

(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 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 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 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

The number of shares outstanding of the Company's common stock, par value \$0.001 per share, as of May 15, 2014, was approximately: 54,536,000

NANOIRICIDES, INC.

FORM 10-Q

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Nanoviricides, Inc.

(A Development Stage Company)

Balance Sheets

	March 31, 2014 (Unaudited)	June 30, 2013
ASSETS		
CURRENT ASSETS:		
Cash and cash equivalents	\$ 33,265,348	\$ 13,923,245
Prepaid expenses	1,338,895	598,380
Total Current Assets	34,604,243	14,521,625
PROPERTY AND EQUIPMENT		
Property and equipment	5,123,849	1,505,648
Accumulated depreciation	(1,188,654)	(1,036,752)
Property and equipment, net	3,935,195	468,896
TRADEMARK		
Trademark	458,954	458,954
Accumulated amortization	(48,502)	(41,921)
Trademark, net	410,452	417,033
SECURITY DEPOSIT	2,000,000	1,000,000
Total Assets	\$ 40,949,890	\$ 16,407,554
LIABILITIES AND STOCKHOLDERS' EQUITY		
CURRENT LIABILITIES:		
Accounts payable	\$ 255,002	\$ 263,258
Accounts payable – related parties	746,036	710,567
Accrued expenses	207,096	204,359
Total Current Liabilities	1,208,134	1,178,184
LONG TERM LIABILITIES:		
Debentures payable	3,887,378	3,468,073
Derivative liability	3,824,986	3,751,645
Total Long Term Liabilities	7,712,364	7,219,718

Total Liabilities	8,920,498	8,397,902
COMMITMENTS AND CONTINGENCIES		
STOCKHOLDERS' EQUITY:		
Series A Convertible Preferred stock, \$0.001 par value, 4,000,000 shares designated, 3,017,307 and 2,990,000 shares issued and outstanding, respectively	3,018	2,990
Series B Convertible Preferred stock, \$0.001 par value, 2,857,143 shares designated, none issued and outstanding	-	-
Series C Convertible Preferred stock, \$0.001 par value, 10,000,000 shares designated, none issued and outstanding	-	-
Common stock, \$0.001 par value; 85,714,286 shares authorized; 54,536,081 and 47,026,173 shares issued and outstanding, respectively	54,536	47,026
Additional paid-in capital	78,531,194	46,259,420
Deficit accumulated during the development stage	(46,559,356)	(38,299,784)
Total Stockholders' Equity	32,029,392	8,009,652
Total Liabilities and Stockholders' Equity	\$ 40,949,890	\$ 16,407,554

See accompanying notes to the financial statements

NanoViricides, Inc.

(A Development Stage Company)

Statements of Operations

	For the Three Months Ended March 31, 2014 (Unaudited)	For the Three Months Ended March 31, 2013 (Unaudited)	For the Nine Months Ended March 31, 2014 (Unaudited)	For the Nine Months Ended March 31, 2013 (Unaudited)	For the Period from May 12, 2005 (inception) through March 31, 2014 (Unaudited)
OPERATING EXPENSES					
Research and development	\$ 625,737	\$ 1,359,205	\$ 2,930,436	\$ 3,279,220	\$ 25,734,496
Refund credit research and development costs	-	-	-	-	(420,842)
General and administrative	607,628	831,353	1,943,123	1,748,582	14,957,971
Total operating expenses	1,233,365	2,190,558	4,873,559	5,027,802	40,271,625
LOSS FROM OPERATIONS	(1,233,365)	(2,190,558)	(4,873,559)	(5,027,802)	(40,271,625)
OTHER INCOME (EXPENSE):					
Interest income	54,789	-	78,850	-	346,548
Interest expense	(2,725,716)	(822,278)	(2,972,216)	(770,825)	(3,149,254)
Amortization of discount on convertible debentures	(143,051)	-	(419,305)	-	(1,407,738)
Beneficial conversion feature of convertible debentures	-	-	-	-	(713,079)
Change in fair market value of derivatives	3,752,933	(669,753)	(73,342)	(896,302)	(1,364,208)
Other income (expense), net	938,955	(1,492,031)	(3,386,013)	(1,667,127)	(6,287,731)

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LOSS BEFORE INCOME TAX PROVISION	(294,410)	(3,682,589)	(8,259,572)	(6,694,929)	(46,559,356)
INCOME TAX PROVISION	-	-	-	-	-
NET LOSS	\$ (294,410)	\$ (3,682,589)	\$ (8,259,572)	(6,694,929)	\$ (46,559,356)
NET LOSS PER COMMON SHARE - BASIC AND DILUTED:	\$ (0.01)	\$ (0.08)	\$ (0.16)	(0.15)	
Weighted average common shares outstanding - basic and diluted	53,318,736	46,701,410	50,307,984	45,686,379	

See accompanying notes to the financial statements

NanoViricides, Inc.
 Statement of Stockholders' Equity
 For the period from May 12, 2005 (inception) through March 31, 2014

	Series A Preferred Stock: Par \$0.001	Series B Preferred Stock: Par \$0.001	Series C Preferred Stock: Par \$0.001	Common Stock: Par \$0.001	Additional Paid-in Capital	Stock Subscription Receivable	Deficit Accumul During th Develop Stage			
	Number of Shares	Number of Shares	Number of Shares	Number of Shares	Amount	Amount	Amount			
Common shares issued May 12, 2005 (Inception)				5,714	6	14	(20)			
Share exchange with Edot-com.com Inc., June 1, 2005				(5,714)	(6)	(14)	20			
Common shares exchanged in reverse acquisition of Edot-com.com Inc., June 1, 2005				22,857,143	22,857	(22,837)	(20)			
Common shares outstanding Edot-com.com Inc., June 1, 2005				5,714,286	5,714	(5,714)				
Options granted in connection with reverse acquisition				-	-					
Net loss				-	-		(66,005)			
Balance, June 30, 2005	-	-	-	-	-	28,571,429	28,571	(28,551)	(20)	(66,005)
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	-		4,094
Options issued to officers, September 23, 2005	-		87,318
Common shares issued for 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	13,765	14	4,301
Discount related to beneficial conversion feature of Convertible debentures, October 28, 2005	-		166,666
Discount related to beneficial conversion feature of Convertible debentures, November 9, 2005	-		166,667
Discount related to beneficial conversion	-		45,000

feature of Convertible debentures, November 10, 2005 Discount related to beneficial conversion	-		275,000
feature of Convertible debentures, November 11, 2005 Discount related to beneficial conversion	-		49,167
feature of Convertible debentures, November 15, 2005 Warrants issued to Scientific Advisory Board, November 15, 2005	-		25,876
Common shares and warrants issued in connection with private placement of common stock, November 28, 2005	97,143	97	169,903
Common shares and warrants issued in connection with private placement of common stock, November 29, 2005	85,715	86	149,914
Common shares and warrants issued in connection with private placement of common stock,	42,857	43	74,957

November 30, 2005 Common shares and warrants issued in connection with private placement of common stock, December 2, 2005	28,571	29	49,971
Common shares 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	5,714	6	18,994
Common shares and warrants 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, December 13, 2005	14,286	14	24,986
Common shares and warrants issued in connection with private placement of common stock,	14,285	14	24,986

December 14, 2005 Common shares issued in connection with debenture offering,	14,286	14	48,986
December 15, 2005 Common shares and warrants issued in connection with private placement of common stock,	14,285	14	24,986
December 20, 2005 Common shares and warrants issued in connection with private placement of common stock,	14,286	14	24,986
December 29, 2005 Common shares and warrants issued in connection with private placement of common stock,	14,285	14	24,986
December 30, 2005. Common shares issued for interest on debentures,	5,565	6	17,334
December 31, 2005 Common shares issued for consulting services valued at \$1.46 per share,	978	1	5,000
January 9, 2006 Warrants issued to Scientific Advisory Board, February 15,	-		49,067

2006 Warrants issued to Scientific Advisory Board, May 15, 2006			-							51,048		
Common shares issued for interest on debentures, March 31, 2005			2,263			2				22,190		
Options exercised, May 31, 2006			514,286			515				89,485		
Common shares and warrants issued in connection with private placement of common stock, June 15, 2006			535,714			536				1,874,464		
Common shares issued for interest on debentures, June 30, 2006			4,122			4				22,434		
Net loss												(3,284,400)
Balance, June 30, 2006	-	-	-	-	-	-	31,108,121	31,108	4,557,805	(20))	(3,350,400)
Common shares issued for interest on debentures, July 31, 2006			1,641			2				7,642		
Common shares issued for conversion of convertible debentures, July 31, 2006			952,381			952				999,048		
Exercise of stock warrants, July 31, 2006			57,143			57				49,943		
Options issued to Scientific Advisory Board, August 15, 2006			-							30,184		
Options issued to Scientific Advisory Board, November 15,			-							25,888		

2006			
Common shares issued for consulting services valued at \$.76 per share, January 3, 2007	61,714	62	164,098
Options issued to Scientific Advisory Board, February 15, 2007	-		32,668
Options issued to Scientific Advisory Board, May 15, 2007	-		25,664
Common shares issued for consulting services valued at \$1.03 per share, June 12, 2007	215	-	775
Common shares issued for consulting services valued at \$1.15 per share, June 20, 2007	28,572	29	114,971
Common shares issued upon warrants conversion, June 20, 2007	265,714	266	619,734
Common shares issued upon warrants conversion, June 25, 2007	21,429	21	49,979
Common shares issued upon warrants conversion, June 30, 2007	85,714	86	199,914
Common shares issued for consulting services valued at \$1.06 per share, June 30, 2007	8,540	9	31,791
Officers' compensation	-		27,062

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expense

Net loss	-	-	(3,118,500)
Balance, June 30, 2007	-	\$-	(6,469,000)
Warrants issued to Scientific Advisory Board, August 15, 2007	-	14,800	
Common shares and warrants issued in connection with private placement of common stock, September 21, 2007	428,571	429	749,571
Common shares issued for consulting and legal services valued at \$.75 per share, September 30, 2007	7,213	7	18,393
Common shares and warrants issued in connection with private placement of common stock, October 16, 2007	928,571	929	1,624,071
Common shares and warrants issued in connection with private placement of common stock, October 16, 2007	71,428	71	124,929
Collection of stock subscriptions receivable, October 17, 2007	-	-	20
	-	7,200	

Warrants issued to Scientific Advisory Board, November 15, 2007											
Common shares issued for consulting and legal services valued at \$.49 per share, December 31, 2007					16,329	16	26,884				
Options issued to officers, January 1, 2008					-		7,044				
Warrants issued to Scientific Advisory Board, February 15, 2008					-		8,500				
Common shares issued for consulting and legal services valued at \$.45 per share, March 31, 2008					17,585	18	27,882				
Common shares issued for consulting services valued at \$.39 per share, April , 2008					7,929	8	10,813				
Warrants issued to Scientific Advisory Board, May 15, 2008					-		32,253				
Common shares issued for consulting services valued at \$1.03 per share, June 30, 2008					8,526	9	27,891				
Net loss					-		-			(2,738,)	
Balance, June 30, 2008	-	-	-	-	-	-	34,077,336	\$34,079	\$9,617,397	\$-	\$(9,207,
					1,171	1	4,999				

Common shares issued for consulting and legal services valued at \$ 1.22 per share, July 31, 2008			
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	-	-	47,500
Common shares and warrants issued in connection with private placement of common stock, August 22, 2008	896,000	896	3,135,104
Common shares issued to settle account payable	42,857	43	149,957
Payment of Finder's Fee to Biotech	-	-	(14,696)
Common shares issued in connection with Warrant Conversion, August 22, 2008	35,714	36	106,214
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	1,429	1	4,999

\$1.00 per share, September 30, 2008 Common shares issued for consulting services valued at \$1.00 per share, September 30, 2008	1,600	2	5,598
Common shares issued for consulting and legal services valued at \$.71 per share, October 31, 2008	2,012	2	4,998
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	-	-	30,500
Common shares issued for consulting and legal services valued at \$.67 per share, November 30, 2008	2,132	2	4,998
Common shares issued for consulting services valued at \$.67 per share, November 30, 2008	2,388	2	5,598
Common shares issued for consulting and legal services valued at \$.83 per share, December 31, 2008	1,721	2	4,998

Common shares issued for consulting services valued at \$.83 per share, December 31, 2008	1,928	2	5,598
Common shares issued for legal services valued at \$.60 per share, January 20, 2009	2,381	2	4,998
Common shares issued for consulting and legal services valued at \$.78 per share, January 31, 2009	2,132	2	4,997
Common shares issued for consulting services valued at \$.78 per share, January 31, 2009	2,388	2	5,598
Common shares issued for consulting services valued at \$.70 per share, February 1, 2009	14,286	14	34,986
Warrants issued to Scientific Advisory Board, February 15, 2009	-	-	29,000
Common shares issued for consulting and legal services valued at \$.71 per share, February 28, 2009	2,012	2	4,997
Common shares issued for consulting services valued at \$.71 per share, February 15, 2009	2,254	2	5,598

Common shares issued for consulting and legal services valued at \$.67 per share, March 31, 2009	1,831	2	4,998
Common shares issued for consulting services valued at \$.67 per share, March 31 , 2009	2,051	2	5,598
Common shares issued to acquire equipment valued at \$0.79 per share	49,286	49	137,451
Common shares issued for consulting and legal services valued at \$0.69 per share, April 30, 2009	2,059	2	4,998
Common shares issued for consulting services valued at \$.69 per share, April 30, 2009	2,305	2	5,598
Warrants issued to Scientific Advisory Board, May 15, 2009	-	-	30,600
Common shares issued for consulting and legal services valued at \$.66 per share, May 31, 2009	2,171	2	4,998
Common shares issued for consulting services valued at \$.66 per share, May 31, 2009	2,432	2	5,596
Common shares issued for consulting	7,063	7	14,993

services valued at \$.61 per share, June 30, 2009 Common shares issued for consulting and legal services valued at \$.56 per share, June 30, 2009						2,560	3	4,997		
Shares issued for consulting services valued at \$.56 per share, June 30, 2009 Common shares and warrants issued in connection with private placement of common stock, June 30, 2009						2,868	3	5,597		
Common shares and warrants issued in connection with warrant conversion, June 30, 2009						42,857	43	74,957		
Common shares and warrants issued in connection with warrant conversion, June 30, 2009						585,914	586	1,024,764	(100,000)	
Net loss						-		-		(2,787,000)
Balance, June 30, 2009	-	-	-	-	-	35,799,845	35,800	14,545,276	(100,000)	(11,995,000)
Collection of stock subscription receivable						-		-	100,000	
Common shares issued for consulting and legal services valued at \$.66 per share, July 31, 2009						2,165	2	4,998		
Common shares issued for consulting services valued at						2,424	2	5,598		

\$.66 per share, July 31, 2009 Warrants issued to Scientific Advisory Board, August 15, 2009	-	-	41,400
Common shares issued for consulting and legal services valued at \$.86 per share, August 31, 2009	1,861	2	4,998
Common shares issued for consulting services valued at \$.86 per share, August 31, 2009	1,661	2	5,598
Common shares 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, 2009	1,605	2	4,998
Payment of Finder's Fee	-	-	(5,250)
Common shares and warrants issued in connection with private placement of common stock, September 30, 2009	764,286	764	1,336,736
Common shares and warrants issued in connection with warrant conversion,	1,074,229	1,074	1,878,826

September 30, 2009 Common shares issued for consulting and legal services valued at \$.57 per share,	10,025	10	19,990
October 1, 2009 Common shares issued for Legal services valued at \$56.50 per share,	3,571	4	7,059
October 26, 2009 Warrants issued for commissions,	-	-	3,570
October 26, 2009 Common shares issued for consulting and legal services valued at \$.73 per share,	1,960	2	4,998
October 31, 2009 Common shares issued for consulting services valued at \$.73 per share,	2,195	2	5,598
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, 2009 Common shares issued in payment of accounts payable,	9,286	9	25,191
November 25, 2009 Common shares issued for consulting and legal services	1,661	2	4,998

valued at \$.86 per share, November 30, 2009 Common shares issued for consulting services valued at \$.86 per share, November 30, 2009			2,791	3	8,397
Common shares issued for consulting services valued at \$.85 per share, December 31, 2009			2,833	3	8,397
Common shares 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, 2010			-	-	40,200
Series A Preferred Shares issued for TheraCour license valued at \$.001 par value, February 15, 2010	2,000,000	2,000	-	-	5,000
Common shares issued for consulting services valued at \$1.096 per share,			1,303	1	4,999

February 28, 2010					
Common shares issued for 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 services 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			11,321	11	31,689

- All Sciences Common shares 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			-	-	(50,000)
Derivative Liability - Issuance of Series B Preferred Shares			-	-	(1,787,379)
Common shares issued for conversion of Series B Preferred Shares at \$1.88 per share, May 12, 2010			91,237	91	228
Retirement of Series B Preferred Shares converted into common stock by SeaSide 88, LP, May 12, 2010	(17,143)	(17)	-	-	(43)
Derivative Liability - Retirement of Series B Preferred Shares, May 12, 2010			-	-	128,053
			-	-	82,800

Warrants issued to Scientific Advisory Board, May 15, 2010				
Common shares issued for conversion of Series B Preferred Shares at \$1.51 per share, May 26, 2010		113,768	113	285
Retirement of Series B Preferred Shares converted into common stock by SeaSide 88, LP, May 26, 2010	(17,143)	(17)	-	-
Dividend paid to Seaside 88, LP, May 26, 2010		-	-	(16,877)
Common shares issued as Dividend to Seaside 88, LP at \$1.64, May 26, 2010		2,943	3	16,874
Derivative Liability - Retirement of Series B Preferred Shares, May 26, 2010		-	-	151,842
Common shares issued for consulting and legal services valued at \$2.083 per share, May 31, 2010		686	1	4,999
Common shares issued for conversion of warrants to Common Stock at \$1.00 per share, June 9, 2010		55,714	55	194,945
Common shares issued for		121,920	122	305

conversion of Series B Preferred Shares at \$1.41 per share, June 9, 2010				
Retirement of Series B Preferred Shares converted into common stock by SeaSide 88, LP, June 9, 2010	(17,143)	(17)	-	- (43)
Dividend paid to Seaside 88, LP, June 9, 2010			-	- (14,575)
Common shares issued as Dividend to Seaside 88, LP at \$1.41, June 9, 2010			2,962	3 14,572
Derivative Liability - Retirement of Series B Preferred Shares, June 9, 2010			-	- 149,354
Common shares issued for consulting and legal services valued at \$1.77 per share, June 9, 2010			3,229	3 19,997
Common shares issued for consulting and legal services valued at \$1.77 per share, June 9, 2010			571	1 3,539
Common shares issued for conversion of Series B Preferred Shares at \$1.59 per share, June 23, 2010			107,973	108 270
	(17,143)	(17)	-	- (43)

Dividend paid to Seaside 88, LP, July 7, 2010			
Common shares issued as dividend to Seaside 88, LP at \$1.65 per share, July 7, 2010	1,731	2	9,971
Derivative liability - retirement of Series B Preferred Shares, July 7, 2010	-		116,715
Common shares 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)
Dividend paid to Seaside 88, LP, July 21, 2010	-		(7,671)
Common shares issued as dividend to Seaside 88, LP at \$1.32 per share, July 21, 2010	1,655	2	7,669
Derivative liability - retirement of Series B Preferred Shares, July 21, 2010	-		113,700
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, August 4, 2010	(17,143) (17)	-		(43)
Dividend paid to Seaside 88, LP, August 4, 2010		-		(5,370)
Common shares issued as dividend to Seaside 88, LP, at \$1.14 per share, August 4, 2010		1,347	1	5,369
Derivative liability - retirement of Series B Preferred Shares, August 4, 2010		-		104,480
Warrants issued to Scientific Advisory Board, August 15, 2010		-		45,000
Common shares issued in conversion of Series B Preferred Shares at \$0.99 per share, August 18, 2010		173,248	173	433
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	-		(3,068)
Common shares 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	-		104,795
Common shares 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)
Dividend paid to Seaside 88, LP, September 1, 2010	-		(767)
Common shares issued as dividend to Seaside 88, LP at \$1.00 per share, September 1, 2010	219	-	767
Derivative liability -	-		34,841

retirement of Series B Preferred Shares, September 1, 2010					
Series B Preferred Shares issued to SeaSide 88, LP, September 21, 2010	71,429	71	-		2,499,929
Placement Agents fees related to sale of Convertible Preferred shares, September 21, 2010			-		(195,000)
Legal fees related to sale of Convertible Preferred Stock, September 21, 2010			-		(10,000)
Derivative liability - issuance of Series B Preferred Shares			-		(328,086)
Common shares issued for conversion of Series B Preferred Shares at \$0.93 per share, September 21, 2010			122,861	123	307
Retirement of Series B Preferred Shares converted into common stock by SeaSide 88, LP, September 21, 2010	(11,429)	(11)	-		(29)
Derivative liability - retirement of Series B Preferred Shares, September 21,			-		103,012

2010 Common shares issued for consulting and legal services valued at \$1.07 per share, September 30, 2010		1,335	1	4,999
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 SeaSide 88, LP, October 5, 2010	(11,429) (11)	-		(29)
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, October 5, 2010		-		103,330
Common shares issued for conversion of Series B Preferred Shares at \$0.88 per share, October 19, 2010		129,419	129	323
Retirement of Series B Preferred Shares	(11,429) (11)	-		(29)

converted into common stock by SeaSide 88, LP, October 19, 2010							
Dividend paid to Seaside 88, LP, October 19, 2010			-			(6,521)
Common shares issued as dividend to Seaside 88, LP at \$0.88 per share, October 19, 2010			2,110	2		6,519	
Derivative liability - Retirement of Series B Preferred Shares, October 19, 2010			-			69,635	
Common shares issued for consulting and legal services valued at \$1.03 per share, October 31, 2010			1,387	1		4,999	
Series A Preferred Shares issued for employee stock compensation, November 1, 2010	8,571	9	-			53,924	
Common shares issued for conversion of Series B Preferred Shares at \$0.87 per share, November 2, 2010			131,804	132		329	
Retirement of Series B Preferred Shares converted into common stock by SeaSide 88, LP, August 4, 2010					(11,429)	(11)	
Dividend paid to Seaside 88, LP, November 2,			-			(4,986)

2010 Common shares issued as dividend to Seaside 88, LP at \$0.87 per share, November 2, 2010		1,643	2	4,984
Derivative liability - retirement of Series B Preferred Shares, November 2, 2010		-		69,104
Warrants issued to Scientific Advisory Board, November 15, 2010		-		55,800
Common shares issued for conversion of Series B Preferred Shares at \$1.16 per share, November 16, 2010		98,805	99	247
Retirement of Series B Preferred Shares converted into common stock by SeaSide 88, LP, November 16, 2010	(11,429) (11)	-		(29)
Dividend paid to Seaside 88, LP, November 16, 2010		-		(3,452)
Common shares issued as dividend to Seaside 88, LP at \$1.16 per share, November 16, 2010		853	1	3,451
Derivative liability - Retirement of Series B		-		69,187

Preferred Shares, November 16, 2010				
Common shares issued for conversion of Series B		88,733	89	222
Preferred Shares at \$1.35 per share, November 30, 2010				
Retirement of Series B				
Preferred Shares converted into common stock by SeaSide 88, LP, November 30, 2010	(11,428) (12)	-		(28)
Dividend paid to Seaside 88, LP, November 30, 2010		-		(1,918)
Common shares issued as dividend to Seaside 88, LP at \$1.35 per share, November 30, 2010		405	-	1,918
Derivative liability - Retirement of Series B		-		69,449
Preferred Shares, November 30, 2010				
Common shares issued for consulting and legal services valued at \$1.46 per share, November 30, 2010		979	1	4,999
Common shares issued for conversion of warrants to Common Stock at \$1.00 per		7,143	7	24,993

share, December 10, 2010			
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	-		(384)
Common shares issued as Dividend to Seaside 88, LP, at \$1.10 per share, December 14, 2010	99	-	384
Derivative liability - retirement of Series B Preferred Shares, December 14, 2010	-		17,438
Series B Preferred Shares issued to SeaSide 88, LP, December 21, 2010	71,429	71	2,499,929
Placement Agents fees	-		(200,000)

related to sale of Convertible Preferred shares, December 21, 2010				
Common shares issued for consulting and legal services valued at \$1.32 per share, December 31, 2010	1,299	1	6,052	
Common shares issued for conversion of Series B Preferred Shares at \$1.16 per share, January 3, 2011	98,227	98	246	
Retirement of Series B Preferred Shares converted into common stock by SeaSide 88, LP, January 3, 2011	(11,429)	(11)	(29))
Dividend paid to Seaside 88, LP, January 3, 2011	-		(8,904))
Common shares issued as dividend to Seaside 88, LP at \$1.16 per share, January 3, 2011	2,187	2	8,902	
Derivative liability - retirement of Series B Preferred Shares, January 3, 2011	-		73,532	
Common shares issued for conversion of Series B Preferred Shares at \$1.26 per share, January 17, 2011	90,847	91	227	

Retirement of Series B Preferred Shares converted into common stock by SeaSide 88, LP, January 17, 2011	(11,428)	(12)	-	(28)
Dividend paid to Seaside 88, LP, January 17, 2011			-	(8,055)
Common shares issued as dividend to Seaside 88, LP at \$1.26 per share, January 17, 2011			1,829	2
Derivative liability - retirement of Series B Preferred Shares, January 17, 2011			-	70,882
Common shares issued for conversion of Series B Preferred Shares at \$1.12 per share, January 31, 2011			101,835	102
Retirement of Series B Preferred Shares converted into common stock by SeaSide 88, LP, January 31, 2011	(11,429)	(11)	-	(29)
Dividend paid to Seaside 88, LP, January 31, 2011			-	(6,521)
Common shares issued as dividend to Seaside 88, LP at \$1.24 per share, January 31, 2011			1,506	2
Derivative liability - retirement of Series B Preferred Shares,			-	72,432

January 31, 2011 Common shares 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,	7,143	7	24,993
February 4, 2011 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 14, 2011	1,318	1	4,985
Derivative liability - retirement of Series B Preferred Shares, February 14, 2011	-	-	71,699
Warrants issued to Scientific Advisory Board,	-	-	54,000

February 15, 2011				
Common shares issued for conversion of Series B Preferred Shares at \$0.99 per share, February 28, 2011	115,889	116	293	
Derivative liability - retirement of Series B Preferred Shares, February 28, 2011	-		71,490	
Retirement of Series B 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	-		(3,452))
Common shares issued as 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 valued at \$1.22 per share, February 28, 2011	1,401	1	5,999	
Common shares issued for employee stock compensation at \$1.32 per share, March 3, 2011	35,714	36	158,089	
	35,714	36	158,089	

Common shares issued for employee stock compensation at \$1.32 per share, March 3, 2011					
Series A Preferred Shares issued for employee stock compensation, March 3, 2011	71,428	71	-		574,510
Series A Preferred Shares issued for employee stock compensation, March 3, 2011	71,428	71	-		574,510
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 share, March 14, 2011			104,935	105	262
Retirement of Series B Preferred Shares converted into common stock by SeaSide 88, LP, March 14, 2011		(11,428)	(12)	-	(28)
Dividend paid to Seaside 88, LP, March 14, 2011				-	(1,918)
Common shares issued as Dividend to Seaside 88, LP at \$1.09 per shares, March 14, 2011			503	1	1,917
Derivative Liability - Retirement of				-	70,566

Series B Preferred Shares, March 14, 2011				
Common shares issued for conversion of Series B Preferred Shares at \$1.11 per share, March 28, 2011		25,710	26	64
Retirement of Series B Preferred Shares converted into common stock by SeaSide 88, LP, March 28, 2011	(2,857) (3)	-		(7)
Dividend paid to Seaside 88, LP, March 28, 2011		-		(384)
Common shares issued as dividend to Seaside 88, LP, at \$1.11 per share, March 28, 2011		99	-	384
Derivative liability - retirement of Series B Preferred Shares, March 28, 2011		-		17,525
Common shares issued for 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	71,429 71	-		2,499,929

88, LP, April 18, 2011 Placement 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	-		(25,000)
Derivative liability - issuance of Series B Preferred Shares	-		(429,725)
Common shares issued for 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	(11,429)	(11)	(29)
Derivative liability - retirement of Series B Preferred Shares, April 18, 2011	-		68,756
Common shares issued for consulting and legal services valued at \$1.47 per share, April 30, 2011	1,168	1	5,999
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			-	(8,055)	
Common shares issued as dividend to Seaside 88, LP at \$1.18 per shares, May 2, 2011			1,955	2	8,053
Warrants issued to Scientific Advisory Board, May 15, 2011			-		50,400
Common shares issued for conversion of Series B Preferred Shares at \$1.19 per share, May 16, 2011			96,143	96	(56)
Retirement of Series B Preferred Shares converted into common stock by SeaSide 88, LP, May 16, 2011	(11,429)	(11)	-	(29)	
Derivative liability - retirement of Series B Preferred Shares, May 16, 2011			-	69,194	
			-	(6,521)	

Dividend paid to Seaside 88, LP, May 16, 2011				
Common shares issued as dividend to Seaside 88, LP at \$1.20 per shares, May 16, 2011	1,554	2	6,519	
Common shares issued for conversion of Series B Preferred Shares at \$1.23 per share, May 30, 2011	93,280	93	(53)
Retirement of Series B Preferred Shares converted into common stock by SeaSide 88, LP, May 30, 2011			(11,428)	(12)
Derivative liability - retirement of Series B Preferred Shares, May 30, 2011	-		69,464	
Dividend paid to Seaside 88, LP, May 30, 2011	-		(4,986)
Common shares issued as Dividend to Seaside 88, LP at \$1.23 per share, May 30, 2011	1,163	1	4,985	
Common shares issued for consulting and legal services valued at \$1.47 per share, May 31, 2011	1,168	1	5,999	
Common shares issued for conversion of Series B Preferred Shares	97,135	97	(57)

at \$1.18 per share, June 13, 2011					
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, June 13, 2011			-	69,727	
Dividend paid to Seaside 88, LP, June 13, 2011			-	(3,452))
Common shares 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			111,957	112	(72)
Retirement of Series B Preferred Shares converted into common stock by SeaSide 88, LP, June 27, 2011	(11,428)	(12)	-	(28))
Derivative Liability - Retirement of Series B Preferred Share, June 27, 2011			-	69,973	
Dividend paid to Seaside 88, LP, June 27, 2011			-	(1,918))
Common shares issued as			497	-	1,918

88, LP, on July 26, 2011 Placement Agents fees related to sale of Convertible Preferred shares, July 26, 2011	-			(150,000)
Derivative 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 to common stock at \$1.18 per share, July 26, 2011	107,943	108	270	
Retirement of Series B Preferred Shares converted into common stock by SeaSide 88, LP, July 26, 2011			(11,429)	(11)
Derivative liability - retirement of Series B Preferred Shares, July 26, 2011	-			68,425