

Edgar Filing: Global Resource CORP - Form 10QSB

Global Resource CORP  
Form 10QSB  
November 14, 2005

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UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION  
Washington D.C. 20549

FORM 10-QSB

(Mark One)

QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES  
EXCHANGE ACT OF 1934

For the quarterly period ended September 30, 2005  
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TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES  
EXCHANGE ACT OF 1934

For the transition period from \_\_\_\_\_ to \_\_\_\_\_

Commission File No.: 000-50944

GLOBAL RESOURCE CORPORATION  
(f/k/a Advanced Healthcare Technologies, Inc.)  
(Exact name of registrant as specified in its charter)

Nevada  
(State or other jurisdiction of  
incorporation or organization)

84-1565820  
(I.R.S. Employer  
Identification No.)

9444 Waples Street, Suite 290  
San Diego, CA 92121  
(Address of principal executive offices)

Issuer's telephone number: (858) 646-7410

(Former name, former address and former  
fiscal year, if changed since last report)

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Check whether the registrant filed all documents and reports required to be  
filed by Section 12, 13 or 15(d) of the Securities Exchange Act of 1934 during  
the preceding 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  No

APPLICABLE ONLY TO CORPORATE ISSUERS

As of November 9, 2005, 7,215,034 shares of Global Resource's common stock were  
outstanding.

Transitional Small Business Disclosure Format: Yes  No

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PART 1: FINANCIAL INFORMATION

ITEM 1 - CONDENSED FINANCIAL STATEMENTS

GLOBAL RESOURCE CORPORATION

FINANCIAL STATEMENTS

September 30, 2005

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GLOBAL RESOURCE CORPORATION

Balance Sheets

ASSETS

	September 30, 2005	March 31, 2005
	-----	-----
	(Unaudited)	
<b>CURRENT ASSETS</b>		
Cash	\$ 155	\$ 175
	-----	-----
Total Current Assets	155	175
	-----	-----
<b>OTHER ASSETS</b>		
Investments (Note 4)	35,555	57,073
	-----	-----
Total Other Assets	35,555	57,073
	-----	-----
<b>TOTAL ASSETS</b>	<b>\$ 35,710</b>	<b>\$ 57,248</b>
	=====	=====

LIABILITIES AND STOCKHOLDERS' DEFICIT

<b>CURRENT LIABILITIES</b>		
Accounts payable	\$ 35,454	\$ 5,438
Accounts payable - related party	54,004	52,795
Accrued expenses - related party	500	--
Wages payable	170,000	150,000
Accrued interest	10,232	4,716
Convertible debentures	137,900	137,900
	-----	-----
Total Current Liabilities	408,090	350,849
	-----	-----
<b>STOCKHOLDERS' DEFICIT</b>		
Preferred stock: 50,000,000 shares authorized of \$0.001 par value, no shares issued and outstanding	--	--
Common stock: 2,000,000,000 shares authorized,		

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of \$0.001 par value, 7,215,000 shares issued and outstanding	7,215	7,215
Additional paid-in capital	7,065,520	7,060,020
Accumulated deficit	(7,445,115)	(7,360,836)
	-----	-----
Total Stockholders' Deficit	(372,380)	(293,601)
	-----	-----
TOTAL LIABILITIES AND STOCKHOLDERS' DEFICIT	\$ 35,710	\$ 57,248
	=====	=====

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

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### GLOBAL RESOURCE CORPORATION Schedule of Investments (Unaudited)

Company	Description of Business	Percent Ownership	Cost	Fair Value	Affiliation
-----	-----	-----	----	-----	-----
Well Renewal, LLC	Oil Wells	50%	\$150,000	\$ 35,555 (1)	Yes

(1) Fair value determined by the Company's Board of Directors using the following formula: Net assets of \$71,110 multiplied by percent ownership of 50% equals \$35,555.

See also Note 4 for further explanation on the Company's methods of determining fair values.

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

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### GLOBAL RESOURCE CORPORATION Statements of Operations (Unaudited)

	For the three months ended September 30,		For the six months ended September 30,	
	2005	2004	2005	2004
	-----	-----	-----	-----
REVENUES	\$ --	\$ --	\$ --	\$ --
COST OF GOODS SOLD	--	--	--	--
	-----	-----	-----	-----

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GROSS PROFIT	--	--	--	--
OPERATING EXPENSES	38,320	76,144	57,245	76,144
LOSS FROM OPERATIONS	(38,320)	(76,144)	(57,245)	(76,144)
OTHER EXPENSE				
Interest Expense	(2,758)	--	(5,516)	--
Unrealized loss on Investment	(4,602)	--	(21,518)	--
Total Other Expense	(7,360)	--	(27,034)	--
LOSS BEFORE				
DISCONTINUED OPERATIONS	(45,680)	(76,144)	(84,279)	(76,144)
LOSS FROM DISCONTINUED OPERATIONS (NOTE 3)	--	--	--	(116,946)
NET LOSS	\$ (45,680)	\$ (76,144)	\$ (84,279)	\$ (193,090)
BASIC LOSS PER SHARE				
Continuing Operations	\$ (0.01)	\$ (0.03)	\$ (0.01)	\$ (0.03)
Discontinued Operations	--	--	--	(0.05)
Total Loss per Share	\$ (0.01)	\$ (0.03)	\$ (0.01)	\$ (0.08)
WEIGHTED AVERAGE NUMBER OF SHARES OUTSTANDING	7,215,000	2,400,000	7,215,000	2,400,000

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

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GLOBAL RESOURCE CORPORATION  
Statements of Cash Flows  
(Unaudited)

	For the six months ended September 30,	
	2005	2004
CASH FLOWS FROM OPERATING ACTIVITES		
Net loss	\$ (84,279)	\$ (193,090)
Adjustments to reconcile net loss to net cash used by operating activities:		

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Unrealized loss on investment	21,518	--
Depreciation and amortization	--	509
Contributed services	5,500	--
Noncash interest expense related to beneficial conversion feature of debt	--	25,000
Changes in assets and liabilities:		
Increase in accounts payable and accounts payable - related party	31,225	26,144
Increase in accrued expenses and accrued expenses - related party	26,016	--
Changes in discontinued assets and liabilities	--	106,679
	-----	-----
Net Cash Used by Operating Activities	(20)	(34,758)
	-----	-----
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of fixed assets	--	--
	-----	-----
Net Cash Used by Investing Activities	--	--
	-----	-----
CASH FLOWS FROM FINANCING ACTIVITIES		
Cash used for partner draw	--	(12,006)
Cash contributed by former officer	--	20,000
Proceeds from issuance of note payable	--	15,500
Change from cash overdraft	--	(13,736)
Proceeds from convertible debenture	--	25,000
	-----	-----
Net Cash Provided by Financing Activities	\$ --	\$ 34,758
	-----	-----

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

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GLOBAL RESOURCE CORPORATION  
Statements of Cash Flows (Continued)  
(Unaudited)

	For the six months ended September 30,	
	2005	2004
	-----	-----
NET INCREASE IN CASH	(20)	--
CASH AT BEGINNING OF PERIOD	175	--
	-----	-----
CASH AT END OF PERIOD	\$ 155	\$ --
	=====	=====
CASH PAID FOR		

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Interest	\$	--	\$	--
Income taxes	\$	--	\$	--

### SCHEDULE OF NON CASH FINANCING ACTIVITIES

Contributed capital by shareholders	\$	5,500	\$	247,546
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The accompanying notes are an integral part of these financial statements.

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### GLOBAL RESOURCE CORPORATION Notes to the Financial Statements September 30, 2005

#### NOTE 1 - FINANCIAL STATEMENTS

The accompanying financial statements have been prepared by the Company without audit. In the opinion of management, all adjustments (which include only normal recurring adjustments) necessary to present fairly the financial position, results of operations and cash flows at September 30, 2005 and for all periods presented have been made.

Certain information and footnote disclosures normally included in financial statements prepared in accordance with accounting principles generally accepted in the United States of America have been condensed or omitted. It is suggested that these financial statements be read in conjunction with the financial statements and notes thereto included in the Company's March 31, 2005 audited financial statements. The results of operations for the period ended September 30, 2005 are not necessarily indicative of the operating results for the full year.

#### NOTE 2 - GOING CONCERN

The Company's financial statements are prepared using the accounting principles generally accepted in the United States of America applicable to a going concern, which contemplates the realization of assets and liquidation of liabilities in the normal course of business. However, the Company has had a change in control and has changed its business plan and it has not generated any revenues. The future of the Company is dependent upon its ability to obtain financing and upon future profitable operations from the development of its new business opportunities. Management plans to research possible acquisitions of various entities and an officer of the Company has agreed to loan the Company funds as needed to sustain business for a period of twelve months. However, the Company is dependent upon its ability to secure equity and/or debt financing and there are no assurances that the Company will be successful, without sufficient financing it would be unlikely for the Company to continue as a going concern.

These conditions raise substantial doubt about the Company's ability to continue as a going concern. These financial statements do not include any adjustments that might arise from this uncertainty.

#### NOTE 3 - DISCONTINUED OPERATIONS

On June 30, 2004, the Company's CEO entered into an agreement to sell 1,260,000

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of the Company's common stock and his controlling interest to an unrelated individual. This resulted in the Company's wholly owned subsidiary, NutraTek, LLC, being spun off and left Advanced Healthcare Technologies Inc. as the remaining shell company. All assets were associated with the discontinued operations as well as all of the liabilities except for \$247,546 which was associated with Advanced.

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GLOBAL RESOURCE CORPORATION  
Notes to the Financial Statements  
September 30, 2005

NOTE 3 - DISCONTINUED OPERATIONS (Continued)

The net loss from discontinued operations for the three months ended June 30, 2004 are the operations of NutraTek for the three months ended March 31, 2004 because the spin off of NutraTek took place three months after Advanced Healthcare Technologies, Inc. year end and NutraTek had a December 31 year end, therefore three months after NutraTek's year end would be March 31, 2004.

	For the three months ended March 31, 2004 -----
REVENUES	\$ 15,349
COST OF GOODS SOLD	4,108
	-----
GROSS PROFIT	11,241
	-----
OPERATING EXPENSES	
Payroll	53,930
Rent	2,271
Professional fees	49,104
Depreciation	509
General and administrative	21,362
	-----
Total Operating Expenses	127,176
	-----
LOSS FROM OPERATIONS	(115,935)
	-----
OTHER EXPENSE	
Interest expense	(1,011)
	-----
Total Other Expense	(1,011)
	-----
NET LOSS	\$ (116,946)
	=====
BASIC LOSS PER SHARE	\$ (0.05)
	=====
WEIGHTED AVERAGE NUMBER OF SHARES OUTSTANDING	2,400,000 =====

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GLOBAL RESOURCE CORPORATION  
Notes to the Financial Statements  
September 30, 2005

NOTE 4 - INVESTMENTS

The Company currently has a 50% investment in Well Renewal, LLC. The Company paid \$150,000 for a 50% controlling interest in Well Renewal, LLC on January 11, 2005. The business plan of Well Renewal is to obtain revenues via the management and operation of thirty oil wells located in Oklahoma.

As required by ASR 118, the investment committee of the company is required to assign a fair value to all investments. To comply with Section 2(a)(41) of the Investment Company Act and Rule 2a-4 under the Investment Company Act, it is incumbent upon the board of directors to satisfy themselves that all appropriate factors relevant to the value of securities for which market quotations are not readily available have been considered and to determine the method of arriving at the fair value of each such security. To the extent considered necessary, the board may appoint persons to assist them in the determination of such value, and to make the actual calculations pursuant to the board's direction. The board must also, consistent with this responsibility, continuously review the appropriateness of the method used in valuing each issue of security in the company's portfolio. The directors must recognize their responsibilities in this matter and whenever technical assistance is requested from individuals who are not directors, the findings of such intervals must be carefully reviewed by the directors in order to satisfy themselves that the resulting valuations are fair.

No single standard for determining "fair value...in good faith" can be laid down, since fair value depends upon the circumstances of each individual case. As a general principle, the current "fair value" of an issue of securities being valued by the board of directors would appear to be the amount which the owner might reasonably expect to receive for them upon their current sale. Methods which are in accord with this principle may, for example, be based on a multiple of earnings, or a discount from market of a similar freely traded security, or yield to maturity with respect to debt issues, or a combination of these and other methods. Some of the general factors which the directors should consider in determining a valuation method for an individual issue of securities include: 1) the fundamental analytical data relating to the investment, 2) the nature and duration of restrictions on disposition of the securities, and 3) an evaluation of the forces which influence the market in which these securities are purchased and sold. Among the more specific factors which are to be considered are: type of security, financial statements, cost at date of purchase, size of holding, discount from market value of unrestricted securities of the same class at time of purchase, special reports prepared by analysis, information as to any transactions or offers with respect to the security, existence of merger proposals or tender offers affecting the securities, price and extent of public trading in similar securities of the issuer or comparable companies, and other relevant matters.

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GLOBAL RESOURCE CORPORATION  
Notes to the Financial Statements  
September 30, 2005

NOTE 4 - INVESTMENTS (Continued)

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The board has arrived at the following valuation method for its investments. Where there is not a readily available source for determining the market value of any investment, either because the investment is not publicly traded, or is thinly traded, and in absence of a recent appraisal, the value of the investment shall be based on the following criteria:

1. Total amount of the Company's actual investment ("AI"). This amount shall include all loans, purchase price of securities, and fair value of securities given at the time of exchange.
2. Total revenues for the preceding twelve months ("R").
3. Earnings before interest, taxes and depreciation ("EBITD")
4. Estimate of likely sale price of investment ("ESP")
5. Net assets of investment ("NA")
6. Likelihood of investment generating positive returns (going concern).

The estimated value of each investment shall be determined as follows:

- Where no or limited revenues or earnings are present, then the value shall be the greater of the investment's a) net assets, b) estimated sales price, or c) total amount of actual investment.
- Where revenues and/or earnings are present, then the value shall be the greater of one time (1x) revenues or three times (3x) earnings, plus the greater of the net assets of the investment or the total amount of the actual investment.
- Under both scenarios, the value of the investment shall be adjusted down if there is a reasonable expectation that the Company will not be able to recoup the investment or if there is reasonable doubt about the investments ability to continue as a going concern.
- The Board reserves the right to hire an independent, certified appraiser to assist with establishing a valuation of portfolio investments. Barring any extraordinary factors, a certified appraised value shall be used when available.

Based on the previous methodology, the Company determined that it's investment in Well Renewal, LLC was to be valued at \$57,073 on the date of investment. Accordingly during 2004 a loss on the investment valuation of \$92,927 was recorded. As of September 30, 2005, the Company determined that the value of their investment had decreased to \$35,555, therefore an unrealized loss on investment was recorded in the amount of \$21,518.

The Company has not retained independent appraisals to assist in the valuation of the portfolio investments because the cost was determined to be prohibitive for the current levels of investments.

### NOTE 5 - MATERIAL EVENTS

On June 17, 2005 Jimmy Villalobos resigned as president of the Company.

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GLOBAL RESOURCE CORPORATION  
Notes to the Financial Statements  
September 30, 2005

### NOTE 6 - COMMITMENTS AND CONTINGENCIES

From September 27, 2004 through December 6, 2004, the Company issued approximately 4,815,000 shares of common stock (the "Shares") upon conversion of certain outstanding convertible debentures. The Company did not register the

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Shares under the Securities Act of 1933, as amended (the "Securities Act"), in reliance on various exemptions from registration, including, but not limited to, Section 3(b) of the Securities Act and Regulation E promulgated thereunder.

On June 17, 2005, the Division of Investment Management (the "Division") at the Securities & Exchange Commission (the "SEC") has advised Global Resource that it is the view of the Division that the Company cannot rely on the exemption afforded by Regulation E and that it is unaware of any other exemptions from registration for the issuance of the Shares. The Division also advised the Company that, in the view of the Division, it appears that the issuance of the Shares violated Section 5 of the Securities Act. The Company has advised the Division that it is the Company's view that the issuance of the Shares was exempt from registration under the Securities Act under various available exemptions, including, but not limited to, Regulation E, and that the issuance of the Shares did not violate Section 5 of the Act.

### NOTE 7 - RELATED PARTY TRANSACTIONS

During the quarter ended June 30, 2005, a shareholder of the Company maintained office space and provided services that resulted in rent expense of \$500 and payroll expense of \$5,000. Both of these amounts were contributed to capital.

During the quarter ended September 30, 2005, shareholders of the company maintained office space and provided services that resulted in rent expense of \$500 and payroll expense of \$20,000. Both of these amounts were recorded as accrued liabilities in the Accrued Liabilities - Related Party balance in the Wages Payable balance, respectively.

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### ITEM 2 - PLAN OF OPERATION

The following discussion and analysis should be read in conjunction with our unaudited consolidated condensed financial statements and related notes included in this report. This report contains "forward-looking statements" within the meaning of the Private Securities Litigation Reform Act of 1995. The statements contained in this report that are not historic in nature, particularly those that utilize terminology such as "may," "will," "should," "expects," "anticipates," "estimates," "believes," or "plans" or comparable terminology are forward-looking statements based on current expectations and assumptions.

Various risks and uncertainties could cause actual results to differ materially from those expressed in forward-looking statements. All forward-looking statements in this document are based on information currently available to us as of the date of this report, and we assume no obligation to update any forward-looking statements. Forward-looking statements involve known and unknown risks, uncertainties and other factors that may cause the actual results to differ materially from any future results, performance or achievements expressed or implied by such forward-looking statements.

#### Change of Control

On June 30, 2004, Richard Mangiarelli purchased 126,000,000 shares of Global Resource common stock from its former President, Chief Executive Officer, Director, and majority stockholder, Johnny Sanchez. As a result, Mr. Mangiarelli then held approximately 52.5% of the issued and outstanding common stock of Global Resource.

In connection with this change in control, Mr. Sanchez resigned as our

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President and Chief Executive Officer, Joel Rockwood resigned as our Vice President and Chief Scientific Officer, and Michael MacArthur resigned as our Secretary. The board of directors appointed Mr. Mangiarelli as the new President, Chief Financial Officer, and Secretary. In addition, Mr. Sanchez, Mr. Rockwood, Virginia Sanchez, Carmen Sanchez, and Joe V. Overcash resigned as directors of Global Resource. The outgoing directors appointed Richard Mangiarelli to fill the vacancies on the board.

On June 30, 2004, we entered into a Release and Indemnity Agreement with Johnny Sanchez, our former President, Chief Executive Officer, Director, and majority stockholder, pursuant to which we sold the all of our membership interest in NutraTek to Mr. Sanchez in exchange for Mr. Sanchez's agreement to do the following: (a) release us from any and all claims that Mr. Sanchez may have had against us; (b) indemnify us for any and all claims against or liabilities of Global Resource that existed before June 30, 2004, and (c) to cooperate with and assist Global Resource in connection with its reporting obligations or filing requirements under the Securities Act of 1933, as amended, and Securities Exchange Act of 1934, as amended, and to deliver such other instruments and take such other actions as may be reasonably requested by us in order to carry out the intent of the agreement.

Immediately after the spin-off of Nutratak, Global Resource had no operations. Before the change of control described above, Global Resource's principal business and operations were those of NutraTek. NutraTek researched, developed, and thereafter contracted with third parties to manufacture its own line of nutritional dietary supplements, functional food products and natural sweeteners.

Global Resource's new management decided to terminate the nutritional products business and elected to become a business development company. As a business development company, Global Resource will focus on making investments in securities, and making available significant managerial assistance with respect to the issuers of such securities, of companies that meet the following criteria:

A. is organized under the laws of, and has its principal place of business in, one of the states of the United States;

B. is not an investment company, as defined in the Investment Company Act of 1940; and

C. satisfies one of the following:

1. it does not have any class of securities with respect to which a member of a national securities exchange, broker, or dealer may extend or maintain credit to or for a customer pursuant to rules or regulations adopted by the Board of Governors of the Federal Reserve System under section 7 of the Securities Exchange Act of 1934;

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2. it is controlled by a business development company, either alone or as part of a group acting together, and such business development company in fact exercises a controlling influence over the management or policies of such eligible portfolio company and, as a result of such control, has an affiliated person who is a director of such eligible portfolio company;

3. it has total assets of not more than \$ 4,000,000, and capital and surplus (shareholders' equity less retained earnings) of

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not less than \$ 2,000,000, except otherwise allowed by the Securities and Exchange Commission; or

4. it meets such other criteria as management may establish consistent with the rules and regulations of the Securities and Exchange Commission.

To date, we have made one investment in Well Renewal LLC. Well Renewal manages and operates oil wells in Oklahoma by utilizing a nitrogen and carbon dioxide gas injection unit to "pump up" and re-pressure the wells to increase oil output. At September 30, 2005, our investment in Well Renewal, valued at approximately \$35,555, with a cost of \$150,000, consisted of the purchase of a 50% interest in Well Renewal LLC.

We are currently evaluating additional prospective eligible portfolio companies for investment and intend to continue to do so over the next twelve months. In that time period, we intend to hire from six to up to fifty employees, depending on the nature of the portfolio companies in which we invest. We have established a stock option plan in order to attract and retain employees and to provide employees who make significant and extraordinary contributions to our long-term growth and performance with equity-based compensation incentives.

We intend to retain any future earnings to finance the expansion of its business and any necessary capital expenditures, and for general corporate purposes.

### Liquidity and Capital Resources

We currently have limited working capital with which to satisfy our cash requirements, and we will require additional capital in order to conduct operations. We anticipate that we will require at least \$250,000 in additional working capital in order to sustain operations for the next 12 months. This requirement may increase substantially, depending on the nature and capital requirements of the business opportunities it elects to pursue.

In order to obtain working capital, from October, 2004 to January, 2005, we issued convertible debentures in the aggregate principal amount of \$155,000 in a private placement. The notes are due approximately five (5) months after issuance and bear interest at a rate of eight percent (8%). The notes are convertible into shares of our common stock, at the option of either us or the holder of the note, at a floating conversion price of fifty percent (50%) of the closing bid price per share on the day of conversion, or at the lowest price allowable as set by us in an effective registration statement or exemption notification as filed with the Securities and Exchange Commission. We are obligated to register the resale of the shares of common stock issuable upon conversion of the debenture under the Securities Act of 1933, as amended, or to otherwise provide an acceptable exemption to registration under Regulation E of the Securities Act of 1933, as amended.

In addition, in September 2004, we commenced an offering of our common stock pursuant to Regulation E of the Securities Act of 1933, as amended. Pursuant to this offering, we have sold 1,220,000 shares of common stock for \$12,200, and holders of the debentures referenced above have converted, in the aggregate, approximately \$19,800 of principal and interest due thereunder into 3,595,000 shares of our common stock. Since that time, the issuance of a convertible debenture in the principal amount of \$25,000 to Javelin Holdings for services rendered has been rescinded by mutual agreement between us and Javelin Holdings. Before this rescission, Javelin had converted \$875 of principal on the convertible debenture into 175,000 shares of common stock. In connection with the rescission of the convertible debenture, Javelin returned 175,000 shares of common stock to us for cancellations. These shares have not yet been cancelled.

In January 2005, we amended this offering to reduce the range of the price per share of the offering. The Division of Investment Management of the Securities and Exchange Commission ("SEC") has delivered comments to Global Resource regarding this amended offering, and Global Resource is currently working with the Division of Investment Management to address these comments. We will not issue any shares in reliance on Regulation E until all comments from the SEC are resolved. This offering may not provide Global Resources with the capital necessary to fund its operations. In the interim, we will continue to seek additional forms of capital and our management may provide additional financing as required.

#### Off Balance Sheet Arrangements

We do not have any off-balance sheet financing arrangements.

#### ITEM 3 - CONTROLS AND PROCEDURES

Our disclosure controls and procedures are designed to ensure that information required to be disclosed in reports that we file or submit under the Securities Exchange Act of 1934 is recorded, processed, summarized and reported within the time periods specified in the rules and forms of the Securities and Exchange Commission. Our Chief Executive Officer and Chief Financial Officer has reviewed the effectiveness of our "disclosure controls and procedures" (as defined in the Securities Exchange Act of 1934 Rules 13a-14(c) and 15d-14(c)) within the last ninety days and has concluded that the disclosure controls and procedures are effective to ensure that material information relating to Global Resource Corporation is recorded, processed, summarized, and reported in a timely manner. There were no significant changes in our internal controls or in other factors that could significantly affect these controls subsequent to the last day they were evaluated by our Chief Executive Officer and Chief Financial Officer.

It should be noted that any system of controls, however well designed and operated, can provide only reasonable, and not absolute, assurance that the objectives of the system are met. In addition, the design of any control system is based in part upon certain assumptions about the likelihood of future events. Because of these and other inherent limitations of control systems, there can be no assurance that any design will succeed in achieving its stated goals under all potential future conditions. As a small organization, the effectiveness of our controls heavily depends on the direct involvement of our Chief Executive Officer and Chief Financial Officer.

#### PART II: OTHER INFORMATION

##### ITEM 1 - LEGAL PROCEEDINGS

From September 27, 2004 through December 6, 2004, we issued approximately 4,815,000 shares of common stock, of which 1,220,000 were issued for cash and 3,595,000 were issued upon conversion of certain outstanding convertible debentures. We did not register these shares under the Securities Act of 1933, as amended, in reliance on various exemptions from registration, including, but not limited to, Section 3(b) of the Securities Act and Regulation E promulgated thereunder.

Since that time, the issuance of a convertible debenture in the principal amount of \$25,000 to Javelin Holdings for services rendered has been rescinded by mutual agreement between us and Javelin Holdings. Before this

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rescission, Javelin had converted \$875 of principal on the convertible debenture into 175,000 shares of common stock. In connection with the rescission of the convertible debenture, Javelin returned 175,000 shares of common stock to us for cancellations. These shares have not yet been cancelled.

On June 17, 2005, the Division of Investment Management at the Securities & Exchange Commission advised us that it is the view of the Division that we cannot rely on the exemption afforded by Regulation E and that it is unaware of any other exemptions from registration for the issuance of the Shares. The Division also advised us that, in the view of the Division, it appears that the issuance of the Shares violated Section 5 of the Securities Act. We advised the Division that it is our view that the issuance of the Shares was exempt from registration under the Securities Act under various available exemptions, including, but not limited to, Regulation E, and that the issuance of the Shares did not violate Section 5 of the Act.

At this time, neither the SEC nor any private party has commenced any action against us alleging that we issued the shares in violation of Section 5 of the Securities Act. Further, the SEC has not, to our knowledge, commenced any formal or informal inquiry with respect to its contention that the shares were issued in violation of Section 5 of the Securities Act. In the event that any such action or inquiry is commenced, we intend to defend against such allegations vigorously.

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### ITEM 2 - UNREGISTERED SALES OF EQUITY SECURITIES AND USE OF PROCEEDS

None.

### ITEM 3 - DEFAULT UPON SENIOR SECURITIES

(a) None.

(b) None.

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

None.

### ITEM 5 - OTHER INFORMATION

(a) On November 16, 2004, our board of directors appointed Jimmy Villalobos as our President, replacing Richard Mangiarelli, who resigned as President but remained as our Chief Executive Officer. On June 17, 2005, Mr. Villalobos resigned as our President, and our board of directors reappointed Mr. Mangiarelli as our President.

(b) None.

### ITEM 6 - EXHIBITS

Item No.	Description	Method of Filing
----	-----	-----
31.1	Certification of Richard Mangiarelli pursuant to	Filed electronically herewith.

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Rule 13a-14(a)

32.1 Chief Executive Officer and Chief Financial Officer      Filed electronically herewith.  
Certification pursuant to 18 U.S.C. ss. 1350 adopted  
pursuant to Section 906 of the Sarbanes Oxley Act of  
2002

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SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934,  
the registrant has duly caused this report to be signed on its behalf by the  
undersigned thereunto duly authorized.

GLOBAL RESOURCE CORPORATION

November 14, 2005

/s/ Richard Mangiarelli

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Richard Mangiarelli  
Chief Executive Officer  
(Principal Executive Officer,  
Principal Financial Officer,  
and Principal Accounting Officer)

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