific					45,000	
Advisory Board, August 15, 2010					- ,	
Common shares issued in						
conversion of Series B			(0(2(7	(0)		
Preferred Shares at \$0.99 per			606,367	606		
share, August 18, 2010						
Retirement of Series B						
Preferred Shares	(60,000)	(60.)				
converted into common stock by	(60,000)	(60)				
SeaSide 88, LP, August 18, 2010						
Dividend paid to Seaside 88, LP,					(3,068)
August 18, 2010 Common shares			3,101	3	3,065	
issued as dividend to						
Seaside 88, LP at \$0.99 per share,						

August 18, 2010 Derivative liability - retirement of Series B Preferred Shares, August 18, 2010 Common shares issued for					104,795	
consulting and legal services valued at \$1.24 per share, August 31, 2010 Common shares issued for conversion of			4,032	4	4,996	
Series B Preferred Shares at \$0.93 per share, September 1, 2010 Retirement of Series B Preferred Shares converted into	(20,000)	(20)	215,332	215		
common stock by SeaSide 88, LP, September 1, 2010 Dividend paid to Seaside 88, LP, September 1, 2010 Common shares	(20,000)	(20)			(767)
issued as dividend to Seaside 88, LP at \$1.00 per share, September 1, 2010 Derivative liability -			766	1	766	
retirement of Series B Preferred Shares, September 1, 2010					34,841	
Series B Preferred Shares issued to SeaSide	250,000	250			2,499,750	

9	· ·	,				
88,						
LP, September						
21, 2010						
Placement						
Agents fees						
related to sale of						
Convertible					(195,000)
Preferred shares,						
September 21,						
2010						
Legal fees related						
to sale of						
Convertible						
					(10,000)
Preferred Stock,						-
September 21,						
2010						
Derivative						
liability -						
issuance of					(328,086)
Series B					,	
Preferred Shares						
Common shares						
issued for						
conversion of						
Series B			430,015	430		
Preferred Shares			/			
at \$0.93 per						
share, September						
21, 2010						
Retirement of						
Series B						
Preferred Shares						
converted into						
	(40,000)	(40)				
common stock by						
SeaSide 88, LP,						
September 21,						
2010						
Derivative						
liability -						
retirement of						
Series B					103,012	
Preferred Shares,					,	
September 21,						
2010						
Common shares			1 672	5	4 005	
			4,673	J	4,995	
issued for						
consulting and						
legal services						
valued at \$1.07						
per share,						
September 30,						

•	3	,				
2010						
Common shares						
issued for						
conversion of						
Series B			160.016	4.60		
Preferred Shares			460,346	460		
at \$0.87 per						
share, October 5,						
2010						
Retirement of						
Series B						
Preferred Shares						
converted into	(40,000)	(40)				
common stock by	(10,000)	(10)				
SeaSide 88, LP,						
October 5, 2010						
Dividend paid to						
Seaside 88, LP,						
on October 5,					(8,055)
2010						
Common shares						
issued as						
dividend to						
Seaside 88, LP at			9,268	9	8,046	
\$0.87 per share,						
October 5, 2010						
Derivative Derivative						
liability -						
Retirement of						
Series B					103,330	
Preferred Shares,						
October 5, 2010						
Common shares						
issued for						
conversion of						
Series B						
Preferred Shares			452,965	453		
at \$0.88 per						
share, October						
19, 2010						
Retirement of						
Series B						
Preferred Shares						
converted into	(40,000)	(40)				
common stock by	\	` /				
SeaSide 88, LP,						
October 19, 2010						
Dividend paid to						
Seaside 88, LP,					(6,521)
October 19, 2010						,
			7,384	7	6,514	

Common shares issued as dividend to Seaside 88, LP at \$0.88 per share, October 19, 2010 Derivative liability -								
Retirement of Series B Preferred Shares, October 19, 2010 Common shares issued for							69,635	
consulting and legal services valued at \$1.03 per share, October 31, 2010 Series A Preferred Shares					4,854	5	4,995	
issued for employee stock compensation, November 1, 2010 Common shares issued for conversion of	30,000	30					53,903	
Series B Preferred Shares at \$0.87 per share, November 2, 2010 Retirement of Series B Preferred Shares					461,313	461		
converted into common stock by SeaSide 88, LP, August 4, 2010 Dividend paid to Seaside 88, LP, November 2,			(40,000)	(40)			(4,986)
Common shares issued as dividend to Seaside 88, LP at \$0.87 per share, November 2,					5,751	6	4,980	

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2010					
Derivative					
liability -					
retirement of					
Series B					69,104
Preferred Shares,					, -
November 2,					
2010					
Warrants issued					
to Scientific					
Advisory Board,					55,800
November 15,					,
2010					
Common shares					
issued for					
conversion of					
Series B					
Preferred Shares			345,817	346	
at \$1.16 per					
share, November					
16, 2010					
Retirement of					
Series B					
Preferred Shares					
converted into	(40,000)	(40.)			
common stock by	(40,000)	(40)			
SeaSide 88, LP,					
November 16,					
2010					
Dividend paid to					
Seaside 88, LP,					(2.452
November 16,					(3,452)
2010					
Common shares					
issued as					
dividend to					
Seaside 88, LP at			2,984	3	3,449
\$1.16 per share,					
November 16,					
2010					
Derivative					
liability -					
Retirement of					
Series B					69,187
Preferred Shares,					
November 16,					
2010					
Common shares			310,566	311	
issued for					
conversion of					
Series B					

	9	9		,			
Preferred Shares at \$1.35 per share, November 30, 2010 Retirement of Series B Preferred Shares converted into common stock by		(40,000)	(40)				
SeaSide 88, LP, November 30,							
2010 Dividend paid to Seaside 88, LP, November 30,							(1,918)
2010 Common shares issued as							
dividend to Seaside 88, LP at \$1.35 per share, November 30,					1,417	1	1,917
2010 Derivative liability -							
Retirement of Series B Preferred Shares,							69,449
November 30, 2010 Common shares issued for							
consulting and legal services					3,425	3	4,997
valued at \$1.46 per share, November 30, 2010							
Common shares issued for conversion of							
warrants to Common Stock at \$1.00 per					25,000	25	24,975
share, December 10, 2010 Common shares					50,000	50	63,950
issued as compensation							, -
pursuant to S-8 at \$1.28 per share,							

•	3	,				
December 10,						
2010 Common shares						
issued for						
conversion of						
Series B			00.040	0.1		
Preferred Shares			90,840	91		
at \$1.10 per						
share, December						
14, 2010						
Retirement of						
Series B						
Preferred Shares						
converted into	(10,000)	(10)				
common stock by SeaSide 88, LP,						
December 14,						
2010						
Dividend paid to						
Seaside 88, LP,					(204	`
December 14					(384)
2010						
Common shares						
issued as						
Dividend to			2.40		20.4	
Seaside 88, LP,			348	-	384	
at \$1.10 per share, December						
14, 2010						
Derivative						
liability -						
retirement of						
Series B					17,438	
Preferred Shares,						
December 14,						
2010						
Series B						
Preferred Shares issued to SeaSide						
88, LP,	250,000	250			2,499,750)
December 21,						
2010						
Placement						
Agents fees						
related to sale of						
Convertible					(200,000)
Preferred shares,						
December 21,						
2010			1 515	5	5 005	
Common shares issued for			4,545	5	5,995	
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consulting and						
legal services						
valued at \$1.32						
per share,						
December 31,						
2010						
Adjustment				33		
Common shares						
issued for						
conversion of						
Series B						
Preferred Shares			343,796	344		
at \$1.16 per						
share, January 3,						
2011						
Retirement of						
Series B						
Preferred Shares						
converted into	(40,000)	(40)				
common stock by	(10,000)	(.0)				
SeaSide 88, LP,						
January 3, 2011						
Dividend paid to						
Seaside 88, LP,					(8,904)
January 3, 2011					(0,>0.	,
Common shares						
issued as						
dividend to						
Seaside 88, LP at			7,653	8	8,896	
\$1.16 per share,						
January 3, 2011						
Derivative						
liability -						
retirement of					= 2. = 2.	
Series B					73,532	
Preferred Shares,						
January 3, 2011						
Common shares						
issued for						
conversion of						
Series B			217.065	210		
Preferred Shares			317,965	318		
at \$1.26 per						
share, January						
17, 2011						
Retirement of	(40,000)	(40)				
Series B	*					
Preferred Shares						
converted into						
common stock by						
SeaSide 88, LP,						

January 17, 2011 Dividend paid to Seaside 88, LP, January 17, 2011 Common shares					(8,055)
issued as dividend to Seaside 88, LP at \$1.26 per share, January 17, 2011 Derivative			6,403	6	8,049	
liability - retirement of Series B Preferred Shares, January 17, 2011 Common shares					70,882	
issued for conversion of						
Series B Preferred Shares at \$1.12 per share, January			356,422	356		
31, 2011 Retirement of Series B						
Preferred Shares converted into common stock by	(40,000)	(40)				
SeaSide 88, LP, January 31, 2011 Dividend paid to Seaside 88, LP,					(6,521)
January 31, 2011 Common shares issued as						
dividend to Seaside 88, LP at \$1.24 per share, January 31, 2011 Derivative			5,271	5	6,516	
liability - retirement ofSeries B Preferred Shares,					72,432	
January 31, 2011 Common shares issued for consulting and legal services valued at \$1.47			4,087	4	5,996	

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per share,				
January 31, 2011				
Common shares				
issued for				
conversion of				
warrants at \$1.00		25,000	25	24,975
per share,				
February 4, 2011				
Common shares				
issued for				
conversion of				
Series B		370,017	370	
Preferred Shares		370,017	270	
at \$1.08 per				
share, February				
14, 2011				
Retirement of				
Series B				
Preferred Shares				
converted into	(40,000) (40)			
common stock by	(40,000) (40)			
SeaSide 88, LP,				
February 14,				
2011				
Dividend paid to				
Seaside 88, LP,				
February 14,				(4,986)
2011				
Common shares				
issued as				
dividend to		4.612	_	4.001
Seaside 88, LP,		4,613	5	4,981
at \$1.08 per				
share, February				
14, 2011				
Derivative				
liability -				
retirement of				
Series B				71,699
Preferred Shares,				
February 14,				
2011				
Warrants issued				
to Scientific				
Advisory Board,				54,000
Feburary 15,				
2011				
Common shares		405,610	406	
issued for				
conversion of				
Series B				

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Preferred Shares									
at \$0.99 per									
share, February									
28, 2011									
Derivative									
liability -									
retirement of									
Series B								71,490	
Preferred Shares,									
February 28,									
2011									
Retirement of									
Series B									
Preferred Shares									
converted into			(40,000)	(40)					
common stock by									
SeaSide 88, LP,									
February 28, 2011									
Dividend paid to									
Seaside 88, LP,									
February 28,								(3,452)
2011									
Common shares									
issued as									
dividend to									
Seaside 88, LP at					3	3,500	4	3,448	
\$0.99 per shares,									
February 28,									
2011									
Common shares									
issued for									
consulting and									
legal services					2	4,902	5	5,995	
valued at \$1.22						,		,	
per share,									
February 28, 2011									
Common shares									
issued for									
employee stock									
compensation at					4	250,000	250	316,000	
\$1.32 per share,									
March 3, 2011									
Series A									
Preferred Shares									
issued for	502 750	504						1 264 026	
employee stock	593,750	594						1,364,036	
compensation,									
March 3, 2011									
					3	367,274	367		

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Common shares issued for conversion of						
Series B						
Preferred Shares						
at \$1.09 per share, March 14,						
2011						
Retirement of						
Series B Preferred Shares						
converted into	(40,000)	(40)				
common stock by						
SeaSide 88, LP, March 14, 2011						
Dividend paid to						
Seaside 88, LP,					(1,918)
March 14, 2011						
Common shares issued as						
Dividend to			1.761	2	1.016	
Seaside 88, LP at			1,761	2	1,916	
\$1.09 per shares, March 14, 2011						
Derivative						
Liability -						
Retirement of					70,566	
Series B Preferred Shares,					•	
March 14, 2011						
Common shares						
issued for conversion of						
Series B			00.006	0.0		
Preferred Shares			89,986	90		
at \$1.11 per						
share, March 28, 2011						
Retirement of						
Series B						
Preferred Shares converted into	(10,000)	(10)				
common stock by	(10,000)	(10)				
SeaSide 88, LP,						
March 28, 2011						
Dividend paid to Seaside 88, LP,					(384)
March 28, 2011					·	,
Common shares			345	-	384	
issued as dividend to						
dividend to						

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Seaside 88, LP,						
at \$1.11 per						
share, March 28, 2011						
Derivative						
liability -						
retirement of					17.505	
Series B					17,525	
Preferred Shares,						
March 28, 2011						
Common shares						
issued for						
consulting and			4.600	~	5 005	
legal services			4,680	5	5,995	
valued at \$1.28 per share, March						
31, 2011						
Common shares						
issued for						
conversion of						
warrants to			10,000	10	9,990	
common stock at						
\$1.00 per share,						
April 10, 2011						
Series B						
Preferred Shares issued to SeaSide	250,000	250			2 400 750	
88, LP, April 18,	250,000	230			2,499,750	
2011						
Placement						
Agents fees						
related to sale of					(160,000	`
Convertible					(100,000)
Preferred shares,						
April 18, 2011						
Legal fees						
related to Sale of Convertible					(25,000	`
Preferred Stock,					(25,000)
April 18, 2011						
Derivative						
liability -						
issuance of					(429,725)
Series B						
Preferred Shares						
Common shares			312,163	312	(272)
issued for						
conversion of						
Carias D						
Series B						
Series B Preferred Shares at \$1.28 per						

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share, April 18,						
2011						
Retirement of						
Series B						
Preferred Shares						
converted into	(40,000)	(40)				
common stock by						
SeaSide 88, LP,						
April 18, 2011						
Derivative						
liability -						
retirement of					68,756	
Series B						
Preferred Shares,						
April 18, 2011						
Common shares						
issued for						
consulting and			4.007	4	7 00 <i>C</i>	
legal services			4,087	4	5,996	
valued at \$1.47						
per share, April						
30, 2011 Common shares						
issued for						
conversion of						
Series B						
Preferred Shares			339,726	340	(300)
at \$1.18 per						
share, May 2,						
2011						
Retirement of						
Series B						
Preferred Shares						
converted into	(40,000)	(40)				
common stock by	(10,000)	(10)				
SeaSide 88, LP,						
May 2, 2011						
Derivative						
liability -						
retirement of					60.041	
Series B					68,941	
Preferred Shares,						
May 2, 2011						
Dividend paid to						
Seaside 88, LP,					(8,055)
May 2, 2011						
Common shares			6,841	7	8,048	
issued as						
dividend to						
Seaside 88, LP at \$1.18 per shares,						

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May 2, 2011 Warrants issued to Scientific Advisory Board, May 15, 2011 Common shares					50,400	
issued for conversion of Series B Preferred Shares at \$1.19 per share, May 16, 2011			336,501	337	(297)
Retirement of Series B Preferred Shares converted into common stock by SeaSide 88, LP, May 16, 2011	(40,000)	(40)				
Derivative liability - retirement of Series B Preferred Shares, May 16, 2011					69,194	
Dividend paid to Seaside 88, LP, May 16, 2011 Common shares issued as					(6,521)
dividend to Seaside 88, LP at \$1.20 per shares, May 16, 2011 Common shares issued for			5,438	5	6,516	
conversion of Series B Preferred Shares at \$1.23 per share, May 30, 2011 Retirement of			326,480	326	(286)
Series B Preferred Shares converted into common stock by SeaSide 88, LP, May 30, 2011	(40,000)	(40)			69,464	
					0,,101	

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Derivative						
liability -						
retirement of						
Series B						
Preferred Shares,						
May 30, 2011						
Dividend paid to						
Seaside 88, LP,					(4,986	`
					(4,960)
May 30, 2011						
Common shares						
issued as						
Dividend to			4,070	4	4,982	
Seaside 88, LP at					·	
\$1.23 per share,						
May 30, 2011						
Common shares						
issued for						
consulting and						
legal services			4,087	4	5,996	
valued at \$1.47						
per share, May						
31, 2011						
Common shares						
issued for						
conversion of						
Series B			339,971	340	(300)
Preferred Shares			227,771	2.10	(200	,
at \$1.18 per						
share, June 13,						
2011						
Retirement of						
Series B						
Preferred Shares						
converted into	(40,000)	(40)				
common stock by						
SeaSide 88, LP,						
June 13, 2011						
Derivative						
liability -						
retirement of					69,727	
Series B					09,727	
Preferred Shares,						
June 13, 2011						
Dividend paid to						
Seaside 88, LP,					(3,452)
June 13, 2011						
Common shares			2,934	3	3,449	
issued as						
Dividend to						
Seaside 88, LP at						
\$1.18 per share,						

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June 13, 2011 Common shares issued for conversion of Series B Preferred Shares at \$1.02 per share, June 27, 2011 Retirement of Series B Preferred Shares converted into common stock by SeaSide 88, LP, June 27, 2011			(40,000)	(40)			391,850	392	(352)
Derivative Liability - Retirement of Series B Preferred Share, June 27, 2011									69,973	
Dividend paid to Seaside 88, LP, June 27, 2011 Common shares issued as									(1,918)
Dividend to Seaside 88, LP at \$1.10 per share, June 27, 2011 Common shares issued for							1,741	2	1,916	
consulting and legal services valued at \$1.22 per share, June 30, 2011							4,902	5	5,995	
Net loss										
Balance, June 30, 2011	8,217,500	8,218	10,000	10	-	-	143,548,494	143,582	33,235,990) -
Common shares issued for conversion of Series B Preferred Shares at \$1.11 per share, July 11,							89,986	90		

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2011 Retirement of Series B Preferred Shares converted into common stock by SeaSide 88, LP, July 11, 2011 Derivative	(10,000)	(10)				
liability - retirement of Series B Preferred Shares,					17,881	
July 11, 2011 Dividend to Seaside 88, LP, paid on July 11, 2011 Common shares					(381)
issued as dividend to Seaside 88, LP at \$1.18 per share, July 11, 2011 Series B			345	-	381	
Preferred Shares issued to SeaSide 88, LP, on July 26, 2011	250,000	250			2,499,750	
Placement Agents fees related to sale of Convertible Preferred shares, July 26, 2011 Derivative					(150,000)
liability - issuance of Series B Preferred Shares					(429,768)
Legal Fees related to Sale of Convertible Preferred Stock, July 26, 2011					(6,250)
Common shares issued in conversion of Series B Preferred Shares			377,800	378		

to common stock

at \$1.18 per share, July 26, 2011 Retirement of Series B Preferred Shares converted into common stock by SeaSide 88, LP, July 26, 2011 Derivative liability - retirement of Series B	(40,000)	(40)			68,425	
Preferred Shares, July 26, 2011						
Common shares						
issued for consulting and						
legal services			4,762	5	5,995	
valued at \$1.26 per share, July						
31, 2011						
Warrants issued to Scientific						
Advisory Board,					56,400	
August 15, 2011						
Common shares						
issued for conversion of						
Series B			427 107	407		
Preferred Shares			437,187	437		
at \$0.92 per						
share, August 8,						
2011 Retirement of						
Series B						
Preferred Shares						
converted into	(40,000)	(40)				
common stock by SeaSide 88, LP,						
August 8, 2011						
Derivative						
liability -						
retirement of Series B					69,193	
Preferred Shares,						
August 8, 2011						
Dividend to					(8,055)
Seaside 88, LP,						
paid on August 8,						

2011 Common shares issued as Dividend to Seaside 88, LP at \$0.98 per share, August 8, 2011 Common shares issued for conversion of		8,205	8	8,047
Series B Preferred Shares at \$0.95 per share, August 23, 2011 Retirement of		419,829	420	
Series B Preferred Shares converted into common stock by SeaSide 88, LP,	(40,000) (40)			
August 23, 2011 Derivative				
liability - retirement of Series B Preferred Shares,				69,351
August 23, 2011 Dividend paid to Seaside 88, LP, August 23, 2011				(6,521)
Common shares issued as Dividend to Seaside 88, LP at \$0.95 per share, August 23, 2011		6,844	7	6,514
Common shares issued for consulting and			_	7 00 7
legal services valued at \$1.14 per share, August		5,263	5	5,995
31, 2011 Common shares issued for conversion of Series B Preferred Shares at \$0.95 per		422,873	423	
share, September				

6, 2011 Retirement of Series B Preferred Shares converted into common stock by SeaSide 88, LP, September 6, 2011 Derivative liability -	(40,000)	(40)				
retirement of Series B Preferred Shares, September 6, 2011					69,887	
Dividend paid to Seaside 88, LP, September 6, 2011 Common shares					(4,986)
issued as Dividend to Seaside 88, LP at \$0.95 per share, September 6, 2011 Common shares			5,264	5	4,981	
issued in conversion of Series B Preferred Shares at \$0.94 per share, September 19, 2011 Retirement of Series B			427,652	428		
Preferred Shares converted into common stock by SeaSide 88, LP, September 19, 2011	(40,000)	(40)				
Derivative liability - retirement of Series B Preferred Share, September 19,					69,970	
2011					(3,452)

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Dividend to						
Seaside 88, LP,						
paid on						
September 19,						
2011						
Common shares						
issued as						
Dividend to			2 (01		2 440	
Seaside 88, LP at			3,691	3	3,449	
\$0.94 per share,						
September 19,						
2011						
Common shares						
issued for						
consulting and						
legal services			5.607		5.004	
valued at \$1.07			5,607	6	5,994	
per share,						
September 30,						
2011						
Shares issued in						
conversion of						
Series B						
Preferred Shares						
			514211	51 4		
to Common			514,311	514		
Stock at \$.78 per						
share, .001 par						
value, on						
October 3, 2011						
Retirement of						
Series B						
Preferred Shares						
converted into	(40,000)	(40.)				
common stock by	(40,000)	(40)				
SeaSide 88, LP,						
.001 par value on						
October 3, 2011						
Derivative						
Liability -						
Retirement of						
Preferred Series					69,496	
B on October 3,						
2011						
Shares issued as						
Dividend to						
Seaside 88, LP,			2.270	2	1.016	
.001 par value			2,270	2	1,916	
common stock at						
\$0.85 on October						
3, 2011						
					(1,918)

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Dividend to					
Seaside 88, LP,					
paid on October					
3, 2011					
Shares issued in					
conversion of					
Series B					
Preferred Shares					
to Common			144,484	144	
Stock at \$0.69			111,101	111	
per share, .001					
par value, on					
October 17, 2011					
Retirement of					
Series B					
Preferred Shares					
converted into					
common stock by	(10,000)	(10)			
SeaSide 88, LP,					
.001 par value on					
October 17, 2011					
Derivative					
Liability -					
Retirement of					4==00
Preferred Series					17,790
B on October 17,					
2011					
Shares issued as					
Dividend to					
Seaside 88, LP,					
.001 par value			510	1	383
common stock at					
\$0.75 on October					
17, 2011					
Dividend to					
Seaside 88, LP,					(204
paid on October					(384)
17, 2011					
Shares issued for					
consulting and					
legal services					
rendered at			6,537	5	5,995
\$092 per share					
on October 31,					
2011					
Series B	250,000	250			2,499,750
Preferred Shares					
issued to SeaSide					
88, LP, \$.001 par					
value on					
November 1,					

2011 Placement Agents Fees related to sale of Convertible Preferred shares on November 1, 2011					(160,000)
Derivative Liability - Issuance of Preferred Series B					(429,804)
Legal Fees related to Sale of Convertible Preferred Stock November 1, 2011 Shares issued in					(25,000)
conversion of Series B Preferred Shares to Common Stock at \$0.78 per share, .001 par value, on November 1, 2011			511,787	512		
Retirement of Series B Preferred Shares converted into common stock by SeaSide 88, LP, .001 par value on November 2,	(40,000)	(40)				
2011 Derivative Liability - Retirement of Preferred Series B on November 1, 2011 Warrants issued					68,297	
to Scientific Advisory Board on November 15, 2011 Shares issued in			578,595	579	56,400	

conversion of

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Series B								
Preferred Shares								
to Common								
Stock at \$0.69								
per share, .001								
par value, on								
November 15,								
2011								
Retirement of								
Series B								
Preferred Shares								
converted into								
		(40,000)	(40.)					
common stock by		(40,000)	(40)					
SeaSide 88, LP,								
.001 par value on								
November 15,								
2011								
Derivative								
Liability -								
Retirement of							68,411	
Preferred Series							•	
B on November								
15, 2011								
Shares issued as								
Dividend to								
Seaside 88, LP,								
.001 par value					10,311	10	7,469	
common stock at					10,611	10	,,,	
\$073								
onNovember 15,								
2011								
Dividend to								
Seaside 88, LP,								
paid on							(7,479)
November 15,								
2011								
Shares issued in								
conversion of								
Series B								
Preferred Shares								
to Common					642,735	643		
Stock at \$0.62					042,733	073		
per share, .001								
par value, on								
November 29,								
2011								
Retirement of		(40,000)	(40)					
Series B								
Preferred Shares								
converted into								

common stock by

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SeaSide 88, LP,					
.001 par value on					
November 29,					
2011					
Derivative					
Liability -					
Retirement of					
Preferred Series				68,591	
B on November					
29, 2011					
Shares issued as					
Dividend to					
Seaside 88, LP,					
.001 par value		10,139	10	6,511	
common stock at		,		,	
\$0.64 on					
November 29,					
2011					
Dividend to					
Seaside 88, LP,					
paid on				(6,521)
November 29,					
2011					
Shares issued for					
consulting and					
legal services					
rendered at \$0.81		7,373	7	5,993	
per share on					
November 30,					
2011					
Shares issued in					
conversion of					
Series B					
Preferred Shares					
to Common		751,315	751		
Stock at \$0.53		751,515	731		
per share, .001					
par value, on					
December 13,					
2011					
Retirement of					
Series B					
Preferred Shares					
converted into					
common stock by	(40,000) (40)				
SeaSide 88, LP,					
.001 par value on					
December 13,					
2011					
Derivative				68,753	
Liability -					

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Retirement of						
Preferred Series						
B on December						
13, 2011						
Shares issued as						
Dividend to						
Seaside 88, LP,						
.001 par value						
common stock at			8,798	9	4,977	
\$0.57 on						
December 13,						
2011						
Dividend to						
Seaside 88, LP,					(4.096	`
paid on					(4,986)
December 13,						
2011 Shares issued in						
Shares issued in						
conversion of						
Series B						
Preferred Shares						
to Common			796,785	798		
Stock at \$0.51						
per share, .001						
par value, on						
December 27,						
2011						
Retirement of						
Series B						
Preferred Shares						
converted into	(40.000)	(40)				
common stock by	(40,000)	(40)				
SeaSide 88, LP,						
.001 par value on						
December 27,						
2011						
Derivative						
Liability -						
Retirement of					68,965	
Preferred Series					33,232	
B on December						
27, 2011						
Shares issued as						
Dividend to						
Seaside 88, LP,						
.001 par value			6,818	7	3,443	
common stock at			0,010		2,112	
\$0.57 on						
December 27,						
2011						
					(3,452)

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Dividend to Seaside 88, LP, paid on December 27, 2011 Shares issued for consulting and legal services rendered at \$0.64 per share on December 31, 2011 Shares issued in conversion of			9,403	9	5,991	
Series B Preferred Shares to Common			788,053	788		
Stock at \$.51 per share, .001 par value, on January 10, 2012 Retirement of Series B Preferred Shares converted into common stock by SeaSide 88, LP, .001 par value on January 10,2012 Derivative Liability - Retirement of Preferred Series B on January 10, 2012	(40,000) (40)	/88,053	788	69,222	
Shares issued as Dividend to Seaside 88, LP, .001 par value common stock at			3,742	4	1,914	
\$0.51 on January 10, 2012 Dividend to Seaside 88, LP, paid on January 10, 2012 Shares issued in conversion of Series B Preferred Shares to Common			208,546	209	(1,918)

Stock at \$0.48 per share, .001 par value, on January 24, 2012 Retirement of Series B Preferred Shares converted into common stock by SeaSide 88, LP, .001 par value on January 24, 2012 Derivative Liability -	(10,000)	(10)				
Retirement of Preferred Series					69,883	
B on January 24,						
2012 Shares issued as						
Dividend to						
Seaside 88, LP, .001 par value			786		383	
common stock at						
\$0.49 on January						
24, 2012 Dividend to						
Seaside 88, LP,						
paid on January					(384)
24, 2012						
Shares issued for						
consulting and						
legal services			10,367	10	5,990	
rendered at \$0.58 per share on						
January 31, 2012						
Series B						
Preferred Shares						
issued to SeaSide	250,000	250			2,499,750	
88, LP, \$.001 par value on	ŕ				, ,	
February 8, 2012						
Placement						
Agents Fees						
related to sale of					/4 = 0 000	
Convertible Preferred shares					(150,000)
on February 8,						
2012						
Derivative					(430,283)
Liability -						
Issuance of						

Preferred Series B Legal Fees related to Sale of Convertible Preferred Stock February 8, 2012 Shares issued in conversion of Series B Preferred Shares to Common Stock at \$0.56 per share, .001 par value, on February 8, 2012 Retirement of Series B Preferred Shares converted into common stock by SeaSide 88, LP, .001 par value	(40,000)	(40)	717,142	717	(6,250	
on February 8, 2012						
Derivative Liability - Retirement of						
Preferred Series B on February 8,					68,169	
2012 Warrants issued to Scientific						
Advisory Board on February 15, 2012					51,000	
Shares issued in conversion of						
Series B Preferred Shares						
to Common			576,062	576		
Stock at \$0.69 per share, .001						
par value, on February 22,						
2012 Retirement of	(40,000)	(40)				
Series B Preferred Shares						
converted into						

common stock by

SeaSide 88, LP, .001 par value on February 22, 2012 Derivative Liability - Retirement of Preferred Series B on February 22, 2012 Shares issued as Dividend to							68,424	
Seaside 88, LP, .001 par value common stock at \$0.69 on February 22, 2012					11,600	12	7,467	
Dividend to Seaside 88, LP, paid on February 22, 2012 Shares issued for consulting and							(7,479)
legal services rendered at \$0.77 per share on February 29, 2012 Common shares					7,767	8	5,992	
issued for employee stock compensation at \$.73 per share, March 3, 2012 Series A Preferred Shares					250,000	250	181,624	
issued for employee stock compensation, March 3, 2012 Shares issued in conversion of Series B	593,750	594					633,814	
Preferred Shares to Common Stock at \$0.64 per share, .001 par value, on March 07, 2012			(40,000)	(40)	628,289	628		

	_					
Retirement of Series B Preferred Shares converted into common stock by SeaSide 88, LP, .001 par value on						
March 7, 2012 Derivative Liability - Retirement of Preferred Series B on March 7, 2012					68,602	
Shares issued as Dividend to Seaside 88, LP, .001 par value common stock at \$0.64 on March			10,242	10	6,511	
7, 2012 Dividend to Seaside 88, LP, paid on March 7, 2012 Shares issued in conversion of					(6,521)
Series B Preferred Shares to Common Stock at \$0.63 per share, .001 par value, on			635,991	636		
March 21, 2012 Retirement of Series B Preferred Shares converted into common stock by SeaSide 88, LP, .001 par value on	(40,000)	(40)				
March 21, 2012 Derivative Liability - Retirement of Preferred Series B on March 21, 2012					68,862	
Shares issued as Dividend to Seaside 88, LP,			7,812	8	4,978	

.001 par value common stock at \$0.64 on March 21, 2012 Dividend to Seaside 88, LP, paid on March 21, 2012 Shares issued for consulting and legal services					(4,986)
rendered at \$0.78 per share on March 31, 2012 Shares issued in conversion of			7,728	8	5,992	
Series B Preferred Shares to Common Stock at \$.61 per share, .001 par value, on April 4, 2012 Retirement of Series B			661,496	661		
Preferred Shares converted into common stock by SeaSide 88, LP, .001 par value on April 4, 2012 Derivative	(40,000)	(40)				
Liability - Retirement of Preferred Series B on April 4, 2012 Shares issued as					69,098	
Dividend to Seaside 88, LP, .001 par value common stock at \$0.61 on April 4, 2012 Dividend to			5,709	6	3,446	
Seaside 88, LP, paid on April 4, 2012 Shares issued in conversion of Series B			785,453	785	(3,452)

 09a.	·g. ·		J O O Q		
Preferred Shares to Common Stock at \$0.51 per share, .001 par value, on April 18, 2012 Retirement of Series B Preferred Shares converted into common stock by SeaSide 88, LP, .001 par value on April 18, 2012	(40,000)	(40)			
Derivative Liability - Retirement of Preferred Series B on April 18, 2012					69,224
Shares issued as Dividend to Seaside 88, LP, .001 par value common stock at \$0.54 on April 18, 2012			3,579	4	1,914
Dividend to Seaside 88, LP, paid on April 18, 2012 Shares issued for					(1,918)
consulting and legal services rendered at \$0.63 per share on April 30, 2012 Shares issued in			9,547	9	5,990
conversion of Series B Preferred Shares to Common Stock at \$0.50 per share, .001 par value, on			198,354	199	
May 2, 2012 Retirement of Series B Preferred Shares converted into common stock by	(10,000)	(10)			

SeaSide 88, LP, .001 par value on May 2, 2012 Derivative Liability -					
Retirement of Preferred Series B on May 2, 2012 Warrants issued					69,892
to Scientific Advisory Board on May 15, 2012 Shares issued as Dividend to					47,400
Seaside 88, LP, .001 par value common stock at \$0.51 on May 2, 2012 Dividend to			754	1	383
Seaside 88, LP, paid on May 2, 2012 Shares issued for consulting and					(384)
legal services rendered at \$0.67 per share on May 31, 2012 Series C Preferred Shares			8,962	9	5,991
issued to SeaSide 88, LP, \$.001 par value on June 28, 2012 Placement	2,500	3			2,499,997
Agents Fees related to sale of Convertible Preferred shares on June 28, 2012 Derivative					(150,000)
Liability - Issuance of Preferred Series					(1,090,017)
C Legal Fees related to Sale of Convertible Preferred Stock					(25,000)

		Lagari	iiiig. iv		IOIDEO	,	. 1 OIIII 10 G	Κ		
June 28, 2012 Sharees of Series A Preferred issued for legal services rendered Shares issued in conversion of Series C Preferred Shares to Common Stock at \$0.49 per share, .001 par value, on June 28, 2012 Retirement of Series C Preferred Shares converted into common stock by SeaSide 88, LP, .001 par value on June 28, 2012 Derivative	10,000	10			(147)	_	298,472	298	3,277	
Liability - Retirement of Preferred Series C on June 28, 2012									63,704	
Series A Preferred Shares issued for employee stock compensation, June 28, 2012 Shares issued for consulting and	1,050,000	1,050							344,122	
legal services rendered at \$0.61 per share on June 30, 2012							9,867	10	5,990	
Net loss for the year ended June 30, 2012										
Balance, June 30, 2012	9,871,250	\$9,872	-	\$-	2,353	\$3	155,612,293	\$155,644	\$43,108,790	\$-

See accompanying notes to the financial statements

NanoViricides, Inc.

(A Development Stage Company)

Statement of Stockholders' Equity

For the period from May 12, 2005 (inception) through September 30, 2013

					Series							Deficit Accum
	Series A Pr Stock: Par		Series B Preferred S Par \$0.001			©Common St \$0.001	ock: Par	Additional		Stock]	During
	Number of		Number of		Number of	er Number of		Paid-in		Subscripti	on]	Develo
	Shares	Amoun	t Shares	Amo	unStharAens		Amount	Capital		Receivable	e :	Stage
Common shares issued May 12, 2005 (Inception) Share exchange						5,714	6	14		(20)	
with Edot-com.com Inc., June 1, 2005 Common shares exchanged in	5					(5,714) (6) (14)	20		
reverse acquisition of Edot-com.com Inc., June 1, 2005 Common shares	5					22,857,143	22,857	(22,837)	(20)	
outstanding Edot-com.com Inc., June 1, 2005 Options granted	5					5,714,286	5,714	(5,714)			
in connection with reverse acquisition						-		-				
Net loss						-		-				(66,0
	-	-	-	-		28,571,429	28,571	(28,551)	(20)	(66,0

Balance, June 30, 2005			
Discount related to beneficial conversion feature of Convertible debentures, July	-		5,277
13, 2005 Legal expenses related private placement of common stock, July 31, 2006	-		(2,175)
Discount related to beneficial conversion feature of Convertible debentures, July 31, 2005	-		5,302
Warrants issued to Scientific Advisory Board, August 15, 2005 Options issued to	-		4,094
officers, September 23, 2005 Common shares issued for	-		87,318
consulting services valued at \$.081 per share, September 30, 2005	657,143	657	185,643
Common shares issued for interest on debentures, September 30, 2005 Discount related	13,765	14	4,301
to beneficial conversion feature of Convertible debentures,	-		166,666
October 28, 2005 Discount related to beneficial	-		166,667

	•	•	9	,		
conversion						
feature of						
Convertible						
debentures,						
November 9,						
2005						
Discount related						
to beneficial						
conversion						
feature of						4
Convertible				-		45,000
debentures,						
November 10,						
2005						
Discount related						
to beneficial						
conversion						
feature of						277.000
Convertible				-		275,000
debentures,						
November 11,						
2005						
Discount related						
to beneficial						
conversion						
feature of						40.167
Convertible				-		49,167
debentures,						
November 15,						
2005						
Warrants issued						
to Scientific						
Advisory Board,				-		25,876
November 15,						
2005						
Common shares						
and warrants						
issued in						
connection with						
private				97,143	97	169,903
placement of						
common stock,						
November 28,						
2005						
Common shares				85,715	86	149,914
and warrants						
issued in						
connection with						
private						
placement of						
common stock,						

November 29, 2005 Common shares and warrants issued in connection with private placement of common stock, November 30, 2005	42,857	43	74,957
Common shares and warrants issued in connection with private placement of common stock, December 2, 2005 Common shares	28,571	29	49,971
and warrants issued in connection with private placement of common stock, December 6, 2005	242,857	243	424,757
Common shares issued for legal services valued at \$.95 per share, December 6, 2005 Common shares and warrants	5,714	6	18,994
issued in connection with private placement of common stock, December 12, 2005	214,286	214	374,786
Common shares and warrants issued in connection with private placement of common stock,	14,286	14	24,986

December 13,			
2005			
Common shares and warrants			
issued in			
connection with			
private	14,285	14	24,986
placement of	14,203	14	24,900
common stock,			
December 14,			
2005			
Common shares			
issued in			
connection with			
debenture	14,286	14	48,986
offering,	,		,
December 15,			
2005			
Common shares			
and warrants			
issued in			
connection with			
private	14,285	14	24,986
placement of			
common stock,			
December 20,			
2005			
Common shares			
and warrants			
issued in			
connection with	14,286	14	24.096
private placement of	14,200	14	24,986
common stock, December 29,			
2005			
Common shares			
and warrants			
issued in			
connection with			
private	14,285	14	24,986
placement of			
common stock,			
December 30,			
2005.			
Common shares			
issued for interest			
on debentures,	5,565	6	17,334
December 31,			
2005	0=0		.
	978	1	5,000

	J	9	,					
Common shares issued for								
consulting								
services valued at								
\$1.46 per share,								
January 9, 2006								
Warrants issued to Scientific								
Advisory Board,			_		49,067			
February 15,			_		42,007			
2006								
Warrnats issued								
to Scientific			_		51,048			
Advisory Board,					31,040			
May 15, 2006								
Common shares issued for interest								
on debentures,			2,263	2	22,190			
March 31, 2005								
Options								
exercised, May			514,286	515	89,485			
31, 2006								
Common shares								
and warrants issued in								
connection with								
private			535,714	536	1,874,464			
placement of								
common stock,								
June 15, 2006								
Common shares								
issued for interest on debentures,			4,122	4	22,434			
June 30, 2006								
June 30, 2000								
Net loss								(3,28
Balance, June 30,		. <u>-</u> -	- 31,108,121	31,108	4,557,805	(20)	(3,35
2006			,,	,	,,,,,,,,,,	(= =	,	(- ,
Common shares								
issued for interest								
on debentures,			1,641	2	7,642			
July 31, 2006								
Common shares								
issued for								
conversion of convertible			952,381	952	999,048			
debentures, July								
31, 2006								
,			57,143	57	49,943			

Exercise of stock warrants, July 31, 2006 Options issued to Scientific Advisory Board,	-		30,184
August 15, 2006 Options issued to Scientific Advisory Board, November 15, 2006 Common shares	-		25,888
issued for consulting services valued at \$.76 per share, January 3, 2007 Options issued to	61,714	62	164,098
Scientific Advisory Board, February 15, 2007 Options issued to	-		32,668
Scientific Advisory Board, May 15, 2007 Common shares issued for	-		25,664
consulting services valued at \$1.03 per share, June 12, 2007 Common shares issued for	215	-	775
consulting services valued at \$1.15 per share, June 20, 2007 Common shares	28,572	29	114,971
issued upon warrants conversion, June 20, 2007 Common shares issued upon	265,714	266	619,734
warrants conversion, June 25, 2007	21,429	21	49,979
Common shares issued upon	85,714	86	199,914

		Lagai	i iiiig. 14/		OIDL	0, 1110.	11 10 0				
warrants conversion, June 30, 2007 Common shares issued for consulting services valued at \$1.06 per share, June 30, 2007						8,540	9	31,791			
Officers' compensation expense						-		27,062			
Net loss						-		-			(3,11
Balance, June 30, 2007	-	-	\$-	-		32,591,184	32,592	\$6,937,166	\$ (20)	(6,46
Warrants issued to Scientific Advisory Board, August 15, 2007 Common shares and warrants issued in						-		14,800			
connection with private placement of common stock, September 21, 2007 Common shares issued for						428,571	429	749,571			
consulting and legal services valued at \$.75 per share, September 30, 2007 Common shares and warrants issued in						7,213	7	18,393			
connection with private placement of common stock, October 16, 2007						928,571	929	1,624,071			
Common shares and warrants issued in						71,428	71	124,929			

connection with private placement of common stock, October 16, 2007 Collection of stock subscriptions receivable, October 17, 2007 Warrants issued to Scientific	-		-	20
Advisory Board, November 15, 2007 Common shares issued for consulting and	-		7,200	
legal services valued at \$.49 per share, December 31, 2007 Options issued to	16,329	16	26,884	
officers, January 1, 2008 Warrants issued to Scientific	-		7,044	
Advisory Board, February 15, 2008 Common shares issued for	-		8,500	
consulting and legal services valued at \$.45 per share,March 31, 2008 Common shares issued for	17,585	18	27,882	
consulting services valued at \$.39 per share, April, 2008 Warrants issued	7,929	8	10,813	
to Scientific Advisory Board, May 15, 2008 Common shares issued for consulting	8,526	9	32,253 27,891	

services valued at
\$1.03 per share,
June 30, 2008

Valle 30, 2000					
Net loss	-		-		(2,73
Balance, June 30, 2008	 34,077,336	\$ 34,079	\$ 9,617,397	\$ -	\$(9,20
Common shares issued for consulting and legal services valued at \$ 1.22 per share, July 31, 2008	1,171	1	4,999		
Common shares issued for consulting services valued at \$1.22 per share, July , 2008	656	1	2,799		
Warrants issued to Scientific Advisory Board, August 15, 2008 Common shares	-	-	47,500		
and warrants issued in connection with private placement of common stock,	896,000	896	3,135,104		
August 22, 2008 Common shares issued to settle account payable Payment of Finder's Fee to	42,857	43	149,957 (14,696)	
Biotech Common shares issued in connection with Warrant Conversion,	35,714	36	106,214		
August 22, 2008 Common shares issued for legal services valued at \$1.24per share, August 31, 2008	1,152	1	4,999		

Common shares issued for consulting services valued at \$1.24 per share, August, 2008	645	1	2,799
Common shares issued for legal services valued at \$1.00 per share, September 30, 2008	1,429	1	4,999
Common shares issued for consulting services valued at \$1.00 per share, September 30,	1,600	2	5,598
2008 Common shares issued for consulting and legal services valued at \$.71 per share,	2,012	2	4,998
October 31, 2008 Common shares issued for consulting services valued at \$.71 per share, October 31, 2008	2,254	2	5,598
Warrants issued to Scientific Advisory Board, November 15, 2008 Common shares	-	-	30,500
issued for consulting and legal services valued at \$.67 per share, November 30,	2,132	2	4,998
2008 Common shares issued for consulting services valued at \$.67 per share, November 30,	2,388	2	5,598

2008			
Common shares			
issued for			
consulting and			
legal services	1,721	2	4,998
valued at \$.83	1,721	2	т, ЭЭО
per share,			
December 31,			
2008			
Common shares			
issued for			
consulting			
services valued at	1,928	2	5,598
\$.83 per share,			
December 31,			
2008			
Common shares			
issued for legal			
services valued at	2,381	2	4,998
\$.60 per share,			
January 20, 2009			
Common shares			
issued for			
consulting and			
legal services	2,132	2	4,997
valued at \$.78			•
per share,			
January 31, 2009			
Common shares			
issued for			
consulting	2 200	2	5.5 00
services valued at	2,388	2	5,598
\$.78 per share,			
January 31, 2009			
Common shares			
issued for			
consulting	44.006		24006
services valued at	14,286	14	34,986
\$.70 per share,			
February 1, 2009			
Warrants issued			
to Scientific			
Advisory Board,	_	_	29,000
February 15,			,
2009			
Common shares	2,012	2	4,997
issued for	,		,
consulting and			
legal services			
valued at \$.71			
per share,			
•			

February 28, 2009			
Common shares			
issued for			
consulting			
services valued at	2,254	2	5,598
\$.71 per share,			
February 15,			
2009			
Common shares			
issued for			
consulting and			
legal services	1,831	2	4,998
valued at \$.67			
per share, March 31, 2009			
Common shares			
issued for			
consulting	2,051	2	5,598
services valued at	2,031	2	3,396
\$.67 per share,			
March 31, 2009			
Common shares			
issued to acquire			
equipment	49,286	49	137,451
valued at \$0.79			
per share			
Common shares			
issued for			
consulting and			
legal services	2,059	2	4,998
valued at \$0.69			
per share, April			
30, 2009			
Common shares			
issued for			
consulting	2,305	2	5,598
services valued at	•		•
\$.69 per share,			
April 30, 2009			
Warrants issued			
to Scientific	-	-	30,600
Advisory Board,			
May 15, 2009			
Common shares			
issued for			
consulting and	2 171	2	4 000
legal services	2,171	2	4,998
valued at \$.66			
per share, May			
31, 2009			

Common shares issued for consulting services valued at \$.66 per share, May 31, 2009 Common shares issued for consulting services valued at	2,432 7,063	2	5,596 14,993		
\$.61 per share, June 30, 2009 Common shares issued for consulting and legal services valued at \$.56	2,560	3	4,997		
per share, June 30, 2009 Shares issued for consulting services valued at \$.56 per share,	2,868	3	5,597		
June 30, 2009 Common shares and warrants issued in connection with private	42,857	43	74,957		
placement of common stock, June 30, 2009 Common shares and warrants					
issued in connection with warrant conversion, June 30, 2009	585,914	586	1,024,764	(100,000)	
Net loss	-		-		(2,78
Balance, June 30, 2009	 35,799,845	35,800	14,545,276	(100,000)	(11,9
Collection of stock subscription receivable Common shares issued for	2,165	2	- 4,998	100,000	
1880CU 101					

consulting and legal services valued at \$.66 per share, July 31, 2009 Common shares issued for			
consulting services valued at \$.66 per share, July 31, 2009 Warrants issued	2,424	2	5,598
to Scientific Advisory Board, August 15, 2009 Common shares issued for	-	-	41,400
consulting and legal services valued at \$.86 per share, August 31, 2009 Common shares	1,861	2	4,998
issued for consulting services valued at \$.86 per share, August 31, 2009 Common shares	1,661	2	5,598
issued for consulting services valued at \$.89 per share, September 30, 2009	1,798	2	5,598
Common shares issued for consulting and legal services valued at \$.89 per share, September 30,	1,605	2	4,998
2009 Payment of Finder's Fee Common shares and warrants issued in connection with private placement of	- 764,286	- 764	(5,250) 1,336,736

common stock,			
September 30,			
2009			
Common shares			
and warrants			
issued in			
connection with			
warrant	1,074,229	1,074	1,878,826
conversion,			
September 30,			
2009			
Common shares			
issued for			
consulting and			
legal services	10,025	10	19,990
valued at \$.57			
per share,			
October 1, 2009			
Common shares			
issued for Legal			
services valued at	3,571	4	7,059
\$56.50 per share,			
October 26, 2009			
Warrants issued			
for commissions,	-	-	3,570
October 26, 2009			
Common shares			
issued for			
consulting and			
legal services	1,960	2	4,998
valued at \$.73			
per share,			
October 31, 2009			
Common shares			
issued for			
consulting	2,195	2	5,598
services valued at	•		
\$.73 per share,			
October 31, 2009			
Common shares			
issued upon conversion of			
Warrants,	2,857	3	1,437
November 10,			
2009			
Warrants issued			
to Scientific			
Advisory Board,	_	_	39,600
November 15,	-	-	37,000
2009			
2007	9,286	9	25,191
	/, 2 00		-0,171

Common shares issued in payment of accounts payable, November 25, 2009 Common shares					
issued for consulting and legal services valued at \$.86 per share, November 30, 2009			1,661	2	4,998
Common shares issued for consulting services valued at \$.86 per share, November 30, 2009 Common shares			2,791	3	8,397
issued for consulting services valued at \$.85 per share, December 31, 2009 Common shares			2,833	3	8,397
issued for consulting and legal services valued at \$.85 per share, December 31, 2009			1,687	2	4,998
Common shares issued for consulting and legal services valued at \$1.043 per share, January 31, 2010			1,370	1	4,999
Warrants issued to Scientific Advisory Board, February 15,			-	-	40,200
2010 Series A Preferred Shares issued for	2,000,000	2,000	-	-	5,000

TheraCour license valued at \$.001 par value, February 15, 2010 Common shares issued for consulting					4.000
services valued at \$1.096 per share, February 28, 2010 Common shares issued for			1,303	1	4,999
employee stock compensation valued at \$1.25 per share, March 3, 2010			35,714	36	156,214
Common shares issued for employee stock compensation valued at \$1.25 per share, March 3, 2010			35,714	36	156,214
Series A Preferred Shares issued for employee stock compensation, March 3, 2010	71,429	71	-	-	513,752
Series A Preferred Shares issued for employee stock compensation, March 3, 2010	71,429	71	-	-	513,752
Series A Preferred Shares issued for employee stock compensation, March 3, 2010	26,786	28	-	-	192,656
Common shares issued for consulting and legal servies valued at \$1.25 per share, March 3, 2010			286	-	1,250

Common shares issued for consulting services valued at \$1.417 per share, March 31, 2010			1,008	1	4,999
Common shares issued in lieu of payment of accounts payable - All Sciences Common shares			11,321	11	31,689
issued for consulting and legal services valued at \$2.087 per share, April 30, 2010			685	1	4,999
Series B Preferred Shares issued to SeaSide 88, LP, May 12, 2010	142,857	143	-	-	4,999,857
Placement Agents Fees related to sale of Convertible Preferred shares, May 12, 2010			-	-	(400,000)
Legal Fees related to Sale of Convertible Preferred Stock, May 12, 2010 Derivative			-	-	(50,000)
Liability - Issuance of Series B Preferred Shares Common shares			-	-	(1,787,379)
issued for conversion of Series B Preferred Shares at \$1.88 per share, May 12,			91,237	91	228
2010 Retirement of Series B Preferred Shares converted into	(17,143)	(17)	-	-	(43)

ğ	3	,			
common stock by					
SeaSide 88, LP,					
May 12, 2010					
Derivative					
Liability -					
Retirement of					
Series B		-	-	128,053	
Preferred Shares,					
May 12, 2010					
Warrants issued					
to Scientific		_	_	82,800	
Advisory Board,				02,000	
May 15, 2010					
Common shares					
issued for					
conversion of					
Series B		112.760	112	205	
Preferred Shares		113,768	113	285	
at \$1.51 per					
share, May 26,					
2010					
Retirement of					
Series B					
Preferred Shares					
converted into	(17,143) (17)	_	_	(43)
common stock by	(17,143) (17)	_		(43	,
SeaSide 88, LP,					
May 26, 2010					
•					
Dividend paid to				(16.977	`
Seaside 88, LP,		-	-	(16,877)
May 26, 2010					
Common shares					
issued as					
Dividend to		2,943	3	16,874	
Seaside 88, LP at		<i>γ</i>		-,	
\$1.64, May 26,					
2010					
Derivative					
Liability -					
Retirement of		_		151,842	
Series B		_	_	131,042	
Preferred Shares,					
May 26, 2010					
Common shares					
issued for					
consulting and					
legal services		686	1	4,999	
valued at \$2.083				•	
per share, May					
31, 2010					
, - -,		55,714	55	194,945	
		22,711		17 19770	

Common shares issued for conversion of					
warrants to Common Stock at \$1.00 per					
share, June 9, 2010					
Common shares issued for					
conversion of Series B		121 020	100	205	
Preferred Shares at \$1.41 per		121,920	122	305	
share, June 9, 2010					
Retirement of Series B					
Preferred Shares					
converted into common stock by	(17,143) (17)	-	-	(43)
SeaSide 88, LP, June 9, 2010					
Dividend paid to Seaside 88, LP,		-	_	(14,575)
June 9, 2010 Common shares					ĺ
issued as Dividend to					
Seaside 88, LP at \$1.41, June 9,		2,962	3	14,572	
2010 Derivative					
Liability -					
Retirement of Series B		-	-	149,354	
Preferred Shares, June 9, 2010					
Common shares issued for					
consulting and legal services		3,229	3	19,997	
valued at \$1.77 per share, June 9,					
2010 Common shares		571	1	3,539	
issued for consulting and					
legal services valued at \$1.77					
per share, June 9,					

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2010 Common shares issued for conversion of Series B Preferred Shares at \$1.59 per share, June 23,					107,973	108	270		
2010 Retirement of Series B Preferred Shares converted into common stock by SeaSide 88, LP, June 23, 2010			(17,143)	(17)	-	-	(43)		
Dividend paid to Seaside 88, LP, June 23, 2010 Common shares					-		(12,274)		
issued as Dividend to Seaside 88, LP at \$1.59, June 23, 2010					2,209	2	12,272		
Derivative Liability - Retirement of Series B Preferred Shares, June 23, 2010 Common shares					-		120,249		
issued for consulting and legal services valued at \$1.043 per share, June 30, 2010					782	1	4,999		
Net loss					-		-		(4,74
Balance, June 30, 2010	2,169,644	2,170	74,285	75	38,280,135	38,280	23,217,895#	-	(16,7
Common shares issued for conversion of Series B Preferred Shares at \$1.51 per					113,454	113	284		

share, July 7,

2010 Retirement of Series B Preferred Shares converted into common stock by SeaSide 88, LP, July 7, 2010	(17,143) (17)	-		(43)
Dividend paid to Seaside 88, LP, July 7, 2010 Common shares issued as		-		(9,973)
dividend to Seaside 88, LP at \$1.65 per share, July 7, 2010 Derivative		1,731	2	9,971	
liability - retirement of Series B Preferred Shares, July 7, 2010 Common shares		-		116,715	
issued for conversion of Series B Preferred Shares at \$1.30 per share, July 21, 2010		132,336	132	331	
Retirement of Series B Preferred Shares converted into common stock by SeaSide 88, LP, July 21, 2010	(17,143) (17)	-		(43)
Dividend paid to Seaside 88, LP, July 21, 2010 Common shares issued as		-		(7,671)
dividend to Seaside 88, LP at \$1.32 per share, July 21, 2010		1,655	2	7,669	
Derivative liability - retirement of Series B		-		113,700	

Preferred Shares, July 21, 2010 Common shares issued for consulting and legal services valued at \$2.087 per share, July		882	1	4,999	
31, 2010 Common shares issued for conversion of Series B Preferred Shares at \$1.14 per share, August 4, 2010		150,547	151	376	
Retirement of Series B Preferred Shares converted into common stock by SeaSide 88, LP,	(17,143) (17)	-		(43)
August 4, 2010 Dividend paid to Seaside 88, LP, August 4, 2010 Common shares		-		(5,370)
issued as dividend to Seaside 88, LP, at \$1.14 per share, August 4, 2010 Derivative		1,347	1	5,369	
liability - retirement of Series B Preferred Shares, August 4, 2010		-		104,480	
Warrants issued to Scientific Advisory Board, August 15, 2010 Common shares		173,248	173	45,000 433	
issued in conversion of Series B Preferred Shares at \$0.99 per share, August 18,		173,240	175	100	

2010 Retirement of Series B Preferred Shares converted into common stock by SeaSide 88, LP, August 18, 2010	(17,143) (17)	-		(43)
Dividend paid to Seaside 88, LP, August 18, 2010 Common shares		-		(3,068)
issued as dividend to Seaside 88, LP at \$0.99 per share, August 18, 2010		886	1	3,067	
Derivative liability - retirement of Series B Preferred Shares, August 18, 2010 Common shares		-		104,795	
issued for consulting and legal services valued at \$1.24 per share, August 31, 2010		1,152	1	4,999	
Common shares issued for conversion of Series B Preferred Shares at \$0.93 per share, September 1, 2010		61,523	62	153	
Retirement of Series B Preferred Shares converted into common stock by SeaSide 88, LP, September 1, 2010	(5,714) (6)	-		(14)
Dividend paid to Seaside 88, LP, September 1, 2010		-		(767)
		219	-	767	

Common shares issued as dividend to Seaside 88, LP at \$1.00 per share, September 1, 2010 Derivative						
liability - retirement of Series B Preferred Shares, September 1, 2010 Series B			-		34,841	
Preferred Shares issued to SeaSide 88, LP, September 21, 2010 Placement Agents fees	71,429	71	-		2,499,929)
related to sale of Convertible Preferred shares, September 21, 2010 Legal fees related to sale of			-		(195,000)
Convertible Preferred Stock, September 21, 2010 Derivative			-		(10,000)
liability - issuance of Series B Preferred Shares Common shares issued for conversion of			-		(328,086)
Series B Preferred Shares at \$0.93 per share, September			122,861	123	307	
21, 2010 Retirement of Series B Preferred Shares converted into common stock by	(11,429)) (11)	-		(29)

SeaSide 88, LP, September 21, 2010 Derivative liability - retirement of Series B Preferred Shares, September 21, 2010 Common shares		-		103,012	
issued for consulting and legal services valued at \$1.07 per share, September 30,		1,335	1	4,999	
2010 Common shares issued for conversion of Series B Preferred Shares at \$0.87 per share, October 5, 2010		131,499	131	329	
Retirement of Series B Preferred Shares converted into common stock by	(11,429) (11)	-		(29)
SeaSide 88, LP, October 5, 2010 Dividend paid to Seaside 88, LP, on October 5, 2010		-		(8,055)
Common shares issued as dividend to Seaside 88, LP at \$0.87 per share, October 5, 2010		2,648	3	8,052	
Derivative liability - Retirement of Series B Preferred Shares,		-		103,330	
October 5, 2010 Common shares issued for		129,419	129	323	

		9	3		,			
conversion of Series B								
Preferred Shares								
at \$0.88 per								
share, October								
19, 2010								
Retirement of								
Series B								
Preferred Shares								
converted into			(11,429)	(11)	_		(29)
common stock by			(11,42))	(11)	_		(2)	,
SeaSide 88, LP,								
October 19, 2010								
Dividend paid to								
Seaside 88, LP,					_		(6,521)
October 19, 2010							(0,021	,
Common shares								
issued as								
dividend to					2.110	2	6.510	
Seaside 88, LP at					2,110	2	6,519	
\$0.88 per share,								
October 19, 2010								
Derivative								
liability -								
Retirement of							69,635	
Series B					-		09,033	
Preferred Shares,								
October 19, 2010								
Common shares								
issued for								
consulting and								
legal services					1,387	1	4,999	
valued at \$1.03								
per share,								
October 31, 2010								
Series A								
Preferred Shares issued for								
	8,571	9					53,924	
employee stock compensation,	0,371	9			-		33,924	
November 1,								
2010								
Common shares								
issued for								
conversion of								
Series B					101 00:	100	226	
Preferred Shares					131,804	132	329	
at \$0.87 per								
share, November								
2, 2010								
			(11,429)	(11)	-		(29)

Retirement of Series B Preferred Shares converted into common stock by SeaSide 88, LP, August 4, 2010 Dividend paid to Seaside 88, LP,					(4,986)
November 2, 2010			-		(4,960	,
Common shares						
issued as dividend to						
Seaside 88, LP at			1,643	2	4,984	
\$0.87 per share, November 2,						
2010						
Derivative						
liability -						
retirement of Series B			_		69,104	
Preferred Shares,					,	
November 2,						
2010 Warrants issued						
to Scientific						
Advisory Board,			-		55,800	
November 15, 2010						
Common shares						
issued for						
conversion of Series B						
Preferred Shares			98,805	99	247	
at \$1.16 per						
share, November 16, 2010						
Retirement of						
Series B						
Preferred Shares converted into						
common stock by	(11,429) (1	11)	-		(29)
SeaSide 88, LP,						
November 16, 2010						
Dividend paid to						
Seaside 88, LP,			_		(3,452)
November 16, 2010					(3,132	,
2010			853	1	3,451	

Common shares issued as dividend to Seaside 88, LP at \$1.16 per share, November 16, 2010 Derivative liability -					
Retirement of Series B Preferred Shares, November 16, 2010 Common shares issued for conversion of		-		69,187	
Series B Preferred Shares at \$1.35 per share, November 30, 2010 Retirement of Series B Preferred Shares		88,733	89	222	
converted into common stock by SeaSide 88, LP, November 30, 2010	(11,428) (12)	-		(28)
Dividend paid to Seaside 88, LP, November 30, 2010 Common shares		-		(1,918)
issued as dividend to Seaside 88, LP at \$1.35 per share, November 30, 2010 Derivative liability -		405	-	1,918	
Retirement of Series B Preferred Shares, November 30,		-		69,449	
2010 Common shares issued for consulting and		979	1	4,999	

legal services valued at \$1.46 per share, November 30, 2010 Common shares issued for					
conversion of warrants to Common Stock at \$1.00 per share, December 10, 2010		7,143	7	24,993	
Common shares issued as compensation pursuant to S-8 at \$1.28 per share, December 10, 2010		14,286	14	63,986	
Common shares issued for conversion of Series B Preferred Shares at \$1.10 per share, December 14, 2010		25,954	26	65	
Retirement of Series B Preferred Shares converted into common stock by SeaSide 88, LP, December 14, 2010	(2,857) (3)	-		(7)
Dividend paid to Seaside 88, LP, December 14, 2010 Common shares		-		(384)
issued as Dividend to Seaside 88, LP, at \$1.10 per share, December		99	-	384	
14, 2010 Derivative liability - retirement of Series B		-		17,438	

Preferred Shares, December 14, 2010 Series B Preferred Shares issued to SeaSide 88, LP, December 21, 2010 Placement Agents fees	71,429	71	-		2,499,929	
related to sale of Convertible Preferred shares, December 21, 2010 Common shares			-		(200,000)
issued for consulting and						
legal services valued at \$1.32			1,299	1	6,052	
per share, December 31, 2010						
Common shares issued for conversion of						
Series B			98,227	98	246	
Preferred Shares at \$1.16 per share, January 3,						
2011 Retirement of Series B						
Preferred Shares converted into common stock by SeaSide 88, LP,	(11,429)	(11)	-		(29)
January 3, 2011 Dividend paid to Seaside 88, LP, January 3, 2011 Common shares			-		(8,904)
issued as dividend to Seaside 88, LP at \$1.16 per share,			2,187	2	8,902	
January 3, 2011 Derivative liability - retirement of			-		73,532	

Series B Preferred Shares, January 3, 2011 Common shares issued for conversion of Series B Preferred Shares at \$1.26 per share, January 17, 2011 Retirement of Series B		90,847	91	227	
Preferred Shares converted into	(11,428) (12)	-		(28)
common stock by					,
SeaSide 88, LP, January 17, 2011					
Dividend paid to					
Seaside 88, LP,		-		(8,055)
January 17, 2011 Common shares					
issued as					
dividend to		1,829	2	8,053	
Seaside 88, LP at		1,02)	2	0,033	
\$1.26 per share,					
January 17, 2011					
Derivative					
liability - retirement of					
Series B		-		70,882	
Preferred Shares,					
January 17, 2011					
Common shares					
issued for					
conversion of					
Series B		101,835	102	254	
Preferred Shares at \$1.12 per					
share, January					
31, 2011					
Retirement of					
Series B					
Preferred Shares					
converted into	(11,429) (11)	-		(29)
common stock by SeaSide 88, LP,					
January 31, 2011					
Dividend paid to					
Seaside 88, LP,		-		(6,521)
January 31, 2011					-

Common shares issued as dividend to Seaside 88, LP at \$1.24 per share, January 31, 2011 Derivative		1,506	2	6,519	
liability - retirement ofSeries B Preferred Shares, January 31, 2011 Common shares		-		72,432	
issued for consulting and legal services valued at \$1.47 per share,		1,168	1	5,999	
January 31, 2011 Common shares issued for conversion of warrants at \$1.00 per share, February 4, 2011		7,143	7	24,993	
Common shares issued for conversion of Series B Preferred Shares at \$1.08 per share, February 14, 2011		105,719	106	269	
Retirement of Series B Preferred Shares converted into common stock by SeaSide 88, LP, February 14, 2011	(11,428) (12)	-		(28)
Dividend paid to Seaside 88, LP, February 14, 2011		-		(4,986)
Common shares issued as dividend to Seaside 88, LP, at \$1.08 per share, February		1,318	1	4,985	

14, 2011 Derivative liability - retirement of Series B Preferred Shares, February 14, 2011 Warrants issued		-		71,699	
warrants issued to Scientific Advisory Board, Feburary 15, 2011 Common shares issued for		-		54,000	
conversion of Series B Preferred Shares at \$0.99 per share, February 28, 2011 Derivative		115,889	116	293	
liability - retirement of Series B Preferred Shares, February 28, 2011 Retirement of Series B		-		71,490	
Preferred Shares converted into common stock by SeaSide 88, LP, February 28, 2011	(11,429) (11)	-		(29)
Dividend paid to Seaside 88, LP, February 28, 2011 Common shares issued as		-		(3,452)
dividend to Seaside 88, LP at \$0.99 per shares, February 28, 2011		1,000	1	3,451	
Common shares issued for consulting and legal services		1,401	1	5,999	

		_						
valued at \$1.22 per share, February 28, 2011								
Common shares issued for employee stock compensation at \$1.32 per share, March 3, 2011					35,714	36	158,089	
Common shares issued for employee stock compensation at \$1.32 per share, March 3, 2011					35,714	36	158,089	
Series A								
Preferred Shares issued for employee stock	71,428	71			-		574,510	
compensation, March 3, 2011 Series A Preferred Shares								
issued for employee stock compensation,	71,428	71			-		574,510	
March 3, 2011 Series A Preferred Shares								
issued for employee stock compensation, March 3, 2011	26,786	27			-		215,441	
Common shares issued for conversion of								
Series B Preferred Shares at \$1.09 per					104,935	105	262	
share, March 14, 2011 Retirement of Series B								
Preferred Shares converted into common stock by SeaSide 88, LP,			(11,428)	(12)	-		(28)
March 14, 2011 Dividend paid to Seaside 88, LP,					-		(1,918)

March 14, 2011 Common shares issued as Dividend to Seaside 88, LP at \$1.09 per shares, March 14, 2011 Derivative		503	1	1,917	
Liability - Retirement of Series B Preferred Shares, March 14, 2011 Common shares issued for conversion of		-		70,566	
Series B Preferred Shares at \$1.11 per share, March 28, 2011 Retirement of Series B Preferred Shares		25,710	26	64	
converted into common stock by SeaSide 88, LP, March 28, 2011	(2,857) (3)	-		(7)
Dividend paid to Seaside 88, LP, March 28, 2011 Common shares issued as		-		(384)
dividend to Seaside 88, LP, at \$1.11 per share, March 28, 2011 Derivative liability -		99	-	384	
retirement of Series B Preferred Shares, March 28, 2011 Common shares issued for		-		17,525	
consulting and legal services valued at \$1.28 per share, March 31, 2011		1,337	1	5,999	

Common shares issued for conversion of warrants to common stock at \$1.00 per share, April 10, 2011			2,857	3	9,997	
Series B Preferred Shares issued to SeaSide 88, LP, April 18, 2011 Placement	71,429	71	-		2,499,929)
Agents fees related to sale of Convertible Preferred shares, April 18, 2011			-		(160,000)
Legal fees related to Sale of Convertible Preferred Stock, April 18, 2011 Derivative			-		(25,000)
liability - issuance of Series B Preferred Shares Common shares issued for			-		(429,725)
conversion of Series B Preferred Shares at \$1.28 per share, April 18, 2011			89,189	89	(49)
Retirement of Series B Preferred Shares converted into common stock by SeaSide 88, LP, April 18, 2011 Derivative	(11,429)	(11)	-		(29)
liability - retirement of Series B Preferred Shares, April 18, 2011			-		68,756	
Common shares issued for			1,168	1	5,999	

consulting and legal services valued at \$1.47 per share, April 30, 2011 Common shares issued for conversion of Series B Preferred Shares		97,065	97	(57)
at \$1.18 per share, May 2, 2011 Retirement of Series B					
Preferred Shares converted into common stock by SeaSide 88, LP, May 2, 2011	(11,428) (12)	-		(28)
Derivative liability - retirement of Series B Preferred Shares, May 2, 2011		-		68,941	
Dividend paid to Seaside 88, LP, May 2, 2011 Common shares		-		(8,055)
issued as dividend to Seaside 88, LP at \$1.18 per shares, May 2, 2011 Warrants issued		1,955	2	8,053	
to Scientific Advisory Board, May 15, 2011 Common shares issued for		-		50,400	
conversion of Series B Preferred Shares at \$1.19 per share, May 16,		96,143	96	(56)
2011 Retirement of Series B Preferred Shares converted into	(11,429) (11)	-		(29)

common stock by SeaSide 88, LP, May 16, 2011 Derivative liability - retirement of		-		69,194	
Series B Preferred Shares, May 16, 2011 Dividend paid to Seaside 88, LP, May 16, 2011 Common shares		-		(6,521)
issued as dividend to Seaside 88, LP at \$1.20 per shares,		1,554	2	6,519	
May 16, 2011 Common shares issued for conversion of Series B Preferred Shares at \$1.23 per share, May 30,		93,280	93	(53)
2011 Retirement of Series B Preferred Shares converted into common stock by SeaSide 88, LP, May 30, 2011	(11,428) (12)	-		(28)
Derivative liability - retirement of Series B Preferred Shares, May 30, 2011		-		69,464	
Dividend paid to Seaside 88, LP, May 30, 2011 Common shares		-		(4,986)
issued as Dividend to Seaside 88, LP at \$1.23 per share,		1,163	1	4,985	
May 30, 2011 Common shares issued for consulting and		1,168	1	5,999	

legal services valued at \$1.47 per share, May 31, 2011 Common shares issued for conversion of Series B Preferred Shares at \$1.18 per share, June 13, 2011		97,135	97	(57)
Retirement of Series B Preferred Shares converted into common stock by SeaSide 88, LP, June 13, 2011	(11,429) (11)	-		(29)
Derivative liability - retirement of Series B Preferred Shares,		-		69,727	
June 13, 2011 Dividend paid to Seaside 88, LP, June 13, 2011 Common shares		-		(3,452)
issued as Dividend to Seaside 88, LP at \$1.18 per share, June 13, 2011		838	1	3,451	
Common shares issued for conversion of Series B Preferred Shares at \$1.02 per share, June 27, 2011 Retirement of		111,957	112	(72)
Series B Preferred Shares converted into common stock by SeaSide 88, LP,	(11,428) (12)	-		(28)
June 27, 2011 Derivative Liability -		-		69,973	

Retirement of Series B Preferred Share, June 27, 2011 Dividend paid to Seaside 88, LP, June 27, 2011 Common shares issued as Dividend to					-		(1,918)
Seaside 88, LP at \$1.10 per share, June 27, 2011 Common shares issued for consulting and legal services valued at \$1.22 per share, June 30, 2011					497 1,401	1	1,918 5,999
Net loss					-		-
Balance, June 30, 2011	2,347,857	2,348	2,857	3	41,013,828	41,012	33,344,437 -
Common shares issued for conversion of Series B Preferred Shares at \$1.11 per share, July 11, 2011					25,710	26	64
Retirement of Series B Preferred Shares converted into common stock by SeaSide 88, LP, July 11, 2011 Derivative			(2,857)	(3)	-		(7)
liability - retirement of Series B Preferred Shares, July 11, 2011					-		17,881
Dividend to Seaside 88, LP, paid on July 11, 2011					-		(381)

(6,47

(23,2

Common shares issued as dividend to Seaside 88, LP at \$1.18 per share, July 11, 2011 Series B			99	-	381	
Preferred Shares issued to SeaSide 88, LP, on July 26, 2011 Placement	71,429	71	-		2,499,929	
Agents fees related to sale of Convertible Preferred shares, July 26, 2011 Derivative			-		(150,000)
liability - issuance of Series B Preferred Shares Legal Fees			-		(429,768)
related to Sale of Convertible Preferred Stock, July 26, 2011 Common shares issued in			-		(6,250)
conversion of Series B Preferred Shares to common stock at \$1.18 per share, July 26, 2011						