

## **ISSUER QUARTERLY REPORT**

**For the Period ended March 31, 2013**

**VIRATECH CORP.  
4719 Quail Lakes Drive #G319  
Stockton, CA 95207  
Telephone Number: (209) 377-3030**

### **ISSUER'S EQUITY SECURITIES**

**Common Stock, authorized 2,000,000,000 shares  
par value \$.0001 per share.  
Preferred Stock, authorized 10,000,000 shares  
par value \$.0001 per share.**

### **TRANSFER AGENT**

**Standard Registrar and Transfer Co  
12528 S. 1840 E  
Draper, UT 84020  
Ph. (801) 571-8844**

### **SECURITIES COUNSEL**

**Crawford Shaw  
230 Park Avenue  
10th Floor  
New York, NY 10169  
(917) 712-5544**

## **Item 1. Exact Name Of Issuer and Address of Principal Executive Offices.**

The exact name of the issuer is VIRATECH CORP. The address of the issuer's principal executive offices is: 4719 Quail Lakes Drive #G319 Stockton, CA 95207. The telephone number of its executive offices is (209) 377-3030.

## **Item 2. Shares Outstanding.**

As of March 31, 2013, there are 2,000,000,000 commons shares par value \$.0001 authorized and 20,000,000 preferred shares par value \$.0001 authorized. Currently, there are 751,989,550 shares of common stock outstanding, of which 646,730,000 shares are subject to lockup agreements and 3,882,500 shares of Preferred stock outstanding. As of that date, there were 38,976,558 shares in the public float, of which 41,500,000 shares are subject to lockup agreements, and approximately 155 shareholders of record.

## **Item 3. Interim Financial Statements.**

The issuer's most recent financial statements as of March 31, 2013 are filed herewith.

## **Item 4. Management's Discussion and Analysis or Plan of Operation.**

### **COMPANY OVERVIEW**

Viratech was organized on March 21, 2000. Viratech is an open source biotechnology development company engaged in the business of researching and developing cancer treatment protocols through the use of open source web based research networks. Viratech's common stock is quoted on the pink sheets under the trading symbol, VIRA.

### **PLAN OF OPERATIONS - IN GENERAL**

#### **Forward Looking Statements**

This Report may be deemed to contain "forward-looking" statements. Examples of forward-looking statements include, but are not limited to (i) projections of revenues, income or loss, earnings or loss per share, capital expenditures, growth prospects, dividends, capital structure and other financial items, (ii) statements of plans and objectives of the Company or its management or Board of Directors, including the introduction of new products, or estimates or predictions of actions by customers, suppliers, competitors or regulating authorities, (iii) statements of future economic performance, and (iv) statements of assumptions underlying other statements and statements about the Company or its business.

The Company's ability to predict projected results or to predict the effect of any legislation or other pending events on the Company's operating results is inherently uncertain. Therefore, the Company wishes to caution each reader of the Memorandum to carefully consider specific factors, including competition for products; the uncertainty of developing or obtaining rights to new products that will be accepted by the market; the effects of government regulations and other factors discussed herein because such factors in some cases have affected, and in the future (together with other factors) could affect, the ability of the Company to achieve its projected results and may cause actual results to differ materially from those expressed herein.

#### **Industry**

In 1968 Intel was co-founded by Gordon Moore who, in 1965, wrote a paper explaining what was needed to develop the advancement of the integrated circuit. This paper described, among other elements, the necessity of open source development, and later became one of three papers which collectively became

known as “Moore’s Law.” The power of Moore’s Law combined with the open source “knowledge sharing” collaboration is obvious. 10 years ago the “smart phone” you hold in your hand today would be the size of a desktop computer, and 20 years ago that computer would be the size of your house.

In 1971 Richard Nixon and the 91<sup>st</sup> Congress of the United States passed the National Cancer Act, in a report submitted to Congress titled “A National Program for The Conquest of Cancer” which stated “...In 1930 we were able to cure only about one case in five; today we cure one in three, but the cure rate can be improved by a better application of the *knowledge that we know today.*” (*emphasis added*)

Today, that “*better application of knowledge*” has been stifled by bureaucracy, capital market inefficiency and archaic intellectual property laws, which has reduced competition to an oligopoly of multinational corporations, who through the luxury of virtually no competition have actually thwarted medical innovation in the name of protecting corporate profits. The results are obvious; compared to the advancements of the integrated circuit, cancer research has gone nowhere.

Viratech’s patent-pending method of allowing open source research and development of biotech inventions emulates the open source research and development of software which led to the huge current advance in information technology. Its premise is simply to use the social networking phenomena of Facebook, Twitter and LinkedIn, and apply it to the biotech world, where many new treatments and diagnostics are either gobbled up by Big Pharma and never developed, or never developed for lack of IP protection and financing. For example, Avastin, the leading cancer treatment drug by Genetech/Roche, which is used to treat metastatic cancers, such as colorectal, lung, kidney and ovarian cancers, reached \$2.66 billion in sales in the U.S. alone in 2012, and worldwide sales of \$5.98 billion worldwide. Avastin was released to the market 16 years ago and approved by the FDA for use in treating metastatic cancers in the U.S. in 2004-eight years ago. By contrast, in the past 16 years, cell phones were the size of bricks and now everyone has one in their pocket. In 2004, Facebook was first launched, and now has over 1 billion users, but the content contributed by those billion users is trite and trivial, and doesn’t harness the huge power of social networking.

In response to the current dilemma in biotech research and development, and in an effort to make open source development more attractive and less costly, Viratech has created an open source biotech research and development platform, based on creating and leveraging our intellectual property tool set and infrastructure, consisting of intellectual property protection via social collaboration. We have developed a platform converting social networking into a development collaboration tool. Using this platform, our members can protect their member’s intellectual property, then, using the micro social network as a utility to promote and crowd fund the research and development, produce and commercialize the new biotech and cancer research technology. We have created a three-pronged attack on the development of an open source platform consisting of the following:

### ***Protect***

By keeping everything a trade “secret” there is not only a mass duplication of effort pertaining to similar competitive research, but the inability to communicate within a community for shared insights, advancing technologies, and obtaining needed support.

According to an analysis by the World Intellectual Property Organization in Geneva ([www.wipo.int](http://www.wipo.int)), only 47,921, or less than 1%, of the estimated 4,730,000 million concepts annually are patented or protected via other measure of intellectual property protection. This void of intellectual property protection stifles innovation, and creates a synthetic barrier of entry to new ideas and progress. This has been caused by an archaic intellectual property protection system which makes the ability of protecting intellectual property onus and ineffectual. This void leads to the 4 million plus ideas annually that are out there to not enjoy any form of intellectual property protection. Thus, they are forced into the cave of trade secret domain where individuals do not have the ability of promoting their technology – infact, they’re hiding their technology. This is especially true in the biotech field, where large pharmaceutical

companies buy up new technologies in medicine and shelve their development while they promote their own already developed and patent protected products. This has brought biotech innovation to a major standstill, caused by archaic intellectual property mechanisms. Because of this, bio tech innovation has been stifled. It has been stifled at the protection of profits of large multi-national bio tech companies who understand this infrastructure, who understand how to manipulate this archaic legal foundation for their benefit and gain at the behest of the smaller issue.

This first element of Viratech's toolset, IP protection, is complemented by the elements of Promotion and Production of the technology, all using custom tailored interactive pages within the Viratech Social Network, called Micro Social Networks, owned by each user of the site who creates a page. Any user generated content that is contributed to the Micro Social Network owner's site is, by Viratech's terms of service and a separate permission layer, owned by that Micro Social Network owner and protected by his or her copyright.

### ***Promote***

Members of the Viratech community first protect their intellectual property using our toolset. Once protected, they are encouraged, via our collaboration platform, to freely promote their new technologies by posting their research in the community as well as broadcasting, (press release and social media distribution) what they need to assist in the development and furtherance of their research. As members add content to Viratech (Research, Documents, Patents, Theories, Blog Entries, Photos, Videos, Audio, Bookmarks, etc.), they can easily place individual restrictions on which of their peers, business associates, development partners, CRO's, and Investors can have access to that particular content. Members control access to their stored information allowing each member to confidently share more information and collaborate more readily with other members knowing that an irrevocable provenance is created and stored, documenting which development partner had access to view and download particular information. Viratech has created an exclusive relationship with Newswire, Inc. to allow all of Viratech Members the ability of broadcasting all their news originated by one of their Viratech pages, free of cost. The news is picked up by Google as informative content, which is used to generate traffic to the member's micro social network page, where the information is archived, and picked up by Google whenever a person performs a search using contextual key words related to the member's content.

### ***Produce***

Using the second prong of the Viratech model, Promote, each Micro Social Network user can promote their technologies by broadcasting them through a newswire service, which gets picked up on Google through the key words in each article. Readers of the article are blocked by a pop-up that asks them to join the Micro Social Network. Production is a feature which allows Micro Social Network owners to raise money for the research, development, and production of their technologies through crowd funding.

Independent biotech research and development teams usually find themselves in a chicken and egg dilemma. They need results to get research and development financing while at the same time needing financing to conduct the research to prove the treatment/diagnostic efficacy. Independent researchers often succumb to this dilemma by giving up control and autonomy in the early stage of research which, in turn, lowers moral and motivation. With the passage of the Crowdfunding Act in April 2012 our members may be able to use their micro social network (MSN) additionally to raise funds, leading to development and production of their biotech products.

## **How the Viratech Open Source Network Protects Intellectual Property**

Viratech is a social network consisting of a uniquely designed, indexed collection of Micro Social Networks (MSN's), tied together by a Unified Navigation Element (UNE). MSN's are created by the member to be an interactive container of content the user wishes to communicate to the network.

Intellectual property (IP) is put into a private folder, where Social Intelligence Reports (“SIRs”) are written about the different aspect of the Private IP. The Social Intelligence Reports are then broadcasted throughout the internet looking for research. Responses to research come to individual MSN’s within the Viratech framework. Individuals joining and contributing to these MSN’s must accept Viratech’s Terms of Service (“TOS”). In the TOS members acknowledge that the User Generated Content (“UGC”) that they generate (post, document upload, discussion etc.) is property of the MSN owner. This UGC then becomes an ever-growing expression of the private work product/idea, thus incorporating a copyrighted derivative expression around the base of the intellectual property seeking additional protection.

New user generated expressions are then sent directly to the owner of the MSN, in a central command/outlook environment where it can be sent to be:

1. Published as new content on any MSN under management by the member;
2. Written as an article or press release explaining a particular aspect;
3. Researched by a third party; or
4. Stored within the MSN owners private Body of Knowledge.

This mechanism thus allows the MSN owner the ability of leveraging the Social Network and recirculates the content in growing and organizing and expanding expression of knowledge which will achieve the following:

1. Create more content which can be broadcasted through the MSN;
2. Create more contextual key word traffic to the MSN from the broadcasted content in 1;
3. Create more UGC from the traffic in 2;
4. Capture the UGC in 3 and decide whether to Publish, Write, Research, or keep private;
5. Publish new UGC and repeat step 1.

The present landscape of traditional social networks has proven to be an excellent tool for networking, broadcasting information about oneself, and initiating relationships. Viratech believes that its unique toolset has the potential to encourage a higher level of collaboration among its members and to use that collaboration as an intellectual property protection mechanism within the community thus creating a symbiotic and synergistic self-sustaining network. Our present toolset allows members the ability to:

1. Create as many public and private Micro Social Networks (MSN’s) as desired;
2. Allow the creator of MSN’s to own all the User Generated Content (UGC) created within it;
3. Allow the creator of MSN’s to have permission and the toolsets necessary to communicate to all the MSN’s members/fans;
4. Allow the members of Viratech.org to manage all content, information and UGC created and generated for the various MSN in one central command; and
5. Allow the creator of an MSN the ability of broadcasting news, press releases and articles concerning the MSN for the purposes of driving contextual news-driven traffic to the MSN;

1-5 above are then organized as a way to generate and organize content into a centralized Body of Knowledge which the owner of the various MSN’s can use as an innovative intellectual property protection mechanism.

## **Viratech's Operative Intellectual Property**

Viratech has the exclusive license for biotech research of the following intellectual property suite:

### **Method of Generating Critical Mass of Relevant User Generated Content for a Social Network by the Creation of An Open Source Micro Social Network Infrastructure. Patent Application Number 61599415**

The lifeblood of any social network is the ability of creating critical mass of users both is size (numbers of users) and in the expression of those users to produce user generated content (UGC). Once a network reaches this critical mass, its UGC becomes syndicated through other users broadcasting the content, which in turn creates more content activity and the possibility of the creation and distribution of new UGC. This process creates a domino effect of UGC and activity which becomes self-sustainable once critical mass of users and activity (Critical Mass) is reached.

Further, as social networking use matures, so will the demands of its user's functionality, expression and distribution of UGC. This demand is presently being stifled, due to the fact that it is a direct contradiction to the present social networking business models and seen as nothing more than competition and the cannibalization of future advertising revenues. For, in the eyes of the present social networks, if members are not the customer, they are the product, and to allow them outside of this construct will, in turn, implode the present infrastructure and advertising revenue models they presently enjoy.

"Method of Generating Critical Mass of Relevant User Generated Content for a Social Network by the Creation of an Open Source Micro Social Network Infrastructure" lays the foundation for the upcoming evolution of social network users' expectations, by empowering them with the ability of creating their own Micro Social Network (MSN) within the sub domain infrastructure of a traditional social network. Unlike traditional social networks of today, a MSN allows the creator (social network user) of the MSN: 1. To own via copyright waiver and, upon acceptance of the terms of service (TOS) of membership, all the UGC created and or placed in the individual MSN (including documents, comments, pictures, discussions, analysis, organization, indexes, etc.) by its members who join the specific MSN; 2. To own and have permission to market (via email, social network communication, text messaging or other permission based marketing approach agreed upon by the acceptance of the TOS between the MSN and Members) all members who join the individual MSN; 3. To add functionality to their own MSN's including stores, shopping cart, maps, auctions, social couponing, crowd source buying incentives, auctions, commerce exchanges, news, etc., all in the purpose of creating a self-contained social commerce portal.

### **Method of Creating Critical Mass of a Social Network via the Assignment and Recording of Value of Individual Social Network Member Activity. Patent Application Number 61599530**

The lifeblood of all Social Networks is the ability to create a critical mass of users; both in size (numbers of users), the expression of those users to produce User Generated Content (UGC), and finally the Syndication of UGC by the very members of the Social Network. The ability to generate activity in these three separate variables represents the key in achieving Critical Mass and self-sustainability within any Social Network.

"Method of Creating Critical Mass of a Social Network via the Assignment and Recording of Value of Individual Member Social Network Activity" allows the owner of a Social Network the ability to assign a point value for each Social Network Members Activity Participation within the Social Network. These points are then automatically tabulated per each Social Network Member, thus allowing a Social Network Member the ability to accumulate points as well as letting members see a balance of points earned due to the activity of the Social Network Member on the Social Network. Finally, points earned via individual Social Network Activity can then be spent by the Social Network Member in various ways, as determined via the Social Network Administrator/Owner.

## **Method of Capturing and Indexing an Individual Aspect of Knowledge via Unified Structured Element. United States Patent Application 61669994**

Everyone is unique, and with that statement, how we each see the world, understand our surroundings and the format on how we best assimilate and express knowledge is as unique as we are. “Method of Capturing and Indexing an Individual Aspect of Knowledge via Unified Structured Element” consists of creating a unified website container called a Micro Social Network. Here the Individual /Creator /Inventor can deposit in a structured environment their knowledge, understanding or invention, and by leveraging the invention combined with user generated content can create a new intellectual property protection mechanism, leveraging UGC and social collaboration.

## **Method of Converting a Derivative Expression of an Idea into Social Network Navigation Element. United States Patent Application 61669330**

Ideas are the engine of commerce, innovation and scientific advancement. They live in the world of the abstract and as such the use of them becomes cumbersome until they are quantified and harnessed via derivative expressions thereof. “Method of Converting a Derivative Expression of an Idea into a Social Network Navigation Element” is the process of taking an idea and, then, through a series of processes, including research and writing, breaking the idea into its separate distinct derivative expression thereof. This is combined by a second series of processes transforming the distinct derivative expressions of the original idea, into graphical icons representing the linear understanding of the derivative expressions. These icons are then embedded with the uniform resource locator of the representative websites or Micro Social Networks, consisting of the multimedia knowledge repository of the derivative expressions, for the purpose of creating a linear intellectual property protection mechanism.

## **Additional IP Licensed to Viratech for Open Source Development**

Viratech's CEO, Dr. Kevin Buckman, has developed 14 different medical technologies, which have been licensed to Viratech to be developed by open source. Each license is from Dr. Buckman's holding company, Health Care Intellectual Properties, LLC, for a renewable term of five years, subject to the payment by Viratech to Health Care Intellectual Properties, LLC, a royalty of 2.5% of the gross sales of the licensed technology. The technologies are described in the patent section of this report. None of the technologies have undergone clinical trials or been approved by any government authority.

### **Viratech Books**

Cancer.im's first of 235 books to be released on Amazon's Kindle platform, focusing on Cancer, *Find and Stop Breast Cancer*, by Dr. Kevin Buckman, was published on Amazon.com achieved number one on the 100 best-sellers in breast cancer on Amazon.com as of January 26, 2013. *Find and Stop Breast Cancer* is the result of decades of research by Dr. Buckman in the field of cancer, highly focused on breast cancer. The book provides information geared toward making a difference in early diagnosis and treatment, and focuses much of its content on prevention of breast cancer and alternatives. *Find and Stop Breast Cancer* addresses on what every woman needs to know about the prevention and treatment of breast cancer.

On February 13, 2013, the Company published its second of 235 books released on Amazon's Kindle platform, focusing on Cancer. The book, *Cancer Patient User Manual*, by Dr. Kevin Buckman and Cancer Advocate Chris Ryan, which achieved number 1 best-seller status for Oncology. The first book, *Find and Stop Breast Cancer*, became a best seller last month after only three days.

*Cancer Patient User Manual* is the result of decades of research in the field of cancer. The book provides all the information needed to help any cancer patient become proactive immediately and make a difference in fighting their disease, regardless of the treatment they now receive or is available to them.

According to the book, “Cancer.im ([www.cancer.im](http://www.cancer.im)) is working to find new screening tests for cancer and new modes of therapy. The site, which launched on February 15, 2013, includes a user friendly Mission Adaptive Plan (a MAP) that can be tailored for each user, and 15 modules for dealing with the disease, which are based on the *Robert Ryan Cancer Protocol*. Based on more than 19 medical studies on quality of life and associated longevity, following the *Robert Ryan Cancer Protocol* decreases the morbidity of cancer by increasing the quality of life by the use of these 15 steps which allows a cancer patient to be proactive. There is no charge for this service.”

On March 5, 2013, the Company's e-book publication of “Reversing Diabetes” on Amazon's Kindle platform, by Dr. Kevin Buckman and Dr. Barkat Charania, became the number one best seller in alternative medicine and number one in diabetes. The book discusses in detail Artificial Pancreas Therapy, the only proven therapy that has been found to treat and reverse many of the complications of diabetes, as well as other methods of treatment.

## **Recent Developments**

### **CANCER.IM**

In December 2012, the Company entered into an agreement to purchase Cancer.im, Inc. in exchange for \$6.2 million in Company restricted common stock. The purchase was closed in the first quarter of 2013.

Cancer.im, Inc. owns and operates <http://cancer.im>, the world's first experienced-based social network resource site for cancer patients, survivors, advocates, and volunteers. Cancer.im's mission is to empower every cancer patient, regardless of their ability to pay, with the power to research their disease and to find, organize, and manage their own cancer support network. The goal of these support networks is to assist the patient in conserving needed energy by reducing the burden associated with their own daily trials and tribulations. Cancer.im will strive to convert this saved energy into a higher level of patient activity and a stronger determination to fight their disease.

Unlike other social networks, Cancer.im was designed by a team that is dedicated to specifically serve the unique needs of those currently struggling with the disease. This new network combines databases of medical community knowledge, repositories of wisdom from cancer survivors, systems for helping cancer patients organize their records and various facets of their treatment, and tools that allow patients and their supporters to work together effectively. In short, Cancer.im provides everything a cancer patient, friend, or family member is looking for to help in the fight against the disease, all in one online location and easy-to-use format.

Clinical studies have confirmed that those cancer patients with an active support network of friends, family and other advocates outlive those who do not. Cancer.im's networking tools will empower every cancer patient to take control of their treatment by giving them ways to find, organize and manage their own cancer support network.

The Company sees Cancer.im as a perfect complement to its open source research platform. Where Viratech applies open source research in the area of protecting intellectual property so companies can promote and crowd source their ideas from concept to reality, Cancer.im harnesses the same social collaboration utilities to develop what we believe will become the first experience based search engine powered by social collaboration.

Through its experience-based search engine and next-generation technology, Cancer.im's goal is to become the primary resource on the web for people affected by cancer, for the purpose of making a difference in their own lives and the lives of others.



The site was launched on February 19, 2013. Cancer.im harnesses social collaboration utilities to develop what Viratech believes will become the first experience-based search engine powered by social collaboration. The merger was consummated in February 2013.

Cancer.im is the first social network which has reversed engineered an evidence based medicine study which has shown that by increasing the quality of life of a cancer patient you can directly lower the incidence of morbidity regardless of treatment.

Cancer.im is positioning itself to have the first mover advantage by becoming the primary resource on the Web that people affected by cancer will turn to in order to make a difference in their own lives and the lives of others. Members can use Cancer.im to:

- Create and mobilize their own Patient Support Network;
- Learn from the wisdom of cancer survivors;
- Research all aspects of cancer;
- Organize their medical records, insurance, and research;
- Create a customized strategy based on their educated beliefs, values and resources;
- Create a proactive cancer prevention strategy.

Through its experience-based search engine and next-generation technology, Cancer.im's goal is to become the primary resource on the web for people affected by cancer, for the purpose of making a difference in their own lives and the lives of others.

## **WELLNESS BUILDER**

On January 18, 2013, the Company signed a letter of intent to provide a turnkey Social Network for Wellness Builder, Inc., a company engaged in the development of a series of nutraceutical products designed to combat the effects of stress, inadequate nutrition and exposure to environmental toxins.

Viratech will provide a turnkey Social Network, using its licensed patent pending technology platform, which Social Network will act as an engagement funnel for individual micro social networks within the Social Network, to obtain and develop user generated content for the sole purpose of protecting, promoting and producing individual elements of Wellness Builder's business model. In exchange for the fully integrated system, Viratech will receive \$250,000, a royalty of 5% of the gross sales of all products developed with the use of the system, and a non-dilutable equity interest of 10% in Wellness Builder, Inc.

### **About Wellness Builder**

Our modern lifestyles are characterized by high levels of stress, inadequate nutrition and exposure to environmental toxins, which can deplete our bodies of nutrients and make us susceptible to disease. Wellness Builder applies proven research to formulate natural products designed to counteract the damage.

Wellness Builder, Inc. is engaged in the research and development of pharmaceutical and nutraceutical products derived from the research of Dr. Kevin Buckman. The company has an executive team for funding, distribution, and marketing of 12 products to sell pharmaceutical and nutraceutical products derived from decades of research by Dr. Kevin Buckman.

Dr. Buckman has created more than a dozen formulas which are intended to address the underlying needs of individuals suffering from what he calls "DDS" (Degenerative Disease Syndrome). This includes such maladies as gastrointestinal disorders, auto-immune diseases, asthma, arthritis, diabetes, arthritis, cancer, and heart disease

## **DIABETES.NET**

On February 21, 2013, the Company entered into a letter of intent to provide a turn-key Social Network for Diabetes Network Charities at <http://diabetes.net>, for \$250,000, plus 25% royalty from all revenue derived from the operation of the site.

Diabetes.net is the original diabetes network for researchers, physicians and healthcare professionals. Diabetes mellitus is a group of metabolic diseases characterized by improper metabolism due to the inability of the pancreas to produce enough insulin, or the lack of response of cells to the insulin that is produced. As of 2010, an estimated 285 million people worldwide were afflicted with diabetes, and the number is expected to almost double by 2030. In the United States the CDC has classified the disease as epidemic. Diabetes.net is the original diabetes network of researchers, physicians, and health care professionals, promoting research on diabetes treatments and cures for over 25 years.

## **OUR TARGET MARKET**

In the U.S. alone, it is estimated that there are more than 10 million cancer survivors. Worldwide, that figure is over 24,000,000 million survivors. This year, in the US alone, it is projected that 1.3 million people will be diagnosed with cancer for the first time and 556,000 people will die of the disease. This makes cancer the leading cause of death for people under the age of 85 years old. The latest stat the Company has for the impact of Cancer in the US is from 2006, the direct cost of cancer was approximately \$78 Billion for direct medical costs and an estimated \$128 Billion for indirect costs (such as lost productivity and labor) bringing the total economic impact to \$206 Billion. This equates to an average direct medical cost of \$60,454 per patient per year and a lost productivity cost of \$97,454 per patient per year.

Further according to a report by the World Intellectual Property Organization in Geneva, ([www.wipo.int](http://www.wipo.int)) only 47,921 or 1% of the estimated 4,730,000 million concepts annually are patented or protected via other measure of intellectual property protection. This void of intellectual property protection stifles innovation and creates a synthetic barrier of entry for new ideas and progress.

Viratech is an open source Biotech research and development network leveraging our social collaborative website and our intellectual property suite to provide a platform encouraging the sharing of Biotech research for the sake of accelerating the development of new therapies and diagnostic procedures.

Our toolsets' fulcrum is a method of protecting intellectual property via social collaboration. Which leverages social networking activity and user generated content as a mechanism of converting patents and other intellectual property into index able expression of a copyright work product. Using our toolset, members of the Viratech community can protect their intellectual property thereby allowing them the freedom to post their research and solicit collaboration and assistance from other members as well as being able to broadcast via press releases and social media distribution what they need to assist in the development and furtherance of their research into commercial production.

As members add content to Viratech (Research Documents, Patents, Theories, Blog Entries, Photos, Videos, Audio, Bookmarks, etc.) they can easily place individual restrictions on which of their peers, business associates, development partners, CRO's, and Investors can have access to that particular content. Members control access to their information allowing each member to confidently share more information and collaborate more readily with other members knowing that an irrevocable provenance is created and stored which can show which development partner had access to, viewed and download particular intellectual property/content.

Our second toolset focuses around crowdfunding of early stage research and development capital needs. Independent Biotech research and development teams usually find themselves in a chicken and egg dilemma. They need results to get research and development financing while at the same time needing financing to conduct the research to prove the treatment/diagnostic efficacy.

Independent researchers often succumb to this dilemma by giving up control and autonomy in the early stage of research to venture capital board members or large corporations, which in turn removes the entrepreneurial spirit, moral and motivation to innovate.

The Company believes that our intellectual property toolset within our social networking infrastructure has the potential of opening up the scientific community to share and collaborate on ideas, theories and know how to streamline the development of new therapies and diagnostics within the cancer research community.

## **REVENUE MODEL**

The Company will offer its basic services free. It expects to have two main sources of revenue from the operation of the Viratech website:

## **WEBSITE ADVERTISING & SPONSORSHIPS**

The Company expects its largest source of revenue to be from website advertisement and sponsorship sales. Advertising and sponsorship fees and rates will vary depending on page, placement, and size of the advertisement on the website. Premium fees will be charged for home page and section sponsorships while a lesser fee will apply to run scheduled advertisements which continuously rotate throughout the website. The Company anticipates that manufacturers of cancer-specific pharmaceuticals, products, and services will make up a large percentage of advertisement and sponsorship sales. However, the Company is promoting its advertising to a broad base of industries, including companies in the consumer products, travel, tourism, and other industries.

## **CONSULTATION AND TURN KEY SOCIAL NETWORK WEB SITES**

The Company expects its second form of revenue to come from providing turn-key niche social networks, including a license of the Company's patent pending platform to protect, promote and produce products in an open source environment.

## **Management**

### **Kevin Buckman, MD-Chief Executive Officer/Chief Medical Officer**

Dr. Kevin Buckman MD, FAAIM, MRO, is a best-selling author of medical books, and has been leading projects since 1969 when he started his first national environmental project and an Ecology Club at his college campus. He grew up in Los Angeles and was concerned about pollution and its effect on our health. He completed his Medical School training at USC and continued his training there in Internal Medicine. He has become an expert in Environmental Medicine.

He has served as Medical Director in various hospitals and institutions for over 20 years. He has served as a member of the Executive Committee for six years at St. Dominic's Hospital in Manteca, California. He has written over ten patents for new medical and environmental technologies. From 1986 to 1997 there were more than 50 Physicians on his roster. He also served as Medical Director for Dameron Hospital EMS Liaison from 2002 to 2003. He became Board Certified in Emergency Medicine and a Fellow of the American Board of Emergency Medicine in 1990.

He has received numerous Certifications and Specialty Training in the field of Medicine. He is a Fellow in the American Association of Integrated Medicine, and a Board Certified Medical Review

Officer. His other Specialties include: Internal Medicine, Forensic Medicine, Chinese Medicine and Acupuncture. He has over 30 years of hospital and clinical experience and has served on over 15 hospital committees.

He has presented research and given lectures at numerous hospitals and at International Medical Conferences and has traveled in 68 countries.

He has received Post Graduate Training at Stanford University School of Business, and attended seminars with the Securities Exchange Institute. He is the founder of the International Health Institute, a non-profit organization for a healthier environment. He has served as CEO for Lifeline BioTechnologies, Inc. a publically-traded company, and he successfully advanced the medical technologies for the company as well as fund raising, and made International presentations. He has numerous Medical Publications and has written books about health.

During the last twenty years he has worked to advance a number of medical technologies with a focus on the underlying causes of medical conditions, the early detection of disease, preventive medicine, and non-harmful new methods of medical treatment.

**Valerie Kidd, MD – Director**

Dr. Kidd received her BA in Chemistry from UC Davis, College of Letters and Science in 1980. She received her MD at University of California at Irvine, College of Medicine in 1984. She completed a Family Practice Residency Program at San Joaquin General Hospital from July 1984 to July 1987. She became first Board Certificated in Family Practice in 1987, then again in 1993, 2000, and 2007. Dr. Kidd is an active member of the American Academy of Family Physicians since 1987. She has been practicing medicine at Lodi Memorial Hospital since 2006. Since 2006, Dr. Kidd has held the following positions:

**Clinical Positions:**

1987-1988, Staff Physician, Employee Health Services, San Joaquin General Hospital  
1988-1991, Staff Physician, Lincoln Family Medical Group, Douglas Road, Stockton  
1991-1995, Staff Physician, Employee Health Services, Modesto, Stanislaus County  
1995-1996, Physician, California State University Stanislaus Student Health Center  
1996-2006, Staff Physician, Employee Health Services Clinic, San Joaquin General Hospital  
2007-March 2009, Family Medicine Physician, St Joseph's Medical Group of Stockton  
2007-March 2009, Medical Director, University of Pacific, Cowell Wellness Center Student Health  
2006-present, Staff Physician, Lodi Memorial Hospital Urgent Care Clinic  
2006-present, Staff Physician, Lodi Memorial Occupational Med Clinic

**Teaching Positions:**

1988-2003, University of Pacific, Physical Therapy Guest Lecturer  
1987-1991, Clinical Preceptor, San Joaquin Family Practice Residency  
1991-1996, Clinic Preceptor, Stanislaus Family Practice Residency  
1996-2003, Clinic Preceptor, San Joaquin Family Practice Residency

**Aziz Kamali, MD. – Director**

Dr. Kamali was born and raised in Jalalabad, in eastern Afghanistan. He obtained his secondary education in Kabul and did his undergraduate studies at the University of Afghanistan in Kabul. Dr. Kamali comes from a large family of medical, legal and engineering professionals who have been very active with the current development of Afghanistan, following in the footsteps of their father,

Mohammed ShirinKamali, a judge in eastern Afghanistan. Dr. Kamali is a Diplomate of the American Board of Internal Medicine.

Dr. Kamali is an associate clinical professor at the University of California, Davis, School of Medicine, in Sacramento, California. He did his postgraduate training in England and has a full registration with the British General Medical Council. He is a Fellow of the American College of Physicians and an Associate Fellow of American College of Cardiology.

**Yvonne Sansone – Vice President/Business Development**

Ms. Sansone has extensive entrepreneurial and business experience. She completed her education in Behavior Science at Cal Poly, Pomona, California, where she minored in Business. She has over 12 years of experience in commercial and residential real estate. Sansone has lived in many locations around the world and has been involved in various projects, social work, and humanitarian work. She has done volunteer work with the American Cancer Society, and has extensive retail experience for twenty years including owning and managing of 3 stores.

**Matt Heindel- VicePresident/Business Development**

Mr. Heindel spent nearly 30 years in the medical industry emphasizing the commercialization of Women's Health technologies. In 2005, Mr. Heindel was one of the early employees of NeoMatrix and was instrumental in the development of HALO, a breast cancer risk assessment tool which significantly improved the health of cancer patients while simultaneously minimizing the financial burden of the disease. Mr. Heindel's role at the start-up company ranged from selling the first units, creating the marketing launch plans to becoming the clinical expert for the company. Mr. Heindel was directly involved in guiding the company to revenue generation of over \$1M with over 200 devices in use including sales in several key international markets. In 2009, Mr. Heindel was key in recruiting Breast Surgeons who are key industry opinion leaders and commencing clinical data gathering necessary for cost reimbursement. In 2007 Mr. Heindel became the company's Chief Operating Officer responsible for sales, marketing, manufacturing, RA/QA and clinical programs.

Prior to NeoMatrix, Mr. Heindel was a minority owner and Vice President of Sales and Marketing for Prism Enterprises, a company whose primary products serviced the ob-gyn market. By rebuilding the company's sales and marketing division with key personnel upgrades and by making strategic acquisitions in 2002, the new owners took Prism Enterprises from a bankrupt company to an acquisition target of Cooper Surgical to whom it was sold for a significant return in 2003.

Mr. Heindel began his medical career with McGaw, Inc. an intravenous solutions and device company. During his 16 year career at McGaw, Inc. Mr. Heindel progressed from a sales representative to Vice President of International Sales when the company was acquired by B. Braun in 1998. While at McGaw, Inc. Mr. Heindel spent two years in the Middle East where his passion for International Markets emerged. Mr. Heindel has also served as Senior Vice-President of Worldwide Sales and Marketing for Quidel, a rapid diagnostics company focusing in the field of Women's Health.

Mr. Heindel brings a unique combination of skills and experience in domestic and international marketing of capital and disposable products within the medical field. His many years in the medical industry has afforded him a vast array of key distributors and relationships with domestic and international sales representatives as well as access to the medical industries key thought leaders. Mr. Heindel is dedicating his part time efforts to the Company until such time as the Company receives funding.

**Rachel Boulds – Chief Financial Officer**

From August 2009 to the present, Ms. Boulds has been engaged in her sole accounting practice, preparing full disclosure financial statements for public companies to comply with GAAP and SEC requirements. Since February 3, 2012, she has served as CFO of Independent Film Development Corporation. From August 2004 through July 2009, she was employed as an Audit Senior for HJ& Associates, LLC, where she performed audits and reviews for public and private companies, prepared financial statements to comply with GAAP and SEC requirements, performed analytical procedures and substantive testing for all financial statement accounts, researched, resolved and communicated technical accounting issues, and formulated management recommendations for process and internal control improvements. From 2003 through 2004, Ms. Boulds was employed as Audit Senior for Mohler, Nixon and Williams, planning and performing audits, reviews and compilations, preparing form 550 for filing with the Dept. of Labor, reviewing policies and operating procedures of a company's benefit plan to recommend improvement of operations and insure compliance with the Department of Labor's rules and regulations, prepared financial statements to comply with reporting and disclosure requirements under ERISA, performed analytical procedures and substantive testing for all financial statement accounts, researched, resolved and communicated technical accounting issues, formulated management recommendations for process and internal control improvements, worked closely with third party administrators to coordinate the receipt of necessary information in order to perform audits in a timely manner and meet filing deadlines, and supervised and trained new staff. From September 2001 through July 2003, Ms. Boulds worked as an ABAS Associate for PriceWaterhouseCoopers, providing auditing services to public and private companies, performing analysis and substantive testing on balance sheets and income and expense statement components, reviewed client's revenue recognition policies to see that they were in compliance with relevant accounting standards, reviewed and documented clients' internal control policies and procedures and made recommendations for improvements, supervised and coached new associates, assisted in preparing full disclosure financial statements, provided clients with adjusting journal entries and recommendations to improve procedures, and worked with clients to maximize engagement efficiency and meet reporting deadlines. From April 2000 through February 2001, she was employed as an eCommerce Accountant for the Walt Disney Group's GO.com.

**Item 5. Legal Proceedings.**

None.

**Item 6. Defaults upon senior securities.**

None.

**Item 7. Other Information.**

None.

**Item 8. Exhibits.**

See attached financial statements.

I, Kevin Buckman, certify that:

1. I have reviewed this quarterly report of Viratech Corp.;

2. Based on my knowledge, this disclosure statement does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this disclosure statement; and
3. Based on my knowledge, the financial statements, and other financial information included or incorporated by reference in this disclosure statement fairly present in all material respects the financial condition, results of operation and cash flows of the issuer as of, and for, the periods presented in this disclosure statement.

Date: May 14, 2013

/s/ Kevin Buckman

Kevin Buckman, Executive Officer

**VIRATECH CORP.**  
**INDEX TO CONSOLIDATED FINANCIAL STATEMENTS**  
**(UNAUDITED)**

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**Viratech Corp.**  
**Consolidated Balance Sheets**  
**(unaudited)**

	<u>March 31, 2013</u>	<u>December 31, 2012</u>
<b><u>ASSETS</u></b>		
Current Assets:		
Cash	\$ 44,634	\$ 61,584
Total Current Assets	44,634	61,584



Goodwill	6,235,000	-
Intellectual property	169,000	169,000
Total Assets	\$ <u>6,448,634</u>	\$ <u>230,584</u>

**LIABILITIES AND STOCKHOLDERS' EQUITY**  
**(DEFICIT)**

Current Liabilities:

Accounts payable	\$ 100,000	\$ 100,000
Notes payable	200,000	200,000
Total Liabilities	<u>300,000</u>	<u>300,000</u>

Stockholders' Equity (Deficit):

Preferred Series A, \$.0001 par value, 5,000,000 shares authorized, 10 shares issued and outstanding	-	-
Preferred Series B, \$.0001 par value, 5,000,000 shares authorized, 3,882,500 shares issued and outstanding	388	388
Common stock, \$.0001 par value, 2,000,000,000 shares authorized 751,989,550 and 726,830,550 issued and outstanding, respectively	75,199	72,683
Stock subscription receivable	-	(2,500)
Additional paid in capital	8,093,138	1,577,254
Deficit accumulated during the development stage	<u>(2,020,091)</u>	<u>(1,717,241)</u>
Total Stockholders' Equity (Deficit)	<u>6,148,634</u>	<u>(69,416)</u>
Total Liabilities and Stockholders' Equity	\$ <u>6,448,634</u>	\$ <u>230,584</u>

The accompanying notes are an integral part of these unaudited consolidated financial statements.

**Viratech Corp.**  
**Consolidated Statements of Operations**  
**(unaudited)**

For the Three Months Ended March 31,	
2013	2012

Revenue	\$	-	\$	-
Operating Expenses:				
Professional fees		12,001		4,225
Website development		20,572		9,284
Officer compensation		8,000		-
General and administrative		262,277		14,723
Total operating expenses		302,850		28,232
Loss from operations		(302,850)		(28,232)
Net Loss	\$	(302,850)	\$	(28,232)
Net loss per share	\$	(0.00)	\$	(0.00)
Weighted average shares		744,700,761		721,114,683

The accompanying notes are an integral part of these unaudited consolidated financial statements.

**Viratech Corp.**  
**Consolidated Statements of Cash Flows**  
**(unaudited)**

	For the Three Months Ended March 31,	
	2013	2012
Cash flows from operating activities:		
Net loss	\$ (302,850)	\$ (28,231)
Adjustments to reconcile net loss to total cash used in operations:		
Common stock issued for services	5,000	-
Common stock issued for lock up	195,900	-
Changes in assets and liabilities:		
Net cash used in operating activities	(101,950)	(28,231)
Cash flows from investing activities:	-	-
Cash flows from financing activities:		
Proceeds from the sale of common stock	85,000	30,000
Net cash provided by financing activities	85,000	30,000
Net increase (decrease) in cash	(16,950)	1,769
Cash at beginning of period	61,584	2,831
Cash at end of period	\$ 44,634	\$ 4,600
Cash paid for:		
Interest	\$ -	\$ -
Taxes	\$ -	\$ -

The accompanying notes are an integral part of these unaudited consolidated financial statements.

**Viratech Corp.**  
**Statement of Stockholders' Equity**  
**(unaudited)**

	Common Stock		Preferred Stock		Additional paid in capital	Stock subscription receivable	Deficit accumulated during the development stage	Total
	Shares	Amount	Shares	Amount				
Balance at December 31, 2010	1,685,341	\$ 169	10	\$ -	\$ 3,727,181	\$ -	\$ (806,334)	\$ 2,921,016
Common stock issued in 2011	3,396,009	339	-	-	34,749	-	-	35,088
Contributed capital	-	-	-	-	22,400	-	-	22,400
Share Exchange Agreement	38,250,000	3,825	382,500	38	(3,863)	-	-	-
Adjustment for disposition of intangible assets	-	-	-	-	(3,465,337)	-	-	(3,465,337)
Forgiveness of debt	-	-	-	-	877,365	-	-	877,365
Common stock issued for debt	75,000,000	7,500	-	-	67,500	-	-	75,000
Shares issued for intellectual property	600,000,000	60,000	3,500,000	350	139,650	-	-	200,000
Net loss for the year ended December 31, 2011	-	-	-	-	-	-	(69,769)	(69,769)
Balance at December 31, 2011	718,331,350	71,833	3,882,510	388	1,399,645	-	(876,103)	595,763
Common stock issued for services	50,000	5	-	-	16,495	-	-	16,500
Common stock issued for cash	8,449,200	845	-	-	161,114	(2,500)	-	159,459
Net loss for the year ended December 31, 2012	-	-	-	-	-	-	(841,138)	(841,138)
Balance at December 31, 2012	726,830,550	72,683	3,882,510	\$ 388	\$ 1,577,254	\$ (2,500)	\$ (1,717,241)	\$ (69,416)
Common stock issued for services	50,000	5	-	-	4,995	-	-	5,000
Common stock issued for cash	1,650,000	165	-	-	82,335	2,500	-	85,000
Common stock issued for acquisition	21,500,000	2,150	-	-	6,232,850	-	-	6,235,000
Common stock issued for lock up agreements	1,959,000	196	-	-	195,704	-	-	195,900
Net loss for the period ended March 31, 2013	-	-	-	-	-	-	(302,850)	(302,850)
Balance at March 31, 2013	<u>751,989,550</u>	<u>\$ 75,199</u>	<u>3,882,510</u>	<u>\$ 388</u>	<u>\$ 8,093,138</u>	<u>-</u>	<u>\$ (2,020,091)</u>	<u>\$ 6,148,634</u>

The accompanying notes are an integral part of these unaudited consolidated financial statements.

**Viratech Corp.**  
**Notes to Unaudited Consolidated Financial Statements**  
**March 31, 2013**  
**(unaudited)**

**NOTE 1 - ORGANIZATION AND DESCRIPTION OF BUSINESS**

Viratech Corp., formerly known as Imperia Entertainment, Soleil Film and Television, Inc. Ameridream Entertainment, Inc. and Mc Smoothie's, Inc. (the Company) was incorporated under the laws of the state of California as Acquisition Solutions on March 21, 2000. It has acquired an extensive library of intellectual property focused on cancer prevention, detection and treatment and runs a social networking website focused on cancer research.

**NOTE 2 – PREPARATION OF FINANCIAL STATEMENTS**

The Company's unaudited consolidated financial statements have been prepared in accordance with accounting principles generally accepted in the United States of America ("U.S. GAAP"). The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates. These financial statements should be read in conjunction with the unaudited financial statements and footnotes for the year ended December 31, 2012. The results of the three months ended March 31, 2013 are not necessarily indicative of the results to be expected for the full year ending December 31, 2013.

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Management further acknowledges that it is solely responsible for adopting sound accounting practices, establishing and maintaining a system of internal accounting control and preventing and detecting fraud. The Company's system of accounting internal control is designed to assure, among other items, that 1) recorded transactions are valid; 2) valid transactions are recorded; and 3) transactions are recorded in the proper period in a timely manner to produce financial statements which present fairly the financial condition, results of operations and cash flows of the Company for the respective periods being presented.

The Company is in the development stage as defined under Statement on Financial Accounting Standards Accounting Standards Codification FASB ASC 915-205 "Development-Stage Entities."

**NOTE 3 - SIGNIFICANT ACCOUNTING POLICIES**

*A. Cash and Cash Equivalents*

The Company considers all cash on hand and in banks, including accounts in book overdraft positions, certificates of deposit and other highly- liquid investments with maturities of three months or less, when purchased, to be cash and cash equivalents.

*B. Concentration of Credit Risk*

Financial instruments, which potentially subject the Company to concentration of credit risk, consist of cash deposits. The Company maintains cash with various major financial institutions. The Company performs periodic evaluations of the relative credit standing of these institutions. To reduce risk, the Company performs credit evaluations of its customers and maintains reserves for potential credit losses.

### *C. Principles of Consolidation*

The consolidated financial statements include the accounts of Viratech Corp and its subsidiary Cancer.im. All intercompany transactions are eliminated in consolidation.

### *D. Goodwill and other indefinite-lived intangibles*

The Company records the excess of purchase price over the fair value of the identifiable net assets acquired as goodwill and other indefinite-lived intangibles. The FASB standard on goodwill and other intangible assets, prescribes a two-step process for impairment testing of goodwill and indefinite-lived intangibles, which is performed annually, as well as when an event triggering impairment may have occurred. The first step tests for impairment, while the second step, if necessary, measures the impairment.

### *E. Property and Equipment*

Property and equipment are recorded at cost. Expenditures that increase the useful lives or capacities of the property and equipment are capitalized. Expenditures for repairs and maintenance are charged to expense as incurred.

### *F. Stock Based Compensation*

We follow ASC 718-10, "Stock Compensation", which addresses the accounting for transactions in which an entity exchanges its equity instruments for goods or services, with a primary focus on transactions in which an entity obtains employee services in share-based payment transactions. ASC 718-10 requires measurement of the cost of employee services received in exchange for an award of equity instruments based on the grant-date fair value of the award (with limited exceptions). Incremental compensation costs arising from subsequent modifications of awards after the grant date must be recognized. The Company has not adopted a stock option plan and has not granted any stock options. The Company granted stock awards, at market value, to its advisors for services rendered. Accordingly, stock-based compensation has been recorded to date.

### *G. Income Taxes*

Income taxes are provided in accordance with Codifications topic 740, "Income Taxes", which requires an asset and liability approach for the financial accounting and reporting of income taxes. Current income tax expense (benefit) is the amount of income taxes expected to be payable (receivable) for the current year. A deferred tax asset and/or liability is computed for both the expected future impact of differences between the financial statement and tax bases of assets and liabilities and for the expected future tax benefit to be derived from tax loss and tax credit carry forwards. Deferred income tax expense is generally the net change during the year in the deferred income tax asset and liability. Valuation allowances are established when necessary to reduce deferred tax assets to the amount expected to be "more likely than not" realized in future tax returns. Tax rate changes and changes in tax law are reflected in income in the period such changes are enacted

### *H. Earnings (Loss) Per Share*

Per Accounting Standards Codification Topic 260 "Earnings Per Share" (ASC 260), basic earnings (loss) per share are computed by dividing the net income (loss) by the weighted-average number of shares of common stock and common stock equivalents (primarily outstanding options and warrants). Common stock equivalents represent the dilutive effect of the assumed exercise of the outstanding stock options and warrants, using the treasury stock method. The calculation of fully diluted earnings (loss) per share assumes the dilutive effect of the exercise of outstanding options and warrants at either the beginning of the respective period presented or the date of issuance, whichever is later. As of the balance sheet dates the Company had no outstanding warrants.

### *I. Use of Estimates*

The preparation of financial statements in conformity with accounting principles generally accepted in the United States ("GAAP") requires management to make estimates and assumptions that affect (i) the reported amounts of assets and liabilities, (ii) the disclosure of contingent assets and liabilities known to exist as of the date the financial

statements are published, and (iii) the reported amount of net sales and expenses recognized during the periods presented. Adjustments made with respect to the use of estimates often relate to improved information not previously available. Uncertainties with respect to such estimates and assumptions are inherent in the preparation of financial statements; accordingly, actual results could differ from these estimates.

These estimates and assumptions also affect the reported amounts of revenues, costs and expenses during the reporting period. Management evaluates these estimates and assumptions on a regular basis. Actual results could differ from those estimates.

#### *J. Fair Value of Financial Instruments*

The carrying amount of cash, accounts receivable, accounts payable, accrued liabilities and notes payable, as applicable, approximates fair value due to the short-term nature of these items. The fair value of the related party notes payable cannot be determined because of the Company's affiliation with the parties with whom the agreements exist. The use of different assumptions or methodologies may have a material effect on the estimates of fair values.

ASC Topic 820, "Fair Value Measurements and Disclosures," requires disclosure of the fair value of financial instruments held by the Company. ASC Topic 825, "Financial Instruments," defines fair value, and establishes a three-level valuation hierarchy for disclosures of fair value measurement that enhances disclosure requirements for fair value measures. The carrying amounts reported in the balance sheets for assets and current liabilities each qualify as financial instruments and are a reasonable estimate of their fair values because of the short period of time between the origination of such instruments and their expected realization and their current market rate of interest. The three levels of valuation hierarchy are defined as follows:

- Level 1: Observable inputs such as quoted prices in active markets;
- Level 2: Inputs, other than the quoted prices in active markets, that are observable either directly or indirectly; and
- Level 3: Unobservable inputs in which there is little or no market data, which require the reporting entity to develop its own assumptions.

The Company analyzes all financial instruments with features of both liabilities and equity under ASC 480, "Distinguishing Liabilities from Equity," and ASC 815.

The following table represents our assets and liabilities by level measured at fair value on a recurring basis at March 31, 2013 and December 31, 2012.

Description	Level 1	Level 2	Level 3
	none	none	none

#### **NOTE 3 - RECENT ACCOUNTING PRONOUNCEMENTS**

In October 2012, the Financial Accounting Standards Board (FASB) issued Accounting Standards Update (ASU) 2012-04, "Technical Corrections and Improvements" in Accounting Standards Update No. 2012-04. The amendments in this update cover a wide range of Topics in the Accounting Standards Codification. These amendments include technical corrections and improvements to the Accounting Standards Codification and conforming amendments related to fair value measurements. The amendments in this update will be effective for fiscal periods beginning after December 15, 2012. The adoption of ASU 2012-04 is not expected to have a material impact on our financial position or results of operations.

In August 2012, the FASB issued ASU 2012-03, "Technical Amendments and Corrections to SEC Sections: Amendments to SEC Paragraphs Pursuant to SEC Staff Accounting Bulletin (SAB) No. 114, Technical Amendments Pursuant to SEC Release No. 33-9250, and Corrections Related to FASB Accounting Standards Update 2010-22 (SEC Update)" in Accounting Standards Update No. 2012-03. This update amends various SEC paragraphs pursuant to the issuance of SAB No. 114. The adoption of ASU 2012-03 is not expected to have a material impact on our financial position or results of operations.

In July 2012, the FASB issued ASU 2012-02, "Intangibles -Goodwill and Other (Topic 350): Testing Indefinite-Lived Intangible Assets for Impairment" in Accounting Standards Update No. 2012-02. This update amends ASU 2011-08, Intangibles -Goodwill and Other (Topic 350): Testing Indefinite-Lived Intangible Assets for Impairment and permits an entity first to assess qualitative factors to determine whether it is more likely than not that an indefinite-lived intangible asset is impaired as a basis for determining whether it is necessary to perform the quantitative impairment test in accordance with Subtopic 350-30, Intangibles -Goodwill and Other -General Intangibles Other than Goodwill. The amendments are effective for annual and interim impairment tests performed for fiscal years beginning after September 15, 2012. Early adoption is permitted, including for annual and interim impairment tests performed as of a date before July 27, 2012, if a public entity's financial statements for the most recent annual or interim period have not yet been issued or, for nonpublic entities, have not yet been made available for issuance. The adoption of ASU 2012-02 is not expected to have a material impact on our financial position or results of operations.

The Company has implemented all new accounting pronouncements that are in effect. These pronouncements did not have any material impact on the financial statements unless otherwise disclosed, and the Company does not believe that there are any other new accounting pronouncements that have been issued that might have a material impact on its financial position or results of operations.

#### **NOTE 4 – IMPAIRMENT OF INTANGIBLE ASSETS**

Our new management has performed a thorough investigation of the assets and liabilities of the Company. As a result of this investigation, we have been unable to determine the appraised, depreciated value of the Company's film library. In addition, the Company determined that the value of its intellectual property had declined. As a result of these evolutions that Company has recorded a total loss on impairment as of December 31, 2012 of \$723,932.

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#### **NOTE 5 – COMMON STOCK TRANSACTIONS**

During the quarter ended March 31, 2013, the Company issued 1,650,000 shares of common stock for total cash proceeds of \$85,000.

During the quarter ended March 31, 2013, the Company issued 50,000 shares of common stock to its CFO for services. Shares were valued at \$0.10, the closing price on the date of grant, for total expense of \$5,000.

During the quarter ended March 31, 2013, the Company issued 1,959,000 shares of common stock to its shareholders per the terms of a lock up agreement in which the shareholders agreed not to transfer their ownership shares for a specified time period. All shares were valued at \$0.10, as determined by management.

During the quarter ended March 31, 2013, the Company issued 21,500,000 shares of common stock for its acquisition of Cancer.im. Shares were valued at \$0.29, the price on the day the merger was authorized.

During the year ended December 31, 2012, the Company issued 8,449,200 for total cash proceeds of \$161,959, \$2,500 of which was collected in January 2013.

#### **NOTE 6 – ACQUISITION AND GOODWILL**

On January 15, 2013, the Company finalized the acquisition merger of Cancer.im, Inc. in exchange for 21,500,000 shares of Viratech restricted common stock. Cancer.im, Inc. owns and operates <http://cancer.im>, the world's first experienced-based social network resource site for cancer patients, survivors, advocates, and volunteers. Because the Company has not yet obtained an independent third party fair valuation of the Cancer.im website, the sole asset acquired, the full value of the issued stock of \$6,235,000 has been recorded as goodwill.

#### **NOTE 7 - RELATED PARTY TRANSACTION**



During the quarter ended March 31, 2013, the Company issued 50,000 shares of common stock to its CFO for services. Shares were valued at \$0.10, the closing price on the date of grant, for total expense of \$5,000.

On December 18, 2012, the Company issued 50,000 shares of common stock to its newly appointed VP of Business Development. The shares were valued at \$0.33, the closing market price of the stock on the day of grant, for a total expense of \$16,500.

#### **NOTE 8 - SUBSEQUENT EVENTS**

The Company has performed an evaluation of subsequent events in accordance with ASC Topic 855. The Company is not aware of any subsequent events which would require recognition or disclosure in the financial statements.