

***PHARMSTAR PHARMACEUTICALS,  
INC.***

QUARTERLY REPORT  
FOR THE QUARTER ENDED MARCH 31, 2011

**Item 1. THE EXACT NAME OF ISSUER AND ADDRESS OF ITS PRINCIPAL OFFICES:**

**PHARMSTAR PHARMACEUTICALS, INC.**

(a Delaware Corporation)  
3791 North Wesleyan Boulevard  
Rocky Mount, North Carolina 27804  
Phone: (919) 794-7000 Fax: (919) 794-7003

**Item 2. SHARES OUTSTANDING:**

998,879,352 shares issued and outstanding

**Item 3. INTERIM FINANCIAL STATEMENTS:**

**The interim Financial Statements are attached at the end of the report.**

**Item 4. MANAGEMENT'S DISCUSSION AND ANALYSIS OR PLAN OF OPERATION:**

**A. Plan of Operation**

Market conditions favoring the new field of Pain Management are now assuming an expansive dimension of therapeutic and commercial opportunity, and PharmStar's AQUAPRIN is primed to assume a position of market leadership. It is especially noted that other major analgesic products are introducing liquid versions of their pain relievers. Liquid versions are beginning to take hold, which is especially good for AQUAPRIN, since it is in liquid form, although much more effective and competitive. Indeed, AQUAPRIN, uniquely fast acting and safer to the stomach, exhibits many important pharmacological, and commercial advantages over all other aspirin products including, especially, aspirin itself. Rapid market penetration is expected owing to AQUAPRIN's unique selling proposition. AQUAPRIN is also superior in effectiveness than any other OTC pain reliever. In the US, no oral competing products exist, in terms of potency, rapid onset of action, and gastric tolerance. Neither does any competing product exist that can deliver a comparably high percentage of un-degraded salicylates per analgesic or cardio protective dose.

1. It will, for this reason, be strategically launched in such target sectors as AARP, hospitals and nursing home pharmacies, and by direct marketing, with detail samples and technical data, to medical professionals, as well as via special "2-for-1" buying incentives for distributors. Internet banners, infomercials, and consumer hot-lines will likewise be deployed after the initial 6 months, as will dedicated e-commerce, permitting direct purchase of AQUAPRIN from the Company. A special information and product campaign will be aimed toward emergency medical service organizations.
2. The Company recognizes the difficulty for a new product to secure prominent shelf space in drugstores. Its strategy will, therefore, depend on vigorous sales promotion and highly visible point-of-purchase displays at high-traffic consumer corridors. The company feels that the product is so superior to all other OTC pain relievers, that once tried with free samples, the public will demand the product. Also, local-media coupons and direct marketing will be creatively deployed by the Company to get its products distributed. The Company will also attempt to make a strategic alliance with a major pharmaceutical manufacturer and/or a pharmaceutical distribution company.
3. The Company's strategic marketing plan includes English/Spanish promotional, packaging and medicinal insert formats. Overall Hispanic growth demographics show manifold increases in every quadrant of this population sector over the past 3 decades. AQUAPRIN's bilingual debut also translates into easier brand-recognition and penetration of Mexican, Central and South American markets as soon as practicable, and without having to revamp or redesign product packaging or advertising.
4. Once The Company's brand name is established in the market, the public is expected to express its awareness of AQUAPRIN's benefits by seeking out and purchasing the

product on its own initiative. Since there exists no alternative sodium-free soluble analgesic product, AQUAPRIN should enjoy a market dominance.

5. A prescription dose form will be marketed through doctors.

### **Corporate Funding and Direction**

#### Phase One

Raise \$2,800.000 million dollars, which will accomplish the following:

#### Use of Proceeds (Phase One)

1. Complete construction of R&D laboratory and Pilot production facilities.
2. Provide laboratory and pilot production equipment.
3. Scale up to pilot production capacity.
4. Register Facility and products with the FDA
5. Validate processes & equipment.
6. Do 90 day stabilities to get 2 year dating.
7. Write "Standard Operating Procedures".
8. Expand laboratory area to be able to develop follow on products and line extensions.
9. Establish the manufacture, marketing, and sale of AQUAPRIN in limited quantities with phase 1 funding. Thoroughly engage its professional marketing team to get AQUAPRIN into distribution channels and in to drugstore shelves, hospitals, nursing homes, and into the prescription drug markets and or make licensing and distribution agreements as soon as possible.
10. Continue to develop advanced formulations, improvements and line extensions
11. Complete development of the Insta-Prin Emergency administration technology.
12. Develop several line extension of AQUAPRIN , such as: AQUAPRIN Cough & Cold, AQUAPRIN Cold & Flu, AQUAPRIN Menstrual Pain. AQUAPRIN Migraine Pain.
13. Conduct clinical claim trials to make specific claims for the product.

#### Phase Two

Raise \$3,600.000 million dollars, which will accomplish the following:

#### Use of Proceeds (Phase Two)

- Initiate full scale clinical studies in order to meet FDA and FTC requirements to make claims of "fastest acting, Safest, and most effective" analgesic on the market.
  - Make leasehold improvements to a physical plant.
  - Establish full-scale production capability with phase 2 funding.
  - Continue to develop advanced formulations, improvements and line extensions.
  - Thoroughly engage its professional marketing team to get AQUAPRIN into retail distribution channels and in to drugstore shelves, hospitals, nursing homes, and into the prescription markets and or make licensing and distribution agreements as soon as possible.
  - Complete development of the Insta-Prin emergency administration technology.
  - Develop several line extension of AQUAPRIN, such as: AQUAPRIN Cough & Cold, AQUAPRIN Cold & Flu, AQUAPRIN Menstrual Pain, AQUAPRIN Migraine Pain.
- License distribution for European and Asian markets.

**B. N/A**

### **C. OFF-BALANCE SHEET ARRANGEMENTS**

None

### **Item 5. LEGAL PROCEEDINGS:**

None.

**Item 6. DEFAULTS UPON SENIOR SECURITIES:**

None

**Item 7. OTHER INFORMATION:**

There is no additional information

**Item 8. EXHIBITS**

None

**Item 9. CERTIFICATIONS:**

I, Howard Phykitt, certify that:

1. I have reviewed this Quarterly disclosure statement of Pharmstar Pharmaceuticals, Inc;
2. Based on my knowledge, this report 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 report; and
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the issuer as of, and for, the periods in this disclosure statement.

Date: April 28, 2011

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/s/: Howard Phykitt

**PHARMSTAR PHARMACEUTICALS, INC.**

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**PHARMSTAR PHARMACEUTICALS, INC.**  
**CONSOLIDATED BALANCE SHEETS (Unaudited)**

	March 31, 2011	December 31, 2010
	(Unaudited)	(Unaudited)
<b>ASSETS</b>		
<b>BB &amp; T</b>	2,591	2,591
<b>Accounts Receivable</b>	-	7,075
<b>Prepaid Operating Expense</b>	19,010	19,010
<b>Prepaid Rent</b>	96,000	128,000
<b>Prepaid Legal Fees</b>	36,248	29,466
<b>Raw Materials</b>	-	422
<b>Total Current Assets</b>	<b>153,850</b>	<b>186,564</b>
<b>Plant &amp; Equipment</b>	86,609	86,587
<b>Leasehold Improvements</b>	6,948	6,947
<b>Less: Accumulated Depreciation</b>	(16,781)	(11,148)
<b>Total Plant &amp; Equipment</b>	<b>76,777</b>	<b>82,386</b>
<b>Intellectual Property &amp; Patents</b>	104,549	93,068
<b>Reorganization Costs</b>	161,000	-
<b>Research &amp; Development of Patents</b>	13,000,000	13,000,000
<b>Total Research &amp; Development</b>	<b>13,265,549</b>	<b>13,093,068</b>
<b>Deferred Tax Assets</b>	15,765,119	17,897,058
<b>Deferred Tax Benefit</b>	2,357,267	-
<b>Enumerated items</b>	163,627	35,336
<b>Total Other Assets</b>	<b>18,286,013</b>	<b>17,932,394</b>
<b>Total Assets</b>	<b>31,782,189</b>	<b>31,294,412</b>
<b>LIABILITIES</b>		
<b>Accounts payable</b>	-	106,454
<b>Notes payable</b>	-	11,700
<b>Notes payable to related parti</b>	-	929,787
<b>Related Party Advances</b>	-	1,825,346
<b>Legal Fees payable</b>	-	17,000
<b>Licenses Deposit Pharma Cap</b>	50,000	50,000
<b>Total Liabilities</b>	<b>50,000</b>	<b>2,940,287</b>
<b>STOCKHOLDER'S EQUITY</b>		
<b>Common Shares</b>	25,784,465	2,884,383
<b>Preferred Shares, Series A</b>	100,000	231,000
<b>Preferred Shares, Series C</b>	716,958	89,693
<b>Paid-in-Capital</b>	2,844,281	25,181,799
<b>Retained Earnings</b>	(17,727)	(15,022)
<b>Deferred Tax Expense Credit</b>	2,357,267	-
<b>Net Income</b>	(53,055)	(17,727)
<b>Total Stockholders Equity</b>	<b>31,732,189</b>	<b>28,354,125</b>
<b>Total Liabilities &amp; Stockholders Equity</b>	<b>31,782,189</b>	<b>31,294,412</b>

See accompanying notes to consolidated financial statements

**PHARMSTAR PHARMACEUTICALS, INC.**  
**STATEMENTS OF OPERATIONS (Unaudited)**

	<b>March 31,</b>	<b>December 31,</b>
	<b>2011</b>	<b>2010</b>
	<hr/>	<hr/>
<b>Revenue</b>	\$-	\$-
<b>Cost of Goods Sold</b>	422	-
<b>Gross Profit</b>	(422)	-
<b>Expense</b>		
<b>Corp. Registration Fees</b>	416	181
<b>Meetings and Meals</b>	742	323
<b>Taxes and Licenses</b>	138	60
<b>Automobile Expense</b>	260	113
<b>Bank Service Charges</b>	236	103
<b>Depreciation Expense</b>	5,199	9,411
<b>Office Supplies</b>	689	1,892
<b>Rents</b>	32,000	-
<b>Repairs and Maintenance</b>	434	1,786
<b>Small Lab Equipment</b>	4,346	300
<b>Telephone Expense</b>	3,315	1,443
<b>Travel Expense</b>	4,859	2,116
<b>Total Expense</b>	52,633	17,727
<b>Net Income from Operations</b>	(53,055)	(17,727)
<b>Discontinued Operations:</b>		
<b>Loss on Investments</b>	-	(352,682)
<b>Gain on Write-offs</b>	-	227,163
<b>Expenses</b>	-	1,922,904
<b>Net Losses from the Discontinued Operations</b>	-	(2,048,423)
<b>Net Income</b>	(53,055)	(2,066,150)

See accompanying notes to consolidated financial statements

**PHARMSTAR PHARMACEUTICALS, INC..**  
**CONSOLIDATED STATEMENTS OF STOCKHOLDERS' EQUITY**  
(Unaudited)

	Common Stock (Shares)	Common Stock (\$)	Additional Paid-in Capital	Retained Earnings	Total Stockholders' Equity
Balance at September 30, 2008	63,673,626	63,674	13,004,773	(18,045,671)	(4,997,224)
Net income				2,194,236	2,194,236
Balance September 30, 2009	63,673,626	63,674	13,004,773	(15,851,435)	(2,782,988)
par value change to \$.01		573,062	(573,062)	-	-
Net loss	-	-	-	(362,675)	(362,675)
Balance at December 31, 2009	63,673,626	636,736	12,431,711	(16,214,110)	(3,145,663)
Shares issued in debt conversion	29,333,000	293,330	(192,331)	-	(100,999)
Shares issued for services	149,600,000	1,496,000	(935,000)	-	561,000
Shares issued for services	(20,000,000)	(200,000)	200,000	-	-
Net loss	-	-	-	(847,639)	(847,639)
Balance at March 31, 2010	222,606,626	2,226,066	11,504,380	(17,061,749)	(3,533,301)
Shares issued in debt conversion	10,000,000	100,000	536,000	-	837,998
Net loss	-	-	-	(829,273)	(829,273)
Balance at June 30, 2010	232,606,626	2,326,066	12,040,380	(17,891,022)	(3,524,576)
Shares issued in debt conversion	4,140,000,000	41,400	194,300	-	235,700.00
Shares issued in services	-	-	-	-	-
par value change to \$.00001	-	(2,323,740)	2,323,740	-	-
Net loss	-	-	-	(8,836)	(8,836)
Balance at September 30, 2010	4,372,606,626	43,726	\$14,558,420	(17,899,858)	(3,297,712)
Shares issued in debt conversion	18,700,000,000	187,000	(52,881.00)	-	134,119
Reverse stock split 1/2500	9,229,043	-	-	-	-
Shares issued for d\c at \$.025 par	15,077,052	376,926			376,926
Shares retired	(1,879,651)	\$ (47,009)			(47,009)
Net loss				(32,536)	(32,536)
Balance at December 31, 2010	22,426,444	\$ 560,643	14,505,539	(17,932,394)	(2,866,212)
Interest Expense	2,570	64	-	(64)	-
Shares issued in debt conversion	32,500,000	812,500	(812,500.00)	459,409	459,409
Investment in Sub	805,000,000	20,125,000	-	-	20,125,000
Professional Services	171,450,338	4,286,258	(10,848,758)	-	(6,562,500)
Balance at March 31, 2011	998,879,352	25,784,466	2,844,281	(17,473,049)	11,155,697

See accompanying notes to consolidated financial statements

**PHARMSTAR PHARMACEUTICALS, INC.**  
**CONSOLIDATED STATEMENTS OF CASH FLOWS**

(Indirect Method)	March 31,	December 31,
	2011	2010
<b>OPERATING ACTIVITIES</b>		
Net Income	(53,055)	(2,066,150)
Discontinued Operations	-	2,048,423
Depreciation	5,633	11,148
Accounts Receivable	7,075	(7,075)
Prepaid Operating Expenses	-	(19,010)
Common Shares for Services	43,190	(131,090)
Raw Materials	422	(422)
Prepaid Rent	32,000	(128,000)
Accounts payable	-	-
Notes payable	-	11,700
Legal Fees payable	(17,000)	17,000
<b>Net cash provided by Operating Activities</b>	<b>18,265</b>	<b>(263,477)</b>
<b>INVESTING ACTIVITIES</b>		
Leasehold Improvements	-	6,947.00
Plant and Equipment	-	86,588.00
Research & Development	-	122,533
Prepaid Intel Prop and Tech law	(1,200)	
Prepaid Legal Fees	(17,065)	
Intellectual Prop, Patents	-	
Reorganization Costs	-	-
<b>Net cash provided by Investing Activities</b>	<b>(18,265)</b>	<b>216,068</b>
<b>FINANCING ACTIVITIES</b>		
Licenses Deposit Pharma Cap	-	50,000
<b>Net cash provided by Financing Activities</b>	<b>-</b>	<b>50,000</b>
<b>Net cash increase for period</b>	<b>(0)</b>	<b>2,591</b>
Cash at beginning of period	2,591	-
<b>Cash at end of period</b>	<b>2,591</b>	<b>2,591</b>

See accompanying notes to consolidated financial statements

**PHARMSTAR PHARMACEUTICALS, INC.**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**

**NOTE 1 — ORGANIZATION AND MANAGEMENT'S PLANS**

***Organization***

Pharmstar Pharmaceuticals, Inc. ("Pharmstar" or "PHAR" or the "Company") was originally incorporated in the state of Colorado on April 9, 1998 under the name, World Wide Video, Inc. On May 12, 2003 the Company changed its name to Reva, Inc. In October of 2004 the Company changed domicile from Colorado to Delaware, and changed its name to Blue Wireless & Data, Inc. On September 2, 2009 the Company changed its name to Big Star Media Group, Inc. On March 11, 2011 the Company changed its name to Pharmstar Pharmaceuticals, Inc.

PharmStar Pharmaceuticals, Inc. is owner of 94% of an FDA approved combination product and patent pending formula for its proven method over the past ten years to professionally manufacture the over-the-counter medicine known as "Aquaprin," a non-toxic pain relief soluble product for humans that takes effect in less time than other over-the-counter pain relief products. By virtue of this acquisition the agreements were made for the Company's tradable interest for owning a partially established public company charter which will be helpful as a fund raising arm for the additional financial resources needed to place its patent in service by way of manufacturing and marketing the product.

**NOTE 2 — SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

***Basis of Presentation***

The accompanying consolidated financial statements and related notes have been prepared in accordance with accounting principles that are generally accepted in the United States of America ("US GAAP"). The consolidated financial statements include the accounts of the Company at March 31, 2010 and December 31, 2010, respectively. All pre-existing inter-company balances have been eliminated and particularly these financial statements are intended to present the accumulation of additional debts converted for the sole purpose of restructuring the Company and presenting the spin off and transfer of the net realizable value of assets and liabilities that was executed on February 28, 2011.

***Development Stage Company***

The Company is a development stage company as defined by the FASB Accounting Standards Code ("ASC") 915-10 "Development Stage Entities". The Company is now devoting substantially all of its efforts on establishing the manufacturing process, business and operations for its planned product known as "Aquaprin."

***Principles of Consolidation***

Pharmstar's consolidated financial statements include the accounts of Pharmstar Pharmaceuticals and its wholly and majority owned subsidiaries. All significant intercompany accounts and transactions have been eliminated in consolidation.

***Use of estimates***

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 as well as the reported amount of revenues and expenses during the reporting period. Actual results could differ from these estimates. Due to capitalizing the reorganization costs, interest expense, and consulting services there is no Profit and Loss Statement nor a Cash Flow Statement for the quarter then ended March 31, 2011.

***Fiscal year end***

The Company elected September 30, as its fiscal year ending date

***Revenue recognition***

The Company will follow ASC 605-10 "Revenue Recognition" to recognize revenue on an accrued basis as operations permit itself as a manufacturer in the pharmaceuticals industry. The Company shall recognize

revenue when it is earned and/or when it is assured collection of receivables are when all of the following criteria are met: (i) persuasive evidence of an arrangement exists, (ii) the product has been shipped and/or the services have been rendered, assured payment for its inventory held for sale is sold.

Income taxes

The Company accounts for income taxes under ASC 740-10 "Income Taxes". Deferred income tax benefits are measured as a current asset using an enacted tax rate of 15%, the lowest marginal tax rate this corporation will expect to pay when it reports net income in the future. The Deferred Tax Assets account has been reduced by the amount of the net realizable value attributable to the reverse merger or the spin-off of the remaining assets and liabilities less a pro rata share of its enumerated items, such as, interest expense as follows:

Other Current Assets:	Before	Spin-off	After
Deferred Tax Assets	18,202,343	2,487,224	15,715,119
Enacted Rate	15%	15%	15%
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Deferred Tax Benefits	2,730,351	373,084	2,357,268

**NOTE 3 — PROMISSORY NOTES**

All previous notes that survived the merger were converted to Series C preferred stock.

**NOTE 4 — RELATED PARTY ADVANCES**

None.

**NOTE 5 — COMMITMENTS AND CONTINGENCIES**

There are no outstanding commitments that exist with the Company as of March 31, 2011.

**NOTE 6 — STOCKHOLDERS' DEFICIT**

Common Stock

Effective March 31, 2010, the Company filed an Amendment to the Articles of Incorporation to decrease the authorized amount of shares to 1,000,184,342 having a par value of \$.025, and any stock issued subsequently to the reverse split as of October 18, 2010 was issued at that stated value. There are approximately 998,879,352 shares of common stock outstanding as of March 31, 2011.

{The Company's stock reverse split 1/2500 changed the par value to \$.025 in accordance with APB No. 43, and subsequently recorded an adjustment to stockholders equity to properly state the Company's previously issued shares at the new par value.}

Prior to the reverse merger on February 28, 2011 the Company converted \$353,965 worth of promissory notes and interest into 32,502,570 shares of common stock.

Effective February 28, 2011 the Company acquired 94% of Pharmstar Incorporated in exchange for 805,000,000 shares of its restricted common stock at the par value of \$0.025. Pharmstar Incorporated holds the intellectual property and various patent rights related to Aquaprin. Based on the value of the transaction, the imputed value of the intellectual property is \$20,125,000.00.

Preferred Stock

As of March 31, 2011, Mr. Howard Phykitt had acquired 100 shares of the Company's Series A Preferred Stock, which represents 100% of the issued and outstanding Series A preferred stock.

Effective March 15, 2011, the Company authorized the issuance of a Series C Preferred Stock, par value of \$0.025. Effective March 15, 2011 the Company converted all promissory notes owed to various parties into a total of 716,958 shares of the Company's Series C preferred stock, each share having a par value of \$0.025 and a face value of \$1.00. The Company carries the Series C preferred shares in the equity section of its balance sheet.