

Edgar Filing: Global Resource CORP - Form 10KSB

Global Resource CORP  
Form 10KSB  
March 27, 2008

UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION  
WASHINGTON, D.C. 20549

FORM 10-KSB

[X] ANNUAL REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE  
SECURITIES EXCHANGE ACT OF 1934

For the Fiscal Year Ended December 31, 2007

OR

[ ] TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d)  
OF THE SECURITIES AND EXCHANGE ACT OF 1934

Commission File Number 000-50944

GLOBAL RESOURCE CORPORATION

-----  
(Name of Small Business Issuer in its charter)

Nevada

84-1565820

-----  
(State or other jurisdiction  
of incorporation)

(I.R.S. Employer  
Identification No.)

408 Bloomfield Drive, #3, West Berlin, NJ

08091

-----  
(Address of principal executive offices)

(Zip code)

Issuer's telephone number

(856) 767-5661  
-----

Securities registered under Section 12(b) of the Exchange Act:

Title of each class

Name of each exchange on which  
Registered

-----  
-----

-----  
-----

Securities registered under Section 12(g) of the Exchange Act:

Common Stock  
(Title of class)

(Title of class)

Check whether the issuer is not required to file reports pursuant to Section 13  
or 15(d) of the Exchange Act \_\_\_\_\_

Check whether the issuer (1) filed all reports required to be filed by Section  
13 or 15(d) of the Exchange Act during the past 12 months (or for such shorter  
period that the registrant was required to file such reports), and (2) has been  
subject to such filing requirements for the past 90 days. Yes X No

## Edgar Filing: Global Resource CORP - Form 10KSB

Check if there is no disclosure of delinquent filers in response to Item 405 of Regulation S-B contained in this form, and no disclosure will be contained, to the best of registrant's knowledge, in definitive proxy or information statements incorporated by reference in Part III of this Form 10-KSB or any amendment to this Form 10-KSB. ( )

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act). Yes No X

State issuer's revenues for its most recent fiscal year. \$0

State the aggregate market value of the voting stock held by non-affiliates computed by reference to the price at which the stock was sold, or the average bid and asked prices of such stock, as of a specified date within the past 60 days. At the closing price of the stock as of March 7, 2008 of \$2.15, the aggregate market value of voting stock held by non-affiliates is \$35,296,378.

As of March 7, 2008, 34,454,514 shares of Common Stock, \$.001 par value, of the registrant were issued and outstanding, of which 2,665,666 shares currently held in escrow are being returned for cancellation, after which the number of shares outstanding will be reduced by the number of shares cancelled.

### TABLE OF CONTENTS

| PART I      |  | PAGE |
|-------------|--|------|
| Item 1.     | Description of Business.....   | 4    |
| Item 2.     | Description of Property.....   | 12   |
| Item 3.     | Legal Proceedings.....   | 12   |
| Item 4.     | Submission of Matters to a Vote of Security Holders.....   | 12   |
| PART II     |  |      |
| Item 5.     | Market for Common Equity, Related Stockholder Matters and Small Business Issuer Purchases of Equity Securities.....                        | 13   |
| Item 6.     | Management's Discussion and Analysis or Plan of Operation.....   | 15   |
| Item 7.     | Financial Statements.....  | 16   |
| Item 8.     | Changes in and Disagreements with Accountants on Accounting and Financial Disclosure.....  | 41   |
| Item 8A(T). | Controls and Procedures.....   | 42   |
| Item 8B.    | Other Information .....  | 43   |
| PART III    |  |      |
| Item 9.     | Directors, Executive Officers, Promoters, Control Persons and Corporate Governance; Compliance with Section 16(a) of the Exchange Act..... | 43   |
| Item 10.    | Executive Compensation.....  | 46   |
| Item 11.    | Security Ownership of Certain Beneficial Owners and Management.  | 48   |
| Item 12.    | Certain Relationships and Related Transactions, and Directors Independence.....  | 51   |
| Item 13.    | Exhibits.....  | 52   |
| Item 14.    | Principal Accountant Fees and Services.....  | 56   |

Signatures

Forward-Looking Statements

## Edgar Filing: Global Resource CORP - Form 10KSB

When used in this Form 10-KSB, in our other filings with the Securities and Exchange Commission ("SEC"), in our press releases or other public or stockholder communications, or in oral statements made with the approval of an authorized executive officer, the words or phrases "would be," "will allow," "intends to," "will likely result," "are expected to," "will continue," "is anticipated," "estimate," "project," or similar expressions are intended to identify "forward-looking statements."

We caution readers not to place undue reliance on any forward-looking statements, which speak only as of the date made, are based on certain assumptions and expectations which may or may not be valid or actually occur, and which involve various risks and uncertainties, including but not limited to: inability to commercialize our technology; operational efficiencies of the equipment embodying our technology (i.e., cost of energy input versus value of recovered energy); lack of demand or low demand for products and services embodying our technology; competitive products and pricing; changes in the regulation of either or both our industry or the industries using our technology; a failure to timely obtain necessary regulatory approvals; additional costs associated with compliance with the Securities and Exchange Act of 1934 and the Sarbanes-Oxley Act of 2002, including any changes in the SEC's rules, and other corporate governance requirements; changing government regulations and laws applicable to our technology, the products embodying that technology, and the applications of the technology; as well as other factors and other risks set forth in Item 1 under "Risk Factors" and "Cautionary Factors That May Affect Future Results" as well as elsewhere in this report.

Unless otherwise required by applicable law, we do not undertake, and specifically disclaim any obligation, to update any forward-looking statements to reflect occurrences, developments, unanticipated events or circumstances after the date of such statement.

Throughout this report, the terms "we" "us" "our" and "our Company" refer only to Global Resource Corporation.

### PART I

#### ITEM 1. DESCRIPTION OF BUSINESS.

Current Business. Prior to its acquisition of the assets and development stage business of Carbon Recovery Corporation on September 22, 2006 (the "Acquisition Closing"), the Company had been a shell corporation since approximately December 15, 2005. A history of the Company prior to September 22, 2006 follows this discussion of our current business.

With the September 22, 2006 acquisition of (i) the assets and (ii) the development stage business from Carbon Recovery Corporation, the business of the Company became that of Carbon Recovery Corporation prior to the Acquisition Closing. That business was, and continues to be:

(i) the construction of plants to exploit certain technology for decomposing petroleum-based materials by subjecting them to variable frequency microwave radiation at specifically selected frequencies for a time sufficient to at least partially decompose the materials;

4

(ii) the design, manufacture and sale of machinery and equipment units, embodying the technology and focused on specific applications; and  
(iii) the sub-licensing of third parties to exploit that technology.

## Edgar Filing: Global Resource CORP - Form 10KSB

The referenced technology is the use of pre-determined, variable microwave frequencies for, among other things, the disposal of certain waste products with the gasification of component hydrocarbons and the recovery of such hydrocarbons as an energy source. That technology was the property of a company called Mobilestream Oil, Inc. which had given an exclusive license for it to Carbon Recovery Corporation. Subsequent to the closing of the acquisition of the assets of Carbon Recovery Corporation, on December 31, 2006, the Company acquired the assets of Mobilestream Oil, Inc. thereby reuniting the two parts of the licensing arrangement.

Carbon Recovery Corporation had initially been licensed to utilize the technology only for the disposal of waste motor vehicle tires and had therefore focused on that application of the technology. Carbon Recovery Corporation had developed a process to utilize the technology for the disposal of waste tires, by decomposing the tires into their components of carbon black, scrap steel, and hydrocarbon liquid and gas. Since the tires are manufactured with a combination of different grades of carbon black, the collected carbon black product is a composite of 4 to 6 different grades. The hydrocarbon liquid is not truly "oil". A tire is manufactured from hydrocarbons (60%), and rubber and steel (40% together). The hydrocarbons used to make a tire are "process oil". This "process oil" is a refined product, but with the Company's technology it is broken into a gas which is then partially liquefied. The precise composition of the resulting condensed liquid is not known but it has been tested and has a BTU content comparable to diesel fuel so the Company believes that it can be readily sold for fuel value. The process was, and remains, in a laboratory mode; however, a machine embodying the underlying technology is presently under construction for the Company with an estimated delivery at the end of the first quarter of 2008. There will have to be a transition from the "one batch at a time" operation, used in the laboratory to a "continuous feed" line in order to commercialize the process. During 2006 and into 2007, the continuous feed line was finalized and, in general, covered the following steps:

1. Waste tires are fed into a tire chipper from either a stockpile or directly from trucks unloading the tires into the chipper. The tires are chipped into approximately 3" to 4" pieces.
2. These pieces are moved into a hopper which is designed to be a reserve, at the beginning of the process, to maintain a continuous flow in the event of a delay in the delivery of additional tires to the chipper.
3. The pieces are washed with a solution to remove dirt and road oil. The solution is recycled to avoid environmental contamination from the road oil.
4. The pieces are again washed in a sonic-vibrated solution to further remove dirt and road oil.
5. The pieces go through a dryer.
6. From the dryer the pieces are conveyed into an intermediate silo which is designed to be a further reserve at the beginning of the actual decomposition process, to maintain a continuous flow in the event of any problem with the chipping and washing process steps.

5

7. Pieces are fed into the microwave reactor, which accepts a load, locks, draws a vacuum, processes, unlocks and discharges the resulting decomposed residue, which is carbon black and steel. Dust emitted when the reactor discharges is collected and sent to a baghouse. Gases go to a heat exchanger and are condensed to convert back to process oil. The process oil goes to tanks for shipment to buyers. Approximately 10% of the gases will remain uncondensed and will be recovered and

## Edgar Filing: Global Resource CORP - Form 10KSB

sold as natural gas.

8. The reactor residue, consisting of the carbon black and steel, is cooled and fed into a hopper for the first grinder. The steel is removed by magnetic rail conveyors, to be collected and sold as scrap steel. The carbon black is fed into a grinder and the size is reduced from an estimated 1/8" diameter to approximately 100 microns.

9. The carbon black is transported by pneumatic tubes to a sifter which reduces the size to approximately 20 to 50 microns. Particles over 50 microns are recirculated.

10. The carbon black is moved pneumatically to a centrifugal feeder sorter with a 2-ring system.

11. The smaller pieces are moved to a special bagging area. They are put into 1 ton bags, but there is an optional arrangement to bag, label and pelletize in smaller quantities.

12. The leftover goes to its own bagging area.

The Company believes that the design of the machinery and equipment for the decomposition of waste tires in that process fully protects the environment from the release of components during the decomposition process.

Carbon Recovery Corporation, under a second licensing arrangement, had obtained the rights to the other applications of the technology, described below. The second application of the technology which was explored was the disposal of what is called "fluff". "Fluff" is the non-metallic portions of scrap motor vehicles, primarily, the interiors and its disposal presents various problems to the waste industry.

In a decomposition process similar to that for the waste tires, the Company has designed machinery and equipment which will decompose "fluff. It appears that although scrap vehicles are specifically taken without the tires due to environmental rules, they are often removed but then placed ("hidden") in the trunk of the vehicle and crushed into it, thus "disposing" of the tires. The Company's machinery will, of course, permit any tires to be decomposed together with the other materials. The Company is currently offering three models: one which disposes of 5 tons per hour, one which disposes of 10 tons per hour, and one which disposes of 20 tons per hour. The Company is soliciting orders and has issued various proposals.

During 2007, in conjunction with Ingersoll Production Systems, the Company has designed a new machine which is capable of being modified to fit most of the various disposal/ decomposition applications. The machine is a closed unit under negative pressure to avoid leakage of gas and vapors. The material to be decomposed, chopped into an appropriate size, is fed through a double airlock onto a continuously moving belt. Above the belt are the microwave generators, each emitting the specific, resonating frequencies needed for the decomposition of the selected waste. The gases generated are withdrawn, as are the liquids, while the residue is discharged through another double airlock. While this process does not permit the extraction of clean carbon black, separate from the other residue, as with the process as designed for waste tires, it does cut back the operational steps by removing the need for washing and rinsing.

6

There are other potential applications for the microwave technology covered by the license, in addition to the application for decomposing waste tires and fluff. These include:

1. Stimulation of production of mature oil and gas wells ("stripper" wells);
2. Reduction of hydrocarbons in drilling cuttings to permit on-site

## Edgar Filing: Global Resource CORP - Form 10KSB

- disposal;
- 3. Volatilization of heavy or slurry oil;
- 4. Recovery of oil from oil shale and oil sands; and
- 5. Medicinal applications.

The Company is engaged in continuing R&D with respect to a wide variety of materials, determining the most effective microwave frequencies for each material, and running tests on the recovered energy (gas and liquid) as well as determining the residues for purposes of either reuse or disposal.

History of the Company. The Company was organized as a Colorado corporation on March 28, 2000 under the name "Email Mortgage Com, Incorporated ("Email Mortgage Com"). Its business focus was the marketing of first and second mortgages, principally through its website. The Company was not successful with that business and in 2002 it discontinued those operations, liquidated its loan inventory, and paid off its then existing liabilities. Also in 2002, Email Mortgage Com changed its state of domicile from Colorado to Nevada and changed its name to "Advanced Healthcare Technologies, Inc." ("Advanced Healthcare"). Under such name, the Company first owned and operated a subsidiary named "Advanced Hyperbaric Industries, Inc." ("Advanced Hyperbaric") which engaged in the manufacture and marketing of rigid extremity hyperbaric chambers and a sacral patch device, both of which utilized oxygen therapy for the treatment of open sores and wounds, including bedsores. On December 4, 2003, the Company acquired a 100% interest in "Ntratek LLC" ("Ntratek") which was engaged in the research and development of nutritional dietary supplements, functional food products and natural sweeteners, which products were manufactured by non-related third parties. On March 31, 2004, as a consequence of the Ntratek acquisition, the Company spun off and sold the intellectual property and oxygen therapy products and business of Advanced Hyperbaric in exchange for the assumption of Advanced Hyperbaric's liabilities. On June 30, 2004 the former President, Chief Executive Officer, Director and majority stockholder sold his interest in the Company to an unrelated third party. In connection with that sale and change in control, the Company's operating subsidiary, Ntratek was spun off to the selling majority stockholder and the purchaser determined to change the business of the Company to that of a business development company. On September 17, 2004 the Company filed a notice with the Securities and Exchange Commission ("SEC") electing to be regulated as a business development company ("BDC") under the Investment Company Act of 1940, as amended. The intent was to focus on acquiring interests in portfolio companies doing business in the energy sector. While operating as a BDC, and seeking energy-related portfolio companies, on January 11, 2005 the Company acquired a 50% interest in Well Renewal, LLC ("Well Renewal"), an entity which managed and operated approximately 30 oil wells in Oklahoma by utilizing a nitrogen and carbon dioxide gas injection unit to "pump up" and re-pressurize the wells to increase oil output.

By December, 2005 it became clear that the Company was unlikely to obtain the necessary funding for exploitation of its BDC business plan. As a result, on December 15, 2005 the Company entered into a foreclosure agreement with a creditor, Transnix Global Corporation ("Transnix"), to which it had pledged the Well Renewal interests. Pursuant to the foreclosure agreement, Transnix accepted the Well Renewal interests in satisfaction of certain principal and interest obligations secured thereby and the Company waived all objections to the foreclosure. Concurrently, the Company determined to withdraw its election to be regulated as a BDC, and that "Notification of Withdrawal" was filed with the SEC on December 17, 2005.

As a result of the December 15, 2005 foreclosure on the pledged Well Renewal interests and the determination to terminate the BDC business plan, the Company

## Edgar Filing: Global Resource CORP - Form 10KSB

became a "development stage company" and a shell corporation since that date.

On June 7, 2006, an unrelated third party acquired the Restated and Amended Debenture owned by Transnix Global Corporation, which represented the balance of the indebtedness by the Company to Transnix in the principal amount of \$102,345 and accrued interest of \$16,274. In conjunction with the assignment of the Debenture, all of the Company's then directors (Messrs. Caldwell, Ferandell, Jordan, Mangiarelli and van Adelsberg) and the Company's sole officer, Richard Mangiarelli, resigned. Contemporaneously, Mary K. Radomsky was elected as a director and as the sole officer of the Company. Mrs. Radomsky began negotiations for the acquisition of Carbon Recovery Corporation ("CRC"). On September 22, 2006, the Company acquired the assets and development stage business of CRC. The technology owned by CRC was licensed to it by Mobilestream Oil, Inc. ("Mobilestream"). On December 31, 2006 the Company acquired the assets of Mobilestream which were, essentially, the 4 patent applications, thus bringing all of the variable microwave frequency technology under its umbrella.

### RISK FACTORS

Global Resource Corporation, even after the acquisition of the assets and businesses of Carbon Recovery Corporation ("CRC") and of Mobilestream Oil, Inc. ("Mobilestream"), was a small, development stage company and it remains such. As such it is subject to all of the risks and uncertainties of any such business. Prior to the acquisition of its assets and business by the Company, CRC had expended much of its efforts and funds on research and development, both prior to and subsequent to, the filing of the original patent application. While the use of targeted microwave frequencies is not new technology, as such, the determination of the frequencies to be used and the implementation of that technology is. The processes are still in a laboratory mode and size. Whether the technology can be successfully commercialized, which means large scale machinery and equipment operating in a continuous process, is uncertain. The Company is currently (through Ingersol Production Systems) building one of the newer, multi-purpose machines and anticipates testing, debugging, etc. to commence by the second quarter.

At this point, the Company is constantly seeking ways to commercialize the technology which it has acquired. An initial application for which there appears to be both interest and demand is the disposal of "fluff", which are the non-metallic parts of motor vehicles - the interiors. The Company has designed a fluff disposal unit, which will initially be available in three capacities: 5 tons per hour, 10 tons per hour, and 20 tons per hour. Orders are being solicited and proposals have been issued, but whether orders will develop is uncertain.

Also the Company believes that its design of the proposed tire disposal facility will be a successful commercial implementation of the process, but again, there can be no assurance of that. An actual disposal facility line will have to be built and operated and de-bugged in operation. Whether the line, as ultimately designed and operated, will be profitable is uncertain.

While various potential buyers have expressed interest in purchasing the end products of the decomposition process; e.g., carbon black, process oil and "natural" gas; until the quality and composition of those end products, as developed by actual operations, can be determined, it is highly unlikely that any final purchase commitments will be made by anyone. Until then, there is uncertainty about the market acceptance of those end products and the prices which could be obtained.

## Edgar Filing: Global Resource CORP - Form 10KSB

The building of an actual line to implement the full waste tire process is estimated to cost \$25,000,000. The Company does not have the financial means to construct such a facility. The Company is exploring financing alternatives, ranging from state government grants, industrial revenue bonds, institutional funding, other private financing and the possibility of a public offering. The Company is uncertain about its ability to secure the financing necessary.

Although the Company has issued various proposals for the sale of its equipment to decompose "fluff", to date no one has purchased a unit. Until a unit is sold, and then manufactured to the purchaser's specifications, it is uncertain whether this commercialization of the technology is viable.

As a small company, Global Resource Corporation is highly dependent upon the efforts and abilities of its management. The loss of the services of any of them could have a substantial adverse effect on it. The Company has purchased "Key Man" insurance policies on only Frank Pringle (in the amount of \$6,000,000, of which \$2,000,000 is payable to his wife and the other \$4,000,000 is payable to the Company) but not on any other executives.

Neither CRC, Mobilestream nor the Company have had significant sales. The Company expects sales to develop and grow primarily from sale of the fluff disposal units, the end products of the waste tire decomposition, licensing fees from third parties using the technology, as well as similar revenues from the other applications of the licensed technology. However, until the waste tire decomposition process is commercialized, proved operational on a continuous feed process facility basis, and is profitable, third parties are unlikely to want to license the technology. Likewise, until the application of the technology to the other applications, such as shale oil, is also proven, revenues from those applications are unlikely. The Company cannot be certain about its ability to convince third parties, who may be, in effect, competitors, to obtain a license to use its technology.

To achieve its business goals, the Company must attract investment capital. It is uncertain about its ability to attract sufficient capital to fund its growth, and, it is uncertain about the costs of any financing which it might obtain. Financing may be dilutive to the then existing shareholders.

The Company believes that so long as the cost for hydrocarbons increases, and as the demand for United States sources increases, there will be a market for its technology, subject to its being proven as cost efficient, meaning that the cost of the energy input is less than the value of the energy recovered. Meeting that requirement (of proof of cost efficiency) may take substantial financing which the Company is not presently in a position to commit. Thus, the potential revenues from the other applications of the technology is uncertain.

9

Although the original patent application was filed and has subsequently been divided into four patent applications, there is no assurance that any patent will, in fact, be issued, or, if any patent is issued, to what extent the claims of that patent application will be allowed. In any event, the issuance of a patent is not, in and of itself, an assurance of profitability. Furthermore, while the issuance of a patent for the targeted frequencies may require that others obtain a license for the use of such frequencies for the claimed applications, there is still no assurance that the license fees to be obtained will offset the costs of development, or otherwise return a profit.

Prior to its acquisition of the CRC assets, the Company completed a 100-to-1 reverse split of its common stock, substantially reducing its issued and outstanding common stock. The shares which were issued for both the CRC and the



## Edgar Filing: Global Resource CORP - Form 10KSB

Mobilestream acquisitions are restricted and being held in Liquidating Trusts, which means that until they are registered with the Securities and Exchange Commission they will not be distributable and marketable. Accordingly there could be a current demand for shares of the Company's common stock which could increase the market price but, upon subsequent effectiveness of a registration statement for the shares being held in trust, there could be a substantial number of shares offered for sale which could deflate the market price. A registration statement for the shares has been filed with the Securities and Exchange Commission and is currently in the review process.

### CAUTIONARY FACTORS THAT MAY AFFECT FUTURE RESULTS

We provide the following cautionary discussion of risks, uncertainties and possible inaccurate assumptions relevant to our business, our technology and our products. These are factors that we think could cause our actual results to differ materially from expected results. Other factors besides those listed here could adversely affect us. Please also see the Risk Factors discussed above.

- o We became an operating company on September 22, 2006 by acquiring technology which, although successfully demonstrated in the laboratory, had not yet been implemented or commercialized. We are still in the process of commercializing it. We have had no revenues or earnings, and we have no material assets other than the technology and the four patents pending. All prior business operations, including the attempted business in 2005 as a BDC, have been terminated or abandoned; they operated at a loss.

- o We acquired the technology from Carbon Recovery Corporation, the licensee, and from Mobilestream Oil, Inc., the licensor. At the time of the acquisitions, neither company had any sales or revenues. Both were development stage companies which did not yet have revenues or earnings and which had limited assets, concentrated in certain intellectual property, and mostly utilized in connection with R&D activities. Since our acquisition of the technology, we have not had any sales or revenues.

10

- o Our success will be dependent upon our ability to commercialize the technology, of which there is no assurance. While the processes work in the laboratory environment, in what are essentially "batch" procedures, commercialization will require that the processes be scaled up, with large machinery and equipment, and that such machinery and equipment operate on a "continuous feed" basis. While much of the material processing and handling machinery and equipment is commercially available, the critical piece will be the microwave generators and their housing.

- o We are in the process of building the first unit which will be used to demonstrate the technology in a continuous feed process and to prove the operational efficiency. There is no assurance that the unit will initially function as anticipated and it may require substantial redesign, remanufacture, and reassembly.

- o The technology, while usable for the disposition of various waste materials, is primarily aimed at the recovery of hydrocarbons, i.e., energy. A major factor in the success of the technology, as applied, and the success of the Company, is the ability to recover energy which has a value greater than the cost of the energy being input into the process. That is uncertain until the initial machines are built and operated.

- o The continued filing of reports with the Securities and Exchange Commission ("SEC") and the maintenance of trading is dependent upon our ability to meet the

## Edgar Filing: Global Resource CORP - Form 10KSB

costs of that. Maintenance of public market status, where the filing of periodic reports with the SEC is required, is an expense, both financially and in terms of the time availability of Management. While we intend to continue such status, there is no assurance that the financial and time requirements will continue to be met.

### REPORTS TO SECURITY HOLDERS

We file periodic reports with the SEC pursuant to the Securities Exchange Act of 1934, as amended. The public may read and copy any material that we file with the SEC at the SEC's Public Reference Room at 100 F Street, N.E., Washington, D.C. 20549. The public may obtain information on the operation of the Public Reference Room by calling the SEC at 1-800-SEC-0330. The SEC maintains an Internet site that contains reports, proxy and information statements, and other information regarding issuers that file electronically with the SEC. We file electronically with the SEC and so our reports are available on the site. The address of that site is <http://www.sec.gov> The Company maintains a website at [www.globalresourcecorp.com](http://www.globalresourcecorp.com) where press releases and other information of interest to shareholders is posted, but the contents of the website and all hyperlinks therefrom are expressly excluded from this report.

11

### ITEM 2. DESCRIPTION OF PROPERTY.

Prior to September 22, 2006, the Company had had no assets since December, 2005. On September 22, 2006 the Company acquired the assets and development stage business of Carbon Recovery Corporation. The acquired assets consisted of cash, certain equipment and machinery, office furniture and equipment, a vehicle, and the license from MobileStream Oil, Inc. The material assets acquired were (1) the laboratory equipment and machinery and (2) the license. The laboratory equipment and machinery included two custom-designed, system-integrated microwave units capable of generating a spectrum of frequencies within the ranges covered by the patent application together with (a) integral computer systems to control the microwave processes, (b) heat exchangers, (c) vacuum pumps, (d) gas chromatography/mass spectrometers ("CS/MS") and (e) peripheral laboratory equipment. The license was an exclusive license for the technology embodied in the then pending patent application (technology developed by Frank Pringle and assigned to Mobilestream Oil, Inc.) as well as any future amendments, improvements and extensions, as well as an assignment of related trade secrets. The original license covered the use of the technology for the disposal of waste tires. The additions to the license, to date, covers the use of the technology for other hydrocarbon-related applications, including:

1. Stimulation of production of mature oil and gas wells ("stripper" wells);
2. Reduction of hydrocarbons in drilling cuttings to permit on-site disposal;
3. Volatilization of heavy or slurry oil;
4. Recovery of oil from oil shale and oil sands; and
5. Medical applications.

It is this technology which forms the basis of the Company's business.

On December 31, 2006, the Company acquired the assets of Mobilestream Oil, Inc. The assets acquired consisted, essentially, of only (1) the 4 patents pending

## Edgar Filing: Global Resource CORP - Form 10KSB

for the technology together with the Combined Technology License and (2) 37,500,000 shares of the Company's own Common Stock, which shares have been since cancelled. (At the time of the execution of the Plan and Agreement of Reorganization for the acquisition there was only one U.S. Provisional Patent filed; just prior to the Mobilestream closing that was separated into 2 U.S. and 2 International applications.)

At this point, the Company controls the technology, having acquired the rights of the licensor and the licensee.

### ITEM 3. LEGAL PROCEEDINGS.

None.

### ITEM 4. SUBMISSION OF MATTERS TO A VOTE OF SECURITY HOLDERS.

As previously disclosed in the Information Statement mailed to all shareholders, to which reference is hereby made, on November 21, 2007, Frank G. Pringle, who at that point, prior to the change in the voting provisions of his 2006 Convertible Preferred Stock (See Item 12, below), was the holder of a majority in interest of the voting stock of the Company, consented to the following actions:

12

1. Amendment of our Articles of Incorporation to reduce the authorized number of shares of Common Stock which we may issue from 2,000,000,000 to 200,000,000 shares;

2. Amendment of our Articles of Incorporation to increase the authorized number of preferred shares which we may issue from 50,000,000 to 100,000,000 preferred shares;

3. Amendment of our Articles of Incorporation by filing an amendment to the Certificate of Designation for our 2006 Series of Convertible Preferred Stock reducing the number of shares of Common Stock into which each share of 2006 Convertible Preferred Stock may be converted, from 2 shares of Common Stock to 1/2 of 1 share of Common Stock;

4. Amendment of our Articles of Incorporation to indemnify our directors and officers to the maximum extent permitted under the laws of the State of Nevada;

5. Amendment of our Articles of Incorporation limiting the liability of our directors and officers to the Company, our stockholders and creditors to the maximum extent provided under the Private Corporations Law of the State of Nevada (the "Nevada PCL"); and

6. Clarifying the language of a prior amendment to our Articles of Incorporation permitting the board of directors to declare reverse stock splits of our issued and outstanding shares without approval of the stockholders under section 78-2055 of the Nevada PCL.

## PART II

### ITEM 5. MARKET FOR COMMON EQUITY AND RELATED STOCKHOLDER MATTERS.

#### MARKET INFORMATION

Our Common Stock currently trades on the electronic Pink Sheets under the symbol

## Edgar Filing: Global Resource CORP - Form 10KSB

"GBRC". The chart below breaks down the high bid and the low bid prices for each of the last 8 quarters (as reported by OTCBB Trading & Market Services) which quotations reflect inter-dealer price, without retail mark-up, mark-down or commission, and may not reflect actual transactions. We consider our stock to be "thinly traded" and any reported sale prices may not be a true market-based valuation of the stock.

| Quarter Ended<br>----- | High Bid<br>----- | Low Bid<br>----- |
|------------------------|-------------------|------------------|
| March 31, 2006*        | .035              | .013             |
| June 30, 2006*         | .032              | .015             |
| September 30, 2006     | 3.00              | 1.75             |
| December 31, 2006      | 4.60              | 1.10             |
| March 31, 2007         | 1.99              | .061             |
| June 30, 2007          | 2.60              | .055             |
| September 30, 2007     | 5.40              | 1.44             |
| December 31, 2007      | 3.79              | 1.66             |

\* This period was prior to the 100-1 reverse stock split which was effective on August 14, 2006, following which there were only 72,150 shares then issued and outstanding. On September 22, 2006 the Company acquired the assets of Carbon Recovery Corporation by the issuance of 48,688,996 shares of its Common Stock. On December 31, 2006, the Company acquired the assets of Mobilestream Oil, Inc. by the issuance of 11,145,225 shares of its Common Stock. However, the acquired assets included 37,5000,000 shares of the Company's own Common Stock, which shares have been cancelled, reducing the issued and outstanding shares of Common Stock at that point to 25,212,436 shares.

13

On March 7, 2008 the prices of the Company's Common Stock were \$2.30 high, \$2.15 low and \$2.15 close. On March 7, 2008 the Company had 34,454,514 shares of its Common Stock issued and outstanding, of which 2,665,666 shares currently held in escrow are being returned for cancellation, after which the number of shares outstanding will be reduced by the number of shares cancelled.

### HOLDERS

The approximate number of holders of record of our Common Stock is 254. There are approximately 470 shareholders with certificates in street name. In addition, however, there are approximately 534 beneficial owners who have 11,188,996 shares in the Carbon Recovery Corporation Liquidating Trust and 1,278 beneficial owners who have 11,145,225 shares in the Mobilestream Oil, Inc. Liquidating Trust. These shares will be distributed upon effectiveness of the Company's Registration Statement on Form S-1 for these shares now in the review process at the Securities and Exchange Commission.

### DIVIDENDS

We have never had net profits on operations and therefore are currently proscribed from declaring dividends. We have not paid any cash dividends on our Common Stock. Our Board of Directors has no present intention of declaring any dividends, as we expect to re-invest all profits in the business for additional working capital for continuity and growth. The declaration and payment of dividends in the future will be determined by our Board of Directors considering the conditions then existing, including the Company's earnings, financial condition, capital requirements, and other factors.

### SECURITIES AUTHORIZED FOR ISSUANCE UNDER EQUITY COMPENSATION PLANS

## Edgar Filing: Global Resource CORP - Form 10KSB

On March 13, 2007 the Company's Board of Directors adopted The 2007 Employees Compensation and Stock Option Plan. The Plan was not approved by the shareholders. The number of shares subject to the Plan was 2,500,000. Those shares were issuable either as (a) shares of stock or (b) stock options. The Company filed a Registration Statement on Form S-8 on March 14, 2007, registering the 2,500,000 shares. As of December 31, 2007, all 2,500,000 shares had been issued as shares of stock; i.e., no options were granted.

On January 23, 2008 the Company's Board of Directors adopted The 2008 Employees Compensation Plan. The Plan was not approved by the shareholders. The number of shares subject to the Plan is 2,500,000. These shares will be issued as shares of stock. The Company filed a Registration Statement on Form S-8 on January 29, 2008, registering the 2,500,000 shares.

14

The only stock options issued by the Company are the 200,000 options issued to Jeffrey J. Andrews, the Company's CFO and a director, who received them as a replacement for the stock options previously held by him from Carbon Recovery Corporation. See Form 8-K filed September 27, 2006 covering the Company's acquisition of the assets of Carbon Recovery Corporation. As of December 31, 2007, 20% of the options (equal to 40,000 shares) had not yet vested and were therefore not exercisable. The options originally issued to Mr. Andrews by Carbon Recovery Corporation were not approved by the shareholders; the replacement options issued by the Company were not separately approved by the shareholders except indirectly by approval of the Plan and Agreement of Reorganization pursuant to which the Company acquired the assets of Carbon Recovery Corporation.

### SALES OF UNREGISTERED SECURITIES DURING FISCAL YEAR 2007

All sales/issuances of unregistered securities have been previously reported on Forms 10-QSB and/or 8-K, except as follows, including one correction of a previously disclosed sale containing a typographical error:

(correction) On December 5, 2007 the Company issued 22,500 shares of its Common Stock to a military sales consultant in payment for consulting fees of \$45,000. The issuance of the shares was considered exempt pursuant to Section 4(2) of the Securities Act of 1933 as amended. Also on December 5, 2007 the Company issued 27,500 shares of its Common Stock to a second military sales consultant in payment for consulting fees of \$55,000. The issuance of the shares was considered exempt pursuant to Section 4(2) of the Securities Act of 1933 as amended.

(new) On December 21, 2007, pursuant to the terms of the mutually agreed rescission agreement with two funds which had invested in the terminated private placement, the Company issued 18,750 shares of its Common Stock and 31,250 shares of its Common Stock, respectively, to such funds. The issuance of the shares was considered exempt pursuant to Section 4(2) of the Securities Act of 1933 as amended.

### ITEM 6. PLAN OF OPERATIONS.

Prior to September 22, 2006, the Company had tried various business plans, as described under "History of the Company" in Item 1, above. On September 22, 2006 the Company acquired the assets and development stage business of Carbon Recovery Corporation. The Company intends to continue the plan of operation developed by Carbon Recovery Corporation and in effect at the time of the Acquisition Closing. Essentially, this involves finding commercial applications for the use of the technology to recover hydrocarbons either from waste products

## Edgar Filing: Global Resource CORP - Form 10KSB

(e.g., waste tires and non-metallic components of junked and wrecked vehicles) or from sources such as oil shale, oil drilling cuttings, capped wells with appropriate geological characteristics, etc. At December 31, 2007 the Company had no sales or revenues and was a development stage company.

The previously-reported negotiations for the site in Fairless Hills, Bucks County, Pennsylvania, where a waste tie disposal facility was to have been located, have been terminated. Alternative sites are under consideration; however, there are no current negotiations for any specific site.

15

During 2007 and continuing at preset, the Company has been and is heavily engaged in seeking licensees for its technology, primarily through the sale of machinery units customized for the specific applications of the potential licensee.

With respect to the non-metallic components of junked and wrecked vehicles (essentially the interiors), known as "fluff", the Company has developed a unit for the decomposition of such materials for which it currently is seeking purchase orders.

With respect to the other hydrocarbon applications of the technology, the Company will continue its R&D in each of the areas and seek out joint venture partners for field testing and ultimate licensing to users.

### Liquidity and Working Capital

As of December 31, 2007 the Company had \$780,425 in cash on hand. This is considered adequate to covering anticipated working capital requirements for approximately six (6) months. The Company is continuously engaged in reviewing, discussing, analyzing and negotiating various financing opportunities, both in the United States and in Europe.

### ITEM 7. FINANCIAL STATEMENTS.

Our financial statements, together with the report of the auditors, are as follows:

16

BAGELL, JOSEPHS, LEVINE & COMPANY, L.L.C.  
Certified Public Accountants

406 Lippincott Drive, Ste. J  
Marlton, NJ 08053-4168  
(856) 346-2828 Fax (856) 396-0022

Board of Directors and Stockholders  
Global Resource Corporation  
408 Bloomfield Drive, #3  
West Berlin, NJ 08091-2415

We have audited the accompanying consolidated balance sheet of Global Resource Corporation, a development stage enterprise, as of December 31, 2007, and the related consolidated statements of operations, stockholders' equity and cash flows for each of the years in the two-year period ended December 31, 2007 and

## Edgar Filing: Global Resource CORP - Form 10KSB

the period from July 19, 2002 (Date of Inception) through December 31, 2007. Global Resource Corporation's management is responsible for these financial statements. Our responsibility is to express an opinion on these financial statements based on our audits.

We conducted our audits in accordance with the standards of the Public Company Accounting Oversight Board (United States). Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. The company is not required to have, nor were we engaged to perform, an audit of its internal control over financial reporting. Our audit included consideration of internal control over financial reporting as a basis for designing audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the company's internal control over financial reporting. Accordingly, we express no such opinion. An audit also includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements, assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the financial position of Global Resource Corporation as of December 31, 2007, and the results of its operations and its cash flows for each of the years in the two-year period ended December 31, 2007 and the period from July 19, 2002 (Date of Inception) through December 31, 2007 in conformity with accounting principles generally accepted in the United States of America.

The accompanying financial statements have been prepared assuming the Company will continue as a going concern. As discussed in Note 8 to the financial statements, unless the Company is successful in generating new sources of revenue, or obtaining debt or equity financing, or restructuring its business, the Company is likely to deplete its working capital during 2008. These matters raise substantial doubt about the Company's ability to continue as a going concern. Management's plan in regard to these matters is also described in Note 8. The financial statements do not include any adjustments that might result from the outcome of this uncertainty.

/S/ BAGELL, JOSEPHS, LEVINE & COMPANY, L.L.C.  
Bagell, Josephs, Levine & Company, L.L.C.  
Marlton, NJ 08053

March 20, 2008

AMERICAN INSTITUTE OF CERTIFIED PUBLIC ACCOUNTANTS (AICPA)  
CENTER FOR AUDIT QUALITY (CAQ)  
NEW JERSEY SOCIETY OF CERTIFIED PUBLIC ACCOUNTANTS  
PENNSYLVANIA INSTITUTE OF CERTIFIED PUBLIC ACCOUNTANTS

17

The management of Global Resources Corporation is responsible for establishing and maintaining adequate internal control over financial reporting. The Company's internal control over financial reporting is designed to provide reasonable assurance as to the reliability of the Company's financial reporting and the preparation of financial statements in accordance with generally accepted accounting principles.

All internal control systems, no matter how well designed, have inherent

Edgar Filing: Global Resource CORP - Form 10KSB

limitations. Therefore, even those systems determined to be effective can provide only reasonable assurance with respect to financial statement preparation and presentation.

Management conducted an evaluation of the effectiveness of the Company's internal control over financial reporting as of December 31, 2007. In making this assessment, it used the criteria set forth in INTERNAL CONTROL--INTEGRATED FRAMEWORK issued by the Committee of Sponsoring Organizations of the Treadway Commission (COSO).

We identified the following material weakness in our internal control over financial reporting- we did not have adequately segregation of duties, in that we only had one person performing all accounting-related on-site duties. Because of the "barebones" level of relevant personnel, however, certain deficiencies which are cured by separation of duties cannot be cured, but only a monitored as a weakness.

Our independent registered public accounting firm, Bagell, Josephs, Levine & Company, LLC, has reviewed our management's assessment of our internal controls over the financial reporting and will issue their report in 2008 per SEC rules for non-accelerated filers.

18

GLOBAL RESOURCE CORPORATION  
(A Development Stage Company)  
Consolidated Balance Sheet  
December 31, 2007

ASSETS

|                                       | Year Ended<br>December 31, 2007 |
|---------------------------------------|---------------------------------|
|                                       | -----                           |
| CURRENT ASSETS                        |                                 |
| Cash                                  | \$ 780,425                      |
|                                       | -----                           |
| TOTAL CURRENT ASSETS                  | 780,425                         |
|                                       | -----                           |
| Fixed Assets, Net of depreciation     | 373,135                         |
|                                       | -----                           |
| OTHER ASSETS                          |                                 |
| Investments & Deposits on Investments | 74,860                          |
|                                       | -----                           |
| TOTAL OTHER ASSETS                    | 74,860                          |
|                                       | -----                           |
| TOTAL ASSETS                          | \$ 1,228,420                    |
|                                       | =====                           |

LIABILITIES AND STOCKHOLDERS' EQUITY

|  |            |
|--|------------|
| CURRENT LIABILITIES                      |            |
| Accounts payable and accrued liabilities | \$ 119,588 |



## Edgar Filing: Global Resource CORP - Form 10KSB

|   |              |
|---|--------------|
| Current portion - loan payable - equipment  | 40,964       |
| Loan Payable - to officer of company  | 150,000      |
|   | -----        |
| TOTAL CURRENT LIABILITIES   | 310,552      |
|   | -----        |
| LONG-TERM LIABILITIES   |              |
| Loan payable - equipment, net of current portion  | 51,629       |
|   | -----        |
| Total liabilities   | 362,181      |
|   | -----        |
| STOCKHOLDERS' EQUITY  |              |
| Preferred Stock A - \$.001 par value 100,000,000 shares authorized,<br>35,236,188 issued and outstanding at Dec. 31, 2007   | 35,236       |
| Preferred Stock B - \$.001 par value 1,000 shares authorized and<br>issued as Dec. 31, 2007                                 | 1            |
| Common stock, \$.001 par value; 200,000,000 shares authorized,<br>30,263,330 shares issued and outstanding at Dec. 31, 2007 | 30,358       |
| Subscription receivable   | (185,693)    |
| Additional paid-in capital  | 20,497,849   |
| Deficit accumulated in the development stage  | (17,418,997) |
|   | -----        |
|   | 2,958,754    |
| Treasury Stock  | (66,473)     |
| Prepaid Services  | (1,808,042)  |
| Deferred compensation   | (218,000)    |
|   | -----        |
| Total stockholders' equity  | 866,239      |
|   | -----        |
| TOTAL LIABILITIES AND STOCKHOLDERS' EQUITY  | \$ 1,228,420 |
|   | =====        |

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

19

GLOBAL RESOURCE CORPORATION  
(A Development Stage Company)  
Consolidated Statement of Operations  
(With Cumulative Totals Since Inception)

|  | TWELVE MONTHS ENDED |                     | JULY 19, 2008<br>(INCEPTION<br>TO<br>DECEMBER<br>2007) |
|--|---------------------|---------------------|--|
|  | DECEMBER 31<br>2007 | DECEMBER 31<br>2006 |  |
|  | -----               | -----               | -----  |
| REVENUES                                   | \$ -                | \$ -                | \$ -   |
| COST OF SALES                              | -                   | -                   | -  |
|  | -----               | -----               | -----  |
| GROSS PROFIT                               | -                   | -                   | -  |
|  | -----               | -----               | -----  |
| OPERATING EXPENSES                         |                     |                     |  |
| Consulting fees                            | 117,881             | 313,870             | 1,422,000  |
| Professional fees for Legal and Accounting | 572,411             | 368,215             | 1,260,000  |

Edgar Filing: Global Resource CORP - Form 10KSB

|  |                 |                |             |
|--|-----------------|----------------|-------------|
| Investment Banking Fees and investor relations | 4,813,322       | 1,078,936      | 5,892,      |
| Other general and administrative expenses      | 4,799,415       | 2,495,840      | 8,555,      |
| Depreciation expense                           | 93,864          | 58,154         | 183,        |
|  | -----           | -----          | -----       |
| TOTAL OPERATING EXPENSES                       | 10,396,893      | 4,315,015      | 17,314,     |
|  | -----           | -----          | -----       |
| LOSS BEFORE OTHER INCOME (EXPENSE)             | (10,396,893)    | (4,315,015)    | (17,314,    |
|  | -----           | -----          | -----       |
| OTHER INCOME (EXPENSE)                         |                 |                |             |
| Loss on deposit / real estate - net            | (100,000)       | 14,324         | (172,       |
| Interest expense                               | (23,322)        | (13,428)       | (38,        |
| Interest income                                | 33,329          | 68,172         | 106,        |
|  | -----           | -----          | -----       |
| TOTAL OTHER INCOME (EXPENSE)                   | (89,993)        | 69,068         | (104,       |
|  | -----           | -----          | -----       |
| NET LOSS BEFORE PROVISION FOR INCOME TAXES     | (10,486,886)    | (4,245,947)    | (17,418,    |
| PROVISION FOR INCOME TAXES                     | -               | 111            |             |
|  | -----           | -----          | -----       |
| NET LOSS APPLICABLE TO COMMON SHARES           | \$ (10,486,886) | \$ (4,246,058) | \$ (17,418, |
|  | =====           | =====          | =====       |
| BASIC AND DILUTED LOSS                         |                 |                |             |
| PER SHARE                                      | \$ (0.40)       | \$ (0.09)      | \$ (0       |
|  | =====           | =====          | =====       |
| WEIGHTED AVERAGE NUMBER                        |                 |                |             |
| OF COMMON SHARES                               | 26,489,850      | 47,939,917     | 26,489,     |
|  | =====           | =====          | =====       |

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

20

GLOBAL RESOURCE CORPORATION  
(A Development Stage Company)  
Consolidated Statement of Cash Flows  
(With Cumulative Totals Since Inception)

|   | TWELVE MONTHS END |          |
|---|-------------------|----------|
|   | DECEMBER 31,      | DECEMBER |
|   | 2007              | 2006     |
|   | -----             | -----    |
| CASH FLOWS FROM OPERATING ACTIVITIES                    |                   |          |
| Net loss  | \$(10,486,886)    | \$ (4,   |
|   | -----             | -----    |
| ADJUSTMENTS TO RECONCILE NET LOSS TO NET CASH (USED IN) |                   |          |
| OPERATING ACTIVITIES:                                   |                   |          |
| Depreciation  | 93,864            |          |
| Preferred stock issued for services                     | 400,000           |          |
| Common stock issued for services                        | 7,107,000         |          |
| Amortization of deferred compensation                   | 109,000           |          |
| Allowance reserve for note payable                      |                   |          |

## Edgar Filing: Global Resource CORP - Form 10KSB

|  |              |       |
|--|--------------|-------|
| Loss on sale of fixed asset  | 11,775       |       |
| Loss on real estate  |              |       |
| Common stock issued as charitable contribution                         |              |       |
| <b>CHANGES IN ASSETS AND LIABILITIES</b>                               |              |       |
| (Increase) in prepaid expenses   | -            |       |
| (Increase) decrease in deposits  | 70,140       |       |
| (Increase) in notes receivable   |              |       |
| (Decrease) in accounts receivable                                      |              |       |
| (Decrease) in accounts payable   | 5,542        |       |
|  | -----        | ----- |
| TOTAL ADJUSTMENTS  | 7,797,321    |       |
|  | -----        | ----- |
| NET CASH USED IN OPERATING ACTIVITIES                                  | (2,689,565)  | (4,)  |
|  | -----        | ----- |
| <b>CASH FLOWS FROM INVESTING ACTIVITIES</b>                            |              |       |
| Purchase of fixed assets   | (24,033)     |       |
| Proceeds from sale of Fixed assets                                     | 34,200       |       |
| Proceeds from sale of real estate                                      | -            |       |
| Investment   | -            |       |
| Investment in real estate, net   | -            |       |
|  | -----        | ----- |
| NET CASH PROVIDED BY (USED IN) INVESTING ACTIVITIES                    | 10,167       | (     |
|  | -----        | ----- |
| <b>CASH FLOWS FROM FINANCING ACTIVITIES</b>                            |              |       |
| Issuance of common stock for cash                                      | 1,168,461    | 2,    |
| Issuance of equity securities and paid-in capital for merger and other | 201,464      | 2,    |
| Liability for stock to be issued                                       | (201,343)    |       |
| (Increase) decrease in stock subscription receivable                   | 475,000      |       |
| Proceeds from officer's loan   | 150,000      |       |
| Repayment of officer's loan  |              |       |
| Purchase of Treasury Stock   | (66,473)     |       |
| Proceeds from loan payable - equipment                                 |              |       |
| Repayment of loan payable - vehicle                                    |              |       |
| Proceeds from loan payable - equipment                                 |              |       |
| Repayment of loan payable - equipment                                  | (37,288)     |       |
|  | -----        | ----- |
| NET CASH PROVIDED BY FINANCING ACTIVITIES                              | 1,689,821    | 5,    |
|  | -----        | ----- |
| NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS                   | (989,577)    |       |
| <b>CASH AND CASH EQUIVALENTS</b>                                       |              |       |
| - BEGINNING OF YEAR  | 1,770,002    | 1,    |
|  | -----        | ----- |
| <b>CASH AND CASH EQUIVALENTS</b>                                       |              |       |
| - END OF YEAR  | \$ 780,425   | \$ 1, |
|  | =====        | ===== |
| <b>SUPPLEMENTAL DISCLOSURES OF NON-CASH ACTIVITIES:</b>                |              |       |
| Common stock issued for services                                       | \$ 6,333,542 | \$    |
|  | =====        | ===== |
| Common stock issued for services net of prepaid contra equity account  | \$ 773,458   |       |

Edgar Filing: Global Resource CORP - Form 10KSB

|  |       |       |
|--|-------|-------|
|  | ===== | ===== |
| Common stock issued for land investment        |       | \$    |
|  | ===== | ===== |
| Common stock issued as charitable contribution |       |       |
|  | ===== | ===== |

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

21

GLOBAL RESOURCE CORPORATION  
(A Development Stage Company)  
Consolidated Statement of Stockholders' Equity  
At December 31, 2007

|   | PREFERRED STOCK |                  | COMMON STOCK |                  |
|---|-----------------|------------------|--------------|------------------|
|   | PREFERRED       | PAR VALUE \$.001 | COMMON       | PAR VALUE \$.001 |
|   | SHARES          | \$ AMOUNT        | SHARES       | \$ AMOUNT        |
|   | -----           | -----            | -----        | -----            |
| BALANCE - JULY 19, 2002 (INCEPTION)   |                 |                  | -            | \$               |
| Issuance of initial founders' shares, September 2002, net of subsequent cancellations             |                 |                  | 2,555,000    |                  |
| Shares issued for services, September 2002  |                 |                  | 1,000,000    |                  |
| Shares issued for cash, November 2002   |                 |                  | 29,000       |                  |
| Shares issued for services, November and December 2002  |                 |                  | 13,600       |                  |
| Net loss for the period July 19, 2002 (Inception) through December 31, 2002, as originally stated |                 |                  | -            |                  |
| Prior period adjustment, Note 11  | -               | -                | -            |                  |
|   | -----           | -----            | -----        | -----            |
| BALANCE AT DECEMBER 31, 2002  | -               | -                | 3,597,600    |                  |
|   | -----           | -----            | -----        | -----            |
| Re-issuance of founders' shares - July 2003   |                 |                  | 1,455,000    |                  |
| Shares issued for cash  |                 |                  | 519,800      |                  |
| Issuance of subscription receivable from shareholders   |                 |                  | -            |                  |
| Net loss for the year ended December 31, 2003, as   |                 |                  |              |                  |

Edgar Filing: Global Resource CORP - Form 10KSB

|  |   |   |           |   |
|--|---|---|-----------|---|
| originally stated  |   |   |           | - |
| Prior period adjustment,<br>Note 11                      | - | - | -         | - |
| BALANCE AT DECEMBER 31, 2003                             | - | - | 5,572,400 |   |
| Shares issued for cash                                   |   |   | 917,645   |   |
| Shares issued in exchange<br>for real estate             |   |   | 650,000   |   |
| Shares issued for compensation                           |   |   | 545,000   |   |
| Shares issued as charitable<br>contribution              |   |   | 50,000    |   |
| Initial founders' shares<br>cancelled                    |   |   | (250,000) |   |
| Issuance of subscription<br>receivable from shareholders |   |   | -         |   |
| Net loss for the year<br>ended December 31, 2004         | - | - | -         |   |
| BALANCE AT DECEMBER 31, 2004                             | - | - | 7,485,045 |   |

22

GLOBAL RESOURCE CORPORATION  
(A Development Stage Company)  
Consolidated Statement of Stockholders' Equity  
At December 31, 2007

(CONTINUED FROM PREVIOUS PAGE)

|   | DEFICIT<br>ACCUMULATED<br>DURING THE<br>DEVELOPMENT STAGE | DEFERRED<br>COMPENSATION | CONTRA<br>PREPAID FOR<br>SERVICES | SUBSCRIPTI<br>RECEIVABL |
|---|---|--------------------------|-----------------------------------|-------------------------|
|   | -----   | -----                    | -----                             | -----                   |
| BALANCE - JULY 19, 2002 (INCEPTION)   | \$ -  | \$ -                     |                                   | \$                      |
| Issuance of initial founders'<br>shares, September 2002, net<br>of subsequent cancellations | -   | -                        |                                   |                         |
| Shares issued for services,<br>September 2002   | -   | -                        |                                   |                         |
| Shares issued for cash,<br>November 2002  | -   | -                        |                                   |                         |

Edgar Filing: Global Resource CORP - Form 10KSB

|  |             |           |       |       |
|--|-------------|-----------|-------|-------|
| Shares issued for services,<br>November and December 2002  | -           | -         |       |       |
| Net loss for the period<br>July 19, 2002 (Inception)<br>through December 31, 2002,<br>as originally stated | (2,008,508) | -         |       |       |
| Prior period adjustment,<br>Note 11  | 1,500,000   | -         |       |       |
|  | -----       | -----     | ----- | ----- |
| BALANCE AT DECEMBER 31, 2002   | (508,508)   | -         | -     |       |
|  | -----       | -----     | ----- | ----- |
| Re-issuance of founders'<br>shares - July 2003   | -           | -         |       |       |
| Shares issued for cash   | -           | -         |       |       |
| Issuance of subscription<br>receivable from shareholders   | -           | -         |       | (14,3 |
| Net loss for the year ended<br>December 31, 2003, as<br>originally stated                                  | (931,159)   | -         |       |       |
| Prior period adjustment,<br>Note 11  | 727,500     | -         |       |       |
|  | -----       | -----     | ----- | ----- |
| BALANCE AT DECEMBER 31, 2003   | (712,167)   | -         | -     | (14,3 |
|  | -----       | -----     | ----- | ----- |
| Shares issued for cash   | -           | -         |       |       |
| Shares issued in exchange<br>for real estate   | -           | -         |       |       |
| Shares issued for compensation   | -           | (545,000) |       |       |
| Shares issued as charitable<br>contribution  | -           | -         |       |       |
| Initial founders' shares<br>cancelled  | -           | -         |       |       |
| Issuance of subscription<br>receivable from shareholders   | -           | -         |       | (74,2 |
| Net loss for the year<br>ended December 31, 2004   | (672,219)   | -         |       |       |
|  | -----       | -----     | ----- | ----- |
| BALANCE AT DECEMBER 31, 2004   | (1,384,386) | (545,000) | -     | (88,5 |
|  | -----       | -----     | ----- | ----- |

Edgar Filing: Global Resource CORP - Form 10KSB

GLOBAL RESOURCE CORPORATION  
(A Development Stage Company)  
Consolidated Statement of Stockholders' Equity  
At December 31, 2007

|  | PREFERRED STOCK     |                               | COMMON STOCK     |                               |
|--|---------------------|-------------------------------|------------------|-------------------------------|
|  | PREFERRED<br>SHARES | PAR VALUE \$.001<br>\$ AMOUNT | COMMON<br>SHARES | PAR VALUE \$.001<br>\$ AMOUNT |
| Shares issued for cash                                 |                     |                               | 745,655          |                               |
| Shares issued to acquire<br>technology                 |                     |                               | 37,500,000       |                               |
| Remaining shares issued in<br>exchange for real estate |                     |                               | 80,800           |                               |
| Shares issued for services                             |                     |                               | 53,500           |                               |
| Accounts payable converted<br>to equity                |                     |                               | 1,087            |                               |
| Stock subscriptions received,<br>net                   |                     |                               | -                |                               |
| Amortization of deferred<br>compensation               |                     |                               | -                |                               |
| Net loss for the year<br>ended December 31, 2005       | -                   | -                             | -                |                               |
| BALANCE AT DECEMBER 31, 2005                           | -                   | -                             | 45,866,087       |                               |
| Shares issued for cash                                 |                     |                               | 2,786,286        |                               |
| Stock subscriptions received,<br>net                   |                     |                               | -                |                               |
| Amortization of deferred<br>compensation               |                     |                               | -                |                               |
| Shares issued for services                             |                     |                               | 14,123           |                               |
| Shares issued for investment<br>in land                |                     |                               | 22,500           |                               |
| Effect of reverse merger                               |                     |                               | 72,241           | 48,760                        |
| Shares issued for conversion<br>of debt                |                     |                               | 2,681,837        | 2,681,837                     |
| Shares issued for consulting                           |                     |                               | 25,000           | 25,000                        |
| Shares issued for merger<br>with Mobilestream Inc      |                     |                               | 11,145,255       | 11,145,255                    |
| Cancellation of shares for                             |                     |                               |                  |                               |

Edgar Filing: Global Resource CORP - Form 10KSB

|  |                   |                  |                   |                      |
|--|-------------------|------------------|-------------------|----------------------|
| merger with Mobilestream Inc   |                   |                  | (37,500,000)      | (37,500,000)         |
| Preferred convertible stock issued for merger with Mobilestream 2 for 1 conversion into common | 35,236,188        | \$ 35,236        |                   |                      |
| Net loss for the year ended December 31, 2006  | -                 | -                | -                 | -                    |
| BALANCE AT DECEMBER 31, 2006   | <u>35,236,188</u> | <u>\$ 35,236</u> | <u>25,113,329</u> | <u>\$ 25,113,329</u> |
| Shares issued for cash   |                   |                  | 1,519,564         | 1,519,564            |
| Shares issued for Stock to be issued (liability)   |                   |                  | 186,822           | 186,822              |
| Stock subscriptions received, net  |                   |                  | -                 | -                    |
| Amortization of deferred compensation  |                   |                  |                   |                      |
| Shares issued for services   |                   |                  | 2,613,576         | 2,613,576            |
| Shares issued for services & Prepaid in Equity   |                   |                  | 925,000           | 925,000              |
| Treasury Stock   |                   |                  | (94,961)          | (94,961)             |
| Perferred Shares issued for settlement of services   | 1,000             | 1                |                   |                      |
| Net loss for the period ended December 31, 2007  | -                 | -                | -                 | -                    |
| BALANCE AT DECEMBER 31, 2007   | <u>35,237,188</u> | <u>\$ 35,237</u> | <u>30,263,330</u> | <u>\$ 30,263,330</u> |

24

GLOBAL RESOURCE CORPORATION  
(A Development Stage Company)  
Consolidated Statement of Stockholders' Equity  
At December 31, 2007

(CONTINUED FROM PREVIOUS PAGE)

|                        | DEFICIT<br>ACCUMULATED<br>DURING THE<br>DEVELOPMENT STAGE | DEFERRED<br>COMPENSATION | CONTRA<br>PREPAID FOR<br>SERVICES | SUBSCRIPTI<br>RECEIVABL |
|------------------------|---|--------------------------|-----------------------------------|-------------------------|
|                        | -----   | -----                    | -----                             | -----                   |
| Shares issued for cash | -   | -                        |                                   |                         |



Edgar Filing: Global Resource CORP - Form 10KSB

|  |                |              |      |           |
|--|----------------|--------------|------|-----------|
| Shares issued to acquire technology  | -              | -            |      |           |
| Remaining shares issued in exchange for real estate  | -              | -            |      |           |
| Shares issued for services   | -              | -            |      |           |
| Accounts payable converted to equity   | -              | -            |      |           |
| Stock subscriptions received, net  | -              | -            |      | 10,3      |
| Amortization of deferred compensation  | -              | 109,000      |      |           |
| Net loss for the year ended December 31, 2005  | (1,291,169)    | -            |      |           |
| BALANCE AT DECEMBER 31, 2005   | (2,675,555)    | (436,000)    | -    | (78,1     |
| Shares issued for cash   | -              | -            |      |           |
| Stock subscriptions received, net  | -              | -            |      | (582,5    |
| Amortization of deferred compensation  | -              | 109,000      |      |           |
| Shares issued for services   | -              | -            |      |           |
| Shares issued for investment in land   | -              | -            |      |           |
| Effect of reverse merger   | -              | -            |      |           |
| Shares issued for conversion of debt   | -              | -            |      |           |
| Shares issued for consulting   | -              | -            |      |           |
| Shares issued for merger with Mobilestream Inc   | (10,498)       |              |      |           |
| Cancellation of shares for merger with Mobilestream Inc  |                |              |      |           |
| Preferred convertible stock issued for merger with Mobilestream 2 for 1 conversion into common |                |              |      |           |
| Net loss for the year ended December 31, 2006  | (4,246,058)    | -            |      |           |
| BALANCE AT DECEMBER 31, 2006   | \$ (6,932,111) | \$ (327,000) | \$ - | \$ (660,6 |

Edgar Filing: Global Resource CORP - Form 10KSB

|   |                 |              |                |           |
|---|-----------------|--------------|----------------|-----------|
| Shares issued for cash                                |                 |              |                |           |
| Shares issued for Stock<br>to be issued (liability)   |                 |              |                |           |
| Stock subscriptions received,<br>net                  | -               | -            |                | 475,0     |
| Amortization of deferred<br>compensation              |                 | 109,000      |                |           |
| Shares issued for services                            |                 |              |                |           |
| Shares issued for services<br>& Prepaid in Equity     |                 |              | (1,808,042)    |           |
| Treasury Stock  |                 |              |                |           |
| Perferred Shares issued for<br>settlement of services |                 |              |                |           |
| Net loss for the period<br>ended December 31, 2007    | (10,486,886)    | -            | -              |           |
| BALANCE AT DECEMBER 31, 2007                          | \$ (17,418,997) | \$ (218,000) | \$ (1,808,042) | \$ (185,6 |

25

GLOBAL RESOURCE CORPORATION  
(A DEVELOPMENT STAGE COMPANY)  
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS  
DECEMBER 31, 2007

NOTE 1 - BASIS OF PRESENTATION AND NATURE OF BUSINESS AND ORGANIZATION

Global Resource Corporation (the Company") was formed on July 19, 2002 in the State of New Jersey under the name Carbon Recovery Corporation as a development stage company. The Company's business plan is to research and develop and market the business of decomposing petroleum-based materials by subjecting them to variable frequency microwave radiation at specifically selected frequencies for a time sufficient to at least partially decompose the materials, converting the materials into industrial products and chemicals for the petroleum chemical industry.

The Company's business goals are as follows:

- 1) The construction of plants to exploit certain technology for decomposing petroleum-based materials by subjecting them to variable frequency microwave radiation at specifically selected frequencies for a time sufficient to at least partially decompose the materials;
- 2) The design, manufacture and sale of machinery and equipment units, embodying the technology;
- 3) The sub-licensing of third parties to exploit that technology.

At the present time, the process is in a laboratory mode. There will have to be a transition from the "one batch at a time" operation, used in the

## Edgar Filing: Global Resource CORP - Form 10KSB

laboratory to a "continuous feed" line in order to commercialize the process. A prototype one ton "continuous feed" line machine is scheduled for delivery in the first quarter 2008.

The Company believes that the design of the machinery and equipment for the decomposition of waste tires fully protects the environment from the release of components during the decomposition process.

In a similar decomposition process, the Company has designed machinery and equipment which will decompose "fluff", which is the non-metallic portions of scrap motor vehicles, primarily, the interiors. It appears that although scrap vehicles are specifically taken without the tires due to environmental rules, they are often removed but then placed ("hidden") in the trunk of the vehicle and crushed into it, thus "disposing" of the tires. The Company's machinery will, of course, permit any tires to be decomposed together with the other materials.

The Company is currently offering three models: one which disposes of five tons per hour, one which disposes of ten tons per hour and one which disposes of fifteen tons per hour. The Company is soliciting orders and has issued various proposals.

26

GLOBAL RESOURCE CORPORATION  
(A DEVELOPMENT STAGE COMPANY)  
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS  
DECEMBER 31, 2007

NOTE 1 - BASIS OF PRESENTATION AND NATURE OF BUSINESS AND ORGANIZATION  
(CONTINUED)

There are other potential applications for the microwave technology covered by the license, in addition to the application for decomposing waste tires and fluff. These include:

1. Stimulation of production of mature oil and gas wells ("stripper" wells);
2. Reduction of hydrocarbons in drilling cuttings to permit on-site disposal;
3. Volatilization of heavy or slurry oil;
4. Recovery of oil from oil shale and oil sands; and
5. Medicinal applications.

To date, the Company has allocated a substantial portion of their time and investment in bring their product to the market and the raising of capital. The Company has not commenced any commercial operations as of December 31, 2007.

On December 31, 2006, Global Resource Corporation acquired all the assets and assumed all of the liabilities of Mobilestream Oil, Inc. in exchange for; a) 11,145,255 shares of the Company's Common Stock; b) the issuance by the Company for the benefit of the holders of the 2006 series of convertible preferred stock of Mobilestream of 35,236,188 shares of the Company's own "2006 Series" in the process of designation (see "Subsequent Events" note 13 below for changes); c) the issuance of 27,205,867 common stock purchase warrants on the basis of 1 warrant for each 3 shares of either common stock or preferred stock (the 2006 Series), exercisable at \$4.75 per share for a period ending on December 31, 2007. The ownership

## Edgar Filing: Global Resource CORP - Form 10KSB

Mobilestream owned 37,500,000 shares of the Company's stock which were cancelled. The total cost of the acquisition of Mobilestream has been allocated to the assets acquired and the liabilities assumed based on their fair values in accordance with SFAS 141, BUSINESS COMBINATIONS. The net asset and liabilities of Mobilestream equal approximately \$2.4 million. The assets consisted of cash approximately \$1,678,000, and fixed assets of \$149,000 offset by liabilities of approximately \$91,000.

On September 22, 2006, the Carbon Recovery Corporation entered into a Plan and Agreement of Reorganization ("Agreement") with Global Resource Corporation. Pursuant to the Agreement, Global Resource Corporation acquired all of the assets and assumed all of the liabilities and related development stage business of Carbon Recovery Corporation in exchange for 48,688,996 common shares and the assumption of a convertible debenture and accrued interest in the amount of \$120,682 by Carbon Recovery Corporation, subsequent the convertible debenture was eliminated by issuing 2,681,837 of the Company's common stock.. The holders of Global Resource Corporation's capital stock before the Agreement retained 72,241 shares of common stock. Prior to the Agreement, Carbon Recovery Corporation had warrants outstanding. Pursuant to the Agreement, those outstanding warrants were exchanged for outstanding warrants of Global Resource Corporation. Specifically,

27

GLOBAL RESOURCE CORPORATION  
(A DEVELOPMENT STAGE COMPANY)  
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS  
DECEMBER 31, 2007

NOTE 1 - BASIS OF PRESENTATION AND NATURE OF BUSINESS AND ORGANIZATION  
(CONTINUED)

Global Resource Corporation issued 3,908,340 Class B warrants, 1,397,600 Class D warrants and 1,397,600 Class E warrants. The Class B and Class D warrants have an exercise price of \$2.75 and the Class E warrants have an exercise price of \$4.00. All of the warrants originally schedule to expire on September 21, 2007, but the Board of directors of the Company has extended the expiration date to December 31, 2007 fore class B and Class D warrants and March 31, 2008 for Class E warrants (see "Subsequent Events" Note 13 below).

The above transaction has been accounted for as a reverse merger (recapitalization) with Carbon Recovery Corporation being deemed the accounting acquirer and Global Resource Corporation being deemed the legal acquirer. Accordingly, the historical financial information presented in the financial statements is that of Carbon Recovery Corporation as adjusted to give effect to any difference in the par value of the issuer's and the accounting acquirer's stock with an offset to additional paid in capital. The basis of the assets and liabilities of Carbon Recovery Corporation, the accounting acquirer, have been carried over in the recapitalization. Concurrent with the merger, Carbon Recovery Corporation changed its name to Global Resource Corporation.

On December 11, 2007 the company adapted the following Amendments to the Articles of Incorporation: 1) Reduce the authorized number of shares of common stock which the Company may issue from 2,000,000,000 to 200,000,000 shares. 2) Increase the authorized number of preferred shares which the Company may issue from 50,000,000 to 100,000,000. 3)Reduce the number of

## Edgar Filing: Global Resource CORP - Form 10KSB

2006 Series of Convertible preferred stock which may be converted into common stock, from 2 shares of common stock to 1/2 of 1 share of common stock for each share of 2006 Convertible Preferred stock. 4) Indemnify the Company's directors and officers to the maximum extent permitted under the laws of the State of Nevada. 5) Limiting the liability of the Company's directors and officers to the Company, our stockholders and creditors to the maximum extent provided under the Private Corporations Law of the State of Nevada (the "Nevada PCL"). 6) Permit the board of directors to declare reverse stock splits of our issued and outstanding shares without approval of the stockholders under section 78-2055 of the Nevada PCL.

The Company is considered to be in the development stage as defined in Statement of Financial Accounting Standards (SFAS) No. 7, "ACCOUNTING AND REPORTING BY DEVELOPMENT STAGE ENTERPRISES". The Company has devoted substantially all of its efforts to business planning and development, as well as allocating a substantial portion of their time and investment in bringing their product to the market, and the raising of capital.

28

GLOBAL RESOURCE CORPORATION  
(A DEVELOPMENT STAGE COMPANY)  
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS  
DECEMBER 31, 2007

### NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

#### 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 and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

#### CASH AND CASH EQUIVALENTS

-----

The Company considers all highly liquid debt instruments and other short-term investments with an initial maturity of three months or less to be cash or cash equivalents.

At December 31, 2007, the Company maintained cash and cash equivalent balances at two financial institutions that are insured by the Federal Deposit Insurance Corporation up to \$100,000. At December 31, 2007 the Company's uninsured cash balances total \$680,425.

#### START-UP COSTS

In accordance with the American Institute of Certified Public Accountants Statement of Position 98-5, "REPORTING ON THE COSTS OF START-UP ACTIVITIES", the Company expenses all costs incurred in connection with the start-up and organization of the Company.

#### INCOME TAXES

-----

## Edgar Filing: Global Resource CORP - Form 10KSB

Deferred income taxes are reported using the liability method. Deferred tax assets are recognized for deductible temporary differences and deferred tax liabilities are recognized for taxable temporary differences. Temporary differences are the differences between the reported amounts of assets and liabilities and their tax bases. Deferred tax assets are reduced by a valuation allowance when, in the opinion of management, it is more likely than not that some portion or all of the deferred tax assets will not be realized. Deferred tax assets and liabilities are adjusted for the effects of changes in tax laws and rates on the date of enactment.

### BUSINESS COMBINATIONS

-----

Effective December 31, 2006 the Company completed a merger with Mobilestream Corp. and due to the transfer of assets between entities under common control, the total cost of the acquisition of Mobilestream has been allocated to the assets acquired and the liabilities assumed based on their fair values in accordance with SFAS 141, BUSINESS COMBINATIONS. All account amounts and shares amounts have been retroactively applied and presented to reflect the change.

Effective July 31, 2006 the Company completed a reverse split of its common stock. All share amounts have been retroactively applied and presented to reflect the change.

29

GLOBAL RESOURCE CORPORATION  
(A DEVELOPMENT STAGE COMPANY)  
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS  
DECEMBER 31, 2007

#### NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

##### STOCK-BASED COMPENSATION

-----

Effective January 1, 2006, the Company adopted the provisions of Financial Accounting Standards Board ("FASB") published Statement of Financial Accounting Standards No. 123 (Revised 2004), "SHARE-BASED PAYMENT" ("SFAS 123R"). SFAS 123R requires that compensation cost related to share-based payment transactions be recognized in the financial statements. Share-based payment transactions within the scope of SFAS 123R include stock options, restricted stock plans, performance-based awards, stock appreciation rights, and employee share purchase plans. Prior to January 1, 2006, the Company accounts for its share-based payment transactions under the provisions of APB 25, which does not necessarily require the recognition of compensation cost in the financial statements. Accordingly, no compensation expense was recognized for the stock option grants in periods prior to the adoption of SFAS 123R. The Company has not issued any options during the reporting periods and as such, the effect of SFAS 123R has no impact on the results of operations for the Twelve months ended December 31, 2007 and 2006. The company did issue stock grants in 2007 that were 100% vested at time of issuance and were expense to the Company at the market price.

##### EARNINGS (LOSS) PER SHARE OF COMMON STOCK

-----

Historical net loss per common share is computed using the weighted average number of common shares outstanding. Diluted earnings per share (EPS)

Edgar Filing: Global Resource CORP - Form 10KSB

include additional dilution from common stock equivalents, such as stock issuable pursuant to the exercise of stock options and warrants. Common stock equivalents were not included in the computation of diluted earnings per share when the Company reported a loss because to do so would be antidilutive.

EARNINGS (LOSS) PER SHARE OF COMMON STOCK  
-----

The following is a reconciliation of the computation for basic and diluted earnings per share:

|   | Twelve Months Ended<br>December 31, |               |
|---|-------------------------------------|---------------|
|   | 2007                                | 2006          |
| Net loss  | (\$10,486,886)                      | (\$4,246,058) |
| Weighted-average common shares<br>Outstanding (Basic)   | 26,489,850                          | 47,939,917    |
| Weighted-average common shares<br>Outstanding (Diluted) | 26,489,850                          | 47,939,917    |

Weighted-average common stock Equivalents for preferred stock convertible to 1/2 for 1 of common are 17,618,094 and warrants common stock equivalents are 11,036,907. There are also common stock purchase options equivalents totaling 200,000, these warrants and options are not part of the weighted-average outstanding common stock calculation because inclusion would have been anti-dilutive as of December 31, 2007 and December 31, 2006.

30

GLOBAL RESOURCE CORPORATION  
(A DEVELOPMENT STAGE COMPANY)  
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS  
DECEMBER 31, 2007

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

ADVERTISING COSTS  
-----

The Company will expense the costs associated with advertising as they are incurred. The Company did not incur any advertising costs for the years ended December 31, 2007 and 2006.

RECLASSIFICATIONS  
-----

Certain amounts for the year ended December 31, 2006 have been reclassified in the comparative financial statements to be comparable to the presentation for the year ended December 31, 2007. These reclassifications had no effect on net loss.

## Edgar Filing: Global Resource CORP - Form 10KSB

### RECENT ACCOUNTING PRONOUNCEMENTS

-----

In December 2007, the Financial Accounting Standards Board ("FASB") issued Statement of Financial Accounting Standards ("SFAS") No. 141 (revised 2007), BUSINESS COMBINATIONS, which replaces SFAS No 141. The statement retains the purchase method of accounting for acquisitions, but requires a number of changes, including changes in the way assets and liabilities are recognized in the purchase accounting. It also changes the recognition of assets acquired and liabilities assumed arising from contingencies, requires the capitalization of in-process research and development at fair value, and requires the expensing of acquisition-related costs as incurred. SFAS No. 141R is effective for us beginning January 1, 2008 and will apply prospectively to business combinations completed on or after that date.

In December 2007, the FASB issued SFAS No. 160, NONCONTROLLING INTERESTS IN CONSOLIDATED FINANCIAL STATEMENTS, AN AMENDMENT OF ARB 51, which changes the accounting and reporting for minority interests. Minority interests will be recharacterized as noncontrolling interests and will be reported as a component of equity separate from the parent's equity, and purchases or sales of equity interests that do not result in a change in control will be accounted for as equity transactions. In addition, net income attributable to the noncontrolling interest will be included in consolidated net income on the face of the income statement and, upon a loss of control, the interest sold, as well as any interest retained, will be recorded at fair value with any gain or loss recognized in earnings. SFAS No. 160 is effective for us beginning January 1, 2008 and will apply prospectively, except for the presentation and disclosure requirements, which will apply retrospectively. We are currently assessing the potential impact that adoption of SFAS No. 160 would have on our financial statements.

In February 2007, the FASB issued SFAS No. 159, THE FAIR VALUE OPTION FOR FINANCIAL ASSETS AND FINANCIAL LIABILITIES. SFAS No. 159 gives us the irrevocable option to carry many financial assets and liabilities at fair values, with changes in fair value recognized in earnings. SFAS No. 159 is effective for us beginning January 1, 2008, although early adoption is permitted. We are currently assessing the potential impact that electing fair value measurement would have on our financial statements and have not determined what election we will make.

31

GLOBAL RESOURCE CORPORATION  
(A DEVELOPMENT STAGE COMPANY)  
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS  
DECEMBER 31, 2007

#### NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

In September 2006, the FASB issued SFAS No. 157, FAIR VALUE MEASUREMENTS, which defines fair value, establishes a framework for measuring fair value in generally accepted accounting principles, and expands disclosures about fair value measurements. This statement does not require any new fair value measurements, but provides guidance on how to measure fair value by providing a fair value hierarchy used to classify the source of the information. SFAS No. 157 is effective for us beginning January 1, 2008. In December 2007, the FASB released a proposed FASB Staff Position (FSP FAS 157-b - EFFECTIVE DATE OF FASB STATEMENT NO. 157) which, if adopted as proposed, would delay the effective date of SFAS No. 157 for all



Edgar Filing: Global Resource CORP - Form 10KSB

nonfinancial assets and nonfinancial liabilities, except those that are recognized or disclosed at fair value in the financial statements on a recurring basis (at least annually). We are currently assessing the potential impact that adoption of this statement would have on our financial statements.

On January 1, 2007, the Company adopted the provisions of FASB issued SFAS No. 156, "Accounting for Servicing of Financial Assets, an amendment of FASB Statement No. 140." SFAS No. 156 requires an entity to recognize a servicing asset or liability each time it undertakes an obligation to service a financial asset by entering into a servicing contract under a transfer of the servicer's financial assets that meets the requirements for sale accounting, a transfer of the servicer's financial assets to a qualified special-purpose entity in a guaranteed mortgage securitization in which the transferor retains all of the resulting securities and classifies them as either available-for-sale or trading securities in accordance with SFAS No. 115, "Accounting for Certain Investments in Debt and Equity Securities" and an acquisition or assumption of an obligation to service a financial asset that does not relate to financial assets of the servicer or its consolidated affiliates. Additionally, SFAS No. 156 requires all separately recognized servicing assets and servicing liabilities to be initially measured at fair value, permits an entity to choose either the use of an amortization or fair value method for subsequent measurements, permits at initial adoption a one-time reclassification of available-for-sale securities to trading securities by entities with recognized servicing rights and requires separate presentation of servicing assets and liabilities subsequently measured at fair value and additional disclosures for all separately recognized servicing assets and liabilities. The adoption of SFAS No. 156 did not have a material impact on the Company's financial position, results of operations, or cash flows.

32

GLOBAL RESOURCE CORPORATION  
 (A DEVELOPMENT STAGE COMPANY)  
 NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS  
 DECEMBER 31, 2007

NOTE 3 - FIXED ASSETS

Fixed assets as of December 31, 2007 were as follows:

|   | Estimated Useful<br>Lives (Years) | Amount     |
|---|-----------------------------------|------------|
|   | -----                             | -----      |
| Testing Equipment                               | 5 - 7                             | \$ 454,013 |
| Vehicles  | 5                                 | 34,454     |
| Office & Computer Equip.                        | 5                                 | 16,643     |
| Leasehold improvements                          | 3                                 | 4,670      |
|   | -----                             | -----      |
|   | Total                             | \$ 509,780 |
|   |                                   | =====      |
| Less accumulated Depreciation<br>& amortization |                                   | 136,645    |
|   |                                   | -----      |
| NET FIXED ASSETS                                |                                   | \$ 373,135 |
|   |                                   | =====      |

There was \$93,864 and \$58,154 charged to operations for depreciation expense for the twelve months ended December 31, 2007 and 2006,

Edgar Filing: Global Resource CORP - Form 10KSB

respectively.

The Company sold three vehicles to the President and Chairman of the Company for \$34,200 in cash and which was \$11,776 below net book value.

NOTE 4 - LOAN PAYABLE - OFFICER OF THE COMPANY

On November 28, 2007 the Chief Financial Officer, Jeff Andrews, loan the Company \$150,000. This loan has no stated principal payment due date, interest agreement is prime plus 2%. An expense was recorded for one month based on terms stated above, interest expense will be accrued and expense monthly in the amount of \$1,187 until the Company pays off the loan.

NOTE 5 - LOAN PAYABLE - EQUIPMENT

In January 2006 the Company entered into a five year loan related to the purchase of new equipment. The principal amount of the loan is \$75,000 at an interest rate of 13.43% annually. Monthly payments on the loan are approximately \$1,723. In October 2006 the Company entered into a three year loan related to lab equipment. The principal amount of the loan is \$73,817 at an interest rate of 8.71% annually. Monthly payments on the loan are approximately \$2,396.

|   |           |
|---|-----------|
|   | 2007      |
|   | -----     |
| Total Loans Payable   | \$ 92,593 |
| Less current maturities   | (40,964)  |
|   | -----     |
| Long-Term payable   | \$ 51,629 |
|   | =====     |
| The amount of principal maturities of the loans payable by years is as follows: |           |
| 2008  | 40,964    |
| 2009  | 35,416    |
| 2010  | 16,213    |
|   | -----     |
|   | \$ 92,593 |
|   | =====     |

33

GLOBAL RESOURCE CORPORATION  
(A DEVELOPMENT STAGE COMPANY)  
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS  
DECEMBER 31, 2007

NOTE 6 - PROVISION FOR INCOME TAXES

Deferred income taxes will be determined using the liability method for the temporary differences between the financial reporting basis and income tax basis of the Company's assets and liabilities. Deferred income taxes will be measured based on the tax rates expected to be in effect when the temporary differences are included in the Company's tax return. Deferred tax assets and liabilities are recognized based on anticipated future tax consequences attributable to differences between financial statement carrying amounts of assets and liabilities and their respective tax bases.

At December 31, 2007 the deferred tax assets consist of the following:

## Edgar Filing: Global Resource CORP - Form 10KSB

|   | 2007            |
|---|-----------------|
| Deferred taxes due to net operating carryforwards | \$5,225,000     |
| Less: Valuation Allowance                         | (5,225,000)     |
| Net Deferred Tax asset                            | \$           -- |

At December 31, 2007, the Company had deficits accumulated during the development stage in the approximate amount of \$17,418,997 available to offset future taxable income through 2027. The Company established valuation allowances equal to the full amount of the deferred tax assets due to the uncertainty of the utilization of the operating losses in future periods.

### NOTE 7 - OPERATING LEASES

The Company leases office space under a lease agreement that commenced June 1, 2006, the monthly lease payments are \$5,000 per month and the leases expires on May 31, 2009. The Company is required to pay property taxes, utilities, insurance and other costs relating to the leased facilities.

Minimum lease payments under the operating lease are as follows:

| For the periods Ending Dec. 31 | Amount          |
|--------------------------------|-----------------|
| 2008                           | \$       60,000 |
| 2009                           | 21,700          |
|                                | \$       81,700 |
|                                | =====           |

GLOBAL RESOURCE CORPORATION  
(A DEVELOPMENT STAGE COMPANY)  
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS  
DECEMBER 31, 2007

### NOTE 8 - GOING CONCERN

As shown in the accompanying financial statements, the Company incurred substantial net losses for the periods ended December 31, 2007 and 2006, and has no revenue stream to support itself. This raises doubt about the Company's ability to continue as a going concern.

The Company's future success is dependent upon its ability to raise additional capital or to secure a future business combination. There is no guarantee that the Company will be able to raise enough capital or generate revenues to sustain its operations. Management believes they can raise the appropriate funds needed to support their business plan and acquire an operating, cash flow positive company.

The financial statements do not include any adjustments relating to the recoverability or classification of recorded assets and liabilities that might result should the Company be unable to continue as a going concern.

### NOTE 9 - STOCKHOLDERS' EQUITY

## Edgar Filing: Global Resource CORP - Form 10KSB

### COMMON STOCK

-----

The following details the stock transactions for the twelve months ended December 31, 2007:

The Company issued 1,519,564 shares of stock for \$1,168,461 cash.

The Company issued 186,822 shares of common stock for cash received in 2006 which was classified as liability in stock to be issued \$210,343.

The Company re-purchased 94,961 shares of common stock for \$66,473 in cash. (See "Related Party Transaction" Note 11 below Treasury stock purchase from Lois Pringle)

The Company issued 3,538,576 shares of common stock in exchange for services rendered, valued at \$7,107,000. Included in service rendered value is the issuance of 925,000 shares of stock for services which have a gross value at \$2,581,500 and is being amortized and expensed over one year period beginning in September of 2007 (see Prepaid Services below). Also included in service rendered value is stock issued under the "2007 Employee Compensation and Stock Plan Option Plan", a total 1,144,500 shares were issued, with a value of \$3,050,520 which was expensed in 2007. 800,000 Shares were issued to the Company's Chairman and CEO/President, 200,000 shares were issued to the Company's CFO.

35

GLOBAL RESOURCE CORPORATION  
(A DEVELOPMENT STAGE COMPANY)  
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS  
DECEMBER 31, 2007

#### NOTE 9 - STOCKHOLDERS' EQUITY (CONTINUED)

The Company issued 900,000 shares to an escrow account for future transaction with Professional Offshore Opportunity Fund, Ltd, "PROOF". (See "Commitments and Contingencies" note 10 below). The issuance of these shares are dependant on following future events occurring; if (i) the Company does not file and have an effective registration statement for the Shares, Warrants and Warrant Shares by June 30, 2008 or (ii) in the event that during the period of six months from the date of Closing, the market price of the Company's Common Stock has a closing price of less than \$1.00.

### PREFERRED STOCK

-----

On October 22, 2007 Frank G. Pringle, the Company's Chairman and CEO/President, the owner of all 35,236,188 issued and outstanding shares of the Company's 2006 Series of Convertible Preferred Stock offered to reduce the number of common stock, 1 preferred for 2 common stock shares to 1 preferred for 1/2 of 1 common stock shares which the Board of Directors has accepted.

The Company issued 1,000 shares of new convertible preferred to complete a settlement agreement for services rendered. These shares can be converted into common stock after 1 year, applicable to rule 144, by dividing the \$400 stated capital by the average of the closing bid prices of such Common stock for the twenty (20) consecutive trading days prior to and including

## Edgar Filing: Global Resource CORP - Form 10KSB

the day of conversion.

### SUBSCRIPTION RECEIVABLE

-----

In 2006 the Company has contract to sell some of it common stock on installment basis, and is waiting to receive the final balance of payment. The Company fully expects to receive the December 31, 2007 balance of \$185,693 by the end of year 2008.

### PREPAID SERVICES

-----

In September 2007 the Company issued 925,000 shares of stock for services which has a gross value at \$2,581,500 which is being amortized and expensed over one year period, the unamortized amount as of December 31, 2007 is \$1,808,042.

36

GLOBAL RESOURCE CORPORATION  
(A DEVELOPMENT STAGE COMPANY)  
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS  
DECEMBER 31, 2007

#### NOTE 9 - STOCKHOLDERS' EQUITY (CONTINUED)

##### WARRANTS

-----

The Company issued 3,908,340 Class B warrants, 1,397,600 Class D warrants and 1,397,600 Class E warrants. The Class B and Class D warrants have an exercise price of \$2.75 and the Class E warrants have an exercise price of \$4.00. All of the warrants, originally schedule to expire on September 21, 2007, but the Board of directors of the Company has extended the expiration date for all classes of warrants to December 31, 2008. The Company also issued 27,205,867 Common Stock Purchase warrants on the basis of 1 warrant for each 3 shares of either common stock or preferred stock (the 2006 Series), exercisable at \$4.75 per share. These warrants expire on March 31, 2007, but the Board of directors of the Company has extended the expiration date to December 31, 2008.

On October 22, 2007 the Board of Directors accepted an offer from Frank Pringle, Chairman and CEO, to cancel the 23,500,000 Common Stock Purchase Warrants received by him in the transaction when the Company acquired the assets of Mobilestream Oil, Inc.. This action does not affect the remaining 3,705,867 warrants held by the Mobilestream Oil Liquidating Trust and to be issued to the other shareholders of Mobilestream Oil, Inc. upon their registration.

The Company issued an additional 627,500 warrants in 2007, (See "Commitments and Contingencies" note 10 below "PROOF"). 625,000 warrants have an exercise price of \$1.50, an expiration date of December 20, 2012 and 2,500 have an exercise price of \$2.50 with an expiration date of October 25, 2008.

A summary of the status of the Company's outstanding stock warrants as of December 31, 2007 is as follows:

Weighted Average

## Edgar Filing: Global Resource CORP - Form 10KSB

|                                  | Shares     |    | Exercise Price |
|----------------------------------|------------|----|----------------|
| Outstanding at January 1, 2007   | 33,909,407 | \$ | 4.41           |
| Granted                          | 627,500    | \$ | 1.50           |
| Exercised                        | -          |    | -              |
| Forfeited                        | 23,500,000 | \$ | 4.75           |
|                                  |            |    |                |
| Outstanding at December 31, 2007 | 11,036,907 | \$ | 3.51           |
| Exercisable at December 31, 2007 | 11,036,907 | \$ | 3.51           |

In March 2005 the Company issued 200,000 of common stock purchase options (under Carbon Recovery Corporation) to the CFO. The options have an exercise price of \$1.00 per share and will be 100% vested on 12/31/2008. As of 12/31/2007 none were exercised.

37

GLOBAL RESOURCE CORPORATION  
(A DEVELOPMENT STAGE COMPANY)  
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS  
DECEMBER 31, 2007

NOTE 10 - COMMITMENTS AND CONTINGENCIES

Effective January 1, 2005 the Company entered into an employment agreement with its President. Under the agreement the President shall be entitled to an annual base salary of \$250,000 in 2005 escalating to \$366,025 in 2009. In 2005, \$156,000 of the salary shall be paid ratably during the course of the year and the remaining \$94,000 will be paid in accordance with the terms of the agreement. The initial term of the agreement is for a period of five years. The President has the option to renew this agreement for a second five-year term. In addition to the base salary the Company has granted the President 545,000 shares of restricted common stock as deferred compensation. The common stock vests to the President over a five-year period commencing January 1, 2005.

On March 12, 2007 the Company entered into an Exclusive Placement Agent Agreement with an investment banker pursuant to which the investment banker was to place up to \$3,000,000 of debt securities (with related warrants) within a 45 day period following approval of offering documents. During the offering term, two subscriptions, for a total of \$800,000, were received, of which amount \$400,000 was paid-in. After payment of Escrow Agent fees and costs of \$2,510 and transaction fees and costs of \$62,200, which costs and fees have been contemporaneously expensed, the Company netted \$335,299. On June 13, 2007, following expiration of the 45-day term, the Company notified the Escrow Agent and the investment banker (1) that the Exclusive Placement Agent Agreement would not be extended and (2) that the offering was withdrawn. The Company determined to rescind the two subscriptions and on August 1, 2007 returned the \$400,000 together with 9% interest of \$9,640. The interest was expensed in June 2007. The Company concurrent with the rescind agreement settle all outstanding claims for \$25,000, which was expensed in the third quarter 2007.

## Edgar Filing: Global Resource CORP - Form 10KSB

The Company set up a prepaid in the amount of \$250,000 in June 2007 for a finder fee related to the \$3,000,000 debt securities funding discuss above. In the connection with the rescission of these debt securities the Company has expensed the \$250,000 in the fourth quarter 2007.

In June 2007 the Company entered into purchase agreement with Ingersoll Production Systems of Rockford Illinois to build one 1 ton microwave reactor system. The total purchase commitment is \$300,000, the microwave reactor system is expected to be delivered by end of first quarter 2008.

On December 17, 2007 the Company has signed a letter of intent with Warwick Communications, Inc., ("Warwick"), a Canadian corporation based in Calgary, for an exclusive twenty-year license agreement, which enables Warwick to use the Company's microwave machinery to recover energy from oil, gas, mining and waste resources in Canada. Payment for the license will be by issuance of 2,000,000 shares of Warwick's common stock, together with two warrants; one to purchase 1,000,000 additional shares of Warwick's common stock at a price of US\$1.50 and the other to purchase 750,000 shares of Warwick common stock at a price of US\$1.00 per share. Execution of definitive agreement and issuance of the license is subject to a demonstration, acceptable to the licensee, of the continuous operation of the initial one ton machine, anticipated to occur by end of first quarter 2008. Under the license, when and if issued, Warwick will be

38

GLOBAL RESOURCE CORPORATION  
(A DEVELOPMENT STAGE COMPANY)  
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS  
DECEMBER 31, 2007

NOTE 10 - COMMITMENTS AND CONTINGENCIES (CONTINUED)

obligated to purchase a minimum of one microwave machine each year for the next five years. This will total \$25,000,000 or \$5,000,000 per year.

In the October, 2007 the Company revived an Agreement which had previously expired for the sale of shares of its Common Stock to Mercatus & Partners, Limited ("Mercatus"), a private limited company organized and existing under the laws of the United Kingdom, having an address of Via S. Roberto Bellarmino #4, 00142 Roma, Italy. The proposed transaction was for the placement of shares of its Common Stock to a value of \$2,000,000. The original agreement had expired on March 31, 2007. Following protracted discussions, on October 16, 2007 the Company agreed to revive the Agreement, with certain modifications, and the parties executed an Addendum to the original Agreement. Under the revived Agreement and Addendum, Mercatus was to have purchased shares to the total of \$2,000,000 on or before November 30, 2007. The Company had deposited 2,665,666 shares of its Common Stock in escrow, with any unpurchased balance of such shares as of November 30th to be returned for cancellation. Mercatus failed to make any of the installment payments as promised and did not complete any of the purchase by November 30, 2007. The Company no longer has any confidence in Mercatus, has advised Mercatus that the Agreement has expired and will not be extended or further revived, and has demanded a return of the 2,665,666 shares which were escrowed. These shares have not been included in the outstanding shares and weighted average number of common stock share calculation.

On December 21, 2007 the Company entered into a certain Securities Purchase agreement with Professional Offshore Opportunity Fund, Ltd. ("PROOF")

## Edgar Filing: Global Resource CORP - Form 10KSB

pursuant to which PROOF agreed to purchase 1,250,000 shares of the Company's common stock together with warrants for additional 625,000 shares at an exercise price of \$1.50 per share. The Company received a \$1,000,000 from PROOF with the balance of \$250,000 being held in escrow, together with the 250,000 common stock shares being purchased pending certain future events. In addition, the Company has issued to the Escrow an additional 650,000 shares to be delivered to PROOF or returned to the Company, depending upon those certain future events (the "Trigger Event"). The Trigger Event will occur if (i) the Company does not file and have an effective registration statement for the Shares, Warrants and Warrant Shares by June 30, 2008 or (ii) in the event that during the period of six months from the date of Closing, the market price of the Company's Common Stock has a closing price of less than \$1.00. In case of either Trigger Event, the Escrow is authorized to transfer to PROOF the 650,000 escrowed shares. In addition, PROOF may, at its option, instruct the Escrow to (i) pay over (to PROOF) the escrowed \$250,000 of proceeds and (ii) return to the Company the 250,000 escrowed shares.

39

GLOBAL RESOURCE CORPORATION  
(A DEVELOPMENT STAGE COMPANY)  
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS  
DECEMBER 31, 2007

### NOTE 11 - RELATED PARTY TRANSACTION

On May 17, 2007, the Company authorized the purchase of the Company stock from Lois Pringle, officer and wife of the Company's Chief Executive officer. The Company purchased 94,961 shares for \$66,471 in cash.

On November 28, 2007 the Chief Financial Officer, Jeff Andrews, loan the Company \$150,000. This loan has no stated principal payment due date, interest agreement prime plus 2%. An expense was recorded for one month based on terms stated above, interest expense will be accrued and expense monthly in the amount of \$1,187 until the Company pays off the loans.

### NOTE 12 - NOTE RECEIVABLE

On September 22, 2006, Mobilestream Oil, Inc. loaned \$650,000 to M J Advanced Corporation Communications ("MJACC") with the understanding that MJACC would advance money to CRCIC, LLC a limited liability company for, the purpose of acquiring a shell corporation (Global Resources Corporation) for Carbon Recovery Corporation to perfect a reverse merger. Subsequent to the balance sheet date, a dispute arose with respect to the agreement. A resolution was agreed upon where 400,000 shares of Global Resources Corporation stock owned by MJACC and CRCIC have been transferred to an attorney in escrow for satisfaction of the note payable to the Company and MJACC and CRCIC relinquished all rights. The stock held in escrow will be sold by the Escrow agent to satisfy the loan amount.

The note has been fully reserved due to market price volatility of the Company's common stock price in 2006 and written off in 2007.

### NOTE 13 - INVESTMENTS AND DEPOSITS ON INVESTMENTS

The December 31, 2007 balance of Investments and Deposits, totaling \$74,860, consists of a \$45,000 investment in land which occurred in 2006 and a \$29,860 deposit made in August of 2007 on a future lease for additional equipment. The lease deposit for equipment is expected to be



## Edgar Filing: Global Resource CORP - Form 10KSB

returned to the Company in 2008. The Company entered into preliminary sales agreement to purchase the Equipment Service Parts Company (ESP), a \$100,000 deposit was made to ESP in December 2006. In June 2007 the Company has decided not to pursue the acquisition of ESP and the deposit was deemed not refundable and was expensed in June 2007.

### NOTE 14 - SUBSEQUENT EVENTS

Subsequent to the balance sheet date of December 31, the following transactions occurred:

The Company filed on January 29, 2008 a Registration Statement on Form S-8 under the Securities Act of 1933 for its "2008 Employee Compensation Plan" in order to register 2,500,000 shares, par value \$.001 per share for the plan. The granting of shares of common stock under this plan shall be entirely discretionary with the Company's Board of Directors.

In January and February the Company received \$89,000 in cash for the sales of common stock.

40

GLOBAL RESOURCE CORPORATION  
(A DEVELOPMENT STAGE COMPANY)  
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS  
DECEMBER 31, 2007

### NOTE 14 - SUBSEQUENT EVENTS (CONTINUED)

On February 12, 2008, the Company filed a Registration Statement on Form S-1 under the Securities Act of 1933 in order to register securities issued in the acquisition of Carbon Recovery Corporation ("CRC") in September 2006 and the acquisition of Mobilstream Oil, Inc. ("Mobilsteam") in December 2006. Summary of securities register:

|  |            |
|--|------------|
| Mobilstream acquisition shares of common stock   | 11,145,225 |
| Mobilstream acquisition of warrants              | 3,705,867  |
| Mobilstream acquisition of common stock warrants | 3,705,867  |
| CRC acquisition of shares of common stock        | 11,188,996 |
| CRC acquisition of Class B warrants              | 3,908,340  |
| CRC acquisition of Class B common stock warrants | 3,908,340  |
| CRC acquisition of Class D warrants              | 1,397,600  |
| CRC acquisition of Class D common stock warrants | 1,397,600  |
| CRC acquisition of Class E warrants              | 1,397,600  |
| CRC acquisition of Class E common stock warrants | 1,397,600  |

On February 28, 2008, in an 8-K filing, the Company disclosed the hiring of Mr. Jeff T. Kimberly as the Company's Chief Operating officer. The employment of Mr. Kimberly is effective as of February 11, 2008 and was approved by the board of directors on February 7, 2008. Mr. Kimberly will be responsible the Company's production, sales and administrative operations. In connection with his employment, Mr. Kimberly will receive a \$100,000 signing bonus, his base salary will be \$200,000 per year which will increase to \$225,000 on August 11, 2008, his sixth month anniversary with the company. In addition to his base salary, Mr. Kimberly is eligible to receive a yearly performance bonus to be paid in the Company's common stock issued under the GRC 2008 Employee compensation plan, as well as a relocation compensation package and Company medical benefits.

### ITEM 8. CHANGES IN AND DISAGREEMENTS WITH ACCOUNTANTS ON ACCOUNTING AND

## Edgar Filing: Global Resource CORP - Form 10KSB

### FINANCIAL DISCLOSURE.

None.

### ITEM 8A. CONTROLS AND PROCEDURES.

The Company maintains disclosure controls and procedures designed to ensure that information required to be disclosed in reports filed under the Securities and Exchange Act of 1934, as amended, is recorded, processed, summarized, and reported within the specified time periods.

The Company's management, with the participation of its Chief Executive Officer and its Chief Financial Officer, evaluated the effectiveness of the Company's disclosure controls and procedures (as defined in the Securities Exchange Act of 1934 Rules 13a-15(e)) as of December 31, 2007. Based on that evaluation, the Company's Chief Executive Officer and Chief Financial Officer concluded that, as of that date, the Company's disclosure controls and procedures required by paragraph (b) of Exchange Act Rules 13a-15 or 15d-15, were effective at the reasonable assurance level.

41

As discussed in the Company's prior year annual report on Form 10-KSB/A for the year ended December 31, 2006 management's assessment identified the following material weakness and significant deficiency:

1. As previously disclosed the Company identified a material weakness related to lack of accounting personnel with the requisite knowledge of Generally Accepted Accounting Principles in the US ("GAAP") and the financial reporting requirements of the Securities and Exchange Commission. The Company has taken the necessary steps to remedy this weakness and management has assessed the operating effectiveness of these enhanced internal controls and believes this material weakness has been remedied.
2. As previously disclosed the Company identified a material weakness related to insufficient written policies and procedures to insure the correct applications of accounting and financial reporting with respect to the current requirements of GAAP and SEC disclosure requirements. The Company has taken the necessary steps to remedy this weakness and management has assessed the operating effectiveness of these enhanced internal controls and believes this material weakness has been remedied.

The Public Company Accounting Oversight Board has defined material weakness as a "significant deficiency or combination of significant deficiencies that results in more than a reasonable possibility that a material misstatement of the annual or interim financial statements will not be prevented or detected".

The material weaknesses identified and relate to:

As of December 31, 2007 there was a continuing lack of segregation of duties, in that we only had one person performing all accounting-related on-site duties. Because of the "barebones" level of relevant personnel, however, certain deficiencies which are cured by separation of duties cannot be cured, but only monitored as a weakness. In 2007 the Company added three new independent members to the Board of Directors, and in 2008 the Board will form an audit committee and a compensation committee in order to enhance and strengthen controls.

Notwithstanding the existence of material weakness in our internal controls over financial reporting, our management, including our Chief Executive Officer and

## Edgar Filing: Global Resource CORP - Form 10KSB

Chief Financial Officer, believe that the consolidated financial statements included in this report fairly present in all material respects our financial condition, results of operations and cash flows for the periods presented.

### ITEM 8A(T) CONTROLS AND PROCEDURES

The management of Global Resources Corporation is responsible for establishing and maintaining adequate internal control over financial reporting. The Company's internal control over financial reporting is designed to provide reasonable assurance as to the reliability of the Company's financial reporting and the preparation of financial statements in accordance with generally accepted accounting principles.

42

All internal control systems, no matter how well designed, have inherent limitations. Therefore, even those systems determined to be effective can provide only reasonable assurance with respect to financial statement preparation and presentation.

Management conducted an evaluation of the effectiveness of the Company's internal control over financial reporting as of December 31, 2007. In making this assessment, it used the criteria set forth in INTERNAL CONTROL--INTEGRATED FRAMEWORK issued by the Committee of Sponsoring Organizations of the Treadway Commission (COSO).

We identified the following material weakness in our internal control over financial reporting- we did not have adequately segregation of duties, in that we only had one person performing all accounting-related on-site duties. Because of the "barebones" level of relevant personnel, however, certain deficiencies which are cured by separation of duties cannot be cured, but only monitored as a weakness.

Our independent registered public accounting firm, Bagell, Josephs, Levine & Company, LLC, has reviewed our management's assessment of our internal controls over the financial reporting and will issue their report in 2008 per SEC rules for non-accelerated filers.

### ITEM 8B OTHER INFORMATION

There is no information required to be disclosed in a report on Form 8-K during the fourth quarter of the year covered by this Form 10-KSB, but not reported.

## PART III

### ITEM 9. DIRECTORS, EXECUTIVE OFFICERS, PROMOTERS, CONTROL PERSONS AND CORPORATE GOVERNANCE; COMPLIANCE WITH SECTION 16(a) FOR THE EXCHANGE ACT.

DIRECTORS AND EXECUTIVE OFFICERS. The position(s) held by each of our executive officers and Directors as of March 8, 2008 are shown in the following table. Biographical information for each is set forth following the table. Messrs. Pringle and Andrews were elected on September 22, 2006. Frederick A. Clark was elected on December 14, 2006. Ms. Kim Thorne O'Brien and Mr. Jonathan L. Simon were each elected on September 21, 2007. Each Director serves for a one-year term and until a successor is elected and has qualified. Beginning in 2008, our Directors will be compensated for their services for each meeting attended at the rate of \$200 and the issuance of 3,000 options to purchase shares of our Common Stock at the market price per share on the date of grant per meeting attended. In addition, their expenses in attending meetings will continue to be reimbursed.

| Name                | Age | Position   |
|---------------------|-----|--|
| Frank G. Pringle    | 64  | Chariman of the Board of Directors,<br>President/CEO |
| Jeffrey J. Andrews  | 56  | Director, Secretary/Treasurer, CFO                   |
| Jeffrey T. Kimberly | 46  | Chief Operating Officer                              |
| Frederick A. Clark  | 44  | Director   |
| Kim Thorne O'Brien  | 49  | Director   |
| Jonathan L. Simon   | 56  | Director   |

Frank G. Pringle has served as our Chairman of the Board and President/CEO since the closing of the Carbon Recovery Corporation acquisition in September 2006. For the four years prior thereto Mr. Pringle was the Chairman and President/CEO of our predecessor corporations, Carbon Recovery Corporation and Mobilestream Oil, Inc., both of which were engaged in the same business as the Company. Mr. Pringle is the inventor of the process and related apparatus covered by the patent pending covering portions of the described technology. Mr. Pringle attended Kent State from 1962 to 1963, Hiram College from 1963 to 1964, Lake Erie College from 1963 to 1964 and Towson State College from 1965 to 1966, majoring in Chemistry and Mathematics. Since 1964: he has (i) designed and installed "turn key" engineering operations for food, soft drink, brewery, glass and plastic manufacturing plants, (ii) been a consultant to clients for previously designed and installed manufacturing plants, (iii) designed, built and managed the operations of a plant for recycling glass, and (iv) since approximately 1999, worked on the development of the licensed technology.

Jeffrey J. Andrews has served as our Chief Financial Officer, Treasurer and Secretary since the closing of the Carbon Recovery Corporation acquisition in September 2006. From November 1, 2004 until the Acquisition Closing Mr. Andrews was employed by Carbon Recovery Corporation in similar positions. Mr. Andrews graduated from Villanova University in May, 1974 with a B.S. in Accounting. He has been a C.P.A. in Pennsylvania since 1978. He commenced his accounting career as an Audit Manager for a regional firm, and over his career has served as the Controller, Treasurer and/or CFO of various companies, and has had experience in corporate restructurings and reorganizations as well as IPO's and SEC periodic reporting. From April, 1999 to June, 2002 Mr. Andrews served as CFO of Collectible Concepts Group, Inc., a public company. From June 2002 to October 2004 he was the Controller of Encapsulation Systems Inc.

Jeffrey T. Kimberly was appointed our Chief Operating Officer effective February 7, 2008. Mr. Kimberly has over 27 years experience in the machine tool industry. From September 2006 to January 2008, Mr. Kimberly served as President of Ingersoll Productions Systems, a custom engineer and manufacturer of high quality production machinery and a subsidiary of the Dalian Tool Machine Group Co., Ltd. Previously at Ingersoll Production Systems, Mr. Kimberly served as the Director of Planning and Process Control (January 2006 to September 2006) and as the Director of Project and Materials (2002 to July 2005). From July 2005 to January 2006, Mr. Kimberly served as the Senior Project Manager and Master Scheduler at ITT Pure-Flo MPC, a manufacturer of process systems (single-purpose

## Edgar Filing: Global Resource CORP - Form 10KSB

systems - containing pumps, valves, pressure vessels and instrumentation) primarily for biopharmaceutical and pharmaceutical companies. From 1981 to 2002, Mr. Kimberly served in various capacities at Ingersoll Milling Machine Co., including Process Control Manager (1999 - 2002), Project Manager (1997 - 1999) and Sales & Simultaneous Engineering Project Manager (1990 - 1997). Mr. Kimberly's educational background includes training in mechanical design and machine shop and assembly floor manufacturing.

Frederick A. Clark was elected a director of the Company in December 2006. He is President/CEO of Clark Resources, Inc., a governmental relations consulting firm located in Harrisburg, Pennsylvania. Mr. Clark graduated from Pennsylvania State University with a BA in Elementary Education in 1985. Mr. Clark has served as a member of the Board of Education of the Harrisburg School District, has served as the President of the African American Chamber of Commerce, is the former CEO of the Urban League of Metropolitan Harrisburg, and is currently Chairman of the National African American Cultural Center. For the past several years, Mr. Clark has been a part-time lecturer at the Pennsylvania Governor's School on Business and Industry and has been appointed by the past three Pennsylvania governors to serve on boards and commissions. Clark Resources, Inc. is representing the Company in Pennsylvania for matters with respect to the proposed tire disposal facility.

Kimberly Thorne O'Brien was appointed a director of the Company in September 2007. Since May, 2004 Ms. O'Brien has been President of Independence, Inc., a firm engaged in providing consulting services to start-up biotechnology companies. From December, 2001 to May, 2004 Kim was Vice President, Business Development & Marketing, of AdvancedTraces, Inc. a company engaged in the development of supersensitive detectors of biowarfare agents. Prior to that, Ms. O'Brien was Regional Business Director, Northeast Region, of MedImmune, Inc. from October 1995 to October 2001. She graduated from Ursinus college in 1980 with a B.S. in Health & Physical Education, graduated from Temple University with an M.S.Ed in Exercise Physiology in 1981 and completed all work except for the dissertation for a Ph.D. in Cardiovascular Physiology from Temple University. Thereafter, and until October 1995, Ms. O'Brien held various jobs in the health industry. There is no arrangement between Ms. O'Brien and any other party with respect to her service as a director nor is Ms. O'Brien a party to, or a participant in, any material plan, contract or arrangement.

Jonathan L. Simon was appointed a director of the Company in September 2007. Mr. Simon has been engaged in the recycling industry since approximately the mid-1970's. From 1990 to March, 2006 he was President of Royal Green Corp., a company engaged primarily in recycling ferrous metals. From April, 2006 to the present, he has been President of Royal Green LLC, a successor company to the corporation, still engaged in recycling ferrous metals. In addition, since May, 2006 he has been a director of Green Energy Technologies. Jonathan graduated from the University of Pittsburgh in 1973 with a BS in Biology (with honors). There is no arrangement between Mr. Simon and any other party with respect to his service as a director nor is Mr. Simon a party to, or a participant in, any material plan, contract or arrangement.

45

There are no family relationships between any of the executive officers and directors.

### COMPLIANCE WITH SECTION 16(A) OF THE SECURITIES EXCHANGE ACT OF 1934

Section 16(a) of the Securities and Exchange Act of 1934 requires our executive officers and directors and persons who own more than 10% of a registered call of our equity securities to file with the SEC initial statements of beneficial

## Edgar Filing: Global Resource CORP - Form 10KSB

ownership on Form 3, reports of changes in ownership on Form 4 and annual reports concerning their ownership on Form 5. Executive officers, directors and greater than 10% stockholders are required by SEC regulations to furnish us with copies of all Section 16(a) reports they file.

For the fiscal year ended December 31, 2007 (i) Mr. Frank G. Pringle, the Company's Chairman, President and CEO failed to file three reports on Form 4 covering a total of five transactions, and (ii) Mr. Jeffery J. Andrews, a director and the Company's CFO, failed to file three reports on Form 4 covering a total of three transactions. These transactions were subsequently reported on Form 5 filings for Messrs. Pringle and Andrews. There is currently no known failure to file any report under Section 16(a) of the Exchange Act by any of the Company's directors and officers.

### AUDIT COMMITTEE

Up to June 7, 2006, the Company had an audit committee, but that was effectively dissolved as a result of the resignations of the former members (Messrs. Caldwell, Ferandell, Jordan, and van Adelsberg). Since then, the Company has not had, and does not currently have, a separately designated standing audit committee. However, the Board of Directors has discussed the establishment of an Audit Committee and anticipates doing so in the near future.

### CODE OF ETHICS

The Company previously adopted a Code of Ethics which is focused on the Company's former status as a BDC. Since termination of that status (see Item 1 above), the Company has not adopted a further Code of Ethics that applies to its principal executive officer, principal financial officer, principal accounting officer, or persons performing similar functions. The Company is currently studying a proposed new Code of Ethics with a view to adopting one which meets the needs of our current management structure and business operations.

### ITEM 10. EXECUTIVE COMPENSATION.

#### COMPENSATION OF DIRECTORS

For the fiscal year ended December 31, 2007, none of the current directors were compensated for their services as directors. Likewise, for their services for the fiscal year ended December 31, 2006, neither the former directors (except as discussed below) nor the current directors were compensated for their services as directors. Beginning in 2008, our Directors will be compensated for their services for each meeting attended at the rate of \$200 and the issuance of 3,000 options to purchase shares of our Common Stock at the market price per share on the date of grant per meeting attended. In addition, their expenses in attending meetings will continue to be reimbursed. During the fiscal year ended December 31, 2007 there were no formal meetings of the Board of Directors; action was taken by written consent.

46

Mary K. Radomsky served as the sole director and officer from June 7, 2006 to September 22, 2006. Although she was not compensated, the in-coming directors voted to give her an honorarium by the issuance of 25,000 shares of the Company's Common Stock.

#### COMPENSATION OF MANAGEMENT

Edgar Filing: Global Resource CORP - Form 10KSB

| Name & Principal Position  | Year | Salary        | Bonus            | Other Compensation |
|--|------|---------------|------------------|--------------------|
| Frank G. Pringle<br>President, Chief Executive Officer, and Chairman of the Board of Directors | 2007 | \$354,166.50  | -\$2,250,000 (2) | -\$44,175.00 (1)   |
|  | 2006 | -0-(1)        | -0-              | \$37,002.50        |
| Jeffrey J. Andrews<br>Secretary, Treasurer, Chief Financial Officer, Director                  | 2007 | \$162,437.50  | -0-              | \$579,000 (3)      |
|  | 2006 | \$ 30,800 (4) |                  |                    |

(1), (2) Frank G. Pringle received \$26,000 as the President of Carbon Recovery Corporation, a predecessor of the Company, and \$259,416 as the President of Mobilestream Oil, Inc., another predecessor of the Company during 2006. In 2007 Mr. Pringle was compensated under an unsigned employment arrangement with the Company. The Company awarded Mr. Pringle shares of its common stock on the following dates and at the following prices: (i) 250,000 shares on April 20, 2007 at a price of \$1.38 per share or a total value of \$345,000; (ii) 250,000 shares on August 1, 2007 at a price of \$4.50 per share or a total value of \$1,125,000 and (iii) 300,000 shares on August 16, 2007 at a price of \$2.60 per share or a total value of \$780,000 for a total share compensation of \$2,250,000. In 2006 the Company paid the rental value of three used automobiles for the use of Mr. Pringle and two members of his family who were then also employees of the Company. In 2007, however, the Company sold all 3 automobiles to Mr. Pringle. Under the employment arrangement, in 2007 the Company paid for a \$6,000,000 life insurance policy on Mr. Pringle's life, \$2,000,000 of which is payable to his wife and \$4,000,000 to the Company. The annual premium paid was \$44,175.00 in 2007 and \$37,002 in 2006, and was included in All Other Compensation.

(3) Jeffrey J. Andrews, the Chief Financial Officer, Treasurer and Corporate Secretary, is employed pursuant to at will agreement with the Company. In 2007 Mr. Andrews received a salary of \$162,439. In 2007 the Board of Directors awarded Mr. Andrews a total of 200,000 shares of common stock pursuant to the 2007 Employees Compensation and Stock Option Plan having an aggregate value of \$579,000. We pay \$344 each month for a disability policy for Mr. Andrews, and we pay for a life insurance policy for which his family is the beneficiary. In 2007 the annual premium for the policy was \$5,010 and in 2006 it was \$2,748.

(4) Jeffrey J. Andrews received \$69,200 as the Treasurer/CFO of Carbon Recovery Corporation in addition to the \$30,800 paid by the Company.

Employment Arrangements

Frank G. Pringle.  
-----

Frank G. Pringle did not have a written employment agreement with the Company in 2007. Under the terms of his employment arrangement, Frank G. Pringle, the President and CEO, received a salary of \$354,166 in 2007. In 2007 the Board of Directors awarded Mr. Pringle a total of 800,000 shares of common stock pursuant to the 2007 Employees Compensation and Stock Option Plan having an aggregate value of \$2,250,000. We also paid an annual premium of \$7,273 and \$3,597 in 2007 and 2006, respectively, for a disability policy for Mr. Pringle. We paid premiums of \$44,175 and \$37,002 in 2007 and 2006, respectively for a \$2,000,000 life insurance policy for Mr. Pringle for which his family is the beneficiary. Although Mr. Pringle currently serves as Chairman of the Board, President and

## Edgar Filing: Global Resource CORP - Form 10KSB

Chief Executive Officer, his duties as President and CEO are expected to terminate prior to January 1, 2009 with him continuing under a consulting agreement with the Company to perform research and development in connection with various pending patent applications the Company currently owns. In 2006 Mr. Pringle received compensation from both Carbon Recovery Corporation and from Mobilestream Oil, Inc., but not from the Company. His compensation has been assumed by the Company effective January 1, 2007.

Jeffrey J. Andrews  
-----

Jeffrey J. Andrews, the Chief Financial Officer, Treasurer and Corporate Secretary, is employed pursuant to at will agreement with the Company. In 2007 Mr. Andrews received a salary of \$162,439. In 2007 the Board of Directors awarded Mr. Andrews a total of 200,000 shares of common stock pursuant to the 2007 Employees Compensation and Stock Option Plan having an aggregate value of \$579,000. We pay \$344 each month for a disability policy for Mr. Andrews, and we pay for a life insurance policy for which his family is the beneficiary. In 2007 the annual premium for the policy was \$5,010 and in 2006 it was \$2,748. In 2006 Mr. Andrews received \$69,200 as the Treasurer/CFO of Carbon Recovery Corporation in addition to the \$30,800 paid by the Company.

### ITEM 11. SECURITY OWNERSHIP OF CERTAIN BENEFICIAL OWNERS AND MANAGEMENT AND RELATED STOCKHOLDER MATTERS.

The following table sets forth, as of March 7, 2008, information regarding the beneficial ownership of shares of Common Stock by each person known by the Company to own five percent or more of the outstanding shares of Common Stock, by each of the Officers, by each of the Directors, and by the Officers and Directors as a group. At the close of business on March 7, 2008, there were 34,206,457 shares issued and outstanding of record, not including the 17,618,094 shares of Common Stock issuable upon conversion of the 2006 Series of Convertible Preferred Stock.

48

| Name and Address of Beneficial Owners<br>-----                              | Shares of<br>Common<br>Stock<br>----- | Percentage<br>as of<br>03/7/2008 (1)<br>----- |
|---|---------------------------------------|---|
| Frank G. Pringle<br>109 Bortons Road<br>Marlton, New Jersey 08053           | 17,987,094 (2)                        | 34.33%  |
| Jeffrey J. Andrews<br>8 Cushman Road<br>Rosemount, Pennsylvania 19010       | -100,000- (3)                         | -0.005%- (3)                                  |
| Jeffrey T. Kimberly<br>462 Oakshade Road<br>Shamong, New Jersey 08088       | -0-                                   | -0-   |
| Frederick A. Clark<br>321 N. Front Street<br>Harrisburg, Pennsylvania 17101 | -0-                                   | -0-   |



Edgar Filing: Global Resource CORP - Form 10KSB

|  |                     |        |
|--|---------------------|--------|
| Kim Thorne O'Brien<br>19 Sawmill Road<br>Medford, New Jersey 08055   | -25,000-(4)         | -0-    |
| Jonathan L. Simon<br>1722 Garfield Avenue<br>Wyomissing, PA 19610  | -15,000-            | 0.001% |
| Lois Augustine Pringle<br>109 Bortons Road<br>Marlton, New Jersey 08053  | 1,520,171 (5)       | 8.8%   |
| Olde Monmouth Stock Transfer Co., Inc., Trustee<br>Carbon Recovery Corporation<br>Liquidating Trust<br>200 Memorial Parkway<br>Atlantic Higlands, New Jersey 07716 | 11,188,996 (6)      | -0-(6) |
| Olde Monmouth Stock Transfer Co., Inc., Trustee<br>Mobilestream Oil, Inc.<br>Liquidating Trust<br>200 Memorial Parkway<br>Atlantic Higlands, New Jersey 07716      | 11,145,225          | -0-(7) |
| All Directors and Officers as a Group (5 persons)  | 18,102,094 (2), (3) | 34.33% |

49

-----  
(1) Based on a total of 51,824,551 shares calculated by adding the 17,618,094 shares of Common Stock issuable upon conversion of the 2006 Series of Convertible Preferred Stock to the 34,206,457 shares issued and outstanding as of March 7, 2008, without including shares issuable upon exercise of warrants or stock options.

(2) Includes 17,618,094 shares of Common Stock obtainable upon conversion of 35,236,188 shares of the Company's 2006 Series of Convertible Preferred Stock owned by Mr. Pringle, 119,000 shares distributable to Mr. Pringle from the Carbon Recovery Corporation Liquidating Trust as a shareholder of Carbon Recovery Corporation, and 250,000 shares of Common Stock owned by Mr. Pringle. The voting percentage is calculated as if Mr. Pringle converted all of his 2006 Series of Preferred Stock to common stock. However, the 2006 Series of Convertible Preferred Stock have 2 votes per share and vote together with the common stock on all issues presented to stockholders for a vote. Therefore, prior to conversion of the 2006 Series, Mr. Pringle's voting percentage is actually 51.27%. Does not include 1,520,171 shares of common stock of Carbon Recovery Corporation held by Lois Augustine-Pringle, Mr. Pringle's wife, in which he disclaims a beneficial interest.

(3) Does not include common stock purchase options to purchase 200,000 shares of the Company's Common Stock, 20% of which have not yet vested and are therefore not exercisable.

(4) Kim Thorne O'Brien does not own shares of the Company as such; she owns 25,000 shares of Carbon Recovery Corporation which are convertible into the same number of shares of the Company's Common Stock upon effectiveness of a Registration Statement on Form S-1 the Company has filed with the Securities and Exchange Commission for all holders of shares of Carbon Recovery Corporation common stock. In addition, Ms. O'Brien owns 25,000 warrants to purchase 25,000

## Edgar Filing: Global Resource CORP - Form 10KSB

of Carbon Recovery common stock which will be converted to purchase 25,000 shares of the Company's Common Stock upon the effectiveness of the S-1 Registration Statement.

(5) Lois Augustine-Pringle does not own shares of the Company as such; she owns 1,520,171 shares of Carbon Recovery Corporation which are convertible into the same number of shares of the Company's Common Stock upon effectiveness of a Registration Statement on Form S-1 the Company has filed with the Securities and Exchange Commission for all holders of shares of Carbon Recovery Corporation common stock. Does not include 369,000 shares of Common Stock and 35,236,188 shares of 2006 Series of Convertible Preferred Stock held by Frank G. Pringle, Ms. Pringle's husband.

(6) 48,688,996 shares of Common Stock the Company issued for the acquisition of the assets of Carbon Recovery Corporation was subsequently reduced to 11,188,996 shares by the cancellation of 37,500,000 shares of the Company's Common Stock indirectly owned by the Company in the Carbon Recovery Liquidating Trust after the acquisition of the assets of Mobilestream Oil, Inc. which had owned the 37,500,000 shares of Carbon Recovery Corporation.

50

(7) Old Monmouth Stock Transfer Co., Inc. is the Trustee of both Liquidating Trusts; it has no beneficial interest in the shares held in the trusts. With the exceptions of Frank G. Pringle and Lois Augustine Pringle, no person or entity has a 5% or greater interest in the Company as the result of his/her/its beneficial interest in either Liquidating Trust.

### CHANGES IN CONTROL

On June 7, 2006, an unrelated third party acquired the Restated and Amended Debenture owned by Transnix Global Corporation, which represented the balance of the indebtedness by the Company to Transnix in the principal amount of \$102,345 and accrued interest of \$16,274. In conjunction with the assignment of the Debenture, all of the Company's directors (Messrs. Caldwell, Ferandell, Jordan, Mangiarelli and van Adelsberg) and the Company's sole officer, Richard Mangiarelli, resigned. Contemporaneously, Mary K. Radomsky was elected as a director and as the sole officer of the Company.

On September 22, 2006, the Company acquired the assets and development stage business of Carbon Recovery Corporation. In conjunction with that transaction, we issued 48,688,996 shares of our Common Stock, which represented a controlling interest. Mary K. Radomsky, as the Company's sole director, elected Frank G. Pringle and Jeffrey J. Andrews as directors and then resigned as a director and as the sole officer. The newly-elected directors then appointed Frank G. Pringle as the President/CEO and Jeffrey J. Andrews as the Secretary/Treasurer/CFO.

### ITEM 12. CERTAIN RELATIONSHIPS AND RELATED TRANSACTIONS, AND DIRECTOR INDEPENDENCE.

Since April 1, 2006, the beginning of the fiscal year ended December 31, 2006, the Company engaged in two transactions for the acquisition of assets and businesses where related persons had an interest. These have been described elsewhere in this Annual Report; however, in summary, the transactions were:

1. The acquisition of the assets of Carbon Recovery Corporation on September 22, 2006; and
2. The acquisition of the assets of Mobilestream Oil, Inc. on December 31, 2006.

## Edgar Filing: Global Resource CORP - Form 10KSB

Frank G. Pringle, the Company's Chairman, President and CEO, was elected to the Board of the Company in connection with the closing of the Carbon Recovery acquisition. Mr. Andrews, the Company's Secretary, Treasurer and CFO, was also elected to the Board at that time, following which they appointed themselves to the respective offices.

During the period since September 22, 2006 when the Company acquired the assets of Carbon Recovery Corporation, the Company has had various transactions with Mr. Pringle and Mr. Andrews.

Mr. Pringle. Mr. Pringle is the inventor of the variable microwave technology embodied in the four patent applications which he assigned to a predecessor of Mobilestream Oil, Inc. and which is now owned by the Company as the result of the acquisition of the assets of Carbon Recovery Corporation described above. Mr. Pringle had owned shares of Mobilestream Oil, Inc.'s Common Stock, which had been converted into 503,374,112 shares of Mobilestream's 2006 Series of Convertible Preferred Stock. When the Company's acquired the assets of

51

Mobilestream Oil, Inc., in addition to the issuance of 11,145,225 shares of the Company's Common Stock for the holders of Mobilestream's Common Stock, the Company issued 35,250,287 shares of its own 2006 Series of Convertible Preferred Stock to Mr. Pringle (the sole holder of Mobilestream's 2006 Series) using the same conversion ratio as for the Common Stock. Initially, each share of the Company's 2006 Series of Convertible Preferred Stock was convertible into 2 shares of the Company's Common Stock, but prior to January 1, 2009 conversion is limited to that number of shares of Common Stock which is less than 4.99% of the issued and outstanding shares of Common Stock after conversion. In October 2007, Mr. Pringle and the Company agreed to amend the conversion terms of the Company's 2006 Series such that each share of our 2006 Series is now convertible into 1/2 of 1 share of our Common Stock and an amended Certificate of Designation was filed with the Nevada Secretary of State in January 2008. Each share of the 2006 Series has 2 votes per share, voting with the Common Stock as a single class, and elects a majority of the Board of Directors.

On May 17, 2007 we purchased 94,961 shares of our common stock for \$66,471 in cash from Ms. Lois Pringle, the wife of Mr. Frank G. Pringle, our President and Chief Executive Officer.

On November 28, 2007 the Company's Chief Financial Officer, Jeffrey J. Andrews, lent \$150,000 to the Company. The loan does not have a specified date and bears interest at the rate of 2% above the prime rate. The loan is not evidenced by a written promissory note. Interest accrues monthly in the amount of \$1,187, and will be paid together with the principal amount at the time the loan falls due which is linked to the Company's receipt of an aggregate amount of \$5,000,000 from one or more financings.

In 2007 the Company issued a total of 505,040 warrants to two individuals, one of whom is currently a director of our Company, as part of a transaction pursuant to which they purchased shares of the Company's common stock in a private sale transaction with Lois Pringle, the wife of the Company's CEO.

### ITEM 13. EXHIBITS

Exhibits required by Item 601 of Regulation S-K. The following exhibits are filed as a part of, or incorporated by reference into, this Report:

## Edgar Filing: Global Resource CORP - Form 10KSB

| Number  | Description   |
|---------|---|
| -----   | -----   |
| 3.1     | Certificate of Incorporation of E-mail Mortgage.com, Inc., filed as Exhibit 3 to the Company Registration Statement on Form SB-2 SEC File Number 333-51058 filed on December 21, 2002 (the "2002 Registration Statement") and incorporated herein by reference                                      |
| 3.1.1   | Certificate of Amendment of Articles of Incorporation, filed as Exhibit 3(i) to the Company's Registration Statement on Form 8-A, filed on September 17 2002 (the "2004 Registration Statement"), and incorporated herein by reference.   |
| 3.1.2   | Certificate of Amendment to the Articles of Incorporation filed as Graphic to the Company's 2004 Registration Statement filed on September 17, 2004, and incorporated herein by reference.  |
| 3.1.3   | Certificate of Designation of Series A Convertible Preferred Stock, filed as Exhibit 3.1 to the Company's Current Report on Form 8-K, dated September 17, 2004, filed on February 23, 2005, and incorporated herein by reference.   |
| 52      |   |
| 3.2     | Company Bylaws, filed as Exhibit 3 to the Company 2002 Registration Statement filed on December 21, 2002 (the "2002 Registration Statement") and incorporated herein by reference.  |
| 3.2(ii) | Company Amended By-laws filed as Graphic to the Company Registration Statement on Form 8-A filed on September 17, 2004 (the "2004 Registration Statement"), and incorporated by reference.  |
| 3.1.5   | Amendment to Articles of Incorporation of the Company filed as Exhibit A to the Company's Information Statement on Schedule 14C, SEC File Number 000-50944, dated December 11, 2007, filed December 26, 2007, and incorporated herein by reference  |
| 3.1.6   | Amendment to Certificate of Designation for 2006 Series of Convertible Preferred Stock of the Company filed as Exhibit B to the Company's Information Statement on Schedule 14C, SEC File Number 000-50944, dated December 11, 2007, filed December 26, 2007, and incorporated herein by reference. |
| 4.1     | Specimen Common Stock Certificate filed as Exhibit 4.1 to the Company's 2002 Registration Statement filed on December 21, 2002, and incorporated herein by reference.   |
| 4.2     | \$25,000 8% Convertible Debenture issued September 15, 2004 from the Company to Javelin Holdings, Inc. filed as Exhibit 4 to the Company's Current Report on Form 8-K filed on November 15, 2004, and incorporated herein by reference.   |
| 4.3     | Form of 8% Convertible Debenture filed as Exhibit 4.1 to the Company's Current Report on Form 8-K, dated September 17, 2004, filed on February 23, 2005, and incorporated herein by reference.  |
| 4.4     | 2004 Stock Option Plan filed as Exhibit 4 to the Company's Annual Report on Form 10-KSB for the year ended December 31, 2004, filed on July 17, 2005, and incorporated herein by reference.   |

## Edgar Filing: Global Resource CORP - Form 10KSB

- 4.5 2007 Employee Compensation and Stock Option Plan filed as Exhibit 10.7 to the Company's Registration Statement on Form S-8, SEC File Number 333-141442, filed on March 20, 2007, and incorporated herein by reference.
- 4.6 Warrant dated December 21, 2007 for 625,000 shares of the Company's common stock issued to Professional Offshore Opportunity Fund, Ltd. ("PROOF") filed as Exhibit 10.7 to the Company's Current Report on Form 8-K for the period ended December 21, 2007, filed on December 21, 2007, and incorporated herein by reference.
- 53
- 4.7 2008 Employees Compensation Plan filed as Exhibit 10.7 to the Company's Registration Statement on Form S-8, SEC File Number 333-148916, filed January 29, 2008, and incorporated herein by reference.
- 10.1 Agreement and Plan of Reorganization dated as of October 29, 2003, 2001, by and between Advanced Healthcare Technologies, Inc. and Nutratek, Ltd., filed as Exhibit 99 to the Company's Current Report on Form 8-K filed on January 12, 2004, and incorporated herein by reference.
- 10.2 Stock Purchase Agreement dated as of June 30, 2004 by and among Advanced Healthcare Technologies, Inc., Richard Mangierelli and Johnny Sanchez filed as Exhibit 2.1 to the Company's Report on Form 8-K filed on June 30, 2004, and incorporated herein by reference.
- 10.3 Release and Indemnity Agreement dated as of June 30, 2004 by and among Advanced Healthcare Technologies, Inc., Richard Mangierelli and Johnny Sanchez filed as Exhibit 10.1 to the Company's Report on Form 8-K filed on June 30, 2004, and incorporated herein by reference.
- 10.4 Articles of Merger by and between E-mail Mortgage.com, Inc. and Mariner Health Care, Inc. dated as of July 29, 2002 filed as Exhibit pig3 to the Company 2004 Registration Statement, and incorporated herein by reference.
- 10.5 Operating Agreement dated as of January 11, 2005 by and between Global Resource Corporation and Well Renewal, LLC filed as Exhibit 10.1 to the Company's Current Report on Form 8-K, dated September 17, 2004, filed on February 23, 2005, and incorporated herein by reference.
- 10.6 Agreement and Plan of Reorganization dated as of July 26, 2006 by and between Global Resource Corporation and Carbon Recovery Corporation filed as Exhibit 10.3 to the Company's Current Report on Form 8-K, dated July 26, 2006, filed on July 26, 2006, and incorporated herein by reference.
- 10.7 Form of Indemnity Agreement between the Company and each of its directors and executive officers filed as Exhibit 10.4 to the Company's Current Report on Form 8-K for the period September 22, 2006, filed on September 26, 2006, and incorporated herein by reference.
- 10.8 Pledge Agreement dated November 18, 2005 by and between the Company and Transnix Global Corporation filed as Exhibit 10.1 to the Company's Report on Form 10-QSB for the period ended December 31, 2005, filed October 31, 2006, and incorporated herein by reference.

## Edgar Filing: Global Resource CORP - Form 10KSB

54

- 10.9 Settlement Agreement dated December 15, 2005 by and between the Company and Transnix Global Corporation filed as Exhibit 10.1 to the Company's Report on Form 10-QSB for the period ended December 31, 2005, filed October 31, 2006, and incorporated herein by reference.
- 10.10 Combined Technology Agreement dated November 28, 2006 by and among the Company, Carbon Recovery Corporation, Frank G. Pringle, Lois Augustine Pringle, and Mobilestream Oil Corporation filed as Exhibit 10.5 to the Company's Current Report on Form 8-K for the period ended November 28, 2006, filed on November 29, 2006, and incorporated herein by reference.
- 10.11 Plan and Agreement of Reorganization dated as of November 28, 2006 by and between the Company and Mobilestream Oil Corporation filed as Exhibit 10.5 to the Company's Current Report on Form 8-K for the period ended November 28, 2006, filed on November 29, 2006, and incorporated herein by reference.
- 10.12 Securities Purchase Agreement, dated as of December 21, 2007, by and between the Registrant and PROOF, filed as Exhibit 10.6.1 to the Company's Current Report on Form 8-K, SEC File No. 000-50944, for the period ended December 21, 2007, filed on December 21, 2007, and incorporated herein by reference.
- 10.13 Registration Rights Agreement dated as of December 21, 2007, by and between the Registrant and PROOF, filed as Exhibit 10.8 to the Company's Current Report on Form 8-K, SEC File No. 000-50944, for the period ended December 21, 2007, filed on December 21, 2007, and incorporated herein by reference.
- 10.14 Escrow Agreement dated as of December 21, 2007 by and among the Company, PROOF and Sullivan & Worcester, LLP dated as of December 21, 2007, by and between the Registrant and PROOF, filed as Exhibit 10.6.1 to the Company's Current Report on Form 8-K, SEC File No. 000-50944, for the period ended December 21, 2007, filed on December 21, 2007, and incorporated herein by reference.
- 10.15 Form of Registration Rights Agreement, filed as Exhibit 4.4 to the Company's February 2004 8-K, and incorporated herein by reference.
- 23.1 Consent of Independent Auditors
- 31.1 Certification of Chief Executive Officer Pursuant to Section 302 of the Sarbanes-Oxley Act of 2002
- 31.2 Certification of Chief Financial Officer Pursuant to Section 302 of the Sarbanes-Oxley Act of 2002
- 32.1 Certification of Chief Executive Officer Pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002
- 32.2 Certification of Chief Financial Officer Pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002

55

## Edgar Filing: Global Resource CORP - Form 10KSB

### ITEM 14. PRINCIPAL ACCOUNTANT FEES AND SERVICES.

The Company's principal accountants for the fiscal years ended December 31, 2006 and 2007 were Bagell, Josephs, Levine & Company, LLC.

#### Audit Fees

-----

The aggregate fees billed for each of the last two fiscal years for professional services rendered by the Company's principal accountants for the audits of the Company's annual financial statements and review of financial statements included in the Company's 10-QSB filings were:

| Fiscal Period     | Accountants                            | Amount   |
|-------------------|--|----------|
| -----             | -----                                  | -----    |
| December 31, 2007 | Bagell, Josephs, Levine & Company, LLC | \$48,500 |
| December 31, 2006 | Bagell, Josephs, Levine & Company, LLC | \$37,000 |

#### Audit-related Fees

-----

During the fiscal years ended December 31, 2007 and December 31, 2006, the Company paid the principal accountants \$6,560 and \$20,555, respectively, for audit related services.

#### Tax Fees

-----

For the fiscal years ended December 31, 2007 and December 31, 2006, the Company paid the principal accountants \$15,761 and \$4,195, respectively, for tax services, including preparation of the Company's tax returns for 2007 and 2006.

#### All Other Fees

-----

None.

### SIGNATURES

In accordance with the requirements of Section 13 or 15(d) of the Securities Exchange Act of 1934, the registrant caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

GLOBAL RESOURCE CORPORATION  
(Registrant)

By: /s/ Frank G. Pringle

-----  
(Signature and Title)

Frank G. Pringle, Chief Executive Officer  
(Principal Executive Officer) and  
Chairman of the Board of Directors

Date: March 14, 2008

In accordance with the Exchange Act, this report has been signed below by the following persons on behalf of the registrant and in the capacities and on the dates indicated.

SIGNATURE

TITLE

DATE

Edgar Filing: Global Resource CORP - Form 10KSB

|   |  |                |
|---|--|----------------|
| /s/ Frank G. Pringle<br>-----<br>Frank G. Pringle     | Chief Executive Officer and President<br>(Principal Executive Officer) and<br>Chairman of the Board of Directors                     | March 14, 2008 |
| /s/ Jeffrey J. Andrews<br>-----<br>Jeffrey J. Andrews | Chief Financial Officer and<br>Member of the Board of Directors<br>(Principal Financial Officer and<br>Principal Accounting Officer) | March 14, 2008 |
| /s/ Frederick A. Clark<br>-----<br>Frederick A. Clark | Director   | March 14, 2008 |
| /s/ Kim Thorne O'Brien<br>-----<br>Kim Thorne O'Brien | Director   | March 12, 2008 |
| /s/ Jonathan L. Simon<br>-----<br>Jonathan L. Simon   | Director   | March 17, 2008 |