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**SCHEDULE A: FINANCIAL INFORMATION**

**Azure Dynamics Corporation  
(A Development Stage Enterprise)  
Unaudited Interim Consolidated Financial Statements  
For the nine months ended September 30, 2003**

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**Azure Dynamics Corporation**  
**(A Development Stage Enterprise)**

**Consolidated Interim Balance Sheets**

As at	September 30 2003 (Unaudited)	December 31 2002 (Audited)	September 30 2002 (Unaudited)
<b>ASSETS</b>			
<b>Current</b>			
Cash and cash equivalents	\$ 1,320,724	\$ 1,030,594	\$ 1,047,703
Accounts receivable	155,499	28,253	37,336
Contributions receivable	-	264,455	276,481
Prepaid and other expenses	20,003	13,320	26,437
Deferred financing costs (Note 7)	182,029	-	-
	<u>1,678,255</u>	<u>1,336,622</u>	<u>1,387,957</u>
<b>Employee loans</b>	<b>107,799</b>	<b>259,214</b>	<b>259,214</b>
<b>Capital assets</b>	<b>184,665</b>	<b>276,036</b>	<b>323,669</b>
<b>Other assets</b>	<b>115,154</b>	<b>95,992</b>	<b>100,480</b>
	<u>\$ 2,085,873</u>	<u>\$ 1,967,864</u>	<u>\$ 2,071,320</u>

**LIABILITIES AND SHAREHOLDERS' EQUITY**

<b>Current</b>			
Accounts payable and accrued liabilities	\$ 753,653	\$ 347,313	\$ 273,325
Obligations under capital leases	-	9,796	13,142
Convertible debentures (Note 7)	2,070,772	-	-
	<u>2,824,425</u>	<u>357,109</u>	<u>286,467</u>
<b>Shareholders' equity</b>			
Share capital	11,850,125	11,788,905	11,197,971
Special warrants	90,000	90,000	-
Convertible debentures (Note 7)	177,500	-	-
Deficit	<u>(12,856,177)</u>	<u>(10,268,150)</u>	<u>(9,413,118)</u>
	<u>(738,552)</u>	<u>1,610,755</u>	<u>1,784,853</u>
	<u>\$ 2,085,873</u>	<u>\$ 1,967,864</u>	<u>\$ 2,071,320</u>

Approved on behalf of the Board:

"D. Campbell Deacon" Director

"Jean-René Marcoux" Director

**Azure Dynamics Corporation  
(A Development Stage Enterprise)**

**Unaudited Consolidated Interim Statements of Operations  
and Deficit**

	For the three months ended September 30		For the nine months ended September 30	
	2003	2002***	2003	2002***
<b>Revenue</b>				
Other income	\$ 9,540	\$ 11,799	\$ 23,390	\$ 44,783
<b>Expenses</b>				
Research and development, net*	694,316	419,141	1,034,438	1,573,927
Selling and marketing	138,521	176,433	432,285	628,265
General and administrative	237,078	376,805	774,946	1,334,132
Rent	53,606	59,905	167,442	343,895
Amortization of capital and other assets	43,923	53,047	130,081	136,403
Amortization of deferred financing costs	39,953	-	39,953	-
Accretion expense on convertible debentures	32,272	-	32,272	-
	1,239,669	1,085,331	2,611,417	4,016,622
<b>Net loss for the period before other items</b>	<b>(1,230,129)</b>	<b>(1,073,532)</b>	<b>(2,588,027)</b>	<b>(3,971,839)</b>
Lease termination	-	-	-	457,665
<b>Net loss for the period</b>	<b>(1,230,129)</b>	<b>(1,073,532)</b>	<b>(2,588,027)</b>	<b>(4,429,504)</b>
Deficit, beginning of period	(11,626,048)	(8,339,586)	(10,268,150)	(4,983,614)
<b>Deficit, end of period</b>	<b>\$ (12,856,177)</b>	<b>\$ (9,413,118)</b>	<b>\$ (12,856,177)</b>	<b>\$ (9,413,118)</b>
<b>Earnings per share **</b>	<b>\$ (0.03)</b>	<b>\$ (0.02)</b>	<b>\$ (0.06)</b>	<b>\$ (0.11)</b>
<b>Weighted average number of shares</b>	<b>45,044,375</b>	<b>43,555,999</b>	<b>45,024,998</b>	<b>40,431,527</b>

\* See Supplementary Information – page 10.

\*\* No fully diluted earnings per share have been disclosed, as these would be anti dilutive.

\*\*\* Certain comparative figures have been restated to conform with the current period presentation.

**Azure Dynamics Corporation**  
**(A Development Stage Enterprise)**

**Unaudited Consolidated Interim Statements of Cash Flows**

	For the three months ended September 30		For the nine months ended September 30	
	2003	2002	2003	2002
<b>Cash flows from operating activities</b>				
Operations				
Net loss for the period	\$ (1,230,129)	\$ (1,073,532)	\$ (2,588,027)	\$ (4,429,504)
Adjustment for:				
Amortization on capital and other assets	43,923	53,047	130,081	136,403
Lease termination	-	-	-	457,665
Shares issued in lieu of non-executive directors fees	6,250	-	18,750	-
Bad debt write-off (recovery)	(1,336)	-	450	-
Accretion expense on convertible debentures	32,272	-	32,272	-
Amortization of deferred financing costs	39,953	-	39,953	-
Changes in non-cash working capital items	(152,019)	179,359	(456,886)	(778,720)
	<b>(1,261,086)</b>	<b>(841,126)</b>	<b>(2,823,407)</b>	<b>(4,614,156)</b>
<b>Cash flows from financing activities</b>				
Issuance of common shares (net of costs)	36,220	2,933	36,220	5,196,053
Research and development sponsorship funds received	-	-	1,000,000	-
Convertible debentures funds received (net of costs)	1,994,019	-	1,994,019	-
Reduction in employee loans	150,966	-	150,966	14,287
Repayment of obligations under capital lease	(2,575)	(3,181)	(9,796)	(8,975)
	<b>2,178,630</b>	<b>(248)</b>	<b>3,171,409</b>	<b>5,201,365</b>
<b>Cash flows from investing activities</b>				
Acquisition of capital assets	(5,636)	(145)	(8,882)	(139,158)
Acquisition of intellectual properties	(24,158)	(7,026)	(48,990)	(52,773)
	<b>(29,794)</b>	<b>(7,171)</b>	<b>(57,872)</b>	<b>(191,931)</b>
<b>Increase (decrease) in cash and cash equivalents</b>	<b>887,750</b>	<b>(848,545)</b>	<b>290,130</b>	<b>395,278</b>
Cash and cash equivalents, beginning of period	432,974	1,896,248	1,030,594	652,425
<b>Cash and cash equivalents, end of period</b>	<b>\$ 1,320,724</b>	<b>\$ 1,047,703</b>	<b>\$ 1,320,724</b>	<b>\$ 1,047,703</b>

## **1. Nature of Operations and Basis of Presentation**

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Azure Dynamics Corporation (“the Company”) (“ADC”) (formerly Wild Horse Resources Ltd.) is incorporated under the laws of Alberta. The Company was party to a reverse takeover transaction (“RTO”) between ADC (the deemed acquiree) and Azure Dynamics Inc. (“ADI”) (the deemed acquirer), effective April 24, 2001. The corporate structure is currently that ADI is the wholly owned subsidiary of ADC. ADI is incorporated under the laws of Canada. On December 31, 2002, in order to harmonize its financial reporting requirements with internal operations and its industry sector, the reporting year-end for the consolidated entities was changed to December 31 from June 30.

The Company is a development stage enterprise, involved in developing adaptive hybrid electric vehicle control systems to be used in commercial vehicle applications. The Company has not yet determined the ultimate economic viability of the products under development. The Company is currently in the process of testing its control systems. All costs incurred to date have been recorded as research and development expense. No revenue has been generated from the sale of its products to date.

The consolidated financial statements have been prepared in accordance with Canadian generally accepted accounting principles on a going concern basis which presumes the realization of assets and discharge of liabilities in the normal course of business for the foreseeable future. There are several development stages to be completed before the marketability, if any, of the Company’s technology can be determined. While the Company has derived limited revenue from the performance of research and development projects for third parties, its ability to continue operations is uncertain and dependent upon the successful completion of technical development of the technology, obtaining additional financing and achieving profitable operations. The outcome of these matters cannot be predicted at this time. These consolidated financial statements do not include any adjustments to the amounts and liabilities that might be necessary should the Company be unable to continue in business. The unaudited interim consolidated financial statements and notes do not include all disclosures required for annual statements and should be read in conjunction with the audited financial statements for the six months ended December 31, 2002.

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## **2. Significant Accounting Policies**

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The unaudited interim consolidated financial statements of the Company have been prepared by management in accordance with generally accepted accounting principles in Canada. The accounting policies and methods of application used in preparation of these financial statements are consistent with the December 31, 2002 audited financial statements, unless noted otherwise.

### Stock-based compensation

Effective July 1, 2002 the Company adopted the recommendations in the Canadian Institute of Chartered Accountants handbook section 3870 – Stock-Based Compensation and Other Stock-Based Payments. This section requires that direct awards of stock, or plans that create liabilities based on the price of common stock, be measured at fair value at each reporting date, with the change in fair value reported in the statements of income and encourages, but does not require, the use of the fair value method for all other types of stock-based compensation plans.

The Company has a stock option plan (“the plan”) for employees and consultants of the Company which falls within the section 3870 definition of “other types of stock-based compensation plans”. Stock options issued to consultants are accounted for by determining the fair value of the option grant, at the date of the grant, and charging “compensation expense” to the income statement over the vesting period of the option with a corresponding credit to share capital.

As permitted by section 3870, the Company does not record compensation expense for employee share option grants but instead discloses the pro-forma impact of the amount of compensation expense on earnings and earnings per share in the notes to its financial statements. In both cases, the compensation expense amount is determined based on the fair value of the option as estimated using the Black-Scholes option pricing model.

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**2. Significant Accounting Policies – cont'd**

Debt instruments

On the issue of convertible debt instruments, the liability component and the equity component, as determined at initial recognition, are presented separately. The Company values the equity component of debt instruments using the 'residual value of equity component' method, whereby the liability component is valued first using the current market rates for comparable instruments, at the time of issuance, and the difference between the proceeds of the debt instrument issued and the fair value of the liability is assigned to the equity component. The liability element is subsequently reported at amortised cost. Accretion of the debt discount is recognised in the income statement over the duration of the debt instrument. The value of the equity conversion option recognised at the time of issuance is not changed in future periods.

Deferred financing costs

Financing costs relating to the issue of debt instruments are deferred on the balance sheet and are amortised to income over the respective terms of the debt instruments.

**3. Share Capital, Special Warrants and Stock Options**

(a) Authorized

Unlimited common shares without par value

Unlimited preferred shares without par value, non cumulative, redeemable, and non voting

(b) Issued and outstanding common shares

Common Shares	Number of Common Shares	Amount
Balance, December 31, 2002	44,981,042	\$ 11,788,905
Issued in lieu of non-executive directors fees	50,000	25,000
Issued on exercise of options	80,000	20,000
Equity issue cost recovery	-	16,220
<b>Balance September 30, 2003</b>	<b>45,111,042</b>	<b>\$ 11,850,125</b>

(c) Issued and outstanding special warrants

Special Warrants	Number of Special Warrants	Amount
<b>Balance September 30, 2003</b>	<b>200,000</b>	<b>\$ 90,000</b>

On November 21, 2002, the Company completed a private placement of 200,000 Special Warrants of the Company (the "Special Warrant Financing"), at a price of \$0.50 per Special Warrant, for net proceeds of \$90,000 after deducting issue costs estimated at \$10,000. Under the Special Warrant Financing, each Special Warrant is exercisable into one common share of the Company and one Warrant, each Warrant being exercisable into one common share at \$0.55, until November 30, 2003.

Also on November 21, 2002, the Company completed a private placement of 1,300,000 units of the Company (the "Unit Financing"), at a price of \$0.50 per unit, for net proceeds of \$560,000 after deducting issue costs estimated at \$90,000. Under the Unit Financing, each unit was comprised of one common share of the Company and one quarter Warrant, each whole Warrant being exercisable into one common share at \$0.55, until November 30, 2003. On closing of the transaction, the Company issued 1,300,000 common shares. No warrants have been exercised and therefore 325,000 warrants remain outstanding pursuant to the Unit Financing.

**3. Share Capital, Special Warrants and Stock Options – cont'd**

(d) Stock Options

The Company has a stock option plan (the "Plan") for which up to 6,754,656 common shares can be reserved for issuance to executive officers and directors, employees and consultants. The exercise price of the options is determined by the Board of Directors' estimate of the fair value of the common shares at the grant date, subject to applicable stock exchange pricing policies. The options have a maximum term of five years and generally vest over a twelve to twenty-four month period. As at September 30, 2003, the Company had 6,462,000 stock options outstanding under the Plan, of which 4,614,666 were exercisable at a weighted average exercise price of \$0.43 per common share. After taking into consideration options already exercised there are an additional 212,656 options available for future grant under the Plan. The stock options expire on various dates between April 25, 2006 and September 26, 2008. Stock option transactions for the nine months ended September 30, 2003, and the number of stock options outstanding are summarized as follows:

	<b>Number of Optioned Common Shares #</b>	<b>Weighted Average Exercise Price \$</b>
Balance, December 31, 2002	5,005,000	0.44
Options issued January 1, 2003	410,000	0.50
Options issued February 1, 2003	205,000	0.50
Options issued August 25, 2003	550,000	0.30
Options issued September 26, 2003	825,000	0.46
Options expired or cancelled September 30, 2003	(453,000)	(0.51)
Options exercised September 30, 2003	(80,000)	(0.25)
<b>Total Options Outstanding, September 30, 2003</b>	<b>6,462,000</b>	<b>0.43</b>

As at September 30, 2003 options outstanding and exercisable are as follows:

<b>Expiry date</b>	<b>Number of optioned common shares outstanding #</b>	<b>Number of optioned common shares exercisable #</b>	<b>Exercise price \$</b>
April 25, 2006	2,437,000	2,357,000	0.25
August 20, 2006	282,000	282,000	0.44
November 5, 2006	227,000	151,333	0.45
November 26, 2006	112,000	74,667	0.50
January 22, 2007	50,000	33,333	0.61
February 12, 2007	75,000	50,000	0.61
March 7, 2007	20,000	13,333	0.71
March 11, 2007	1,150,000	766,667	0.73
April 12, 2007	30,000	20,000	0.94
May 1, 2007	145,000	96,667	0.80
January 1, 2008	385,000	253,333	0.50
February 1, 2008	174,000	58,000	0.50
August 25, 2008	550,000	183,333	0.30
September 26, 2008	825,000	275,000	0.48
<b>Total Stock Option Plan</b>	<b>6,462,000</b>	<b>4,614,666</b>	

**3. Share Capital, Special Warrants and Stock Options – cont'd**

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The Company does not record compensation expense when stock options are issued to directors, officers and employees, as disclosed in Note 2. Had compensation expense been determined, based on the fair value of the options at the grant dates, the net loss and loss per share would have been increased to the pro forma amounts indicated below:

	For the three months ended September 30, 2003		For the nine months ended September 30, 2003	
	As Reported	Pro forma	As Reported	Pro forma
Net loss for the period	\$ (1,230,129)	\$ (1,287,669)	\$ (2,588,027)	\$ (2,694,789)
Loss per share	\$ (0.03)	\$ (0.03)	\$ (0.06)	\$ (0.06)

The fair value of the share options was estimated using the Black-Scholes option-pricing model with the following assumptions: Dividend yield (Nil), Expected volatility (0.17), risk-free interest rate (5.0%), and a weighted average life of 5 years.

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**4. Related Party Transactions**

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- a) The Company incurred costs of \$12,335 (2002 - \$10,906) in respect of administrative services provided by B.C. Research Inc., a principal shareholder, during the nine months ended September 30, 2003.
  - b) The Company incurred costs of \$108,951 (2002 - \$120,212) in respect of leased premises and equipment provided by B.C. Research Inc. during the nine months ended September 30, 2003.
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**5. Contributions Receivable**

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During the quarter ended June 30, 2003, the Company reached the first contribution limit of \$1 million (out of the \$9 million funds available to Azure) specified in its agreement with Technology Partnerships Canada ("TPC"). In order to access TPC contributions in excess of the \$1 million limit, the Company must demonstrate that it has raised sufficient additional equity or other financing arrangements. The Company has suspended recording TPC Contributions Receivable until such time as it has reached agreement with TPC that sufficient financing arrangements are in place to allow the TPC contributions to recommence.

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**6. Sponsorship Contributions**

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During the quarter ended June 30, 2003, the Company entered into a sponsorship arrangement with EnCana Corporation whereby EnCana has contributed \$1,000,000 towards the development costs of seven hybrid electric demonstration vehicles that the Company has contracted to build under the terms of a development program with Canada Post Corporation. Under the terms of the Canada Post agreement, Canada Post will contribute \$325,000 towards the cost of the five vehicles it will acquire from the program and Azure will retain two vehicles for testing purposes. The Company has received the \$1,000,000 EnCana sponsorship contribution and recorded the amount as a reduction of research and development expenses incurred with respect to the program (\$572,363 – quarter; \$1,000,000 – y-t-d).

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**7. Convertible debentures**

Effective July 31, 2003, the Company completed a \$2.21 million secured convertible debenture financing. The Debentures mature on June 30, 2004 and are secured by all of the property of the Company and 100% of the equity of the Company's operating subsidiary, Azure Dynamics Inc. (the "Sub"). The Debentures do not bear interest. Directors of the Company, directly or indirectly, acquired \$256,000 of the debenture issue.

The Company may repay the Debentures at any time, and at such time each Debenture holder may elect to be repaid in cash or shares. If the Debenture holder elects to be repaid in cash, then the Company shall pay a redemption premium, calculated monthly, commencing August 1, 2003, equal to 2% per month of the face value of the Debenture outstanding, payable in shares ("Redemption Premium Shares"). The Redemption Premium Shares shall be issued at an issuance price based on the five-day weighted average trading price for such month-end. If the Debenture holder elects to be repaid in shares, then such conversion will be at a conversion price equal to \$0.30. Under the conversion terms of the Debentures, each Debenture holder may convert the Debenture into shares of the Corporation at any time before March 31, 2004 at a conversion price of \$0.30, thereby giving the holders the right to acquire up to 7,386,667 common shares of the Company. Events of default under the Debentures include failure to repay by March 31, 2004 or failure to maintain a positive working capital balance of at least \$100,000. An event of default will trigger a right of the Debenture holders to either: (a) convert the Debentures into shares of the Corporation at a conversion price equal to the 5 day weighted average trading price prior to the time of the exercise of such default right; or (b) enforce the security.

As these debentures are considered to be compound financial instruments, the liability component and the equity component, as determined at initial recognition, are presented separately. The Company has valued the equity component of these debentures using the 'residual value of equity component' method, whereby the liability component is valued first using the current market rates for comparable instruments, at the time of issuance, and the difference between the proceeds of the debentures issued and the fair value of the liability is assigned to the equity component. The resulting liability and equity values determined using this method, based on an 8% interest rate, was as follows:

**Convertible Debentures**

Balance, December 31, 2002	\$ -
Issued during the period	2,216,000
Less: equity component	177,500
	<u>2,038,500</u>
Accretion on conversion feature for the period	32,272
	<u>2,070,772</u>
Less: current portion	2,070,772
<b>Balance, September 30, 2003</b>	<b>\$ -</b>

At July 31, 2003, the total \$2,216,000 of the debentures had been advanced of which \$2,038,500 was reflected as debt and \$177,500 as equity. The Company accretes the equity component of the debentures on a pro rata basis over their term such that the debt will equal the original face value of the debentures upon maturity. Consequently, an accretion charge to operations of \$32,272 has been recorded in the current period. Debenture issue costs, amounting to \$221,982, are recorded as deferred financing costs on the balance sheet. The issue costs are amortized over the eleven-month term of the debentures; an amortization charge of \$39,953 has been recorded in the current period.

## **8. Subsequent Events**

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- 8.1** On November 7, 2003, the Company announced the resignation of two Directors, Mr. J. Brian Aune and Mr. Charles J. Howard, with effect from November 6, 2003, as they considered themselves to be conflicted between their responsibilities as Directors and their interests as beneficial owners of some of the Company's secured convertible debentures.
- 8.2** On November 10, 2003, the Company announced that it had engaged Kingsdale Capital Markets Inc. to lead a \$5,000,000 brokered private placement offering on a best efforts basis. On November 27, 2003, the Company announced that the size of the offering had been increased to a maximum \$11,000,000 although it anticipated gross proceeds of \$10,000,000. The offering is for Units of the Company ("Units") at a price of \$0.42 per Unit. Each Unit will consist of one common share and one-half of one warrant of the Company. Each whole warrant will entitle the holder to purchase one common share of Azure at a price of \$0.62 per share for up to one year after the closing of the offering. Closing is anticipated to occur on or about November 28, 2003 and is subject to the receipt of regulatory approval. The number of common shares and warrants that may be issuable will be determined at closing – the maximum number of shares and warrants to be issued will not exceed 26,190,476 and 13,095,238 respectively.

The purpose of the financing is to provide the Company with funds needed for immediate liquidity and working capital requirements and to redeem, if necessary, up to \$2,216,000 principal amount of the issued and outstanding convertible debentures. The closing of the offering triggers an obligation of the Company to offer to redeem the debentures. The Debenture Holders can elect to be repaid in cash or can exercise their right to convert their debentures into common shares at a conversion rate of \$0.30 per share.

Under the terms of the offering, the selling group will receive a cash commission equal to 7% of the proceeds that it raises, and Kingsdale, in its capacity of lead agent, will receive an override cash commission equal to 2% of those proceeds that are attributable to other agents. In addition, Azure will issue compensation options to the selling group equivalent to 7% (with a 3% override to Kingsdale in respect of proceeds attributable to other agents) of the number of common shares issued under the financing, exercisable for a period of 12 months after closing, pursuant to which they will be entitled to purchase common shares of the Company at a price of \$0.495 per share. The number of common shares that may be issuable upon the exercise of the Compensation Option will be determined at closing – the maximum number of shares to be issued will not exceed 2,619,047 shares.

Breakdown by major category:

**Research and Development Expenses**

	Three Months Ended		Nine Months Ended	
	September 30		September 30	
	2003	2002	2003	2002
Salaries & benefits	\$ 215,288	\$ 346,154	\$ 753,549	\$ 1,138,307
Bonus	8,700	-	8,700	24,862
Recruitment and relocation costs	280	-	1,130	8,460
Consulting fees	33,793	25,613	109,408	41,078
Outsourced labour	50,245	-	50,245	-
Legal fees	5,157	-	17,970	-
Research collaboration (TM4)	-	-	-	665,000
Product development costs	944,305	154,881	1,259,722	212,219
Travel expenses	16,885	33,657	61,828	130,106
Telephone, fax and internet costs	1,543	1,467	3,876	6,879
Miscellaneous costs	27,622	18,716	48,066	75,990
	<b>\$ 1,303,818</b>	<b>\$ 580,488</b>	<b>\$ 2,314,494</b>	<b>\$ 2,302,901</b>
Less: Government assistance programs	-	(161,347)	(167,917)	(728,974)
Customer Contributions	(82,139)	-	(112,139)	-
Sponsorship Contributions	(527,363)	-	(1,000,000)	-
	<b>\$ 694,316</b>	<b>\$ 419,141</b>	<b>\$ 1,034,438</b>	<b>\$ 1,573,927</b>

**Selling and Marketing Expenses**

	Three Months Ended		Nine Months Ended	
	September 30		September 30	
	2003	2002	2003	2002
Salaries & benefits	\$ 99,765	\$ 97,090	\$ 320,663	\$ 275,504
Bonus	-	-	-	92,523
Recruitment and relocation costs	-	14,500	-	14,500
Consulting fees	-	10,499	500	19,999
Travel expenses	24,605	45,942	75,063	148,355
Telephone, fax and internet costs	4,731	4,352	13,663	15,596
Miscellaneous costs	13	-	13	345
Marketing, advertising and PR	9,407	4,050	22,383	61,443
	<b>\$ 138,521</b>	<b>\$ 176,433</b>	<b>\$ 432,285</b>	<b>\$ 628,265</b>

**General and Administrative Expenses**

	Three Months Ended		Nine Months Ended	
	September 30		September 30	
	2003	2002	2003	2002
Salaries & benefits	\$ 98,064	\$ 143,472	\$ 406,447	\$ 525,493
Bonus	-	-	-	55,070
Recruitment and relocation costs	-	65,349	4,000	72,449
Consulting fees	6,229	72,047	20,150	296,650
Office supplies	2,781	2,941	8,381	15,074
Contract services	4,509	3,313	12,335	10,906
Travel expenses	27,176	32,650	88,167	127,916
Directors' fees	6,250	-	18,750	-
Audit and tax services	13,107	-	17,861	28,955
Legal fees	25,316	10,725	63,006	89,046
Insurance	29,338	16,563	46,674	27,186
Regulatory filing and transfer agent fees	3,430	2,350	24,155	10,790
Telephone, fax and internet costs	11,528	19,343	36,173	61,302
Miscellaneous costs	9,350	8,052	28,847	13,295
	<b>\$ 237,078</b>	<b>\$ 376,805</b>	<b>\$ 774,946</b>	<b>\$ 1,334,132</b>