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The Red Hot Fertilizer Industry

March 2008

The United States fertilizer market is estimated to exceed \$40 billion dollars annually and is comprised almost exclusively of synthetic chemistry¹.

According to the Fertilizer Institute, average prices paid by U.S. farmers for the major fertilizer nutrients reached the highest level on record in January 2008, 130 percent higher than the January 2000 level. Fertilizer prices are being driven primarily by four factors: (1) global demand, (2) increased demand for corn and soy used in biofuel production, (3) higher transportation costs and (4) higher energy prices. In combination, this heightened demand for fertilizer coupled with soaring energy prices has created tight markets and higher prices.

Global Demand

Fertilizer is a worldwide commodity and the U.S. must compete with other buyers in the global marketplace. Fertilizers typically provide, in varying proportions, the three major plant nutrients (nitrogen, phosphorus, and potassium). Overall, global nitrogen demands grew by 14 percent, phosphate demand grew by 13 percent and potash demand grew by 19 percent from 2001 to 2006. China, India, and Brazil are the three largest contributors to the growth in world nutrient demand. As it stands, the U.S. is the largest importer of nitrogen (over 50 percent of its supply) and potash (over 90 percent of its supply) and the largest exporter of phosphate.

In addition, a weak dollar makes fertilizer more expensive for U.S. producers. Over the past few years, the value of the U.S. dollar has plummeted, increasing the costs of the imported goods. Because the U.S. now imports over half its nitrogen and over 90 percent of its potash, with most fertilizer materials priced in U.S. dollars, foreign producers have to raise the price of fertilizer in U.S. dollars to offset the fall in the value of the dollar to maintain the revenue they receive in local currency.

Biofuel Production

The U.S. fertilizer market is also being driven by the demand for biofuels such as ethanol. With crude oil hovering north of \$100 per barrel and prices at the pump skyrocketing, biofuels

are considered to be a key alternative source. The annual capacity of the U.S. ethanol sector stood at 5.6 billion gallons in February 2007. Ethanol plants under construction are expected to add another 6.2 billion gallons of capacity. According to the USDA, U.S. ethanol production may reach 11 billion gallons by 2011. As the consumption and demand for ethanol is ramping up, demand for corn is rising accordingly and corn acreage is one of the largest consumers of nitrogen-based fertilizer.

According to a July 2007 article released by the Fertilizer Institute, farmers in the U.S. planted 92.9 million acres of corn, representing a 19% increase from the 78.3 million acres planted during the previous year, putting upward pressure on fertilizer demand and prices. Similar expansions are planned in other countries. Much of this will go toward the production of ethanol².

Transportation Costs

Fertilizer transportation costs are increasing, whether by ocean freight, rail, or truck, driven by higher energy prices and other costs. According to the Fertilizer Institute, some of the other cost drivers include port congestion, escalating fuel costs, increased security requirements, and competition from other industries. Given that much of the fertilizer used domestically is imported from overseas, the product has likely taken each of the transportation modes in order to reach its destination, adding significant costs to the end consumer of the fertilizer.

Energy Prices

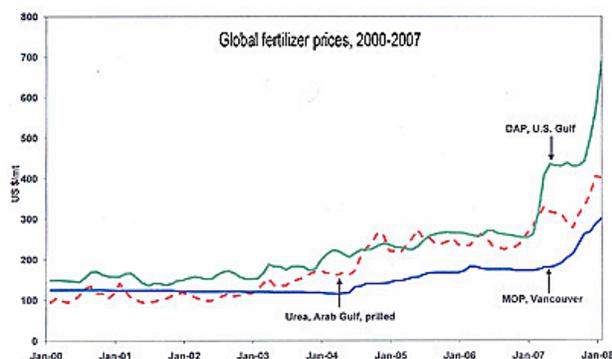
Natural gas is the main raw resource used to produce ammonia, which is the building block for all nitrogen fertilizers. It is estimated that 70-90 percent of the cost of manufacturing ammonia depends upon the price of natural gas. Due to the extreme price increases in natural gas, U.S. ammonia production costs have skyrocketed, rising 172 percent from fiscal year 1999 to fiscal year 2005.

Since 1999, twenty-five ammonia production facilities in the United States have closed permanently due to high natural gas prices, tight cost margins and environmental regulations. From 2000 to 2006, ammonia production declined 18 million tons to

¹ Grounds/Turf Growers Magazine Industry Outlook 2005; ² In 2008, approximately 25 percent of U.S. corn production is planned to produce ethanol. By 2012, 4.3 billion bushels of corn are anticipated for ethanol production. It takes about 450 pounds of corn to produce 25 gallons of ethanol fuel to power an SUV.

The Red Hot Fertilizer Industry - Continued

10 million tons, representing a 44 percent decline. The deficit in nitrogen fertilizers during that time was filled with imported fertilizer. New production facilities are being built in China, the Middle East and the Caribbean. This is because these locations have access to substantially lower natural gas prices, and can therefore produce ammonia, ship it to the U.S. and sell it at a lower price than that of domestic producers. As long as U.S. natural gas prices remain at a substantial premium to world prices, the economic incentive to import nitrogen fertilizers and their major feedstock, ammonia, will be strong³.



Monthly averages of fertilizer prices from 2000 to 2008. World fertilizer prices -- especially diammonium phosphate -- have skyrocketed during 2007. FOB = Free on board. Average price, with supplier paying freight and insurance, to destination port. DAP = diammonium phosphate. MOP = muriate of potash. Credit: Derived from Green Markets and FMB Weekly. Modified by mongabay.com

As a result of the domestic ammonia production cutbacks, the U.S. fertilizer industry, which typically supplied 85 percent of farmers' domestic nitrogen needs from the U.S. based production during the 1990s, now relies on net nitrogen imports for half of new nitrogen supplies. The U.S. imported approximately 57 percent of its nitrogen last year - compared to 31 percent in the 1999/2000 growing season⁴. The Caribbean island of Trinidad has an abundant supply of natural gas, and it manufactures anhydrous ammonia more cheaply than the U.S. Trinidad is expected to be this country's largest supplier of anhydrous for some time to come, while other popular nitrogen fertilizers such as urea are imported from Russia and Eastern Europe.

While the U.S. is a major manufacturer and exporter of phosphates, supplies are becoming tight. If disruptions in the manufacture or distribution of these fertilizers materialize, then the probability of spot market price spikes increases. More than 90 percent of the potash fertilizer used in the U.S. is imported, the bulk of it from Canada but also some from Russia and the Congo. Given recent flooding that affected the production of potash, this also suggests supplies may be tight in 2008⁵.

Organic Fertilizer Growth

Although organic fertilizer products represent only a tiny share

of the \$40 billion U.S. fertilizer market, the trend is clear. Consumer demand for all things clean, green, and organic, including foods, hybrid automobiles, and other items, is growing at a rapid clip. Once considered a boutique product, organic fertilizers now find themselves in the unique situation of being less expensive than the petroleum based synthetics, and capable of performing at the same levels. Current pricing puts comparably based synthetics at more than twice the cost when application rates are equal.

Four years ago, Scotts Miracle-Gro (SMG), the world's largest lawn products company, recognized the opportunity and added organic plant growing products under its Organic Choice brand. According to Keith Baeder, Vice President for marketing at Scotts Miracle-Gro's growing media group, sales have "basically doubled every year from the start."⁶ Scotts Miracle-Gro estimates the total organic lawn and garden market at \$400 million, with fertilizers at \$60 million⁷. This strong demand is providing a strong pipeline of business for small organic based companies like Advanced Growing Systems, Inc. (OTCBB:AGWS), Converted Organics, Inc. (NASDAQ:COIN), Griffin Land and Nurseries, Inc. (NASDAQ:GRIF), and Origin Agritech (NASDAQ:SEED).

Most organic manufacturers operate regionally, resulting in a fragmented market, with a diverse customer base and very few large national players, with Scotts and Perdue Farms Inc. being the exception to the rule. Buyers of organic fertilizer include grocers such as Whole Foods Market, Inc., golf courses and parks, small farms and home gardeners.

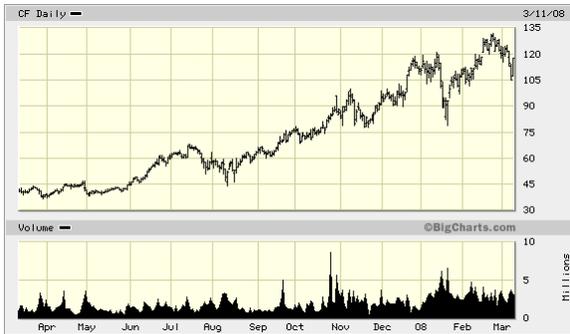
Organic fertilizer companies stress that their products offer a slow, consistent release of nutrients, which foster microbial life and is better for the soil. These companies also stress that the fertilizers' lower levels of nitrogen reduce the risk of water contamination. Although there is still a fair amount of debate from critics over the benefits of organic fertilizer versus its synthetic peers, it appears that the demand for organic fertilizer products will remain strong.

In the United States, it is estimated that there are 30 million acres of lawn on which children and household pets play. The growing demand for organic fertilizer is driven largely by the harmful side effects from the chemicals in the synthetic fertilizers, pesticides, and herbicides. According to experts, a healthy lawn created in good soil and topped with a thin layer of compost, manure, or other organic material forestalls the common weeds, bugs, and diseases. When problems do arise in the lawn, natural remedies exist⁸. If consumers are given the option of keeping their lawns almost completely weedless and lush without the use of toxic chemicals, an increasing number will choose to do so. Now that organic fertilizer alternatives are cheaper than synthetics, we believe that the opportunities for organic fertilizer producers are virtually limitless.

³ AgriView articles titled "Fertilizer Price Forecast: Still Climbing" by Jane Fyksen; ⁴ Ibid; ⁵ Ibid; ⁶ New York Times article titled "Are Bugs the Pests?" by Leslie Land dated April 12, 2007; ⁷ Market Watch article titled "Organic fertilizer companies see growing market" dated 3/21/07. ⁸ This Old House article titled "How to break your lawn's addiction to synthetic fertilizers, pesticides, and herbicides" by Keith Pandolfi.

The Red Hot Fertilizer Industry - Continued

Although consumers of fertilizer are feeling the effect of rising prices, the fertilizer companies are beneficiaries of this strong market. The following are four examples of 52-week gains as of March 12, 2008:



CF Industries (NYSE:CF)



Converted Organics (NASDAQ:COIN)



Mosaic Company (NYSE:MOS)



Potash Corporation (NYSE:POT)

Those, along with Advanced Growing Systems, Agrium Chemicals, Origin Agritech, Scotts Miracle Gro Company, Terra Industries, Terra Nitrogen and others, make seeds and fertilizers used worldwide. According to U.S. News and World Report, the Market Vectors Agribusiness exchange-traded fund, which tracks the DAXglobal Agribusiness Index and includes machinery, fertilizer, livestock, and seed shares, is up more than 27 percent since its September launch.

Converted Organics (COIN) is a player in the embryonic organic fertilizer market, and it has seen its stock price soar from \$2.25 a year ago to \$12.20 as of March 10th, 2008. Advanced Growing Systems (AGWS), another young company in the organic fertilizer market, is quickly gaining traction and visibility with fertilizer sales growth exceeding 100% quarter-over-quarter.

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Advanced Growing Systems (OTCBB:AGWS)

For more information on Advanced Growing Systems, Inc. (OTCBB:AGWS) Go to the following link:
<http://www.wallstreetresources.net/advancedgrowing.asp>

Chart Source: Big Charts.com www.bigcharts.com

The Financial Crisis Continues – by Michael Abrahams

The extreme volatility in financial shares reflects as much a lack of confidence in banks' management and their ability to assess the losses as it does in the large write downs themselves. Whether it is Bear Stearns, Citicorp or Moneygram, losses have been repeatedly well in excess of managements' initial estimates. Last Friday the Federal Reserve provided short term debt financing to Bear Stearns after Bear's liquidity had "significantly deteriorated", seemingly overnight, and by Sunday had arranged a buyout of the 85 year old firm at a 93% discount to Friday's closing price. The Federal Reserve has responded to the increasingly difficult domestic and global environment with substantial reductions in short term interest rates and a \$200 billion short term credit facility designed to restore liquidity to the mortgage and mortgage securities markets.

However, liquidity in the market for mortgage securities and their derivatives continues to remain poor as seemingly no one understands what they are really worth. Major financial corporations are generating multi-billion losses and increasing numbers of homeowners are losing their homes. In many ways, the early 1990's are being replayed: Citibank is again on the ropes, home prices are falling and the savings and loan industry faces extinction.

And like the 1990's, ultimately the writedowns will end, assets will be priced lower and investors will be provided an outstanding opportunity to buy. There will be exceptional opportunities as there were then. Those old enough to have been active in bank shares during this period may remember Valley National Bank, Arizona's leading commercial bank. Valley was the last bank standing in Arizona after the others had failed and its shares reached a low of about \$8. Within two years, it was bought out at \$63—not a bad return for two years for those lucky or smart enough to have participated. However, we are not yet anywhere near such a bottom.

As a firm which invests in financial institutions globally, we have our own views as to the current crisis and have positioned our Fund to benefit from the sustained decline in real estate property values we see coming. We would like to address three issues: How bad is the current situation? How might it best be resolved? How are we investing in this market?

The credit crisis emerged from a situation that in hindsight seems inevitable. Or, as some South African bankers told me last Fall after I described the circumstances that had led up to the subprime crisis, "you have got to be kidding". *Competitive pressures and lender complacency in the strong real estate market environment led to multiple layers of risk being added to what was initially a sound mortgage structure.*

- Approximately 70% of the \$8.2 trillion of mortgages originated in the past three years were obtained through independent brokers. Because the broker's role ends when the mortgage is funded, *he has no incentive to ensure that*

the transaction is in either party's long term interests, would be the case if the lender originated the transaction. His only concern is that the mortgage closes.

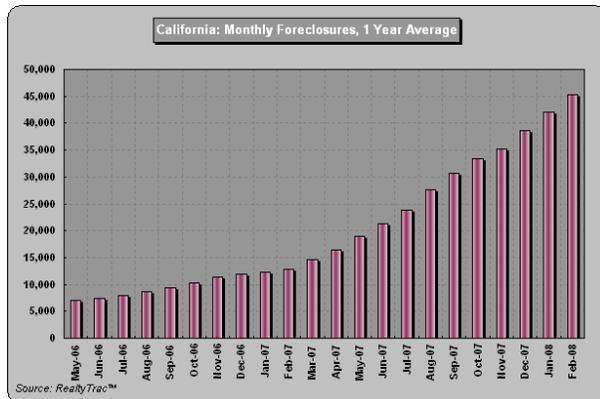
- Many of the residential mortgages made during this period were low documentation loans requiring little if any evidence of the borrowers financial ability to repay the loans. The extreme and popular example of these loans were called *ninja* loans (no income, no job, no assets)
- The combination of broker originations and low documentation led to the emergence of what was known as *liar loans*, loans that were originated based on information that often bore little resemblance to the borrowers true credit condition.
- Borrowers were able to reduce their risk at the expense of the lenders by taking out all equity with additional credit and fully leveraging their homes. While some lenders were pleased with the additional fee and interest income second mortgages and home equity loans generated, borrowers were now in the position of heads I win, tails you lose. While the loans were adjustable rate and in many cases aggressively so due to their negative amortization structure, the borrowers could walk away from their mortgages (and homes) should their payments rise excessively or the property value fall below what they owed.
- Loans were approved and securitized using credit models that have been unable to predict the current rising level of delinquencies and foreclosures. Loans originated with loan to values exceeding 80% were typically insured by the monoline insurance companies which appear to many today as having little ability to pay the likely claims from mounting losses.

The result of this layering of risk: overleveraged consumers are facing rising mortgage payments on properties in which they may have little to no equity. And borrowers are doing exactly what one would expect them to do, even if the industry's models did not predict it: they are sending in their keys.

How big are the losses?. Considerable. To be more precise, we have looked at estimates published by Goldman Sachs as well as economist Nouriel Roubini from NYU. Goldman has estimated losses on residential mortgages at \$500 billion based on a 25% decline in home values from while Roubini estimates \$1 trillion to \$2 trillion based on a range in price declines of 20% to 40%. Don't forget that we have already lost about 10% of the housing values so we are well into these loss numbers. In addition, this does not count losses in commercial real estate or losses attributable to the large decline in consumption and business activity such losses in wealth will create (which would range from 3.5% to 14% of GDP).

The Financial Crisis Continues – Continued

This music of *jingling keys* is illustrated in the following chart of California foreclosures (based on one year moving averages):



Source: www.recharts.com, RealtyTrac

To bring it home a bit, imagine if you had purchased a \$700,000 home in 2006 and now found out that you had not only lost \$140,000 but you had negative equity. In most cases, the upcoming purchase of a plasma TV, pickup truck or Hawaiian vacation would be going on hold.

The immediate results are rapidly rising foreclosures, falling home prices and very high losses to mortgage lenders. In some counties, 5.5% of the housing stock is in foreclosure. In nearly all areas it is rising. As more houses are placed on the market, prices decline still further, reducing the equity of other homeowners. It is a classic downward cycle that will stop when prices reach a level that home buyers step back into the market. We believe that will happen given the country's growth in population. But it is unlikely to happen at current levels of affordability. With *ninja* loans only a memory, buyers must truly qualify for their mortgages and can do so only at lower prices. Washington can help this process by doing what it can to restore liquidity to the mortgage markets, which is a good thing. It can also bring the market to equilibrium by increasing inflation, that is raising the price of everything else, so that the real price of housing declines; this is probably a bad thing as our experience in the 1970s would suggest: inflation is very hard and painful to shut off. Right now both appear to be happening.

The declining home prices are going to be painful for homeowners and for mortgage lenders. The FDIC has begun increasing its staffing to handle an increased load of bank liquidations, now expected to number 100 per year. But there isn't any way around it although there have been some silly proposals. One, advanced earlier this month suggested in the *Financial Times*¹ by Laura Tyson, the Chairman of the Council of Economic Advisors under Bill Clinton, suggested marking presumably troubled mortgages to market through an auction and refinancing the now discounted loan with a Federally

guaranteed 30 year fixed loan. Not only does this eliminate any borrower responsibility, introducing a moral hazard problem for decades to come, but it would dump a bigger problem on the financial institutions that hold the mortgages, the shareholders that own these companies and the FDIC. There is no reason to believe that losses would be lower under such a program or that relieving delinquent borrowers of their responsibilities is somehow more equitable. But it is election year and we probably will be seeing other, similar proposals.

Our Strategy

What is the New Markets Financial Fund doing? We see foreclosures and losses increasing this year due to the growing pressure of foreclosures on prices, and the impact of the recasting of negative amortization loans on foreclosure rates. While the stock market has reacted positively to moves by the Federal Reserve to improve market conditions, it has generally reacted less enthusiastically to each move. We believe, in short, that the situation will not improve until prices come down and that the reduction in prices will cause large, negative ramifications to many domestic financial institutions, particularly those with large portfolios of second mortgages and home equity loans. This process will take at least two years to resolve and it will be at least this long for a bottom of the market to be recognizable. In the downturn of the early 1990s in California, prices began to rise five years after they turned down and we believe this one will be more intense, if not longer. We intend to be actively short this market until a bottom becomes discernable. We continue to remain long our emerging market banks serving rapidly growing markets and will discuss these markets in our next newsletter.

¹"Going, going, gone: a rising auction of scary scenarios", Martin Wolf, *Financial Times*, March 12, 2008, p. 11.

²"Foreclosures: How to save America's family equity", Michael Barr and Laura Tyson, *Economist Forum*, *Financial Times*, March 3, 2008.

Your comments are welcome,
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Select Microcap Portfolio Position Events in February 2008 by Gerald Kieft

Advanced Growing Systems, Inc. (OTCBB:AGWS) graduated to the OTCBB from the PinkSheets and landed a number of additional distributors for its TOP 4-2-2 fully organic fertilizer. **Apollo Gold (AMEX:AGT)** announced 1,330,000 ounces of gold reserves at its Black Fox project. **Assured Pharmacy (OTCBB:APHY)** Announced it consolidated the operations of its pharmacy located at 3822 Powell Boulevard in Portland, Oregon with its other pharmacy located in Portland to reduce costs. **Avici Systems, Inc. (NASDAQ:AVCI)** reported fourth quarter and full year results including revenue of \$44.9 million and \$124.3 million as well as net income of \$29.2 million and \$62.3 million respectively. **Axisstel (AMEX:AFT)** reported 4th quarter and year-end results including revenue of \$13.8 million and \$82.4 million as well as a net loss of (\$5.04) million and (\$9.02) million respectively. **BlueFire Ethanol Fuels, Inc. (OTCBB:BFRE)** announced it completed a crucial step in the construction of its first cellulosic ethanol plant in the U.S. by completing vendor testing of the key pieces of equipment to convert a variety of biomass materials – from woods chips to municipal waste – into simple sugars used in BlueFire’s production process. **Bridgetech Holdings Intl., Inc. (OTC:BGTH)** entered into an equity agreement to sell a 51% interest in its Guangzhou Bridgetech Medical Technologies Development Limited for \$300,000. **China Direct (AMEX:CDS)** announced it signed an agreement to raise \$12.95 million in through an equity placement with institutional investors priced at \$7.00 per share with \$8.00 warrants. **Commerce Energy Corporation (AMEX:EGR)** named Gregory L. Craig as its CEO and added Rohn Crabtree to its board of directors. **CSP, Inc. (NASDAQ:CSPI)** reported financial results for first fiscal quarter in 2008 including revenues of \$17.9 million and a net loss of (\$259,000). **Ecosphere Technologies, Inc. (OTCBB:ESPH)** announced “Jim” Rushing, its current CFO, moved to Chairman of the Board of Directors and Adrian G. Goldfarb of WSR Consulting, Inc. was named as the company’s new CFO. **eFoodSafety (OTCBB:EFSF)** announced the launch of a direct-response campaign for NumaDerm and unveiled Cinnergen Healing Cream for diabetics. **Falcon Technologies, Inc. (OTC:FLCN)** announced \$1.5 million in new projects and a record backlog of \$15.5 million. **GeoPharma, Inc. (NASDAQ:GORX)** announced record revenues of \$18.2 million for the third quarter representing a 200% sequential quarterly increase. **Global Music International, Inc. (OTCBB:GMUS)** reported non-reliance on previous financial statements. **Global Realty Development Corp. (OTCBB:GRLY)** announced its CFO resigned, its CEO stepped in as its new CFO and Peter Voss was appointed Chairman of the Board and CEO. **HearUSA, Inc. (AMEX:EAR)** announced it expanded into Charlotte by acquiring Charlotte Audiology, Metroline Hearing Aids and Hearing Aids Today. It also announced its Chairman, Dr. Paul Brown is retiring. **HS3 Technologies, Inc. (OTCBB:HSTH)** announced record revenues and strong financial improvement for its fiscal year 2008 second quarter including revenue of over \$1 million up 590% from \$153 thousand in the 1st fiscal quarter and that its loss for the quarter decreased to (\$152 thousand) from (\$508 thousand) in the prior quarter. **iSecureTrac (OTCBB:ISEC)** announced the resignation of David Vana its current CFO and the appointment of Lincoln D. Zehr as his replacement as CFO. **Lucas Energy, Inc. (AMEX:LEI)** graduated from the OTCBB to the AMEX and announced its drilling program continues to hit all time highs. **Microfield Group, Inc. (OTCBB:MICG)** announced 2007

results including revenues from continuing operations of \$12.6 million, which is comprised solely of the company’s demand response segment’s activities. **New Century Companies, Inc. (OTCBB:NCNC)** pre-announced 2007 revenue of approximately \$10 million which is approximately a 22% increase over calendar year 2006 revenues. The company also mentioned that President Bush’s new economic stimulus package that offers a 50% bonus depreciation (tax write off) for machine tools should fuel additional orders. **nFinanSe, Inc. (OTCBB:NFS)** announced Behlen Manufacturing selected nFinance to provide pay cards to its employees nationwide. **OpenTV Corporation (NASDAQ:OPTV)** announced 4th quarter and full year 2007 results including revenues of \$38.2 million and \$110 million respectively. Net income for the 4th quarter was \$11 million and the net loss for the year was (\$5.16 million). The company also announced that more than 100 million OpenTV-enabled digital set-top boxes and televisions have been deployed worldwide, as well as a new customer win with Nagravision. **Pervasive Software, Inc. (NASDAQ:PVS)** announced PeopleForce has implemented Pervasive® Data Integrator™ to compete aggressively on speed of execution and quickly address customers’ healthcare data integration challenges. Broadpoint Capital also initiated coverage with a neutral rating. **Remote Surveillance Technologies, Inc. (OTC:RSUV)** announced a new strategy, complete restructuring, and the rescinding of the two previously announced acquisitions. **StraightUp Brands (OTC:STRU)** announced Bracco Wines and Southern Wines and Spirits hosted a celebrity filled red carpet event at the Hard Rock Café in Times Square. **VASCO Data Security Intl. (NASDAQ:VDSI)** announced 4th quarter and year-end 2007 results including revenue of \$31.2 million and \$120 million respectively. Net income was \$3.3 million or \$0.09 per diluted share for the quarter and \$21.0 million or \$0.55 per diluted share for the year. **Winland Electronics, Inc. (AMEX:WEX)** announced it restructured its manufacturing operations to support a more aggressive EMS growth objectives and better align the company with its 2008 and 2009 initiatives.

Gerald Kieft
President, Wall Street Resources, Inc.

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Micro-cap Portfolio

The micro-capital portfolio is a collection of WSR's best ideas and is intended to help speculative investors increase their investment performance. Positions in the portfolio include early stage companies and other micro-capital companies that appear to be significantly under-valued or technically attractive. Early stage companies are typically WSR clients and (in our opinion) have the potential for a three hundred percent return over the next three to five years. Other companies included in the portfolio are generally trading at a significant discount to their peers, breaking out of long-term bases, are turn-around plays, or have recently announced a significant event. Changes to the portfolio are emailed to WSR's subscribers via its *Daily Notes* publication and are updated each month in *The Emerging Growth News*.

Micro-Capital Portfolio 11/24/03 to 2/29/08								
Open Positions								
Name	Symbol	Entry Date	Entry Price	Valuation Date	Closing Price	Gain/(Loss)	Gain/(Loss)%	Annualized Return %
Profile Technologies, Inc.	PRTK	11/24/2003	0.35	2/29/2008	1.09	0.74	211.43%	49.53%
vFinance	VFIN	11/24/2003	0.16	2/29/2008	0.195	0.035	21.88%	5.12%
Assured Pharmacy	APHY	11/25/2003	0.42	2/29/2008	0.14	-0.28	-66.67%	-15.63%
GelStat	GSAC	12/16/2003	1.2	2/29/2008	0.03	-1.17	-97.50%	-23.17%
iSecuretrac	ISEC	12/16/2003	4	2/29/2008	0.58	-3.42	-85.50%	-20.32%
Axesstel, Inc.	AFT	8/2/804	4.2	2/29/2008	0.28	-3.92	-93.33%	-26.08%
Osiris Corporation	OSRS	1/3/2005	3.9	2/29/2008	0.01	-3.89	-99.74%	-31.60%
New Century Companies	NCNC	1/19/2005	0.4	2/29/2008	0.17	-0.23	-57.50%	-18.47%
Microfield Group	MICG	5/6/2005	0.39	2/29/2008	0.75	0.36	92.31%	32.74%
Seamless Technology, Inc.	SLSX	10/31/2005	0.9	2/29/2008	0.11	-0.79	-87.78%	-31.14%
Global Music International, Inc.	GMUS	2/15/2006	3	2/29/2008	0.125	-2.875	-95.83%	-47.02%
Bridgetech Holdings Intl., Inc.	BGTH	3/13/2006	4.2	2/29/2008	0.035	-4.165	-99.17%	-50.41%
Global Realty Development	GRLY	7/11/2006	0.7	2/29/2008	0.09	-0.61	-87.14%	-53.19%
nFinanSe, Inc.	NFSE	7/12/2006	8	2/29/2008	3.1	-4.9	-61.25%	-37.45%
Ecosphere Technologies, Inc.	ESPH	8/24/2006	0.9	2/29/2008	0.2	-0.7	-77.78%	-51.24%
US Sustainable Energy Corp	USSE	10/11/2006	0.05	2/29/2008	0.035	-0.015	-30.00%	-21.64%
HearUSA, Inc.	EAR	10/19/2006	1.85	2/29/2008	1.35	-0.5	-27.03%	-19.81%
Theater Xtreme Ent. Group, Inc.	TXEG	12/1/2006	1.1	2/29/2008	0.07	-1.03	-93.64%	-75.11%
Advanced Growing Systems, Inc.	AGWS	12/14/2006	0.31	2/29/2008	0.3	-0.01	-3.23%	-2.66%
eFoodSafety	EFSF	12/20/2006	0.17	2/29/2008	0.185	0.015	8.82%	7.39%
Nano Chemical Systems Holdings	NCSH	1/29/2007	0.72	2/29/2008	0.01	-0.71	-98.61%	-90.89%
Winland Electronics, Inc.	WEX	1/30/2007	3.71	2/29/2008	2.32	-1.39	-37.47%	-34.62%
Straight Up Brands	STRU	2/8/2007	0.21	2/29/2008	0.04	-0.17	-80.95%	-76.55%
Mace Security Intl., Inc.	MACE	2/26/2007	2.88	2/29/2008	1.75	-1.13	-39.24%	-38.92%
BlueFire Ethanol, Inc.	BFRE	2/27/2007	5	2/29/2008	3.85	-1.15	-23.00%	-22.87%
Axiom Technologies, Inc.	AXGI	3/1/2007	0.35	2/29/2008	0.08	-0.27	-77.14%	-77.14%
Dynamic Response Group, Inc.	DRGP	3/14/2007	0.38	2/29/2008	0.044	-0.336	-88.42%	-91.69%
Remote Surveillance Tech.	RSUV	4/3/2007	0.3	2/29/2008	0.03	-0.27	-90.00%	-98.95%
HS3 Technologies, Inc.	HSTH	4/17/2007	0.15	2/29/2008	0.034	-0.116	-77.33%	-88.76%
Lucas Energy, Inc.	LEI	5/16/2007	9.64	2/29/2008	3.64	-6	-62.24%	-78.61%
Zapata Corporation	ZAP	7/12/2007	6.73	2/29/2008	7.05	0.32	4.75%	7.48%
Commerce Energy Corporation	EGR	10/25/2007	2.22	2/29/2008	1.36	-0.86	-38.74%	-111.34%
GeoPharma, Inc.	GORX	11/12/2007	3.6	2/29/2008	2.36	-1.24	-34.44%	-115.34%
China Direct, Inc.	CDS	11/14/2007	9.55	2/29/2008	6.51	-3.04	-31.83%	-108.59%
Apollo Gold Corporation	AGT	11/14/2007	0.49	2/29/2008	0.68	0.19	38.78%	132.27%
Falcon Technologies, Inc.	FLCN	11/28/2007	0.28	2/29/2008	0.29	0.01	3.57%	14.02%
Touchstone Software Corp.	TSSW	12/3/2007	1.55	2/29/2008	1.2	-0.35	-22.58%	-93.66%
CSP, Inc.	CSPI	12/10/2007	6.75	2/29/2008	6.12	-0.63	-9.33%	-42.06%
Pervasive Software, Inc.	PVSW	1/31/2008	3.7	2/29/2008	3.83	0.13	3.51%	42.75%
OpenTV Corporation	OPTV	2/22/2008	1	2/29/2008	1.34	0.34	34.00%	1772.86%
VASCO Data Security Intl., Inc.	VDSI	2/29/2008	11.7	2/29/2008	11.06	-0.64	-5.47%	-1996.58%
Avici Systems, Inc.	AVCI	2/29/2008	7.87	2/29/2008	7.67	-0.2	-2.54%	-927.57%
Average:							-37.22%	-60.83%

Closed Positions		Entry	Entry	Closing	Closing	Gain/	Gain/	Annualized
Name	Symbol	Date	Price	Date	Price	(Loss)	(Loss)%	Return %
Magellan Petroleum	MPET	12/24/2003	1.3	2/4/2004	1.8	0.5	38.46%	334.25%
IGAI, Inc.	IGIA	7/30/2004	0.74	10/22/2004	0.13	-0.61	-82.43%	-358.19%
VASCO Data Systems	VDSI	4/21/2004	2.44	2/3/2005	7.97	5.53	226.64%	260.14%
Omnivision Technology	OVTI	6/23/2004	16.06	12/6/2005	21.04	4.98	31.01%	21.31%
Mattman Specialty Vehicles, Inc.	MMSV	3/27/2006	2.15	8/9/2006	0.2	-1.95	-90.70%	-177.98%
MEDirect Latino, Inc.	MLTO	3/13/2006	5	9/15/2006	2.85	-2.15	-43.00%	-84.38%
Titan Global Holdings	TTGL	4/28/2004	0.57	10/16/2006	0.8	0.23	40.35%	16.35%
Hanover Direct, Inc.	HNVD	12/16/2003	2.3	11/21/2006	0.35	-1.95	-84.78%	-28.89%
Insmad, Inc.	INSM	9/19/2006	1.41	11/21/2006	1.68	0.27	19.15%	110.94%
Phantom Fiber Corporation	PHFB	4/13/2005	1.16	12/14/2006	0.45	-0.71	-61.21%	-36.62%
Vitria Technology, Inc.	VITR	2/6/2007	2.74	2/7/2007	2.75	0.01	0.36%	133.21%
General Employment Entrps, Inc.	JOB	11/13/2006	1.71	4/10/2007	3.23	1.52	88.89%	219.22%
Packaged Home Solutions, Inc.	PKGH	2/14/2007	0.15	5/21/2007	0.07	-0.08	-53.33%	-202.78%
Emerging Vision, Inc.	ISEE	10/10/2006	0.15	6/12/2007	0.41	0.26	173.33%	258.23%
Datascension, Inc.	DSEN	4/12/2006	0.34	6/19/2007	0.69	0.35	102.94%	86.77%
Inplay Technologies, Inc.	NPLA	5/3/2007	1	7/2/2007	2.66	1.66	166.00%	1009.83%
American Bio Medica Corporation	ABMC	2/8/2007	1.08	7/13/2007	1.33	0.25	23.15%	54.51%
Q Comm International	QMMI	11/24/2003	5.89	7/17/2007	0.15	-5.74	-97.45%	-26.72%
Inplay Technologies, Inc.	NPLA	8/8/2007	1.38	9/14/2007	2.18	0.8	57.97%	571.88%
Franklin Electronic Publishing, Inc.	FEP	8/14/2007	2.89	9/14/2007	3.65	0.76	26.30%	309.63%
Dynamic Health Products, Inc.	DYHP	6/6/2006	0.27	10/19/2007	0.52	0.25	92.59%	67.59%
Universal Capital Management	UCMT	8/29/2006	1.6	11/16/2007	0.89	-0.71	-44.38%	-36.48%
Natrol, Inc.	NTOL	10/2/2006	1.58	11/20/2007	4.29	2.71	171.52%	151.22%
Asure Software, Inc.	ASUR	5/30/2007	1.08	12/6/2007	1.26	0.18	16.67%	32.02%
AHPC Holdings	GLOV	12/13/2005	2.85	12/11/2007	0.03	-2.82	-98.95%	-49.61%
Home Solutions of America, Inc.	HSOA	5/9/2007	5.25	12/14/2007	1.05	-4.2	-80.00%	-133.33%
Peerless Systems Corporation	PRLS	10/11/2007	2.24	12/31/2007	2.59	0.35	15.63%	70.41%
Credence Systems Corporation	CMOS	5/19/2004	12.11	1/8/2008	2.26	-9.85	-81.34%	-22.34%
Hudson Technologies, Inc.	HDSN	7/18/2007	1.2	2/11/2008	1.09	-0.11	-9.17%	-16.09%
Pet Ecology Brands, Inc.	PECD	12/8/2005	2.1	2/13/2008	1.7	-0.4	-19.05%	-8.72%
Technical Communications Corp.	TCCO	1/18/2008	5.96	2/13/2008	7.36	1.4	23.49%	329.76%
Tegal Corporation	TGAL	2/6/2008	3.64	2/22/2008	5.32	1.68	46.15%	1052.88%
ITEX Corporation	ITEX	9/19/2007	0.87	2/27/2008	0.96	0.09	10.34%	23.45%
Average:							15.91%	119.14%
Open and Closed Performance							-13.84%	18.35%

Note: Past performance does not guarantee future success, and an investment in the model theoretical portfolio might lose money. Dividends and commissions are not included in performance calculations. The model theoretical performance noted above includes performance history of the model micro-capital portfolio. The theoretical performance contains many high-risk speculative stocks, which tend to be more volatile and more illiquid than larger more established companies. The theoretical performance of the model does not represent actual trading and does not reflect material economic, psychological and market factors that might have impacted the results if actual money had been invested. While no companies pay a fee to be included in our micro-capital portfolio, certain companies, which are published as featured companies on our website, pay a due diligence fee for participation in the Wall Street Resources' financial publication and distribution program. In compliance with rule 17b of the Securities and Exchange Commission, detailed information regarding compensation from such companies is included on the last page of such reports, is explained in the disclaimer located at <http://wallstreetresources.net/disclaimer.html>, and is located on the last page of this newsletter. Tax consequences must be carefully considered. We, our affiliates, and any officer, director or stockholder or any member of their families may have a position in and may from time to time purchase or sell any securities included in our micro-capital portfolio. Wall Street Resources, Inc. is a financial publisher and not a broker/dealer or registered investment advisor, and thus all trades and actual trading, decisions are made solely by the individual investor, not by Wall Street Resources, Inc. Wall Street Resources, Inc. and/or the employees of Wall Street Resources, Inc. will not be held responsible for any losses that might occur from the use of the information provided in our model portfolio that might be acted upon by an investor. Changes in our theoretical portfolio and current quote prices are made as of the last trading day of each month and based upon the closed price.



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FEBRUARY'S COMPANIES OF INTEREST:

Wall Street Resources' "Companies of Interest" section of its *Daily Notes* publication provides emerging growth company investors with fresh ideas. While we have only briefly reviewed these companies, something caught our attention and in our opinion the company warrants further inspection. View our 2007 "Companies of Interest" Track Record at http://wallstreetresources.net/pdf/p/2007_Companies_of_Interest.pdf and performance summary on the next page.

SteelCloud, Inc. (SCLD:NASDAQ) 2/4/08 \$0.95

The company engages in the design, manufacture, and integration of servers for the public and private sectors worldwide. Sales were up 87% and the company posted a profit versus a loss over the same period last year (as reported in the most recent quarter), trading at 0.73 times sales, 3.06 times book, 1.40 current ratio, \$13.60 million market cap., \$10.04 million enterprise value.

Tegal Corporation (TGAL:NASDAQ) 2/6/08 \$3.64

The company engages in the design, manufacture, marketing, and servicing of integrated circuit fabrication equipment. Sales were up 132% and the company posted a profit versus a loss over the same period last year (as reported in the most recent quarter), trading at 1.00 times sales, 1.69 times book, 1.47 current ratio, earned \$0.40 in most recent quarter, \$2.85 per share in cash, \$25.94 million market cap., \$5.59 million enterprise value.

Atrium, Inc. (ATRM:NASDAQ) 2/7/08 \$4.88

The company engages in the design, manufacture, and marketing of electromechanical equipment worldwide. Sales were up 84% and earnings were up 157% over the same period last year (as reported in the most recent quarter), trading at 10.61 times forward earnings, 2.15 times sales, 2.60 times book, 6.9 current ratio, \$0.91 per share in cash, \$51.04 million market cap., \$41.02 million enterprise value.

Network Engines, Inc. (NENG:NASDAQ) 2/7/08 \$1.53

The company engages in the development and manufacture of server appliance solutions that deliver software applications on server appliances to customers in the data storage and network security markets. Sales were up 99% and the company posted a profit versus a loss over the same period last year (as reported in the most recent quarter), trading at 25.08 times trailing earnings, 0.56 times sales, 1.13 times book, 4.08 current ratio, \$1.01 per share in cash, \$67.3 million market cap., \$22.08 million enterprise value.

Bridgeline Software, Inc. (BLSW:NASDAQ) 2/11/08 \$2.90

The company engages in the development of Web application management software and Web applications in the United States. Sales were up 82% and the company posted a profit versus a loss over the same period last year (as reported in the most recent quarter), trading at 2.25 times sales, 1.10 times book, 3.18 current ratio, \$0.60 per share in cash, \$25.08 million market cap., \$20.10 million enterprise value.

OpenTV Corporation (OPTV:NASDAQ) 2/21/08 \$1.00

The company provides software, content and applications, and professional services for digital and interactive television worldwide. Sales were up 52% and the company posted a profit versus a loss over the same period last year (as reported in the most recent quarter), trading at 1.35 times sales, 0.87 times book, 2.07 current ratio, \$0.49 per share in cash, earned \$.08 in most recent quarter, significant insider buying, \$139.79 million market cap., \$71.46 million enterprise value.

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February's Companies of Interest - Continued

TeamStaff, Inc. (TSTF:NASDAQ) 2/25/08 .70

The company offers payroll, and temporary and permanent medical and administrative staffing services in the United States. It is currently trading at 0.21 times sales, 0.82 times book, 1.17 current ratio, earned a small profit in the last quarter, significant insider buying, \$13.58 million market cap., \$14.58 million enterprise value.

Management Network Group, Inc. (TMNG:NASDAQ) 2/26/08 \$2.12

The company provides consulting services to the converging communications, media and entertainment industries, and the capital formation firms that support it. Sales were up 142% and the company posted a profit versus a loss over the same period last year (as reported in the most recent quarter), trading at 1.29 times sales, 1.40 times book, 2.45 current ratio, 0.50 PEG ratio, \$0.79 per share in cash, earned \$.01 in most recent quarter, significant insider buying, \$76.68 million market cap., \$47.83 million enterprise value.

The Hackett Group, Inc. (HCKT:NASDAQ) 2/27/07 \$3.55

The company operates as a business and technology consulting company in the United States and internationally. Sales were up 18% and earnings were up 700% over the same period last year (as reported in the most recent quarter), trading at 122 times trailing earnings, 13.65 times forward earnings, .91 times sales, 1.61 times book, 1.65 current ratio, 0.91 PEG ratio, \$0.57 per share in cash, \$154.87 million market cap., \$129.90 million enterprise value.

Avici Systems, Inc. (AVCI:NASDAQ) 2/29/07 \$7.87

The company provides resource control systems that realize NGN software-provisioned services in the new Carrier Ethernet transport network. Sales were up 182% and earnings were up 589% over the same period last year (as reported in the most recent quarter), trading at 3.20 times trailing earnings, 1.22 times sales, 1.49 times book, 5.1 current ratio, \$4.12 per share in cash, \$116.14 million market cap., \$55.28 million enterprise value.

Vasco Data Security International, Inc. (VDSI:NASDAQ) 2/29/08 \$11.70

The company engages in the design, development, marketing, and support of hardware and software security systems that manage and secure access to information assets worldwide. It is currently trading at 21.35 times trailing earnings, 13.45 times forward earnings, 3.61 times sales, 6.06 times book, 2.98 current ratio, 0.51 PEG ratio, \$433.54 million market cap., \$394.71 million enterprise value.

Source: Investors Business Daily, Knobias and Yahoo Finance



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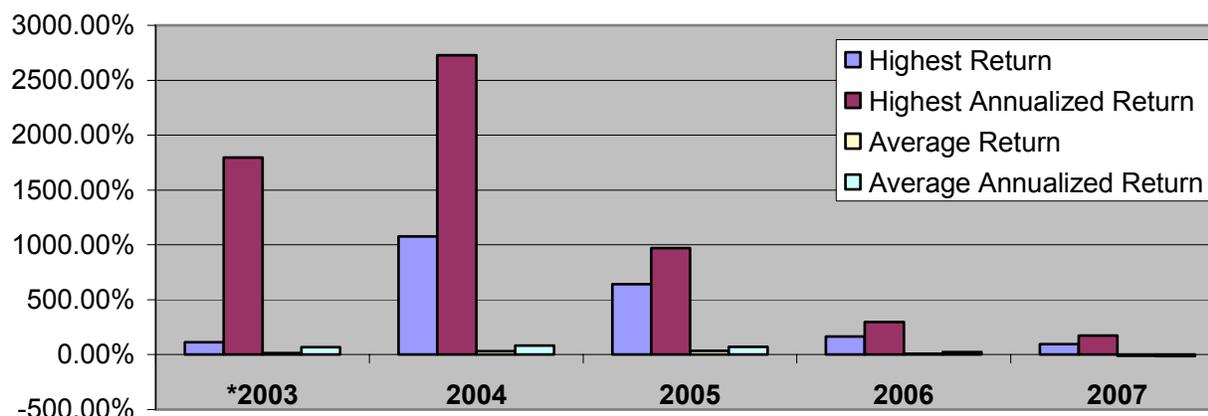
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Contact:

Tiffany Strelitz, CFP
646-290-8003

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Wall Street Resources - Companies of Interest Track Record



Wall Street Resources Companies of Interest-Track Record	*2003	2004	2005	2006	2007
Highest Return	113.21%	1076.50%	640.00%	162.94%	95.00%
Highest Annualized Return	1796.55%	2728.63%	969.29%	298.60%	174.34%
Average Return	13.36%	31.81%	35.14%	7.68%	-9.77%
Average Annualized Return	67.88%	81.41%	70.76%	21.16%	-13.92%
Total Numbers of Ideas	130	147	71	57	39
Number of Winning Positions	80	89	44	27	14
Number of Losing Positions	50	58	27	30	25
Percent of Winning Positions	61.54%	60.54%	61.97%	47.37%	35.90%
Percent of Losing Positions	38.46%	39.46%	38.03%	52.63%	64.10%

Performance Major Indices	*2003	2004	2005	2006	2007
Dow Jones Industrial Average	11.02%	3.15%	-0.61%	16.28%	6.44%
S&P 500	10.32%	8.90%	3.06%	13.62%	3.53%
NASDAQ	10.66%	8.59%	1.38%	9.52%	9.81%

***Partial Year** - WSR began publishing its Companies of Interest on 9/1/03. Accordingly, the 2003 performance figures are during the time period from 8/29/03 to 12/30/03. **Note:** Past performance does not guarantee future success, and dividends and commissions are not included in performance calculations. The theoretical performance of the model does not represent actual trading and does not reflect material economic, psychological and market factors that might have impacted the results if actual money had been invested. For your convenience we have calculated performance figures for the holding period, as well as an annualized number. Both calculations assume the security was purchased at the prior day's closing price and held until the last trading day of the respective calendar year.

WSR CORPORATE SPONSORS:

Wall Street Resources is a professional research and consulting firm connecting under-followed emerging growth companies with sophisticated investors looking for emerging growth company investment ideas. Leveraging over a decade of experience analyzing micro-to-small capital companies, the principals of WSR are dedicated to providing aggressive investors with unique opportunities, while helping emerging growth companies communicate with the investment community. The following companies are WSR's current clients which support its financial publications:

Featured Companies:**Advanced Growing Systems, Inc.****OTCBB:AGWS**

Advanced Growing Systems, Inc. recently announced that it has satisfied all the necessary requirements put forth by the Financial Industry Regulatory Authority (formerly NASD) to be quoted on the OTC Bulletin Board and began being quoted on the OTCBB February 27, 2008. Historically, the Company has only been quoted on the Pink Sheets under the same ticker.



Chief Executive Officer Chris Nichols released the following statement regarding Advanced Growing's move to the Bulletin Board, "Advanced Growing Systems' progression to the OTCBB is one of the many milestones we have achieved while continuing to drive shareholder value and develop company assets. We hope that this transition to the OTCBB platform will provide improved trading visibility to our investors and enhance the overall market efficiency of our stock. Advanced Growing Systems, Inc. will maintain its course to progress to a larger exchange as the company continues to establish its position in the fertilizer and wholesale nursery marketplace."

About Advanced Growing Systems, Inc.

Advanced Growing Systems, Inc. is directly involved in the \$66 billion dollar Green Industry. Through its two subsidiaries Advanced Nurseries, Inc. (a wholesale group of commercial nurseries) and Organic Growing Systems, Inc. (an organic fertilizer manufacturer) the company has achieved exceptional growth. Beginning from zero at inception in February of 2006, total sales have grown to approximately \$10.7 million for fiscal year ending 9/30/07 up 213% from \$3.4 in fiscal year ending 9/30/06.

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Axiom Technologies, Inc.**OTC:AXGI**

Axiom Technologies, Inc. -- On December 3rd, 2007, KABC Los Angeles reported that an armed man stole the wedding ring off the finger of an 83-year-old woman, and it was all caught on tape. According to the article: "The owner of the Hampshire Jewelry store says the suspect stole about \$17,000 worth of jewelry from the store on Saturday, including her 83-year-old mother's wedding ring. Here's a clean-cut man, 32 to 33 years old, coming in and genuinely acting like he's interested in buying an engagement ring and then pulls out a gun and threatens to kill somebody."



The unique part about this story is not the robbery itself, but the amazing clarity of the video evidence left behind. The surveillance video taken at the scene of the crime captured a remarkably clear image of the incident and the face of the suspect. Axiom Technologies, Inc. was the provider of this video surveillance hardware. The clarity of the video was possible as a result of the line resolution of the DVR, which was co-developed by Axiom Technologies. Axiom Technologies has exclusive rights to this technology in the United States.

About Axiom Technologies, Inc.

Axiom's primary products include MAXIMUM Surveillance Software, which is the key solution providing interoperability for numerous digitalized security and surveillance products from diverse manufacturers. The Company's

Digital Video Recorders (DVRs) and Network Video Products (NVPs) are targeted at the Security and Surveillance segment of the gaming industry. The Company's newest product "Tagger Trap " is a state of the art graffiti detection product, which detects and alarms local police of graffiti activity. The estimated cost of graffiti clean up in North America is projected at \$1.0 billion annually. Millions of dollars have been budgeted in the past year by large metro police departments to detect and apprehend graffiti taggers.

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Ecosphere Technologies, Inc.

OTCBB:ESPH

Ecosphere Technologies, a diversified clean technology and services company, recently announced that it has named Adrian G. Goldfarb as its Chief Financial Officer (CFO) effective February 11, 2008.

Mr. Goldfarb succeeds J.C. "Jim" Rushing III, who has served as the Company's CFO since March 2005. Mr. Rushing will begin serving as the Company's Chairman of the Board of Directors succeeding Admiral George Sterner whose resignation as Chairman is effective March 1, 2008.

Admiral Sterner will remain as a Director on the Board. Mr. Goldfarb is president and founder of WSR Consulting, Inc., an executive services and consulting firm based in Parkland, Florida.



About Ecosphere Technologies, Inc.

Ecosphere Technologies, Inc., through its subsidiaries, develops and commercializes water and renewable energy technologies in the United States. It produces mobile filtration systems that are affixed to shipping containers or integrated into rugged off road vehicles to respond to natural or manmade disasters, as well as for industrial and military applications. The company also offers a line of patented robotic vehicles that remove paint and other coatings from ships using ultra high pressure water, reducing the discharge of contaminated residue or grit into the air and ocean.

In addition, Ecosphere Technologies develops Ecos Lifelink, a micro utility that provides clean water, power, Internet, and telecommunication services to remote areas using solar and wind energy. Further, it is developing Ecos Com Cube, which provides cellular telephone, VOIP, and Internet connection services to residents of remote and off-grid areas of developing countries using renewable energy generated by the solar panels and wind turbines. The company was founded in 1998. It was formerly known as UltraStrip Systems, Inc. and changed its name to Ecosphere Technologies, Inc. in 2006. Ecosphere Technologies is based in Stuart, Florida.

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Edentify, Inc.

OTCBB:EDFY

Edentify Inc. recently announced that TrustedID, a leader in consumer identity protection, has selected Edentify to enhance its proactive consumer identity protection solution, IDFreeze. As part of the agreement, Edentify will license its IDAlert(TM) product to TrustedID. IDAlert, which continually monitors consumers' identity records and can detect early signs of identity fraud, will be added to TrustedID's IDFreeze service.



TrustedID provides Americans with the strongest proactive protection against identity theft, including credit report controls, credit freezes, opt- out from pre-approved credit card offers, and identity restoration services. The company's solutions are available to consumers through leading financial institutions and consumer brands, as well as directly on the company's website, www.trustedid.com.

About Edentify, Inc.

Edentify, Inc. was formed in August 2004 with the objective of becoming the leading organization in the field of developing and deploying data analysis technology solutions for preventing identity theft and fraud. It is currently a later development-stage company and expects shortly to begin a period of growth. Edentify will seek to fulfill its goals by analyzing the means by which identity crimes are perpetrated and through the development of new technologies and procedures to assist corporations, the government, and consumers in the fight against identity fraud and related crime.

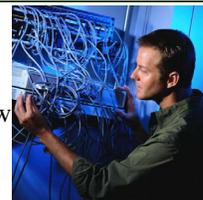
Identify owns the intellectual property rights to two strategic approaches towards the detection and prevention of identity fraud. One is a patented information-based approach that analyzes identity data information for individuals in large databases, and is capable of detecting and scoring incidences of identity manipulation and potential theft (Identity Quotient Index(TM)). Identify will continue to market this technology to the financial services industry, as well as to large healthcare organizations and local, state, and federal government agencies.

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Falcon Technologies, Inc.

OTC:FLCN

Falcon Technologies, Incorporated (“Falcon” or “the Company”), a leader in design-build infrastructure services, recently announced that it has been awarded approximately \$1.5 million in new projects. This new business is comprised of various service and maintenance projects in Northern and Central California. In addition and as a result, the Company’s backlog of projects is at a record high \$15.5 million.



About Falcon Technologies, Inc.

Falcon Technologies, Inc. is a full-service infrastructure products and services company. Falcon primarily markets its products and services to the commercial/industrial Sector, Fortune 1000 companies, as well as Federal, State, and Local government. The Company’s business plan is founded on achieving external and organic growth through industry consolidation followed by integration. The Company is lead by six key executives who possess 133 years of combined experience in the telecommunications, electrical and specialty construction fields, all with proven operational track records. At present, it has successfully acquired two operating companies and intends to acquire a number of other small and medium sized infrastructure firms, with the timing and number of acquisitions contingent upon raising sufficient capital under favorable terms.

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GelStat Corporation

OTC:GSAC

GelStat Corporation a consumer healthcare company focused on the development of over-the-counter (OTC) products for treatment of pain and inflammation recently announced that it received a \$200,000 purchase order from Icarus Medical Industries Co. for GelStat Migraine. The purchase order is contingent on approval from the Ministry of Health in Kuwait and is the first three expected orders to roll out the product throughout the Middle East.



About GelStat Corporation

GelStat has a suite of effective healthcare products that address many consumer markets. Collectively, GelStat’s portfolio of products are in markets that produce over \$10 billion dollars in annual sales. GelStat Migraine is a sublingually (under the tongue) administered OTC medication for acute relief from the pain and associated symptoms of migraine.

GelStat™Arthritis is the second available product and utilizes GelStat’s patent pending formulation. It is provided as a daily use, sublingual dissolving tablet. The Company also has developed GelStat Sleep and GelStat Sinus.

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HS3 Technologies, Inc.**OTCBB:HSTH**

HS3 Technologies, Inc. a worldwide provider of innovative security solutions, recently announced that Ryder Gaston has accepted the position as President of HS3 Technologies, Inc., assuming the responsibilities for the operations of the company. Mr. Gaston brings over 17 years' experience in security management, sales enablement and operational management fields. For the past 11 months he has worked as an executive level consultant for the company helping to establish and increase sales.



During Mr. Gaston's time with HS3 Technologies, sales have increased more than 500% to 1.05 million dollars in the 2nd quarter of this fiscal year, as recently reported in the company's interim financial statements. For the previous 5 years he worked for one of the three largest software companies in the world. While in that position he played a pivotal role in generating millions of dollars in revenue and built a national practice for security investigative services. During his employment there Mr. Gaston contributed to an increase in revenue from \$250K to \$8M in the first year.

With the ability to leverage strong relationships in the Fortune 500 and 1000 markets, Mr. Gaston consistently over-achieved sales revenue goals. Mr. Gaston also held various operational and management positions with the United States Air Force and two large security consulting firms. Additionally, he also held a Top Secret SCI clearance for the United States Air Force and was involved in security operations with the Joint Services Command and Air Combat Command.

About HS3 Technologies, Inc.

HS3 Technologies, Inc. is a national provider of innovative security solutions, headquartered in Denver, Colorado. HS3 provides technologies and services through a national authorized dealer and distribution program. Utilizing independent sales professionals, national distribution and local dealers, HS3 offers custom security solutions for commercial, residential, government and military applications. These state-of-the-art products include digital video recording technology (DVR), biometric access control (door locks), personal biometric identification units, CCTV, video monitoring centers, cellular networks, wireless mesh networks units and wireless internet-linked satellite surveillance systems. HS3 Technologies is bringing together technologies, services and people to fulfill the increasing global security needs of today and tomorrow.

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Liberator Medical Holdings, Inc.**OTC:LBMH**

Liberator Medical Holdings, Inc. recently announced record revenues of \$1.4 million and record gross profits of \$908 thousand for its fiscal 2008 first quarter ended 12/31/07.

Mark Libratoro, the Company's President and CEO, commented, "We are very pleased with these results, which further validate our business model and demonstrate that our advertising is extremely effective. Our advertising was the prime reason for the \$1.43 million in revenue, which was approximately \$613,000 over the prior quarter ended September 30th 2007"



Highlights from the First Quarter 2008 Results Include:

- Total revenues for the first quarter ended 12/31/07 were \$1,429,465 as compared to the first quarter ended 12/31/06 of \$708,246, an increase of 102%.
- Gross profits for the first quarter ended 12/31/07 were \$907,840 compared to the first quarter ended 12/31/06 of \$331,443, an increase of 174%.
- Gross margins for the first quarter ended 12/31/07 were 64% compared to the first quarter ended 12/31/06 of 47%, an increase of 36%.
- Net losses from for the first quarter ended 12/31/07 were \$579,175 compared to the first quarter ended 12/31/06 of \$790,464, a decrease of 27%.

About Liberator Medical Holdings, Inc.

Liberator Medical Holdings, Inc.'s subsidiary, Liberator Medical Supply, Inc. established the Liberator brand as a

leading national direct-to-consumer provider of quality medical supplies to Medicare-eligible seniors. An Exemplary Provider Accredited by The Compliance Team, its unique combination of marketing, industry expertise and customer service has demonstrated success over a broad spectrum of chronic conditions.

Liberator is recognized for offering a simple, reliable way to purchase medical supplies needed on a regular, ongoing, repeat-order basis, with the convenience of direct billing to Medicare and private insurance. Approximately 75% of its revenue comes from supplying products to meet the rapidly growing requirements of general medical supplies, personal mobility aids, diabetes, urological, ostomy and mastectomy patients. Liberator communicates with patients and their doctors on a regular basis regarding prescriptions and supplies. Customers may purchase by phone, mail or internet, with repeat orders confirmed with the customer and shipped when needed. [Click here to obtain additional information...](#)

New Century Companies, Inc.

OTCBB:NCNC

New Century Companies, Inc. recently announced it is projecting revenue of \$10,000,000 for its calendar year ending 12/31/2007, which is approximately a 22% increase over calendar year 2006 revenues.



David Duquette, President & CEO of New Century, commented, "We are pleased with our continued revenue growth and that the company will show improved year-over-year EBITDA. We are also excited about President Bush's new economic stimulus package that offers a 50% bonus depreciation (tax write off) for machine tools. Our quotation request and phone activity has picked up substantially. We expect revenues to grow significantly in 2008 because the bonus depreciation is only good until the end of 2008."

About New Century Companies, Inc.

New Century Companies, Inc. engages in acquiring, remanufacturing, and selling pre-owned computer numerically controlled machine tools to manufacturing customers. It provides rebuilt, retrofit, and remanufacturing services for various brands of machine tools. The company's CNC tooling machines are used to make component parts in aerospace, power generation turbines, and military industries, as well as to make component parts for natural gas and oil exploration, and medical fields in the energy sector.

It also manufactures original equipment CNC turning lathes and attachments under the trade name "Century Turn", as well as horizontal CNC turning lathe for the metalworking industry. New Century markets its products primarily through direct sales, as well as through a network of machinery dealers in the United States, Canada, and Mexico. The company was founded in 1980 and is headquartered in Santa Fe Springs, California. [Click here to obtain additional information...](#)

Northern Oil & Gas, Inc.

OTCBB:NOGS

Northern Oil & Gas, Inc. a Nevada corporation focused on drilling exploratory and developmental wells in the Rocky Mountain regions of the United States recently announced that it has agreed to acquire an additional 6,000 net acres of leasehold in Mountrail County, North Dakota. The acreage is in close proximity and to the North of the Parshall Field, the dynamic Bakken Shale discovery by EOG Resources. With this acquisition, Northern Oil & Gas now controls nearly 22,000 net acres of leasehold in Mountrail County, the second-largest position within a fifteen mile radius of the core Parshall Field. Approximately 3,000 net acres of Northern's 22,000 net acre Mountrail County position is included in a joint-venture with Brigham Exploration.



The primary target of Northern Oil is the Middle Bakken formation in the Williston Basin. Northern Oil's secondary target is conventional, 3D driven, oil and gas exploration and development throughout the Rocky Mountain Region. The new acreage located in the Appalachia Basin will give the Company an opportunity to participate in the early stage development of a prolific North American natural gas play. With companies such as Talisman Energy, Chesapeake Energy and Range Resources active in the region, Northern Oil & Gas believes there are ample opportunities for partnerships to develop. [Click here to obtain additional information...](#)

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Profile Technologies, Inc. - Wall Street Resources is a consultant to Profile Technologies, Inc. and was compensated between December of 2003 and June of 2005 with 80,000 shares of 144 restricted stock for due diligence and consulting fees.

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vFinance Investments, Inc. - A principal of WSR has worked as a consultant to vFinance Investments in the past and has received 35,506 shares of common stock and \$7,500 in cash between approximately December of 2001 and September of 2002.

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Titan General Holdings, Inc. - WSR discloses a principal of WSR has worked as a consultant to Titan General Holdings in the past and has received 30,000 shares of common stock between August and September of 2002. WSR also received \$25,500 and 35,000 shares of 144 restricted stock in between August 2004 and August of 2005 for due diligence and consulting fees extending through January 2006.

Thomas Equipment, Inc. - Wall Street Resources is a consultant to Thomas Equipment, Inc. and was compensated with \$32,500 in cash for due diligence and consulting fees from December 2004 through December 2005.

New Century Companies, Inc. - Wall Street Resources is a consultant to New Century Companies, Inc. and was compensated with \$25,000 in cash and 100,000 shares of 144 restricted stock for due diligence and consulting fees from December 2004 through May 2005

MEDirect Latino - Wall Street Resources is a consultant to MEDirect Latino, Inc. and was compensated with \$25,000 in cash and 25,000 shares of 144 restricted stock for due diligence and consulting fees from May 2005 through December 2005. WSR also received \$1,000 per month for investor relations services from November 2005 to June 2006.

InterLink Global Corporation - Wall Street Resources is a consultant to InterLink Global Corporation and was compensated with \$15,000 in cash and 25,000 shares of 144 restricted stock for due diligence and consulting fees from June 2005 through November 2005.

Pet Ecology, Inc. - Wall Street Resources is a consultant to Pet Ecology, Inc. and was compensated with \$20,000 in cash and 150,000 shares of 144 restricted stock for due diligence and consulting fees from December 2005 through May 2006. WSR also received \$2,500 per month for investor relations services until January 31, 2008.

Seamless Technology, Inc. - Wall Street Resources received \$2,500 for investor relations services.

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Global Music International, Inc. - Wall Street Resources is a consultant to Global Music and was compensated with 15,000 shares of common stock from a third party for due diligence and consulting fees from February 2006 through August 2006.

Bridgetech Holdings Intl., Inc. - Wall Street Resources is a consultant to Bridgetech and was compensated with \$15,000 in cash and 12,000 shares of 144 restricted stock for due diligence and consulting fees from February 2006 through September 2006.

Datascension, Inc. - Wall Street Resources is a consultant to Datascension and was compensated with \$15,000 in cash and 100,000 shares of 144 restricted stock for due diligence and consulting fees from April 2006 through November 2006.

Dynamic Health Products, Inc. - Wall Street Resources is a consultant to Dynamic and was compensated with \$13,000 in cash and 100,000 shares of 144 restricted stock for due diligence and consulting fees from June 2006 through September 2007. WSR also receives \$2,500 per month for investor relations services.

Global Reality Development, Corp. - Wall Street Resources is a consultant to Global Reality Development and was compensated with \$15,000 in cash and 90,000 shares of 144 restricted stock for due diligence and consulting fees from July 2006 through January 2006.

BlueFire Ethanol, Inc. Wall Street Resources received \$2,500 per month for investor relations services from BlueFire Ethanol, Inc. until January 31, 2008.

Advanced Growing Systems, Inc. Wall Street Resources is a consultant to Advanced Growing Systems has received or expects to receive \$20,000 in cash and 135,000 shares of 144 restricted stock for due diligence fees and consulting services provided to Advanced Growing Systems from June of 2007 through September of 2008 and \$2,500 per month for investor relations services.

StraightUp Brands, Inc. Wall Street Resources received \$2,500 per month for investor relations services from StraightUp Brands, Inc. until January 31, 2008.

Packaged Home Solutions, Inc. Wall Street Resources received \$15,000 for investor relations services from Packaged Home Solutions, Inc.

Nanobac - Wall Street Resources is a consultant to Nanobac and was compensated with \$15,000 in cash and 466,666 shares of 144 restricted stock for due diligence and consulting fees from September 2006 through February 2007.

Universal Capital Management - Wall Street Resources is a consultant to Universal and was compensated with \$25,000 in cash for due diligence and consulting fees from August 2006 through February 2007.

ioWorld Media, Inc. - Wall Street Resources is a consultant to ioWorld Media and was compensated with \$15,000 in cash and 100,000 shares of 144 restricted stock for due diligence and consulting fees from October 2006 through April 2007.

U.S. Sustainable Energy Corporation - Wall Street Resources is a consultant to U.S. Sustainable and was compensated with \$10,000 in cash and 450,000 shares of 144 restricted stock for due diligence and consulting fees from October 2006 through April 2007.

Third-Order Nanotechnologies, Inc. - Wall Street Resources is a consultant to Third and was compensated with \$15,000 in cash and 60,000 shares of 144 restricted stock for due diligence and consulting fees from November 2006 through June 2007.

RST Technologies, Inc. - Wall Street Resources has received or expects to receive \$15,000 in cash and 230,000 shares of 144 restricted stock for due diligence fees and consulting services provided to Remote Surveillance Technologies from February of 2007 through April of 2008 and \$2,500 per month for investor relations services.

eFoodSafety, Inc. - Wall Street Resources is a consultant to eFoodSafety and was compensated with \$10,000 in cash and 225,000 shares of 144 restricted stock for due diligence and consulting fees from December 2006 through June 2007.

Nano Chemicals Systems Holdings, Inc. - Wall Street Resources is a consultant to Nano Chemicals and was compensated with \$15,000 in cash and 70,000 shares of 144 restricted stock for due diligence and consulting fees from January 2007 through July 2007.

HS3 Technologies, Inc. - Wall Street Resources is a consultant to HS3 and was compensated with \$15,000 in cash and 90,000 shares of 144 restricted stock for due diligence and consulting fees from January 2007 through September 2007.

Axiom Technologies, Inc. - Wall Street Resources is a consultant to Axiom and was compensated with \$15,000 in cash and 60,000 shares of 144 restricted stock for due diligence and consulting fees from February 2007 through September 2007.

Edentify, Inc. - Wall Street Resources is a consultant to Edentify and was compensated with \$15,000 in cash and 60,000 shares of 144 restricted stock for due diligence and consulting fees from February 2007 through September 2007.

Lucas Energy, Inc. - Wall Street Resources received \$10,000 for investor relations services from a third party.

Northern Oil & Gas, Inc. - Wall Street Resources is a consultant to Northern Oil and was compensated with \$25,000 in cash and 15,000 shares of 144 restricted stock for due diligence and consulting fees from May 2007 through December 2007.

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