

NANOVIRICIDES, INC.
Form 10-Q
February 14, 2014

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 December 31, 2013

Commission File Number: 333-148471

NANOVIRICIDES, INC.

(Exact name of Company as specified in its charter)

NEVADA	76-0674577
(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

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(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 as of February 14, 2014 was approximately:
53,957,000

NanoViricides, Inc.

FORM 10-Q

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Nanoviricides, Inc.

(A Development Stage Company)

Balance Sheets

	December 31, 2013 (Unaudited)	June 30, 2013
ASSETS		
CURRENT ASSETS:		
Cash and cash equivalents	\$ 16,948,832	\$ 13,923,245
Prepaid expenses	806,391	598,380
Total Current Assets	17,755,223	14,521,625
PROPERTY AND EQUIPMENT		
Property and equipment	3,859,244	1,505,648
Accumulated depreciation	(1,138,437)	(1,036,752)
Property and equipment, net	2,720,807	468,896
TRADEMARK		
Trademark	458,954	458,954
Accumulated amortization	(46,308)	(41,921)
Trademark, net	412,646	417,033
SECURITY DEPOSIT	2,000,000	1,000,000
Total Assets	\$22,888,676	\$ 16,407,554
LIABILITIES AND STOCKHOLDERS' EQUITY		
CURRENT LIABILITIES:		
Accounts payable	\$244,280	\$263,258
Accounts payable – related parties	886,592	710,567
Accrued expenses	224,890	204,359
Total Current Liabilities	1,355,762	1,178,184
LONG TERM LIABILITIES:		
Debentures payable	3,744,327	3,468,073
Derivative liability	7,577,919	3,751,645
Total Long Term Liabilities	11,322,246	7,219,718

Total Liabilities	12,678,008	8,397,902
COMMITMENTS AND CONTINGENCIES		
STOCKHOLDERS' EQUITY:		
Series A Convertible Preferred stock, \$0.001 par value, 4,000,000 shares designated, 2,996,612 and 2,990,000 shares issued and outstanding, respectively	2,997	2,990
Series B Convertible Preferred stock, \$0.001 par value, 0 shares designated, none issued and outstanding	-	-
Series C Convertible Preferred stock, \$0.001 par value, 0 shares designated, none issued and outstanding	-	-
Common stock, \$0.001 par value; 85,714,286 shares authorized; 50,042,132 and 47,026,173 shares issued and outstanding, respectively	50,042	47,026
Additional paid-in capital	56,422,575	46,259,420
Deficit accumulated during the development stage	(46,264,946)	(38,299,784)
Total Stockholders' Equity	10,210,668	8,009,652
Total Liabilities and Stockholders' Equity	\$22,888,676	\$16,407,554

See accompanying notes to the financial statements

Nanoviricides, Inc.

(A Development Stage Company)

Statements of Operations

	For the Three Months Ended December 31, 2013 (Unaudited)	For the Three Months Ended December 31, 2012 (Unaudited)	For the Six Months Ended December 31, 2013 (Unaudited)	For the Six Months Ended December 31, 2012 (Unaudited)	For the Period from May 12, 2005 (inception) through December 31, 2013 (Unaudited)
OPERATING EXPENSES					
Research and development	\$ 1,130,478	\$ 710,197	\$ 2,304,699	\$ 1,920,015	\$ 25,108,759
Refund credit research and development costs	-	-	-	-	(420,842)
General and administrative	620,934	533,407	1,335,495	917,229	14,350,343
Total operating expenses	1,751,412	1,243,604	3,640,194	2,837,244	39,038,260
LOSS FROM OPERATIONS	(1,751,412)	(1,243,604)	(3,640,194)	(2,837,244)	(39,038,260)
OTHER INCOME (EXPENSE):					
Interest income	14,501	15,495	24,061	51,453	291,759
Interest expense	(125,514)	-	(246,500)	-	(423,538)
Discount on convertible debentures	(140,773)	-	(276,254)	-	(1,264,687)
Beneficial conversion feature of convertible debentures	-	-	-	-	(713,079)
Change in fair market value of derivatives	310,816	19,724	(3,826,275)	(226,549)	(5,117,141)
Other income (expense), net	59,030	35,219	(4,324,968)	(175,096)	(7,226,686)
LOSS BEFORE INCOME TAX PROVISION	(1,692,382)	(1,208,385)	(7,965,162)	(3,012,340)	(46,264,946)
INCOME TAX PROVISION	-	-	-	-	-
NET LOSS	\$ (1,692,382)	\$ (1,208,385)	\$ (7,965,162)	(3,012,340)	\$ (46,264,946)
NET LOSS PER COMMON SHARE					
- BASIC AND DILUTED:	\$ (0.03)	\$ (0.03)	\$ (0.16)	0.07	

Weighted average common shares
outstanding

- basic and diluted	50,031,363	45,098,572	48,851,696	44,946,015
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See accompanying notes to the financial statements

NanoViricides, Inc.

(A Development Stage Company)

Statement of Stockholders' Equity

For the period from June 30, 2010 through March 31, 2013

(Unaudited)

									Deficit	
									Accumulated	
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	During the	To
Number of		Number of		Number of		Number of		Paid-in	Development	Sto
Shares	Amount	Shares	Amount	Shares	Amount	Shares	Amount	Capital	Stage	Equ

Derivative liability - retirement of Series B Preferred Shares, July 7, 2010					
Common shares issued for conversion of Series B Preferred Shares at \$1.30 per share, July 21, 2010	463,177	463			4
Retirement of Series B Preferred Shares converted into common stock by SeaSide 88, LP, July 21, 2010			(60,000)	(60)	(
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	5,794	6	7,665		7
Derivative liability - retirement of Series B Preferred Shares, July 21, 2010			113,700		1
Common shares issued for consulting and legal services valued at \$2.087 per share, July 31, 2010	3,086	3	4,997		5
Common shares issued for conversion of Series B Preferred Shares at \$1.14 per share, August 4, 2010	526,916	527			5

Retirement of Series B Preferred Shares converted into common stock by SeaSide 88, LP, August 4, 2010	(60,000)	(60)				
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	4,716	5		5,365		5
Derivative liability - retirement of Series B Preferred Shares, August 4, 2010				104,480		1
Warrants issued to Scientific Advisory Board, August 15, 2010				45,000		4
Common shares issued in conversion of Series B Preferred Shares at \$0.99 per share, August 18, 2010	606,367	606				6
Retirement of Series B Preferred Shares converted into common stock by SeaSide 88, LP, August 18, 2010	(60,000)	(60)				
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	3,101	3		3,065		3

Derivative liability - retirement of Series B Preferred Shares, August 18, 2010			104,795	1
Common shares issued for consulting and legal services valued at \$1.24 per share, August 31, 2010	4,032	4	4,996	5
Common shares issued for conversion of Series B Preferred Shares at \$0.93 per share, September 1, 2010	215,332	215		2
Retirement of Series B Preferred Shares converted into common stock by SeaSide 88, LP, September 1, 2010	(20,000)	(20)		(
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	766	1	766	7
Derivative liability - retirement of Series B Preferred Shares, September 1, 2010			34,841	3
Series B Preferred Shares issued to SeaSide 88,	250,000	250	2,499,750	2

LP, September 21, 2010					
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		430,015	430		4
Retirement of Series B Preferred Shares converted into common stock by SeaSide 88, LP, September 21, 2010	(40,000)	(40)			(
Derivative liability - retirement of Series B Preferred Shares, September 21, 2010			103,012		1
Common shares issued for consulting and legal services valued at \$1.07 per share, September 30, 2010		4,673	5	4,995	5

Common shares issued for conversion of Series B Preferred Shares at \$0.87 per share, October 5, 2010	460,346	460		4
Retirement of Series B Preferred Shares converted into common stock by SeaSide 88, LP, October 5, 2010	(40,000)	(40)		(
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	9,268	9	8,046	8
Derivative liability - Retirement of Series B Preferred Shares, October 5, 2010			103,330	1
Common shares issued for conversion of Series B Preferred Shares at \$0.88 per share, October 19, 2010	452,965	453		4
Retirement of Series B Preferred Shares converted into common stock by SeaSide 88, LP, October 19, 2010	(40,000)	(40)		(
Dividend paid to Seaside 88, LP, October 19, 2010			(6,521)	(
Common shares issued as	7,384	7	6,514	6

dividend to Seaside 88, LP at \$0.88 per share, October 19, 2010					
Derivative liability - Retirement of Series B Preferred Shares, October 19, 2010			69,635		69,635
Common shares issued for consulting and legal services valued at \$1.03 per share, October 31, 2010			4,854	5	4,995
Series A Preferred Shares issued for employee stock compensation, November 1, 2010	30,000	30			53,903
Common shares issued for conversion of Series B Preferred Shares at \$0.87 per share, November 2, 2010			461,313	461	461,774
Retirement of Series B Preferred Shares converted into common stock by SeaSide 88, LP, August 4, 2010			(40,000)	(40)	(40,040)
Dividend paid to Seaside 88, LP, November 2, 2010					(4,986)
Common shares issued as dividend to Seaside 88, LP at \$0.87 per share, November 2, 2010			5,751	6	4,980
					69,104

Derivative liability - retirement of Series B Preferred Shares, November 2, 2010					
Warrants issued to Scientific Advisory Board, November 15, 2010			55,800		5
Common shares issued for conversion of Series B Preferred Shares at \$1.16 per share, November 16, 2010	345,817	346			3
Retirement of Series B Preferred Shares converted into common stock by SeaSide 88, LP, November 16, 2010	(40,000)	(40)			(
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	2,984	3	3,449		3
Derivative liability - Retirement of Series B Preferred Shares, November 16, 2010			69,187		6
Common shares issued for conversion of Series B Preferred Shares	310,566	311			3

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	(40,000)	(40)			(
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	1,417	1	1,917		1
Derivative liability - Retirement of Series B Preferred Shares, November 30, 2010			69,449		6
Common shares issued for consulting and legal services valued at \$1.46 per share, November 30, 2010	3,425	3	4,997		5
Common shares issued for conversion of warrants to Common Stock at \$1.00 per share, December 10, 2010	25,000	25	24,975		2
Common shares issued as compensation pursuant to S-8 at \$1.28 per share, December 10,	50,000	50	63,950		6

2010					
Common shares issued for conversion of Series B Preferred Shares at \$1.10 per share, December 14, 2010	90,840	91			9
Retirement of Series B Preferred Shares converted into common stock by SeaSide 88, LP, December 14, 2010	(10,000)	(10)			(
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	348	-	384		3
Derivative liability - retirement of Series B Preferred Shares, December 14, 2010			17,438		1
Series B Preferred Shares issued to SeaSide 88, LP, December 21, 2010	250,000	250	2,499,750		2
Placement Agents fees related to sale of Convertible Preferred shares, December 21, 2010			(200,000)		(
Common shares issued for consulting and	4,545	5	5,995		6

legal services valued at \$1.32 per share, December 31, 2010					
Adjustment		33			3
Common shares issued for conversion of Series B	343,796	344			3
Preferred Shares at \$1.16 per share, January 3, 2011					
Retirement of Series B Preferred Shares converted into common stock by SeaSide 88, LP, January 3, 2011	(40,000)	(40)			(
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	7,653	8	8,896		8
Derivative liability - retirement of Series B Preferred Shares, January 3, 2011			73,532		7
Common shares issued for conversion of Series B	317,965	318			3
Preferred Shares at \$1.26 per share, January 17, 2011					
Retirement of Series B Preferred Shares converted into common stock by SeaSide 88, LP, January 17, 2011	(40,000)	(40)			(

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	6,403	6	8,049	8
Derivative liability - retirement of Series B Preferred Shares, January 17, 2011			70,882	7
Common shares issued for conversion of Series B Preferred Shares at \$1.12 per share, January 31, 2011	356,422	356		3
Retirement of Series B Preferred Shares converted into common stock by SeaSide 88, LP, January 31, 2011				(
	(40,000)	(40)		
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	5,271	5	6,516	6
Derivative liability - retirement of Series B Preferred Shares, January 31, 2011			72,432	7
Common shares issued for consulting and legal services valued at \$1.47 per share,	4,087	4	5,996	6

January 31, 2011				
Common shares				
issued for				
conversion of				
warrants at \$1.00	25,000	25	24,975	2
per share,				
February 4, 2011				
Common shares				
issued for				
conversion of				
Series B				
Preferred Shares	370,017	370		3
at \$1.08 per				
share, February				
14, 2011				
Retirement of				
Series B				
Preferred Shares				
converted into				
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				
Seaside 88, LP,	4,613	5	4,981	4
at \$1.08 per				
share, February				
14, 2011				
Derivative				
liability -				
retirement of				
Series B			71,699	7
Preferred Shares,				
February 14,				
2011				
Warrants issued				
to Scientific				
Advisory Board,			54,000	5
February 15,				
2011				
Common shares	405,610	406		4
issued for				
conversion of				
Series B				
Preferred Shares				

at \$0.99 per share, February 28, 2011					
Derivative liability - retirement of Series B Preferred Shares, February 28, 2011				71,490	7
Retirement of Series B Preferred Shares converted into common stock by SeaSide 88, LP, February 28, 2011	(40,000)	(40)			(
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			3,500	4	3
Common shares issued for consulting and legal services valued at \$1.22 per share, February 28, 2011			4,902	5	6
Common shares issued for employee stock compensation at \$1.32 per share, March 3, 2011			250,000	250	3
Series A Preferred Shares issued for employee stock compensation, March 3, 2011	593,750	594		1,364,036	1
Common shares issued for			367,274	367	3

conversion of Series B Preferred Shares at \$1.09 per share, March 14, 2011					
Retirement of Series B Preferred Shares converted into common stock by SeaSide 88, LP, March 14, 2011	(40,000)	(40)			(
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		1,761	2	1,916	1
Derivative Liability - Retirement of Series B Preferred Shares, March 14, 2011				70,566	7
Common shares issued for conversion of Series B Preferred Shares at \$1.11 per share, March 28, 2011		89,986	90		9
Retirement of Series B Preferred Shares converted into common stock by SeaSide 88, LP, March 28, 2011	(10,000)	(10)			(
Dividend paid to Seaside 88, LP, March 28, 2011				(384)	(
Common shares issued as dividend to Seaside 88, LP, at \$1.11 per		345	-	384	3

share, March 28, 2011					
Derivative liability - retirement of Series B Preferred Shares, March 28, 2011			17,525		1
Common shares issued for consulting and legal services valued at \$1.28 per share, March 31, 2011	4,680	5	5,995		6
Common shares issued for conversion of warrants to common stock at \$1.00 per share, April 10, 2011	10,000	10	9,990		1
Series B Preferred Shares issued to SeaSide 88, LP, April 18, 2011	250,000	250	2,499,750		2
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	312,163	312	(272)		4

Retirement of Series B Preferred Shares converted into common stock by SeaSide 88, LP, April 18, 2011	(40,000)	(40)				
Derivative liability - retirement of Series B Preferred Shares, April 18, 2011				68,756		6
Common shares issued for consulting and legal services valued at \$1.47 per share, April 30, 2011		4,087	4	5,996		6
Common shares issued for conversion of Series B Preferred Shares at \$1.18 per share, May 2, 2011		339,726	340	(300)		4
Retirement of Series B Preferred Shares converted into common stock by SeaSide 88, LP, May 2, 2011	(40,000)	(40)				(
Derivative liability - retirement of Series B Preferred Shares, May 2, 2011				68,941		6
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		6,841	7	8,048		8
				50,400		5

Warrants issued to Scientific Advisory Board, May 15, 2011					
Common shares issued for conversion of Series B Preferred Shares at \$1.19 per share, May 16, 2011	336,501	337	(297)		4
Retirement of Series B Preferred Shares converted into common stock by SeaSide 88, LP, May 16, 2011				(40,000) (40)	(4)
Derivative liability - retirement of Series B Preferred Shares, May 16, 2011			69,194		6
Dividend paid to Seaside 88, LP, May 16, 2011			(6,521)		(6)
Common shares issued as dividend to Seaside 88, LP at \$1.20 per shares, May 16, 2011	5,438	5	6,516		6
Common shares issued for conversion of Series B Preferred Shares at \$1.23 per share, May 30, 2011	326,480	326	(286)		4
Retirement of Series B Preferred Shares converted into common stock by SeaSide 88, LP, May 30, 2011				(40,000) (40)	(4)
Derivative liability -			69,464		6

retirement of Series B Preferred Shares, May 30, 2011					
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	4,070	4	4,982		4
Common shares issued for consulting and legal services valued at \$1.47 per share, May 31, 2011	4,087	4	5,996		6
Common shares issued for conversion of Series B Preferred Shares at \$1.18 per share, June 13, 2011	339,971	340	(300)		4
Retirement of Series B Preferred Shares converted into common stock by SeaSide 88, LP, June 13, 2011	(40,000)	(40)			(
Derivative liability - retirement of Series B Preferred Shares, June 13, 2011			69,727		6
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	2,934	3	3,449		3
	391,850	392	(352)		4

	()
69,973		6	
(1,918)		()
1,916		1	
5,995		6	
	(6,477,165)		(
33,235,990	(23,216,908)	1	
		9	

	(
17,881		1
(381)	(
381		3
2,499,750		2
(150,000)	(
(429,768)	(
(6,250)	(
		3

share, July 26, 2011					
Retirement of Series B Preferred Shares converted into common stock by SeaSide 88, LP, July 26, 2011	(40,000)	(40)			(
Derivative liability - retirement of Series B Preferred Shares, July 26, 2011			68,425		6
Common shares issued for consulting and legal services valued at \$1.26 per share, July 31, 2011		4,762	5	5,995	6
Warrants issued to Scientific Advisory Board, August 15, 2011				56,400	5
Common shares issued for conversion of Series B Preferred Shares at \$0.92 per share, August 8, 2011		437,187	437		4
Retirement of Series B Preferred Shares converted into common stock by SeaSide 88, LP, August 8, 2011	(40,000)	(40)			(
Derivative liability - retirement of Series B Preferred Shares, August 8, 2011				69,193	6
Dividend to Seaside 88, LP, paid on August 8, 2011				(8,055)	(

Common shares issued as Dividend to Seaside 88, LP at \$0.98 per share, August 8, 2011	8,205	8	8,047	8
Common shares issued for conversion of Series B Preferred Shares at \$0.95 per share, August 23, 2011	419,829	420		4
Retirement of Series B Preferred Shares converted into common stock by SeaSide 88, LP, August 23, 2011		(40,000)	(40)	(
Derivative liability - retirement of Series B Preferred Shares, August 23, 2011			69,351	6
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	6
Common shares issued for consulting and legal services valued at \$1.14 per share, August 31, 2011	5,263	5	5,995	6
Common shares issued for conversion of Series B Preferred Shares at \$0.95 per share, September 6, 2011	422,873	423		4

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

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

3, 2011					
Shares issued in conversion of Series B Preferred Shares to Common Stock at \$0.69 per share, .001 par value, on October 17, 2011	144,484	144			1
Retirement of Series B Preferred Shares converted into common stock by SeaSide 88, LP, .001 par value on October 17, 2011	(10,000)	(10)			(
Derivative Liability - Retirement of Preferred Series B on October 17, 2011			17,790		1
Shares issued as Dividend to Seaside 88, LP, .001 par value common stock at \$0.75 on October 17, 2011	510	1	383		3
Dividend to Seaside 88, LP, paid on October 17, 2011			(384)		(
Shares issued for consulting and legal services rendered at \$0..92 per share on October 31, 2011	6,537	5	5,995		6
Series B Preferred Shares issued to SeaSide 88, LP, \$.001 par value on November 1, 2011	250,000	250	2,499,750		2
Placement Agents Fees			(160,000)		(

related to sale of Convertible Preferred shares on November 1, 2011					
Derivative Liability - Issuance of Preferred Series B			(429,804)		(
Legal Fees related to Sale of Convertible Preferred Stock November 1, 2011			(25,000)		(
Shares issued in conversion of Series B Preferred Shares to Common Stock at \$0.78 per share, .001 par value, on November 1, 2011		511,787	512		5
Retirement of Series B Preferred Shares converted into common stock by SeaSide 88, LP, .001 par value on November 2, 2011	(40,000)	(40)			(
Derivative Liability - Retirement of Preferred Series B on November 1, 2011			68,297		6
Warrants issued to Scientific Advisory Board on November 15, 2011			56,400		5
Shares issued in conversion of Series B Preferred Shares to Common		578,595	579		5

Stock at \$0.69 per share, .001 par value, on November 15, 2011					
Retirement of Series B Preferred Shares converted into common stock by SeaSide 88, LP, .001 par value on November 15, 2011	(40,000)	(40)			(
Derivative Liability - Retirement of Preferred Series B on November 15, 2011			68,411		6
Shares issued as Dividend to Seaside 88, LP, .001 par value common stock at \$0..73 on November 15, 2011		10,311	10	7,469	7
Dividend to Seaside 88, LP, paid on November 15, 2011				(7,479)	(
Shares issued in conversion of Series B Preferred Shares to Common Stock at \$0.62 per share, .001 par value, on November 29, 2011		642,735	643		6
Retirement of Series B Preferred Shares converted into common stock by SeaSide 88, LP, .001 par value on November 29,	(40,000)	(40)			(

2011					
Derivative					
Liability -					
Retirement of				68,591	6
Preferred Series					
B on November					
29, 2011					
Shares issued as					
Dividend to					
Seaside 88, LP,					
.001 par value	10,139	10	6,511		6
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		6
per share on					
November 30,					
2011					
Shares issued in					
conversion of					
Series B					
Preferred Shares					
to Common					
Stock at \$0.53	751,315	751			7
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	6
Liability -					
Retirement of					
Preferred Series					
B on December					

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

2011				
Shares issued for consulting and legal services rendered at \$0.64 per share on December 31, 2011	9,403	9	5,991	6
Shares issued in conversion of Series B Preferred Shares to Common Stock at \$.51 per share, .001 par value, on January 10, 2012	788,053	788		7
Retirement of Series B Preferred Shares converted into common stock by SeaSide 88, LP, .001 par value on January 10, 2012		(40,000)	(40)	(
Derivative Liability - Retirement of Preferred Series B on January 10, 2012			69,222	6
Shares issued as Dividend to Seaside 88, LP, .001 par value common stock at \$0.51 on January 10, 2012	3,742	4	1,914	1
Dividend to Seaside 88, LP, paid on January 10, 2012			(1,918)	(
Shares issued in conversion of Series B Preferred Shares to Common Stock at \$0.48 per share, .001 par value, on January 24, 2012	208,546	209		2

Retirement of Series B Preferred Shares converted into common stock by SeaSide 88, LP, .001 par value on January 24, 2012	(10,000)	(10)				
Derivative Liability - Retirement of Preferred Series B on January 24, 2012				69,883		6
Shares issued as Dividend to Seaside 88, LP, .001 par value common stock at \$0.49 on January 24, 2012			786	383		3
Dividend to Seaside 88, LP, paid on January 24, 2012				(384)		(
Shares issued for consulting and legal services rendered at \$0.58 per share on January 31, 2012			10,367	10	5,990	6
Series B Preferred Shares issued to SeaSide 88, LP, \$.001 par value on February 8, 2012	250,000	250		2,499,750		2
Placement Agents Fees related to sale of Convertible Preferred shares on February 8, 2012				(150,000)		(
Derivative Liability - Issuance of Preferred Series B				(430,283)		(
Legal Fees related to Sale of				(6,250)		(

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 on February 8, 2012		717,142	717	7
Derivative Liability - Retirement of Preferred Series B on February 8, 2012	(40,000) (40)		68,169	6
Warrants issued to Scientific Advisory Board on February 15, 2012			51,000	5
Shares issued in conversion of Series B Preferred Shares to Common Stock at \$0.69 per share, .001 par value, on February 22, 2012 Retirement of Series B Preferred Shares converted into common stock by SeaSide 88, LP, .001 par value on February 22, 2012		576,062	576	5
	(40,000) (40)			(

Derivative Liability - Retirement of Preferred Series B on February 22, 2012			68,424		6
Shares issued as Dividend to Seaside 88, LP, .001 par value common stock at \$0.69 on February 22, 2012		11,600	12	7,467	7
Dividend to Seaside 88, LP, paid on February 22, 2012				(7,479)	(
Shares issued for consulting and legal services rendered at \$0.77 per share on February 29, 2012		7,767	8	5,992	6
Common shares issued for employee stock compensation at \$.73 per share, March 3, 2012		250,000	250	181,624	1
Series A Preferred Shares issued for employee stock compensation, March 3, 2012	593,750	594		633,814	6
Shares issued in conversion of Series B Preferred Shares to Common Stock at \$0.64 per share, .001 par value, on March 07, 2012		628,289	628		6
Retirement of Series B Preferred Shares converted into common stock by		(40,000)	(40)		(

SeaSide 88, LP, .001 par value on March 7, 2012 Derivative Liability - Retirement of Preferred Series B on March 7, 2012			68,602	6
Shares issued as Dividend to Seaside 88, LP, .001 par value common stock at \$0.64 on March 7, 2012	10,242	10	6,511	6
Dividend to Seaside 88, LP, paid on March 7, 2012			(6,521)	(
Shares issued in conversion of Series B Preferred Shares to Common Stock at \$0.63 per share, .001 par value, on March 21, 2012	635,991	636		6
Retirement of Series B Preferred Shares converted into common stock by SeaSide 88, LP, .001 par value on March 21, 2012	(40,000)	(40)		(
Derivative Liability - Retirement of Preferred Series B on March 21, 2012			68,862	6
Shares issued as Dividend to Seaside 88, LP, .001 par value common stock at \$0.64 on March 21, 2012	7,812	8	4,978	4
			(4,986)	(

Dividend to Seaside 88, LP, paid on March 21, 2012				
Shares issued for consulting and legal services rendered at \$0.78 per share on March 31, 2012	7,728	8	5,992	6
Shares issued in conversion of Series B Preferred Shares to Common Stock at \$.61 per share, .001 par value, on April 4, 2012	661,496	661		6
Retirement of Series B Preferred Shares converted into common stock by SeaSide 88, LP, .001 par value on April 4, 2012		(40,000)	(40)	(
Derivative Liability - Retirement of Preferred Series B on April 4, 2012			69,098	6
Shares issued as Dividend to Seaside 88, LP, .001 par value common stock at \$0.61 on April 4, 2012	5,709	6	3,446	3
Dividend to Seaside 88, LP, paid on April 4, 2012			(3,452)	(
Shares issued in conversion of Series B Preferred Shares to Common Stock at \$0.51 per share, .001	785,453	785		7

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		6
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	1
Dividend to Seaside 88, LP, paid on April 18, 2012					(1,918)	(
Shares issued for consulting and legal services rendered at \$0.63 per share on April 30, 2012			9,547	9	5,990	5
Shares issued in conversion of Series B Preferred Shares to Common Stock at \$0.50 per share, .001 par value, on May 2, 2012			198,354	199		1
Retirement of Series B Preferred Shares converted into common stock by SeaSide 88, LP, .001 par value on May 2, 2012	(10,000)	(10)				(
					69,892	6

Derivative Liability - Retirement of Preferred Series B on May 2, 2012						
Warrants issued to Scientific Advisory Board on May 15, 2012			47,400			4
Shares issued as Dividend to Seaside 88, LP, .001 par value common stock at \$0.51 on May 2, 2012	754	1	383			3
Dividend to Seaside 88, LP, paid on May 2, 2012			(384)			(
Shares issued for consulting and legal services rendered at \$0.67 per share on May 31, 2012	8,962	9	5,991			6
Series C Preferred Shares issued to SeaSide 88, LP, \$.001 par value on June 28, 2012	2,500	3	2,499,997			2
Placement Agents Fees related to sale of Convertible Preferred shares on June 28, 2012			(150,000)			(
Derivative Liability - Issuance of Preferred Series C			(1,090,017)			(
Legal Fees related to Sale of Convertible Preferred Stock June 28, 2012			(25,000)			(
Shares of Series A Preferred	10,000	10	3,277			3

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

Liability -

Retirement of

Preferred Series

C on June 28,

2012

Series A

Preferred Shares

issued for

employee stock

compensation,

June 28, 2012

Shares issued for

consulting and

legal services

rendered at \$0.61

per share on June

30, 2012

Net loss for the

year ended June

30, 2012

Balance, June 30,
2012

Shares issued in
conversion of

Series C

Preferred Shares

to Common

298,472 298

(147) -

63,704

1,050,000 1,050

344,122

9,867 10 5,990

(6,207,207) (

9,871,250 9,872 - - 2,353 3 155,612,293 155,644 43,108,790 (29,424,116) 1

212,398 212

Stock at \$.49 per
share, .001 par
value, on July 12,
2012

Retirement of
Series C
Preferred Shares
converted into
common stock by
SeaSide 88, LP,
.001 par value on
July 12, 2012

(103) (0)

Derivative
Liability -
Retirement of
Preferred Series
C on July 12,
2012

44,190

Shares issued as
Dividend to
Seaside 88, LP,
.001 par value
common stock at
\$0.49 on JULY
12, 2012

18,397

18

9,008

Dividend to
Seaside 88, LP,
paid on July 12,
2012

(9,026)

Shares issued in
conversion of
Series C
Preferred Shares
to Common
Stock at \$0.47
per share, .001
par value, on July
26, 2012

271,373

271

Retirement of
Series C
Preferred Shares
converted into
common stock by
SeaSide 88, LP,
.001 par value on

(128) (0)

July 26, 2012

Derivative Liability - Retirement of Preferred Series B on July 26, 2012			53,032	5
Shares issued as Dividend to Seaside 88, LP, .001 par value common stock at \$0.47 on July 26, 2012	18,275	18	8,611	8
Dividend to Seaside 88, LP, paid on July 26, 2012			(8,629)	(
Shares issued for consulting and legal services rendered at \$0.55 per share on July 31, 2012	10,909	11	5,989	6
Shares issued in conversion of Series C Preferred Shares to Common Stock at \$0.42 per share, .001 par value, on August 8, 2012	280,944	281		2
Retirement of Series C Preferred Shares converted into common stock by SeaSide 88, LP, .001 par value on August 8, 2012			(118) (0)	
Derivative Liability -			51,555	5

Retirement of
Preferred Series
C on August 8,
2012

Warrants issued
to Scientific
Advisory Board
on August 15,
2012

40,800

4

Shares issued as
Dividend to
Seaside 88, LP,
.001 par value
common stock at
\$0.43 on August
8, 2012

18,868

19

8,119

8

Dividend to
Seaside 88, LP,
paid on August 8,
2012

(8,138)

(

Shares issued in
conversion of
Series C
Preferred Shares
to Common
Stock at \$0.48
per share, .001
par value, on
August 23, 2012

574,792

575

5

Retirement of
Series C
Preferred Shares
converted into
common stock by
SeaSide 88, LP,
.001 par value on
August 23, 2012

(276) (0)

Derivative
Liability -
Retirement of
Preferred Series
C on August 23,
2012

121,054

1

16,006

16

7,668

7

Shares issued as
Dividend to
Seaside 88, LP,
.001 par value
common stock at
\$0.43 on August
23, 2012

Dividend to
Seaside 88, LP,
paid on August
23, 2012

(7,684)

Shares issued for
consulting and
legal services
rendered at \$0.58
per share on
August 31, 2012

10,345 10 5,990

Shares issued in
conversion of
Series C
Preferred Shares
to Common
Stock at \$0.58
per share, .001
par value, on
September 5,
2012

763,135 763

Retirement of
Series C
Preferred Shares
converted into
common stock by
SeaSide 88, LP,
.001 par value on
September 5,
2012

(441) (0)

Derivative
Liability -
Retirement of
Preferred Series
C on September
5, 2012

236,481

Shares issued as
Dividend to
Seaside 88, LP,

11,478 11 6,614

.001 par value
common stock at
\$0.58 on
September 5,
2012

Dividend to
Seaside 88, LP,
paid on
September 5,
2012

(6,625)

Shares issued in
conversion of
Series C
Preferred Shares
to Common
Stock at \$0.52
per share, .001
par value, on
September 19,
2012

553,337 553

Retirement of
Series C
Preferred Shares
converted into
common stock by
SeaSide 88, LP,
.001 par value on
September 19,
2012

(285) (0)

Derivative
Liability -
Retirement of
Preferred Series
C on September
19, 2012

182,575

Shares issued as
Dividend to
Seaside 88, LP,
.001 par value
common stock at
\$0.52 on
September 19,
2012

9,572 10 4,926

Dividend to
Seaside 88, LP,

(4,936)

paid on
September 19
2012

Shares issued for
consulting and
legal services
rendered at \$0.62
per share on
September 30,
2012

9,677 10 5,990

6

Shares issued in
conversion of
Series C
Preferred Shares
to Common
Stock at \$.54 per
share, .001 par
value, on
October 3, 2012

435,842 436

4

Retirement of
Series C
Preferred Shares
converted into
common stock by
SeaSide 88, LP,
.001 par value on
October 3, 2012

(233) (0)

Derivative
Liability -
Retirement of
Preferred Series
C on October 3,
2012

39,945

3

Shares issued as
Dividend to
Seaside 88, LP,
.001 par value
common stock at
\$0.54 on October
3, 2012

7,176 7 3,835

3

Dividend to
Seaside 88, LP,
paid on October
3, 2012

(3,842)

(

Shares issued in conversion of Series C Preferred Shares to Common Stock at \$0.53 per share, .001 par value, on October 17, 2012	311,521	312		3
Retirement of Series C Preferred Shares converted into common stock by SeaSide 88, LP, .001 par value on October 17, 2012	(165)	(0)		
Derivative Liability - Retirement of Preferred Series C on October 3, 2012			28,413	2
Shares issued as Dividend to Seaside 88, LP, .001 par value common stock at \$0.53 on October 17, 2012	5,550	6	2,942	2
Dividend to Seaside 88, LP, paid on October 17, 2012			(2,948)	(
Shares issued for consulting and legal services rendered at \$0.61 per share on October 31, 2012	16,630	16	9,984	1
Shares issued in conversion of Series C Preferred Shares to Common Stock at \$0.52 per share, .001	281,347	281		2

par value, on
October 31, 2012

Retirement of
Series C
Preferred Shares
converted into
common stock by
SeaSide 88, LP,
.001 par value
on October 31,
2012

(145) (0)

Derivative
Liability -
Retirement of
Preferred Series
C on October 31,
2012

24,955

Shares issued as
Dividend to
Seaside 88, LP,
.001 par value
common stock at
\$0.53 on October
31, 2012

4,481

5

2,308

Dividend to
Seaside 88, LP,
paid on October
31, 2012

(2,313)

Warrants issued
to Scientific
Advisory Board
on November 15,
2012

34,200

Shares issued as
Dividend to
Seaside 88, LP,
.001 par value
common stock at
\$0.43 on
November 14,
2012

3,823

4

1,752

Dividend to
Seaside 88, LP,
paid on

(1,756)

November 14,
2012

Shares issued in
conversion of
Series C
Preferred Shares
to Common
Stock at \$0.43
per share, .001
par value, on
November 14,
2012

383,144 383

3

Retirement of
Series C
Preferred Shares
converted into
common stock by
SeaSide 88, LP,
.001 par value on
November 14,
2012

(165) (0)

Derivative
Liability -
Retirement of
Preferred Series
C on November
14, 2012

28,407

2

Shares issued as
Dividend to
Seaside 88, LP,
.001 par value
common stock at
\$0.44 on
November 29,
2012

2,570 3 1,118

1

Dividend to
Seaside 88, LP,
paid on
November 29,
2012

(1,121)

(

Shares issued for
consulting and
legal services
rendered at \$0.53
per share on

13,208 13 6,987

7

November 30,
2012

Shares issued in
conversion of
Series C
Preferred Shares
to Common
Stock at \$0.44
per share, .001
par value, on
November 29,
2012

390,698 391

3

Retirement of
Series C
Preferred Shares
converted into
common stock by
SeaSide 88, LP,
.001 par value on
November 29,
2012

(170) (0)

(

Derivative
Liability -
Retirement of
Preferred Series
C on November
29, 2012

29,302

2

Shares issued as
Dividend to
Seaside 88, LP,
.001 par value
common stock at
\$0.43 on
December 13,
2012

1,083

1

467

4

Dividend to
Seaside 88, LP,
paid on
December 13,
2012

(468)

(

Shares issued in
conversion of
Series C
Preferred Shares
to Common

282,379

282

2

Stock at \$0.43 per
share, .001 par
value, on
December 13,
2012

Retirement of
Series C
Preferred Shares
converted into
common stock by
SeaSide 88, LP,
.001 par value on
December 13,
2012

(122) (0)

Derivative
Liability -
Retirement of
Preferred Series
C on December
13, 2012

20,953

Series C
Preferred Shares
issued to SeaSide
88, LP, \$.001
par value on
December 21,
2012

2,500 3

2,541,870

Placement
Agents Fees
related to sale of
Convertible
Preferred shares
on December 21,
2012

(165,000)

Derivative
Liability -
Issuance of
Preferred Series
C

Legal Fees
related to Sale of
Convertible
Preferred Stock
December 21,
2012

(12,500)

Shares issued in
conversion of
Series C
Preferred Shares
to Common
Stock at \$0.44
per share, .001
par value, on
December 21,
2012

357,279 357

3

Retirement of
Series C
Preferred Shares
converted into
common stock by
SeaSide 88, LP,
.001 par value on
December 21,
2012

(156) (0)

Derivative
Liability -
Retirement of
Preferred Series
C on December
21, 2012

24,686

2

Shares issued for
consulting and
legal services
rendered at \$0.50
per share on
December 31 ,
2012

14,000 14 6,986

7

Shares issued to
a Director for
services rendered
at \$0.55 per share
on December 31 ,
2012

9,032 9 4,991

5

Shares issued in
conversion of
Series C
Preferred Shares
to Common
Stock at \$.41 per
share, .001 par

349,994 350

3

value, on January
4, 2013

Retirement of
Series C
Preferred Shares
converted into
common stock by
SeaSide 88, LP,
.001 par value on
January 4, 2013

(144) (0)

Derivative
Liability -
Retirement of
Preferred Series
C on January 4,
2013

22,488

Shares issued as
Dividend to
Seaside 88, LP,
.001 par value
common stock at
\$0.41 on January
4, 2013

21,907

22

8,970

Dividend to
Seaside 88, LP,
paid on January
4, 2013

(8,992)

Shares issued in
conversion of
Series C
Preferred Shares
to Common
Stock at \$0.42
per share, .001
par value, on
January 17, 2013

387,947

388

Retirement of
Series C
Preferred Shares
converted into
common stock by
SeaSide 88, LP,
.001 par value on
January 17, 2013

(164) (0)

26,329

Derivative
Liability -
Retirement of
Preferred Series
C on January 17,
2013
Shares issued as
Dividend to
Seaside 88, LP,
.001 par value
common stock at
\$0.42 on January
17, 2013

19,998 20 8,421

8

Dividend to
Seaside 88, LP,
paid on January
17, 2013

(8,441)

(

Shares issued in
conversion of
Series C
Preferred Shares
to Common
Stock at \$0.42
per share, .001
par value, on
January 31, 2013

275,788 276

2

Retirement of
Series C
Preferred Shares
converted into
common stock by
SeaSide 88, LP,
.001 par value
on January 31,
2013

(113) (0)

Derivative
Liability -
Retirement of
Preferred Series
C on January 31,
2013

18,502

1

Shares issued as
Dividend to
Seaside 88, LP,
.001 par value

18,901 19 7,794

7

common stock at \$0.41 on January 31, 2013				
Dividend to Seaside 88, LP, paid on January 31, 2013			(7,813)	(
Shares issued for consulting and legal services rendered at \$0.49 per share on January 31, 2013	14,286	15	6,985	7
Shares issued at \$0.48 in payment of Debenture interest on February 1, 2013	2,000,000	2,000	663,497	6
Warrants issued to Scientific Advisory Board on February 15, 2013			31,800	3
Shares issued as Dividend to Seaside 88, LP, .001 par value common stock at \$0.41 on February 14, 2013	18,101	18	7,358	7
Dividend to Seaside 88, LP, paid on February 14, 2013			(7,376)	(
Shares issued in conversion of Series C Preferred Shares to Common Stock at \$0.41 per share, .001 par value, on February 14,	241,062	241		2

2013

Retirement of
Series C
Preferred Shares
converted into
common stock by
SeaSide 88, LP,
.001 par value on
February 14,
2013

(98) (0)

Derivative
Liability -
Retirement of
Preferred Series
C on February
14, 2014

15,985

Redemption of
Series C
Convertible
Preferred on
February 26,
2013

(1,827) (2)

(1,714,332)

Dividend to
Seaside 88, LP,
paid on February
26, 2013

(6,002)

Shares issued for
consulting and
legal services
rendered at
\$0.46per share
on February 28,
2013

15,217

15

6,985

Derivative
Liability -
Redemption of
Preferred Series
C on February
26, 2013

42

Common shares
issued for
employee stock
compensation at

125,000

125

29,875

\$.48 per share,
March 1, 2013

Common shares
issued for
employee stock
compensation at
\$.48 per share,
March 1, 2013

125,000 125 29,875

3

Series A
Preferred Shares
issued for
employee stock
compensation,
March 1, 2013

250,000 250

187,137

1

Series A
Preferred Shares
issued for
employee stock
compensation,
March 1, 2013

250,000 250

187,137

1

Series A
Preferred Shares
issued for
employee stock
compensation,
March 1, 2013

93,750 94

70,176

7

Shares issued for
consulting and
legal services
rendered at \$0.65
per share on
March 31, 2013

10,769 10 6,989

6

Shares issued to
a Director for
services rendered
at \$0.53 per share
on March 31,
2013

4,717 5 2,495

2

Net loss for the
year ended June
30, 2012

(7,965,162) (

Balance, March
31, 2013

10,465,000 \$10,466 -

\$-

-

\$-

164,540,249 \$164,571 \$46,066,390 \$(37,389,278)\$8

See accompanying notes to the financial statements

NanoViricides, Inc.

Statement of Stockholders' Equity

For the period from May 12, 2005 (inception) through December 31, 2013

	Series A		Series B		Series C		Common Stock: Par		Additional	Stock	Deficit	
	Preferred	Preferred	Preferred	Preferred	Preferred	Preferred	Common Stock: Par	Common Stock: Par			During	Total
	Stock: Par	Stock: Par	Stock: Par	Stock: Par	Stock: Par	Stock: Par	\$0.001	\$0.001	Paid-in	Subscrip	the	Stockholders'
	Number	Number	Number	Number	Number	Number	Number of	Number of	Capital	Receiv	Developm	Equity
	of	of	of	of	of	of	Shares	Shares			ent	
	Shares	Amount	Shares	Amount	Shares	Amount	Shares	Amount			Stage	
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)	(66,005)
Balance, June 30, 2005	-	-	-	-	-	-	28,571,429	28,571	(28,551)	(20)	(66,005)	(66,005)
Discount related to beneficial conversion feature of Convertible debentures, July 13, 2005							-		5,277			5,277

Legal expenses related private placement of common stock, July 31, 2006	-		(2,175)	(2,175)
Discount related to beneficial conversion feature of Convertible debentures, July 31, 2005	-		5,302	5,302
Warrants issued to Scientific Advisory Board, August 15, 2005	-		4,094	4,094
Options issued to officers, September 23, 2005	-		87,318	87,318
Common shares issued for consulting services valued at \$.081 per share, September 30, 2005	657,143	657	185,643	186,300
Common shares issued for interest on debentures, September 30, 2005	13,765	14	4,301	4,315
Discount related to beneficial conversion feature of Convertible debentures, October 28, 2005	-		166,666	166,666
Discount related to beneficial conversion feature of Convertible debentures, November 9, 2005	-		166,667	166,667
Discount related to beneficial conversion feature of Convertible debentures, November 10, 2005	-		45,000	45,000
Discount related to beneficial conversion feature of Convertible debentures,	-		275,000	275,000

November 11, 2005 Discount related to beneficial conversion feature of Convertible debentures,	-		49,167	49,167
November 15, 2005 Warrants issued to Scientific Advisory Board, November 15, 2005	-		25,876	25,876
Common shares and warrants issued in connection with private placement of common stock, November 28, 2005	97,143	97	169,903	170,000
Common shares and warrants issued in connection with private placement of common stock, November 29, 2005	85,715	86	149,914	150,000
Common shares and warrants issued in connection with private placement of common stock, November 30, 2005				
	&			