

**MENTOR CAPITAL, INC.**  
**BALANCE SHEET**  
**December 31, 2011**

**ASSETS**

**ASSETS**

CASH & CASH EQUIVALENTS	\$ 757
PREPAID TAXES	800
PREPAID EXPENSES	382,367
NOTE RECEIVABLE	1,080,000
INVESTMENT IN BIOTECH	9,716,728
FIXED ASSETS	13,717
OTHER ASSETS	<u>79,200</u>
 TOTAL ASSETS	 <b>\$ <u>11,273,569</u></b>

**LIABILITIES AND STOCKHOLDERS' EQUITY**

**LIABILITIES**

ACCOUNTS PAYABLE	14,441
LINE OF CREDIT	4,100
INVESTMENT PAYABLE	9,700,000
ACCRUED SALARY AND BENEFITS - RELATED PARTY	634,630
STATE INCOME TAXES PAYABLE	38,759
ACCRUED RETIREMENT AND OTHER BENEFITS - RELATED PARTY	413,754
 TOTAL LIABILITIES	 <u>10,805,684</u>

**STOCKHOLDERS' DEFICIT**

PREFERRED STOCK-NO PAR VALUE, 100,000,000 SHARES AUTHORIZED, NO SHARES ISSUED AND OUTSTANDING AT DECEMBER 31, 2011	
COMMON STOCK, NO PAR VALUE: 400,000,000 SHARES AUTHORIZED 2,188,296 AND 2,906,072 SHARES ISSUED AND OUTSTANDING AT DECEMBER 31, 2010 AND DECEMBER 31, 2011	
CAPITAL STOCK	\$ 1,313,895
NET INCOME	483,338
RETAINED EARNINGS	(1,329,348)
ACCUMULATED DEFICIT	<u>(846,010)</u>
 TOTAL STOCKHOLDERS' EQUITY	 <u>467,885</u>
 TOTAL LIABILITIES AND AND STOCKHOLDERS' EQUITY	 <b>\$ <u>11,273,569</u></b>

**MENTOR CAPITAL, INC.**  
**STATEMENT OF OPERATIONS**  
For the Year Ending December 31, 2011

<b>REVENUE</b>	
Administration Fees	415,963
Financing Revenue	258,679
Total revenue	<u>674,642</u>
<b>OPERATING EXPENSES</b>	
	238,837
Operating income	<u>435,805</u>
<b>OTHER EXPENSE (INCOME)</b>	
Interest income	(9,072)
Interest expense	3,441
Total other income	<u>5,631</u>
<b>INCOME FROM OPERATIONS</b>	441,436
GAIN/LOSS ON INVESTMENTS	80,661
<b>INCOME BEFORE TAX</b>	522,097
PROVISION STATE INCOME TAX	38,759
<b>NET INCOME</b>	<u>\$ 483,338</u>
Basic earnings per common share	<u>\$0.19</u>
Diluted earnings per common share	<u>\$0.17</u>
Weighted average shares - basic	<u>2,597,184</u>
Weighted average shares - diluted	<u>2,897,284</u>