UNITED STATES

SECURITIES AND EXCHANGE COMMISSION

WASHINGTON, D.C. 20549

FORM 10-Q

(Mark One)

__X__ QUARTERLY REPORT UNDER SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For quarterly period ended May 31, 2010

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

For the transition period from _____ to _____

Commission File Number 333-146404

MICROCHANNEL TECHNOLOGIES CORPORATION

(Exact name of registrant as specified in its charter)

Nevada	**98-0539775**
(State or other jurisdiction of incorporation or organization)	(I.R.S. Employer Identification No.)
3905 National Drive, Suite 110 **Burtonsville, Maryland**	**20866**
(Address of principal executive offices)	(Zip Code)

(888) 522-6422

(Registrant's telephone number, including area code)

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 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 T No o.

Indicate by check mark whether the registrant has submitted electronically and posted on its corporate Web site, if any, every Interactive Data File required to be submitted and posted pursuant to Rule 405 of Regulation S-T (§232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit and post such files). Yes o No o Not Applicable T.

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, or a smaller reporting company. See the definitions of large accelerated filer, accelerated filer and smaller reporting company in Rule 12b-2 of the Exchange Act.

Large accelerated filer		Accelerated filer	
		Smaller reporting company	x

Non-accelerated filer (Do not check if a smaller reporting company)

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

Indicate the number of shares outstanding of each of the issuer s classes of common stock, as of the latest practicable date: 53,864,600 shares of common stock, par value $0.0001, were outstanding on July 9, 2010.

MICROCHANNEL TECHNOLOGIES CORPORATION

FORM 10-Q

For the Quarterly Period Ended May 31, 2010

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PART I FINANCIAL INFORMATION

Item 1. Financial Statements (Unaudited)

MICROCHANNEL TECHNOLOGIES CORPORATION
(A Development Stage Company)
BALANCE SHEETS
MAY 31, 2010 AND AUGUST 31, 2009
(Expressed in U.S. Dollars)
(Unaudited)

ASSETS

Current assets
Cash and cash equivalents
Total current assets
Total assets

LIABILITIES AND STOCKHOLDERS' EQUITY

Current liabilities
Accounts payable
Total current liabilities
Stockholders' equity
Common stock: $0.0001 par value; 300,000,000 shares authorized, 53,864,600 issued and outstanding at May 31, 2010 and A
Additional paid-in capital
Deficit accumulated during the development stage
Total stockholders' equity
Total liabilities and stockholders' equity

(The accompanying notes are an integral part of these financial statements)

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MICROCHANNEL TECHNOLOGIES CORPORATION
(A Development Stage Company)
STATEMENTS OF OPERATIONS
FOR THE THREE AND NINE MONTHS ENDED MAY 31, 2010 AND 2009
AND FOR THE PERIOD FROM INCEPTION (FEBRUARY 28, 2005) TO MAY 31, 2010
(Expressed in U.S. Dollars)
(Unaudited)

	Three Months Ended May 31, 2010	Three Months Ended May 31, 2009	Nine Months Ended May 31, 2010	Nine Months Ended May 31, 2009	Cumulative February 28, 2005 (inception) to May 31, 2010
Revenue	$ -	$ -	$ -	$ -	$ -
Operating expenses (income)					
Option fee	-	-	-	-	2,000
Research and development	-	-	-	(10,000)	175,839
Director and officer fees	6,750	6,750	20,250	20,250	64,450
Professional fees	6,694	9,338	34,369	43,804	122,679
Other operating expenses	95	2,126	595	6,929	24,456
Total operating expenses	13,539	18,214	55,214	60,983	389,424
Loss from operations	(13,539)	(18,214)	(55,214)	(60,983)	(389,424)
Other income					
Interest income	-	-	-	418	8,940
Total other income	-	-	-	418	8,940
Net loss	$ (13,539)	$ (18,214)	$ (55,214)	$ (60,565)	$ (380,484)
Net loss per common share: basic	$ (0.00)	$ (0.00)	$ (0.00)	$ (0.00)	
Weighted average number of common shares outstanding: basic	53,864,600	53,864,600	53,864,600	53,864,600	

(The accompanying notes are an integral part of these financial statements)

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MICROCHANNEL TECHNOLOGIES CORPORATION
(A Development Stage Company)
STATEMENTS OF STOCKHOLDERS' EQUITY (DEFICIT)
FROM INCEPTION (FEBRUARY 28, 2005) TO MAY 31, 2010
(Expressed in U.S. Dollars)
(Unaudited)

	Common Stock Shares	Common Stock Amount	Additional paid-in capital	Deficit accumulated during the development stage	Total stockholders' equity (deficit)
Common stock issued at $0.0001 per share	53,864,600	$ 5,386	$ (5,286)	$ -	$ 100
Net loss for the period ended August 31, 2005	-	-	-	(52,898)	(52,898)
Balance, August 31, 2005	53,864,600	5,386	(5,286)	(52,898)	(52,798)
Net loss for the year ended August 31, 2006	-	-	-	(82,739)	(82,739)
Balance, August 31, 2006	53,864,600	5,386	(5,286)	(135,637)	(135,537)
Conversion of debt to equity on August 31, 2007	-	-	561,997	-	561,997
Net loss for the year ended August 31, 2007	-	-	-	(27,405)	(27,405)
Balance, August 31, 2007	53,864,600	5,386	556,711	(163,042)	399,055
Net loss for the year ended August 31, 2008	-	-	-	(84,635)	(84,635)
Balance, August 31, 2008	53,864,600	5,386	556,711	(247,677)	314,420
Net loss for the year ended August 31, 2009	-	-	-	(77,593)	(77,593)
Balance, August 31, 2009	53,864,600	5,386	556,711	(325,270)	236,827
Net loss for the nine months ended May 31, 2010	-	-	-	(55,214)	(55,214)
Balance, May 31, 2010	53,864,600	$ 5,386	$ 556,711	$ (380,484)	$ 181,613

(The accompanying notes are an integral part of these financial statements)

MICROCHANNEL TECHNOLOGIES CORPORATION
(A Development Stage Company)
STATEMENTS OF CASH FLOWS
FOR THE NINE MONTHS ENDED MAY 31, 2010 AND 2009
AND FOR THE PERIOD FROM INCEPTION (FEBRUARY 28, 2005) TO MAY 31, 2010
(Expressed in U.S. Dollars)
(Unaudited)

	Nine Months Ended May 31, 2010	Nine Months Ended May 31, 2009	Cumulative February 28, 2005 (inception) to May 31, 2010
Cash flows from operating activities			
Net loss	$ (55,214)	$ (60,565)	$ (380,484)
Adjustments to reconcile net loss to net cash used in operating activities:			
Changes in operating assets and liabilities:			
Increase (decrease) in accounts payable	(43)	536	4,975
Decrease in accrued payable	-	(10,000)	-
Net cash used in operating activities	(55,257)	(70,029)	(375,509)
Cash flows from financing activities			
Increase in payable - related party	-	-	561,997
Proceeds from the issuance of common stock	-	-	100
Net cash provided by financing activities	-	-	562,097
Increase (decrease) in cash and cash equivalents	(55,257)	(70,029)	186,588
Cash and cash equivalents at beginning of period	241,845	328,260	-
Cash and cash equivalents at end of period	$ 186,588	$ 258,231	$ 186,588
Supplemental disclosure of cash flow information:			
Interest paid in cash	$ -	$ -	$ -
Income taxes paid in cash	-	-	-
Supplemental disclosure of non-cash transaction:			
Conversion of debt to equity	$ -	$ -	$ 561,997

(The accompanying notes are an integral part of these financial statements)

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MICROCHANNEL TECHNOLOGIES CORPORATION

(A Development Stage Company)

NOTES TO FINANCIAL STATEMENTS

May 31, 2010

(Expressed in U.S. Dollars)

(Unaudited)

Note 1. Organization and Description of Business

MicroChannel Technologies Corporation (the Company) was formed as a wholly-owned subsidiary of Octillion Corp. (Octillion). Octillion spun off the Company s issued and outstanding shares to Octillion s shareholders on December 18, 2007, the date on which a registration statement was declared effective by the United States Securities and Exchange Commission (SEC). The Company was incorporated under the name MultiChannel Technologies Corporation on February 28, 2005 in the State of Nevada, and changed to its existing name on April 4, 2005.

On October 2, 2007, the Company executed a forward split of its issued and outstanding shares of common stock on the basis of 53.8646 for 1, resulting in 53,864,600 common shares to be issued and outstanding. The effects of the stock split have been retroactively applied to all periods presented.

On April 29, 2005, an Option Agreement (the ISURF Agreement) was executed between Iowa State University Research Foundation Inc., (ISURF) and the Company, pursuant to which the Company acquired an option to obtain a license to certain nerve regeneration technologies being developed by ISURF. On September 30, 2008, the ISURF Agreement expired, thereby concluding the Company s research and development of technologies and products for peripheral and optic nerve damage and nerve regeneration. Upon conclusion of the ISURF Agreement, researchers were unable to identify suitable, commercially-available cells for use in this technology. The Company did not renew the ISURF Agreement or the Sponsored Project Agreement related to the ISURF Nerve Regeneration Technology. The Company is currently undertaking efforts to identify new commercial opportunities, including other innovative medical and health care technologies.

Note 2. Going Concern Uncertainties

The Company is a development stage company, has not generated any revenues, has an accumulated deficit of $380,484 as of May 31, 2010, and does not have positive cash flows from operating activities. The accompanying financial statements have been prepared in conformity with generally accepted accounting principles in the United States of America, which contemplates continuation of the Company as a going concern, which is dependent upon the Company s ability to establish itself as a profitable business.

Due to the start-up nature of the Company s business, the Company expects to incur additional losses as it continues to identify and develop new technologies. To date, the Company s cash flow requirements have been met by $400,000 received from Octillion Corp., its former parent company. Management recognizes that in order to meet the Company s capital requirements, and continue to operate, additional financing will be necessary. The Company expects to raise additional funds through private or public equity investments in order to expand the range and scope of its business operations. The Company will seek access to private or public equity but there is no assurance that such additional funds will be available for the Company to finance its operations on acceptable terms, if at all. Furthermore, there is no assurance that the net proceeds received from any successful financing arrangement will be sufficient to cover cash requirements during the initial stages of the Company s operations. If the Company is unable to raise additional capital or generate positive cash flow, it is unlikely that the Company will be able to continue as a going concern.

In view of these conditions, the ability of the Company to continue as a going concern is in substantial doubt and dependent upon achieving a profitable level of operations and on the ability of the Company to obtain necessary financing to fund ongoing operations. These financial statements do not give effect to any adjustments which will be necessary should the Company be unable to continue as a going concern and therefore be required to realize its assets and discharge its liabilities in other than the normal course of business and at amounts different from those reflected in the accompanying financial statements.

Note 3. Presentation of Interim Information

The accompanying unaudited interim financial statements have been prepared in accordance with Form 10-Q instructions and in the opinion of management of MicroChannel Technologies Corporation, include all adjustments (of a normal recurring nature) considered necessary to present fairly the financial position of the Company as of May 31, 2010 and August 31, 2009 and the related results of operations, stockholders equity (deficit), and cash flows for the three and nine months ended May 31, 2010 and 2009 and for the cumulative period from February 28, 2005 (inception) to May 31, 2010. These results have been determined on the basis of generally accepted accounting principles and practices in the United States and applied consistently with those used in the preparation of the Company s 2009 Annual Report on Form 10-K.

Certain information and footnote disclosures normally included in the quarterly financial statements presented in accordance with generally accepted accounting principles in the United States have been condensed or omitted. It is suggested that the accompanying unaudited interim financial statements be read in conjunction with the financial statements and notes thereto incorporated by reference in the Company s 2009 Annual Report on Form 10-K.

Note 4. Summary of Significant Accounting Policies

Estimates

The preparation of the Company s financial statements requires management to make estimates and use assumptions that affect the reported amounts of assets, liabilities, revenues, and expenses. These estimates and assumptions are affected by management s application of accounting policies. Critical accounting policies for the Company include accounting for research and development costs. On an on-going basis, the Company evaluates its estimates. Actual results and outcomes may differ materially from these estimates and assumptions.

Research and Development

Research and development costs represent costs incurred to develop the Company s technology, including salaries and benefits for research and development personnel, allocated overhead and facility occupancy costs, supplies, equipment purchase and repair and other costs. Research and development costs are expensed when incurred, except for nonrefundable advance payments for future research and development activities which are capitalized and recognized as expense as the related services are performed.

During the three and nine months ended May 31, 2010 and the three months ended May 31, 2009, the Company did not incur any research and development expense. During the nine months ended May 31, 2009, the Company recorded a reversal of $10,000 previously accrued during the quarter ended May 31, 2008 pursuant to the Amended ISURF Agreement. See Note 6. Option Interest in Nerve Regeneration Technologies.

Recently Adopted Accounting Pronouncements

In January 2010, the FASB issued ASU No. 2010-06, Fair Value Measurements and Disclosures, which amends the disclosure requirements related to recurring and nonrecurring fair value measurements The guidance requires disclosure of transfers of assets and liabilities between Level 1 and Level 2 of the fair value measurement hierarchy, including the reasons and the timing of the transfers and information on purchases, sales, issuance, and settlements on a gross basis in the reconciliation of the assets and liabilities measured under Level 3 of the fair value measurement hierarchy. The guidance is effective for annual and interim reporting periods beginning after December 15, 2009, except for Level 3 reconciliation disclosures which are effective for annual and interim periods beginning after December 15, 2010. The Company adopted this guidance at the beginning of its third quarter of fiscal 2010, except for the Level 3 reconciliation disclosures on the rollforward activities, which it will adopt at the beginning of its third quarter of fiscal 2011. Other than requiring additional disclosures, the adoption of this standard did not and will not have a material impact on the Company s financial position and results of operations.

Note 5. Net Loss Per Share

Basic net loss per share is computed by dividing the net loss by the weighted average number of common shares outstanding during the period. The Company does not have any stock options or warrants outstanding that would be anti-dilutive.

For purposes of earnings per share computations, shares of common stock that are issuable at the end of a reporting period are included as outstanding.

Following is the computation of basic net loss per share for the three and nine months ended May 31, 2010 and 2009:

	Three Months Ended May 31,		Nine Months Ended May 31,	
	2010	2009	2010	2009
Numerator - net loss	$ (13,539)	$ (18,214)	$ (55,214)	$ (60,565)
Denominator - weighted average number of common shares outstanding - basic	53,864,600	53,864,600	53,864,600	53,864,600
Basic net loss per common share	$ (0.00)	$ (0.00)	$ (0.00)	$ (0.00)

Note 6. Option Interest in Nerve Regeneration Technologies

On April 29, 2005, an Option Agreement (the ISURF Agreement) was executed between Iowa State University Research Foundation Inc., (ISURF) and the Company, pursuant to which the Company acquired an option to obtain a license to certain nerve regeneration technologies being developed by ISURF. On October 13, 2005, the ISURF Agreement was amended to modify the payment due dates. On November 12, 2007, the ISURF Agreement was amended to extend the ISURF Agreement to September 30, 2008 and increase the total amount due pursuant to the ISURF Agreement by $50,000 (the Amended ISURF Agreement). On September 30, 2008, the Amended ISURF Agreement expired, thereby concluding the Company s research and development of technologies and products for peripheral and optic nerve damage and nerve regeneration. Upon conclusion of the Amended ISURF Agreement, researchers were unable to identify suitable, commercially-available cells for use in this technology. The Company did not renew the Amended ISURF Agreement or the Sponsored Project Agreement related to the ISURF Nerve Regeneration Technology.

The consideration payable pursuant to the Amended ISURF Agreement is summarized as follows:

- Payment of $2,000 in option fees upon execution of the ISURF Agreement;

- Payment of $155,839 to support the research project entitled Conduits with Micropatterned Film for Peripheral Nerve Regeneration of which $50,000 was due within 90 days of execution of the ISURF Agreement, and four subsequent equal payments of $26,460 each due quarterly, beginning on January 31, 2006. An additional $50,000 was payable in five equal installments of $10,000 each due every two months upon the execution of the Amended ISURF Agreement on November 12, 2007. As of February 28, 2010, the Company had paid $155,839 pursuant to the original ISURF Agreement and $20,000 pursuant to the Amended ISURF Agreement.

- Contingent upon satisfactory progress and success of the above project, provide an additional $73,166 for the project entitled Conduits with Micropatterned Films for Optic Nerve Regeneration . The Company did not initiate the second research project.

Due to the inability of the researchers to identify suitable, commercially-available cells for use in the peripheral and optic nerve damage and nerve regeneration technologies it was determined that the Company was not obligated to make the remaining $30,000 in payments pursuant to the terms of the Amended ISURF Agreement. Accordingly, during the nine months ended May 31, 2009, the Company recorded a reversal of $10,000 previously accrued during the quarter ended May 31, 2008 pursuant to the Amended ISURF Agreement. During the period from inception (February 28, 2005) to May 31, 2010, the Company recorded research and development expense of $175,839 pursuant to the Amended ISURF Agreement.

Note 7. Related Party Transactions

During both of the three month periods ended May 31, 2010 and 2009, the Company incurred $750 as compensation for services that a non-employee director provided to the Company. During both of the nine month periods ended May 31, 2010 and 2009, the Company incurred $2,250 as compensation for services that a non-employee director provided to the Company.

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As of May 31, 2010, the Company owed $250 to the non-employee director for services rendered to the Company, which is included in accounts payable.

The Company's corporate office is located at 3905 National Drive, Suite 110, Burtonsville, MD, 20866. This premise is leased by the MVP Law Group, P.A, of which the Chief Executive Officer of the Company is the founder. The MVP Law Group, P.A. does not currently charge the Company rent to utilize this space.

Related party transactions are in the normal course of operations and are recorded at amounts established and agreed between the related parties.

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Item 2. Management's Discussion and Analysis of Financial Condition and Results of Operations.

Forward-Looking Statements

This Report on Form 10-Q contains forward-looking statements which involve assumptions and describe our future plans, strategies, and expectations, and are generally identifiable by use of the words may, will, should, expect, anticipate, estimate, believe, , intend, or project or the negative of these words or other variations on these words or comparable terminology. These statements are expressed in good faith and based upon a reasonable basis when made, but there can be no assurance that these expectations will be achieved or accomplished.

Such forward-looking statements include statements regarding, among other things, (a) the potential markets for our technologies, our potential profitability, and cash flows (b) our growth strategies, (c) expectations from our ongoing sponsored research and development activities (d) anticipated trends in the technology industry, (e) our future financing plans and (f) our anticipated needs for working capital. This information may involve known and unknown risks, uncertainties, and other factors that may cause our actual results, performance, or achievements to be materially different from the future results, performance, or achievements expressed or implied by any forward-looking statements. These statements may be found under Management s Discussion and Analysis of Financial Condition and Results of Operations as well as in this Form 10-Q generally. Actual events or results may differ materially from those discussed in forward-looking statements as a result of various and matters described in this Form 10-Q generally. In light of these risks and uncertainties, there can be no assurance that the forward-looking statements contained in this filing will in fact occur. In addition to the information expressly required to be included in this filing, we will provide such further material information, if any, as may be necessary to make the required statements, in light of the circumstances under which they are made, not misleading.

Although forward-looking statements in this report reflect the good faith judgment of our management, forward-looking statements are inherently subject to known and unknown risks, business, economic and other risks and uncertainties that may cause actual results to be materially different from those discussed in these forward-looking statements. Readers are urged not to place undue reliance on these forward-looking statements, which speak only as of the date of this report. We assume no obligation to update any forward-looking statements in order to reflect any event or circumstance that may arise after the date of this report, other than as may be required by applicable law or regulation. Readers are urged to carefully review and consider the various disclosures made by us in our reports filed with the Securities and Exchange Commission which attempt to advise interested parties of the risks and factors that may affect our business, financial condition, results of operation and cash flows. If one or more of these risks or uncertainties materialize, or if the underlying assumptions prove incorrect, our actual results may vary materially from those expected or projected.

The following Management s Discussion and Analysis (MD&A) is intended to help the reader understand our results of operations and financial condition. The MD&A is provided as a supplement to, and should be read in conjunction with our financial statements and the accompanying notes to the financial statements included in this Form 10-Q.

Our discussion and analysis of our financial condition and results of operations is based on our financial statements, which have been prepared in accordance with accounting principles generally accepted in the United States. The preparation of these financial statements requires us to make estimates and judgments that affect the reported amounts of assets, liabilities and expenses and related disclosures. We review our estimates on an ongoing basis.

Overview

We were formed as a wholly-owned subsidiary of Octillion Corp. Octillion Corp. spun off our issued and outstanding shares to Octillion s shareholders on December 18, 2007. We were incorporated under the name MultiChannel Technologies Corporation on February 28, 2005 in the State of Nevada, and changed to our existing name, MicroChannel Technologies Corporation, on April 4, 2005.

We are a development stage technology company focused on the identification, acquisition, and development of technologies and products which we believe have the potential for commercialization. Our strategy is to initially acquire rights to technologies and products that are being developed by third parties, primarily universities and government agencies, through cooperative research and development agreements. Until September 30, 2008, our research and development activities were focused on technologies and products for peripheral and optic nerve damage and nerve regeneration, specifically the development of the Iowa State University Research Foundation Inc. (ISURF) Nerve Regeneration Technology. On September 30, 2008, the Option Agreement and Sponsored Project Agreement between us and ISURF expired, thereby concluding our research and development of technologies and products for peripheral and optic nerve damage and nerve regeneration. Upon conclusion of these agreements with ISURF, researchers were unable to identify suitable, commercially-available cells for use in this technology. We did not renew these agreements with ISURF.

We are currently undertaking efforts to identify new commercial opportunities, including other innovative medical and health care technologies.

Because we are a smaller reporting company, we are not required to make certain disclosures otherwise required to be made on a Form 10-Q.

The ISURF Nerve Regeneration Technology

On April 29, 2005, we entered into an Option Agreement with ISURF (the ISURF Agreement), pertaining to ISURF Nerve Regeneration Technology. The ISURF Agreement granted us an exclusive worldwide option to obtain a license to make, use, and sell nerve regeneration products developed from the ISURF Nerve Regeneration Technology. On October 13, 2005, the ISURF Agreement was amended to modify the payment due dates. On November 12, 2007, the ISURF Agreement was amended to extend the ISURF Agreement to September 30, 2008 and increase the total amount due pursuant to the ISURF Agreement by $50,000 (the Amended ISURF Agreement). On September 30, 2008, the Amended ISURF Agreement expired, thereby concluding our research and development of technologies and products for peripheral and optic nerve damage and nerve regeneration. Upon conclusion of the Amended ISURF Agreement, researchers were unable to identify suitable, commercially-available cells for use in this technology. We did not renew the Amended ISURF Agreement or the Sponsored Project Agreement related to the ISURF Nerve Regeneration Technology.

Pursuant to the terms of the Amended ISURF Agreement, we had the right to negotiate the terms of our license with ISURF upon payment of a flat fee of $2,000 (which was paid) and provide funding for two research projects that were being conducted at ISU through our Sponsored Project Agreement.

Under terms of the Amended ISURF Agreement, we agreed to fund two research projects at ISU, the first of which was titled Conduits with Micropatterned Films for Peripheral Nerve Regeneration, in the amount of $205,839. As of September 30, 2008, the expiration date of the Amended ISURF Agreement, we had paid $175,839 pursuant to the Amended ISURF Agreement. Due to the inability of the researchers to identify suitable, commercially-available cells for use in the peripheral and optic nerve damage and nerve regeneration technologies it was determined that we were not obligated to make the remaining $30,000 in payments pursuant to the terms of the Amended ISURF Agreement. Upon termination of the Amended ISURF Agreement, we recorded a reversal of $10,000 previously accrued during the quarter ended May 31, 2008 pursuant to the Amended ISURF Agreement.

Contingent upon satisfactory progress of the above project, we also agreed to provide an additional $73,166 for the second project, titled Conduits with Micropatterned Films for Optic Nerve Regeneration, which would test the efficacy of biodegradable micropatterned conduits on optic nerve regeneration. We did not initiate the second research project.

Results of Operation

A summary of our operating expenses for the three and nine months ended May 31, 2010 and 2009 was as follows:

	Three Months Ended May 31, 2010	2009	Increase / (Decrease)	Percentage Change
Operating expenses				
Director and officer fees	$ 6,750	$ 6,750	$ -	-%
Professional fees	6,694	9,338	(2,644)	(28)
Other operating expenses	95	2,126	(2,031)	(96)
Total operating expenses	$ 13,539	$ 18,214	$ (4,675)	(26)%

	Nine Months Ended May 31, 2010	2009	Increase / (Decrease)	Percentage