

**ORE HOLDINGS INC.**  
**Consolidated Condensed Statements of Operations**  
**For the Three and Six Months Ended June 30, 2012 and 2011**  
(in thousands, except per share data)  
(unaudited)

	Three Months Ended June 30,		Six Months Ended June 30,	
	2012	2011	2012	2011
Revenue	\$ -	\$ -	\$ -	\$ -
Expenses:				
Research and development	-	345	8	478
Selling, general and administrative	182	548	382	1,362
Total expenses	182	893	390	1,840
Loss from operations	(182)	(893)	(390)	(1,840)
Interest expense, net	(124)	(113)	(240)	(238)
Other income	(63)	-	(102)	-
Net loss	\$ (369)	\$ (1,006)	\$ (732)	\$ (2,078)
Basic and diluted net loss per share	\$ (0.04)	\$ (0.12)	\$ (0.08)	\$ (0.24)
Shares used in computing basic and diluted net loss per share	8,664	8,635	8,664	8,617

**ORE HOLDINGS INC.**  
**Consolidated Balance Sheets**  
as of June 30, 2012 and December 31, 2011  
(in thousands, except share data)

	<b>June 30, 2012</b>	<b>December 31, 2011</b>
<b>ASSETS</b>		
Current assets:		
Cash and cash equivalents	\$ 1,113	\$ 1,138
Marketable securities available for sale	579	919
Accounts receivable	10	10
Prepaid expenses	50	29
Other current assets	25	25
Total current assets	1,777	2,121
Property and equipment, net	4	6
Total assets	\$ 1,781	\$ 2,127
<b>LIABILITIES AND STOCKHOLDERS' DEFICIT</b>		
Current liabilities:		
Accounts payable	\$ 2	\$ 16
Accrued compensation and employee benefits	51	46
Other accrued expenses	959	681
Deferred rent, current	-	6
Total current liabilities	1,012	749
Long-term debt	4,187	4,187
Total liabilities	\$ 5,199	4,936
Commitments and contingencies	-	-
Stockholders' deficit:		
Preferred stock, \$.01 par value; 2,000,000 shares authorized; and no shares issued and outstanding as of June 30, 2012 and December 31, 2011	-	-
Common stock, \$.01 par value; 15,000,000 shares authorized; 8,663,519 shares issued and outstanding as of June 30, 2012 and December 31, 2011	87	87
Additional paid-in-capital	386,405	386,405
Accumulated other comprehensive loss	(266)	(389)
Accumulated deficit	(389,644)	(388,912)
Total stockholders' deficit	(3,418)	(2,809)
Total liabilities and stockholders' deficit	\$ 1,781	\$ 2,127