

**MENTOR CAPITAL, INC.**  
**BALANCE SHEET**  
**December 31, 2010**

**ASSETS**

**ASSETS**

CASH & CASH EQUIVALENTS	\$ 52,203
ACCOUNTS RECEIVABLE	605,970
NOTE RECEIVABLE - RELATED PARTY	601,961
INVESTMENT IN SECURITIES	6,399
NOTE RECEIVABLE	39,500
INTEREST RECEIVABLE	18,565
INVESTMENT IN BIOTECH	78,757
FIXED ASSETS	13,717
OTHER ASSETS	400
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TOTAL ASSETS	<b>\$ <u>1,417,472</u></b>

**LIABILITIES AND STOCKHOLDERS' EQUITY**

**LIABILITIES**

ACCOUNTS PAYABLE	\$ 6,392
SHORT TERM DEBT	6,386
ACCRUED SALARY AND BENEFITS - RELATED PARTY	582,630
WARRANT REDEMPTION LIABILITY	489,643
ACCRUED RETIREMENT AND OTHER BENEFITS - RELATED PARTY	405,090
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TOTAL LIABILITIES	1,490,141

**STOCKHOLDERS' DEFICIT**

PREFERRED STOCK-NO PAR VALUE, 100,000,000 SHARES AUTHORIZED, NO SHARES ISSUED AND OUTSTANDING AT DECEMBER 31, 2010 COMMON STOCK, NO PAR VALUE: 400,000,000 \$ SHARES AUTHORIZED 1,236,270 AND 2,188,296 SHARES ISSUED AND OUTSTANDING AT DECEMBER 31 2009 AND DECEMBER 31, 2010	
CAPITAL STOCK	1,256,680
NET INCOME	(143,573)
RETAINED EARNINGS	(1,185,776)
ACCUMULATED DEFICIT	(1,329,349)
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TOTAL STOCKHOLDERS' EQUITY	(72,669)
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TOTAL LIABILITIES AND AND STOCKHOLDERS' EQUITY	<b>\$ <u>1,417,472</u></b>

**MENTOR CAPITAL, INC.**  
**STATEMENT OF OPERATIONS**  
For the Period Ending December 31, 2010

<b>REVENUE</b>		
Administration fees	\$	458,000
Total revenue		<u>458,000</u>
<b>OPERATING EXPENSES</b>		
		280,315
Operating income		<u>177,685</u>
<b>OTHER EXPENSE (INCOME)</b>		
Interest income		(8,600)
Interest expense		1,068
Total other income		<u>7,532</u>
<b>INCOME FROM OPERATIONS</b>		185,217
<b>GAIN/LOSS ON INVESTMENTS</b>		(328,790)
<b>NET INCOME</b>	\$	<u>(143,573)</u> \$
Basic earnings per common share		<u>\$(0.07)</u>
Weighted average shares - basic		<u>1,937,794</u>