

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

**Amendment No. 2 to
FORM 10-K/A**

(Mark One)

ANNUAL REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934
For the fiscal year ended **December 31, 2009**

or

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 **333-141131**



MABCURE INC.

(Exact name of Registrant as specified in its charter)

Nevada

(State or other jurisdiction of
incorporation or organization)

20-4907813

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

**760 Parkside Avenue #208
Brooklyn, New York**

(Address of principal executive offices)

11226

(Zip Code)

(914) 595-6342

(Registrant's telephone number, including area code)

Securities registered pursuant to Section 12(b) of the Act:

N/A

Title of each class

N/A

Name of each exchange on which registered

Securities registered pursuant to Section 12(g) of the Act:

Shares of Common Stock, \$0.001 par value

Title of Class

Indicate by check mark if the Registrant is a well-known seasoned issuer, as defined in Rule 405 of the Securities Act.
Yes No

Indicate by check mark if the Registrant is not required to file reports pursuant to Section 13 or Section 15(d) of the Act.
Yes No

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 No

Indicate by check mark if disclosure of delinquent filers pursuant to Item 405 of Regulation S-K (§ 229.405 of this chapter) is not contained herein, and will not be contained, to the best of Registrant's knowledge, in definitive proxy or information statements incorporated by reference in Part III of this Form 10-K or any amendment to this Form 10-K.

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 Non-accelerated filer Smaller reporting company

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

The aggregate market value of voting and non-voting common equity held by non-affiliates was \$25,516,553 based upon 28,351,725 shares held by non-affiliates and a closing market price of \$0.90 per share on June 30, 2009.

As of March 1, 2010, there were 60,399,725 shares of common stock issued and outstanding.

DOCUMENTS INCORPORATED BY REFERENCE

Exhibits incorporated by reference are referred to in Part IV.

EXPLANATORY NOTE

This Form 10-K/A, Amendment No. 2 (the “Current Filing”) is being filed by MabCure Inc. (the “Company”) to amend its Annual Report on Form 10-K/A for the fiscal year ended December 31, 2009, which was filed with the Securities and Exchange Commission (the “Commission”) on March 14, 2011 (“Amendment No. 1”). Prior to the filing of Amendment No.1, the Company received a letter from the Commission indicating that the Utah accountancy license of Davis Accounting Group, P.C., the auditing firm that audited the financial statement of the Company for the years ended December 31, 2009 and 2008 (the “2009 and 2008 Financial Statements”), had expired as of September 30, 2008, and that, therefore, the 2009 and 2008 Financial Statements were now not considered by the Commission to have been audited.

On March 9, 2011 the Company engaged the accounting firm of Rotenberg Meril Solomon Bertiger & Guttilla, P.C. (“Rotenberg Meril”), as the Company’s new independent registered public accounting firm. Rotenberg Meril reaudited the 2009 and 2008 Financial Statements, which, together with Rotenberg Meril’s auditor’s report, are included as part of this Current Filing. Except for items directly related to the 2009 and 2008 Financial Statements, the subsequent events described therein, and changes to the Summary Compensation Table in the “Executive Compensation” section and to the Beneficial Ownership of Holdings table in the “Security Ownership of Certain Beneficial Owners and Management and Related Stockholder Matters” section, no attempt has been made in this Amendment to update the other disclosures presented in this Current Filing, which does not reflect events occurring after the filing of the original 10-K (i.e., those events occurring after March 24, 2010 or subsequent event disclosure therein) or modify or update those disclosures that may be affected by subsequent events. Such subsequent matters are addressed in subsequent reports filed with the SEC. Accordingly, this Amendment should be read in conjunction with the Form 10-K, the Form 10-K/A Amendment No. 1, and our other filings with the SEC.

As required by Rule 12b-15 under the Securities Exchange Act of 1934, as amended, new certifications by our current principal executive officer and principal financial officer are filed as exhibits to this Amendment.

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Forward-Looking Statements

This Annual Report contains forward-looking statements within the meaning of Section 27A of the *Securities Act* of 1933, as amended (the “Securities Act”) and Section 21E of the *Securities Exchange Act* of 1934, as amended (the “Exchange Act”). These forward-looking statements relate to future events or our future financial performance. In some cases, you can identify forward-looking statements by terminology such as “may,” “should,” “expects,” “plans,” “anticipates,” “believes,” “estimates,” “predicts,” “potential,” or “continue” or the negative of these terms or other comparable terminology. These forward-looking statements are only predictions and involve known and unknown risks, uncertainties and other factors, including the risks set out in the section hereof entitled “Risk Factors” and the risks set out below, any of which may cause our or our industry’s actual results, levels of activity, performance or achievements to be materially different from any future results, levels of activity, performance or achievements expressed or implied by these forward-looking statements.

These risks include, by way of example and not in limitation:

- risks related to our ability to continue as a going concern;
- the uncertainty of profitability based upon our history of losses;
- risks related to failure to obtain adequate financing on a timely basis and on acceptable terms for our planned development projects;
- risks related to our ability to acquire blood samples for the development and testing of our products;
- risks related to our ability to continue to fund research and development costs;
- risks related to conducting business internationally due to our operations in Belgium;
- risks related to receiving approvals from the United States Food and Drug Administration (the “FDA”) to market our products;
- risks related to our ability to successfully develop our technology into commercial products,
- risks related to our ability to successfully prosecute and protect our intellectual property;
- risks related to environmental, health and safety rules and regulations;
- risks related to tax assessments;
- risks related to the impact of any healthcare reform legislation; and
- other risks and uncertainties related to our prospects, properties, and business strategy.

The above list is not an exhaustive list of the factors that may affect any of our forward-looking statements. These and other risks described in this report should be considered carefully and readers should not place undue reliance on our forward-looking statements.

Forward-looking statements are made based on management’s beliefs, estimates and opinions on the date the forward-looking statements are made, and we undertake no obligation to update forward-looking statements should these beliefs, estimates, and opinions or other circumstances change. Although we believe that the expectations reflected in the forward-looking statements are reasonable, we cannot guarantee future results, levels of activity, performance, or achievements. Except as required by applicable law, including the securities laws of the United States, we do not intend to update any of the forward-looking statements to conform these forward-looking statements to actual results.

Our financial statements are stated in United States dollars (“US\$”) and are prepared in accordance with United States generally accepted accounting principles (“GAAP”).

In this Annual Report, unless otherwise specified, all dollar amounts are expressed in United States dollars and all references to “common stock” refer to the shares of our common stock.

As used in this Annual Report, the terms “we,” “us,” “our,” “MabCure,” and “Issuer” mean MabCure Inc., and its consolidated subsidiary, unless the context clearly requires otherwise.

PART I

ITEM 1. BUSINESS

Formation and year of organization

We were incorporated on May 8, 2006, in the State of Nevada under the name “Smartec Holdings, Inc.” Our authorized capital at formation consisted of 75,000,000 shares of our common stock (the “Common Shares”) with a par value of \$0.001 per common share.

Effective November 26, 2007, we filed a certificate of change increasing our authorized capital from 75,000,000 common shares with a par value of \$0.001 per common share to 1,500,000,000 common shares with a par value of \$0.001 per common share. On that date, we also effected a forward stock split on a twenty-to-one basis.

On January 22, 2008, we changed our name from “Smartec Holdings, Inc.” to “MabCure Inc.” following the merger with our wholly owned subsidiary, MabCure, Inc.

On October 30, 2008, we established, MabCure, N.V., a wholly owned subsidiary in Belgium. The Belgian subsidiary was established in order to accelerate the development and commercialization of MabCure’s proprietary products for the early detection of cancer with specific antibodies and for the creation of highly specific therapeutics (antibodies and novel drugs) against cancer. MabCure, N.V. will be eligible to apply for research grants from the Flemish Government.

Our principal executive offices are located in Belgium at the following address: De Schiervellaan 3/B1, 3500 Hasselt, Belgium. Our telephone number is +32 (48) 7425303.

Our common shares are traded on the over-the-counter market and quoted on the over-the-counter bulletin board (the “OTCBB”) under the symbol “MBCI.” On March 1, 2010, the closing price for our common shares as reported on the OTCBB was \$0.62.

Bankruptcy, Receivership or Similar Proceeding

We have never declared bankruptcy, have never been in receivership, and have never been involved in any legal actions or proceedings.

Purchase of Assets

On January 10, 2008, we entered into an asset purchase agreement with Indigoleaf Associates Ltd. (“Indigoleaf”), and Dr. Amnon Gonenne, pursuant to which we agreed to purchase all of Indigoleaf’s interest and rights to a proprietary technology for the rapid and efficient generation of monoclonal antibodies against desired antigens such as cancer markers, including, but not limited to, the know-how, secrets, inventions, practices, methods, knowledge and data owned by Indigoleaf. We purchased this proprietary technology pursuant to an intellectual property transfer agreement and consummated the other transactions contemplated by the asset purchase agreement on July 7, 2008. Pursuant to the asset purchase agreement, as amended on April 2, 2009, we agreed to issue 25,638,400 shares of our common stock to Indigoleaf in consideration for the purchase of Indigoleaf’s proprietary technology, and agreed to issue 6,409,600 shares of our common stock to Dr. Gonenne, in consideration for his being one of the founders of our cancer therapy and detection business. The shares issued were valued at \$16,000,000. The shares issued to Dr. Gonenne were described in error in the asset purchase agreement as having been issued to Dr. Gonenne in consideration for future services that Dr. Gonenne agreed to provide to us, and this error has been corrected in the April 2, 2009 amendment.

On June 27, 2008, pursuant to the asset purchase agreement, we closed a private placement consisting of 1,300,000 units of our securities at a price of \$1.00 per unit, for aggregate proceeds of \$1,300,000. Each unit consists of: (i) one common share; (ii) one non-transferable share purchase warrant entitling the holder thereof to purchase one

share of common stock for a period of 12 months commencing from the closing of the asset purchase agreement, at an exercise price of \$1.25 per common share; and (iii) one non-transferable share purchase warrant entitling the holder thereof to purchase one share of common stock for a period of 24 months commencing from the closing of the asset purchase agreement, at an exercise price of \$1.25 per common share. The terms of the 24-month warrants were subsequently amended as discussed further below.

On April 2, 2009, we entered into an amendment to the January 10, 2008 asset purchase agreement, pursuant to which the parties corrected the asset purchase agreement to reflect the original intention of the parties that the 6,409,600 shares of our common stock that had been issued to Dr. Gonenne had been issued to Dr. Gonenne as founders shares in consideration for his being one of the founders of our cancer therapy and detection business. The amendment to the asset purchase agreement provided that up to 75 percent of the shares issued to Dr. Gonenne, *i.e.*, up to 4,807,200 shares of our common stock, are subject to a lapsing repurchase right that may be exercised by us in the event Dr. Gonenne's employment agreement with us is terminated within 18 months of July 7, 2008. The 4,807,200 shares of our common stock subject to the lapsing repurchase right shall be released from such right in three 6-month intervals, such that 1/3 of the shares (*i.e.* 1,602,400 shares) shall be released from the lapsing repurchase right at the end of each 6-month interval, provided that at each respective 6-month interval Dr. Gonenne continues to be retained by us pursuant to his employment agreement. All of the 4,807,200 shares of common stock shall be released from the lapsing repurchase right and no longer subject thereto upon the expiration of a continuous period of employment of 18 months from July 7, 2008.

The purchase of intellectual property was accounted for under ASC Topic 350. The value of the intellectual property acquired on July 7, 2008 was calculated based on the June 27, 2008 private placement transaction discounted by a factor to reflect the fact that the issued stock was restricted and escrowed for an extended period of time under the agreement. This value amounted to \$16,000,000 for the shares issued and was recorded by us as an intangible asset, "intellectual property" in the accompanying consolidated balance sheets as of December 31, 2009 and 2008. We believe that there are no legal, regulatory, contractual, competitive, or economic factors that limit the useful life of this intangible asset. Consequently, we consider the useful life of this asset to be indefinite. As such, we have recorded no amortization expense. In accordance with ASC Topic 350, we perform, at least annually, impairment testing in the last quarter of the year.

Recent Corporate Developments

2009 marked the beginning of our research and development activities. Using the proprietary technology that we purchased in 2008, we concentrated on expanding our library of highly specific monoclonal antibodies (MAbs) against a number of different cancers. In addition, we optimized our production capability to be able to prepare sufficient quantities of MAbs for the planned clinical trials. Our main focus during the year was ovarian and prostate cancer as well as melanoma. Beyond our lab activities, we created new relationships and collaborations with European and Asian medical centers to lead our clinical trials.

On September 2, 2009, we entered into a loan agreement to obtain a bridge loan of \$500,000 from a third-party lender for ordinary working capital needs. The loan was due to mature on September 2, 2010. On March 5, 2010, we entered into a conversion agreement with the lender, pursuant to which the loan and all accrued interest was converted into equity securities. In full repayment of the loan and all accrued interest, we issued to the lender 1,000,000 units, with each unit consisting of: (i) one common share; (ii) one non-transferable share purchase warrant entitling the holder thereof to purchase one share of common stock until February 16, 2012, at a price per share of \$0.60; and (iii) one non-transferable common stock purchase warrant entitling the holder thereof to purchase one share of common stock until February 16, 2012, at a price per share of \$0.70.

On March 5, 2010, we closed an offshore private placement consisting of 1,000,000 units of our securities at a price of \$0.50 per unit, for aggregate proceeds of \$500,000. Each unit consists of: (i) one common share; (ii) one non-transferable share purchase warrant entitling the holder thereof to purchase one share of common stock for a period of 24 months commencing from the closing of the private placement agreement, at an exercise price of \$0.60 per common share; and (iii) one non-transferable share purchase warrant entitling the holder thereof to purchase one

share of common stock for a period of 24 months commencing from the closing of the private placement agreement, at an exercise price of \$0.70 per common share.

In December 2009, we signed a research agreement with Ramathibodi Hospital, Mahidol University, in Bangkok, Thailand. Following the approval of the proposed clinical protocol by the hospital's Ethics Committee, clinical trials to diagnose ovarian cancer with our MAbs were officially launched in January 2010. Mahidol University is one of the oldest and most prestigious universities in Thailand, and is internationally known and recognized for the high caliber of research and teaching by its faculty.

In November 2009, we signed a research agreement with AZ Sint Lucas Hospital in Brugge, Belgium for the performance of preclinical research intended to broaden the utility of our MAbs where there is a need to diagnose cancer in tissue specimens, such as in moles removed from patients who are at high risk for developing melanoma, or in polyps resected from patients who undergo colonoscopies.

In October 2009, we announced a development milestone, the creation of MAbs to diagnose colorectal cancer. After further characterization of these MAbs, we plan to explore their utility both for the early diagnosis of colorectal cancer (in blood or feces specimens), and as imaging agents for detecting micrometastatic disease during surgery and cancerous polyps during colonoscopies.

During the coming year, we plan to expand our clinical program to include additional centers in Europe and to launch a clinical study of prostate cancer diagnosis with our MAbs.

Business of Issuer

Principal Products and Markets

We are a development stage company originally in the business of developing a detergent for removing pesticides from fruits and vegetables. Because we were unsuccessful in implementing our business plan, we considered various alternatives to ensure viability and solvency. We are currently in the business of developing and commercializing our proprietary antibody technology for the early detection of cancer and for the creation of highly specific therapeutics (antibodies and novel drugs) against cancer.

We entered the business of "early detection of cancer" through an asset purchase agreement dated January 10, 2008, with Indigoleaf and Dr. Amnon Gonenne, pursuant to which we agreed to purchase all of Indigoleaf's interest and rights to a proprietary technology for the rapid and efficient generation of monoclonal antibodies against desired antigens such as cancer markers, including, but not limited to, the know-how, secrets, inventions, practices, methods, knowledge and data owned by Indigoleaf. We purchased this proprietary technology pursuant to an intellectual property transfer agreement and consummated the other transactions contemplated by the asset purchase agreement on July 7, 2008.

Distribution Methods of the Products

At present, we are conducting research and development using our proprietary antibody technology for the early detection of cancer and for the creation of highly specific therapeutics (antibodies and novel drugs) against cancer. As such, our products are currently not ready for distribution.

Status of any Publicly Announced New Product

At present, we have not publicly announced any new products but we intend to continue with the research and development of our technology.

Competitive Business Conditions and our Competitive Position in the Industry and Methods of Competition

We are not aware of any FDA-approved blood tests which compete with our three leading Monoclonal Antibody ("MAB") products for the diagnosis of melanoma and ovarian and prostate cancers, or with our planned MABs for colorectal and breast cancers.

There may be companies attempting to develop genomics (DNA-based) or proteomics (protein-pattern based) diagnostic tests for cancer. We believe that these statistical-pattern-based tests are inherently susceptible to errors, are time consuming, need technical expertise for both performance and analyses, and are relatively expensive. Hence, our anti-ovarian cancer test may have a clear advantage since it is expected to be highly specific, fast, and simple, and should be competitive in price.

Sources and Availability of Raw Materials and the Names of Our Principal Suppliers

We are currently in the research and development stage, and thus have no suppliers of raw materials. As we conduct our research and development, we use blood samples that contain various types of cancers at various stages of the cancer's evolution. We obtain these blood samples from hospitals and research institutions throughout Europe and the Far East. We rely on these blood samples in order to effectively conduct our research. Should we be unable to obtain blood samples that contain the specific cancer we are researching, it may cause a delay in our research.

Dependence on one or a few Major Customers

At present, we are conducting research and development and, as such, have no customers. We will likely plan and initiate sales strategies once our product is fully developed.

Intellectual Property

At present, we do not own, either legally or beneficially, any patents, registered trademarks, licenses, franchises, or concessions.

During 2008, we acquired a proprietary platform technology for the rapid and efficient generation of monoclonal antibodies against desired antigens such as cancer markers. This technology is based on an improvement of the non-proprietary, classic hybridoma technology for the production of antibodies in animals. Using our proprietary technology, we are able to generate highly specific monoclonal antibodies (MABs). While the technology is novel and patentable, we have as of yet not filed any patents relating to the technology. In addition, enforcing patent protection may be difficult since the products (MABs) created by the technology have no "finger prints" that could link them to our technology. The protocols of our technology are known to our Chief Executive Officer and our Chief Scientific Officer. In addition, the data is encrypted and kept on CDs which have been placed in a safe deposit box at a bank.

We plan to file for patents in the near future for cancer-specific antibodies and newly discovered antigens (i.e. novel cancer markers).

Refer to Note 3 of the Consolidated Financial Statements entitled, "Purchase of Intellectual Property and Stock Issuance to Founder" for further discussion on the purchase of our proprietary technology.

Governmental Approval

We are subject to the laws and regulations of those jurisdictions in which we plan to license our technology. In the United States, we will be required to obtain regulatory approval for our products from the Food and Drug Administration (FDA), and in Europe we will be required to obtain the "Conformité Européene" (CE mark).

Effect of Existing or Probable Governmental Regulations on the Business

Our research and development activities and the manufacturing and marketing of our proposed MAb products are subject to the laws and regulations of governmental authorities in the United States and any other countries in which our products are ultimately marketed. In the United States, the Food and Drug Administration, or FDA, among other activities, regulates new product approvals to establish the safety and efficacy of the types of products and technologies our Company is currently developing. Governments in other countries have similar requirements for testing and marketing.

Regulation by governmental authorities in the United States and foreign countries is a significant factor in the development, manufacture, and marketing of our proposed MAb products and in our ongoing research and development activities.

The products and technologies that we are currently researching and developing will require regulatory approval by governmental agencies prior to commercialization. Various federal statutes and regulations also govern or influence the testing, manufacturing, safety, labeling, storage, record keeping, and marketing of related products. The process of obtaining these approvals and the subsequent compliance with applicable statutes and regulations require the expenditure of substantial time and financial resources. Any failure by us or our collaborators, licensors, or licensees to obtain, or any delay in obtaining regulatory approval, could have a material adverse effect on our business.

Research and Development Expenditures

During the fiscal years ended December 31, 2009 and 2008, we have incurred \$402,657 and \$3,806, respectively, in research and development expenditures, which included salaries and wages for our scientists.

Employees

As of December 31, 2009, we had four employees on a full-time basis; MabCure is managed by Dr. Amnon Gonne, our President and Chief Executive Officer; Dr. Elisha Orr, our Chief Scientific Officer; and Mr. Ron Kalfus, our Chief Financial Officer.

Risk Factors related to our Business

We have no operating history and have maintained losses since inception, which we expect to continue into the future.

We were incorporated on May 8, 2006, and have limited operations. We have not realized any revenues to date. Our products are under development and will not be ready for commercial sale until we have completed development, conducted clinical trials, and received all regulatory approvals. We have no operating history upon which an evaluation of our future success or failure can be made. Our net loss from inception to December 31, 2009 is \$2,017,323. Based upon our proposed plans, we expect to incur operating losses in future periods. This will happen because there are substantial costs and expenses associated with the development and commercialization of our proposed products. We may fail to generate revenues in the future. Failure to generate revenues will cause us to either change our line of business or to go out of business because we will not have the money to pay our ongoing expenses.

Our independent auditors' report states that there is a substantial doubt that we will be able to continue as a going concern.

Our independent registered public accounting firm, Rotenberg Meril Solomon Bertiger & Guttilla, P.C., state in their audit report, dated April 14, 2011, included with this Annual Report, that since we are a development stage company, have no established source of revenue, and are dependent on our ability to raise capital from shareholders

or other sources to sustain operations, there is a substantial doubt that we will be able to continue as a going concern.

We will, in all likelihood, continue to incur expenses without generating significant revenues into the foreseeable future, at least until we complete development of our products and commence their commercialization. Our only source of funds to date has been the sale of our common stock. Because we cannot ensure that we will be able to generate interest in our products or that we will be able to generate any significant revenues or income, the identification of new sources of equity financing will be difficult. If we are successful in closing on any new financing, existing investors will experience substantial dilution. Our ability to obtain debt financing is also severely impacted by our financial condition, and likely not even feasible, given that we do not have revenues or profits to pay interest or repay principal.

As a result, if we are unable to obtain additional financing at this stage in our operations, our business will fail and our stockholders may lose some or all of their investment in our common stock.

Our inability to complete our product development activities successfully may severely limit our ability to operate and finance operations.

Commercialization of our technology will require significant additional research and development as well as substantial clinical trials. We believe that Europe and the United States will be the principal markets for our technology, although we may elect to expand into other regions. We may not be able to successfully complete development of our technology, or successfully market our technology. Our research and development programs may not be successful. Our technology may not prove to be safe and efficacious in clinical trials, and we may not obtain the necessary regulatory approvals for our technology. Whether or not any of these events occur, we may not have adequate resources to continue operations for the period required to resolve any issues delaying commercialization, and we may not be able to raise capital to finance our continued operation during the period required for resolution of these issues.

If we are not able to adequately protect our proprietary technology, our Company will suffer a material adverse effect.

Our ability to compete successfully and achieve any revenue will depend, in part, on our ability to protect our proprietary technology and operate without infringing upon the rights of others. In addition, the departure of any of our management or any significant technical personnel or consultants we hire or retain in the future, the breach of their confidentiality and non-disclosure obligations, or the failure to achieve our intellectual property objectives may have a material adverse effect on our business, financial condition, and results of operations. We believe our success depends upon the knowledge and experience of our management and our ability to commercialize our existing technology and to develop new technologies.

We may not be able to successfully protect our proprietary technology, and our proprietary technology may otherwise become known, or similar technology may be independently developed by competitors. While we believe that we have adequately protected our proprietary technology, and we intend to take all appropriate and reasonable legal measures to protect it in the future, the use of our technology by a competitor could have a material adverse effect on our business, financial condition, and results of operations. In addition, competitors may discover novel uses, develop similar or more marketable technologies, or offer services similar to those offered by our Company at lower prices. If we are unsuccessful in addressing the risks related to protecting our proprietary technology, our business will most likely fail.

We may be subject to intellectual property infringement litigation, which may be time-consuming and costly.

We may need to bring legal claims to enforce or protect our intellectual property rights. Any litigation, whether successful or unsuccessful, may result in substantial costs and a diversion of our Company's resources. In addition, notwithstanding our rights to our intellectual property, other persons may bring claims against us alleging that we have infringed on their intellectual property rights or that our intellectual property rights are not valid. Any claims against us, with or without merit, could be time consuming and costly to defend or litigate, divert our attention and

resources, result in the loss of goodwill associated with our business, or require us to make changes to our technology.

Clinical trials are expensive, time consuming, and difficult to design and implement, and it is unclear whether the results of such clinical trials will be favorable.

We commenced clinical trials of our proposed products in January 2010. Clinical trials will be expensive and may be difficult to implement due to the number of patients and testing sites that may be required, and could be subject to delay or failure at any stage of the trials. We expect our current funding will be sufficient only to enable us to continue our operations as currently planned until approximately the end of fiscal 2010. Accordingly, we will require additional funds to conduct additional clinical trials, obtain the necessary FDA approvals, and market our products. Any delay or failure of, or adverse results from, clinical trials will likely require us to obtain even further funding in order to address such delays or failures, or to refocus our efforts on other product candidates, and such delay, failure, or adverse results could make it much more difficult or expensive for us to obtain funding. Similarly, human clinical trials for our products will be expensive and difficult to design and implement in part because they will be subject to rigorous regulatory requirements. The clinical trial process is also time-consuming. We estimate that clinical trials of our proposed products will take at least several years to complete once initiated. Furthermore, we may encounter problems that could cause us to abandon or repeat clinical trials, further delaying or preventing the completion of such trials.

The results of our clinical trials may not support our product claims.

Even if our clinical trials are completed as planned, we cannot be certain that their results will support our product claims. Even if pre-clinical testing and early clinical trials for a product are successful, this does not ensure that later clinical trials will be successful, and we cannot be sure that the results of later clinical trials will replicate the results of prior clinical trials and pre-clinical testing or meet our expectations. The clinical trial process may fail to demonstrate that our products are safe for humans or effective for indicated uses. Any such failure would likely cause us to abandon the product and may delay development of other product candidates.

Our products are subject to government regulations and approvals which may delay or prevent the marketing of potential products and impose costly procedures upon our activities.

The FDA and comparable agencies in state and local jurisdictions and in foreign countries impose substantial requirements upon pre-clinical and clinical testing, manufacturing and marketing of pharmaceutical and biotechnology products. Lengthy and detailed pre-clinical and clinical testing, validation of manufacturing and quality control processes, and other costly and time-consuming procedures are required. Satisfaction of these requirements typically takes several years and the time needed to satisfy them may vary substantially, based on the type, complexity, and novelty of the pharmaceutical product. The effect of government regulation may be to delay or to prevent marketing of potential products for a considerable period of time and to impose costly procedures upon our activities. The FDA or any other regulatory agency may not grant approval on a timely basis, or at all, for any product we develop. Success in pre-clinical or early stage clinical trials does not assure success in later stage clinical trials. Data obtained from pre-clinical and clinical activities are susceptible to varying interpretations that could delay, limit, or prevent regulatory approval. If regulatory approval of a product is granted, such approval may impose limitations on the indicated uses for which a product may be marketed. Further, even after we have obtained regulatory approval, later discovery of previously unknown problems with a product may result in restrictions on the product, including withdrawal of the product from the market. Delay in obtaining or failure to obtain regulatory approvals would make it difficult or impossible to market our products and would harm our business.

We may require additional funding, and our future access to capital is uncertain. Insufficient funds may limit our ability to develop and commercialize new products, services, and technologies.

Our business can change unpredictably due to a variety of factors, including competition, regulation, legal proceedings, or other events, which could impact our funding needs or our cash flow from operations or increase

our required capital expenditures. In addition, our estimates of the funds necessary to develop and commercialize our MAbs for the early detection of cancer with specific antibodies and for the creation of highly specific therapeutics (antibodies and novel drugs) against cancer or other diagnostic testing products or services may be inaccurate or we may acquire products or other assets in the future, in each case which could require additional funds. Furthermore, we may seek additional capital due to favorable market conditions or strategic considerations even if we believe we have sufficient funds for our current or future operating plans. We may seek the additional capital through public or private equity offerings, debt financings, and collaborative and licensing arrangements. To the extent that we raise additional capital through the sale of equity or convertible debt securities, your ownership interest may be diluted and the terms may include liquidation or other preferences or rights that adversely affect your rights as a stockholder. Debt financing, if available, may involve agreements that include covenants limiting or restricting our ability to take specific actions such as incurring additional debt, making capital expenditures, or declaring dividends. If we raise additional funds through collaboration and licensing arrangements with third parties, we may have to relinquish valuable rights to our technologies or products, or grant licenses on terms that are not favorable to us.

Adequate funds, whether through the financial markets or from other sources, may not be available when we need them or on terms acceptable to us. For example, the United States has recently experienced an economic recession, the long-term impact of which cannot be predicted. Furthermore, as a result of the recent volatility in domestic and international capital markets, the cost and availability of credit has been and may continue to be adversely affected as compared to its normal function. Concern about the stability of the markets generally and the strength of counterparties specifically has led many lenders and institutional investors to reduce, and in some cases, cease to provide funding to borrowers. Insufficient funds could cause us to delay, scale back, or choose not to develop and commercialize new products and technologies, including diagnostic testing products and services.

ITEM 2. PROPERTIES

Our Principal Executive Offices

Our principal executive offices are located at De Schiervellaan 3/B1, 3500 Hasselt, Belgium, which is also the residence of our principal executive officer, Dr. Amnon Gonenne. We believe that the condition of our property is satisfactory, suitable, and adequate for our current needs.

ITEM 3. LEGAL PROCEEDINGS

We know of no material, active or pending legal proceedings against our Company, nor of any proceedings that a governmental authority is contemplating against us.

We know of no material proceedings to which any of our Directors, officers, affiliates, owner of record or beneficially of more than 5 percent of our voting securities or security holders is an adverse party or has a material interest adverse to our interest.

ITEM 4. (REMOVED AND RESERVED)

PART II

ITEM 5. MARKET FOR REGISTRANT'S COMMON EQUITY, RELATED STOCKHOLDER MATTERS AND ISSUER PURCHASES OF EQUITY SECURITIES

Market Information

Our Common Shares are traded on the over-the-counter market and quoted on the OTCBB under the symbol "MBCI." On March 1, 2010, the closing price for our common shares as reported on the OTCBB was \$0.62.

The high and the low bid prices for our common shares are based on inter-dealer prices, without retail mark-up, markdown, or commission, and may not represent actual transactions.

The table below sets forth the range of high and low bid information for our common shares as quoted on the OTCBB for each of the quarters during the fiscal year ended December 31, 2009 and December 31, 2008:

For the Fiscal Year Ended December 31, 2009		
For the Quarter ended	High	Low
March 31	\$1.00	\$0.50
June 30	\$0.90	\$0.50
September 30	\$1.50	\$0.75
December 31	\$1.31	\$0.51

For the Fiscal Year Ended December 31, 2008		
For the Quarter ended	High	Low
March 31	\$1.50	\$0.90
June 30	\$1.45	\$1.00
September 30	\$1.10	\$1.03
December 31	\$1.00	\$1.00

Holders of our Common Shares

As of March 1, 2010, there were nine registered stockholders holding 60,399,725 common shares issued and outstanding.

Dividends

Since our inception, we have not declared nor paid any cash dividends on our capital stock and we do not anticipate paying any cash dividends in the foreseeable future. Our current policy is to retain any earnings in order to finance our operations. Our Board of Directors will determine future declarations and payments of dividends, if any, in light of the then-current conditions it deems relevant and in accordance with applicable corporate law.

There are no restrictions in our Articles of Incorporation or Bylaws that prevent us from declaring dividends. The Nevada Revised Statutes, however, do prohibit us from declaring dividends where, after giving effect to the distribution of the dividend:

- we would not be able to pay our debts as they become due in the usual course of business; or
- our total assets would be less than the sum of our total liabilities plus the amount that would be needed to satisfy the rights of stockholders who have preferential rights superior to those receiving the distribution.

Securities Authorized for Issuance under Equity Compensation Plans

Our equity compensation plan administrator is authorized to grant options to acquire, in aggregate, up to a total of 6,034,800 Common shares.

Recent Sales of Unregistered Securities

During the fiscal year ended December 31, 2009, except as included in our Quarterly Reports on Form 10-Q or in our Current Reports on Form 8-K, we have not sold any equity securities not registered under the Securities Act.

Purchases of Equity Securities by the Issuer and Affiliated Purchases

During each month within the fourth quarter of the fiscal year ended December 31, 2009, neither we nor any “affiliated purchaser,” as that term is defined in Rule 10b-18(a)(3) under the Exchange Act, repurchased any of our Common Shares or other securities.

ITEM 6. SELECTED FINANCIAL DATA

Not applicable.

ITEM 7. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

The following Management's Discussion and Analysis of Financial Condition and Results of Operations ("MD&A") is intended to help you understand our historical results of operations during the periods presented and our financial condition. This MD&A should be read in conjunction with our consolidated financial statements and the accompanying notes to consolidated financial statements, and contains forward-looking statements that involve risks and uncertainties. See section entitled "Forward-Looking Statements" above.

EXECUTIVE OVERVIEW

We were incorporated in the State of Nevada on May 8, 2006. We are a development stage company with limited operations and no revenues from our business operations. Our registered independent public accounting firm has issued a going concern opinion for this Annual Report. This means that our registered independent auditors believe there is substantial doubt that we can continue as an on-going business for the next 12 months.

Originally, we had been in the business of developing a detergent for removing pesticides from fruits and vegetables. Because we were not successful in implementing our initial business plan, we considered various alternatives to ensure the viability and solvency of our Company.

On January 10, 2008, we entered into an asset purchase agreement with Indigoleaf Associates Ltd. ("Indigoleaf"), and Dr. Amnon Gonenne, pursuant to which we purchased all of Indigoleaf's interest and rights to a proprietary technology for the rapid and efficient generation of monoclonal antibodies against desired antigens such as cancer markers, including, but not limited to, the know-how, secrets, inventions, practices, methods, knowledge and data owned by Indigoleaf. We purchased this proprietary technology pursuant to an intellectual property transfer agreement and consummated the other transactions contemplated by the asset purchase agreement on July 7, 2008. Pursuant to the asset purchase agreement, as amended on April 2, 2009, we issued 25,638,400 shares of our common stock to Indigoleaf in consideration for the purchase of Indigoleaf's proprietary technology, and we issued 6,409,600 shares of our common stock to Dr. Gonenne in consideration for his being one of the founders of our cancer therapy and detection business. The shares issued to Dr. Gonenne were described in error in the asset purchase agreement as having been issued to Dr. Gonenne in consideration for future services that Dr. Gonenne agreed to provide to us, and this error has been corrected in the April 2, 2009 amendment.

On April 2, 2009, we entered into an amendment to the January 10, 2008 asset purchase agreement, pursuant to which the parties corrected the asset purchase agreement to reflect the original intention of the parties that the 6,409,600 shares of our common stock that had been issued to Dr. Gonenne had been issued to Dr. Gonenne as founders shares in consideration for his being one of the founders of our cancer therapy and detection business. The amendment to the asset purchase agreement provided that up to 75 percent of the shares issued to Dr. Gonenne, *i.e.*, up to 4,807,200 shares of our common stock, are subject to a lapsing repurchase right that may be exercised by us in the event Dr. Gonenne's employment agreement with us is terminated within 18 months from July 7, 2008. The 4,807,200 shares of our common stock subject to the lapsing repurchase right shall be released from such right in three 6-month intervals, such that 1/3 of the shares (*i.e.* 1,602,400 shares) shall be released from the lapsing repurchase right at the end of each 6-month interval, provided that at each respective 6-month interval Dr. Gonenne continues to be retained by us pursuant to his employment agreement. All of the 4,807,200 shares of common stock shall be released from the lapsing repurchase right and no longer subject thereto upon the expiration of a continuous period of employment of 18 months from July 7, 2008.

On October 30, 2008, we established MabCure, N.V., a wholly owned subsidiary in Belgium. The Belgian subsidiary was established in order to accelerate the development and commercialization of our proprietary products for the early detection of cancer with specific antibodies and for the creation of highly specific therapeutics (antibodies and novel drugs) against cancer. MabCure, N.V. will be eligible to apply for research grants from the Flemish Government.

Recent Developments

On September 2, 2009, we entered into a loan agreement to obtain a bridge loan of \$500,000 from a third-party lender. On March 5, 2010, we entered into a conversion agreement with the lender to convert the loan into of 1,000,000 equity units consisting of common shares and non-transferable share purchase warrants.

On March 5, 2010, we closed a private placement consisting of 1,000,000 units of our securities at a price of \$0.50 per unit, for aggregate proceeds of \$500,000.

Over the next twelve months, we plan to:

- complete our Asian clinical study for the diagnosis of ovarian cancer;
- initiate additional anti-ovarian cancer multi-center clinical studies;
- initiate an anti-prostate cancer diagnosis clinical study;
- initiate the anti-breast cancer program, with the objective of creating novel MABs against this cancer;
- initiate the antigen identification program in order to identify and sequence those antigens, or cancer markers, which are recognized by our novel MABs. The first antigens to be studied will be the melanoma-specific cancer markers through the application of our anti-melanoma MABs; and
- hire an additional scientist for our Belgian subsidiary to assist in carrying out the tasks described above.

RESULTS OF OPERATIONS

For the years ended December 31, 2009 and December 31, 2008

We had no revenues for the period from May 8, 2006 (date of inception) through December 31, 2009. Beginning January 2009, we commenced our research and development activities with our newly acquired proprietary antibody technology for the early detection of cancer and for the creation of highly specific therapeutics (antibodies and novel drugs) against cancer.

General and administrative expenses were \$967,860 for the year ended December 31, 2009, compared to \$525,748 for the year ended December 31, 2008. The increase in general and administrative expenses was due to an increase in our activity level and expenses related to the grant of certain stock options. General and administrative expenses primarily consist of salaries and wages, stock-based compensation, marketing and public relations, and professional fees.

Salaries and wages were \$280,402 for year ended December 31, 2009, compared to \$186,140 for the year ended December 31, 2008. The increase in salaries and wages is due to the fact that our employees were hired in mid-2008 compared to a full year of wages in 2009. Stock-based compensation expense for the year ended December 31, 2009 amounted to \$247,916, compared to \$0 for the year ended December 31, 2008. The increase in stock-based compensation expense was related to the grant of certain stock options to certain Directors and officers during the year ended December 31, 2009. Marketing and public relations amounted to \$209,487 for the year ended December 31, 2009, compared to \$11,606 for the year ended December 31, 2008. The increase in marketing and public relations expenses was due to agreements we entered into with third parties to provide us with investor and public relations services. Professional fees were \$87,878 for the year ended December 31, 2009, compared to \$159,572 for the year ended December 31, 2008. The decrease in professional fees was due to a decrease in start-up activities of the Company.

Research and development expense was \$402,657 for the year ended December 31, 2009, compared to \$3,806 for the year ended December 31, 2008. These costs primarily consist of salaries and wages for our scientists, who commenced research and development activities in January 2009.

Our net loss for the year ended December 31, 2009, was \$1,382,960 or \$0.02 per share compared to \$524,098 or \$0.01 per share for the year ended December 31, 2008. The weighted average number of shares outstanding was 60,357,211 for the year ended December 31, 2009, compared to 43,253,945 for the year ended December 31, 2008.

LIQUIDITY AND CAPITAL RESOURCES

As of December 31, 2009

As of December 31, 2009, our current assets were \$278,086 and our current liabilities were \$776,167, resulting in a negative working capital of \$498,081.

As of December 31, 2009, our total liabilities were \$833,036 compared to total liabilities of \$286,475 as of December 31, 2008. The increase in total liabilities as of December 31, 2009, compared to the year ended December 31, 2008, was due primarily to the \$500,000 bridge loan we obtained in September 2009, as well as an increase in our general activity.

Stockholders' equity as of December 31, 2009 was \$15,619,312, compared to equity of \$16,722,167 as of December 31, 2008. The decrease in stockholders' equity is mainly a result of the net loss incurred during the year.

For the year ended December 31, 2009, net cash used in operating activities was \$1,033,593 compared to net cash used in operating activities of \$453,753 for the year ended December 31, 2008. In both years, cash used in operating activities was used to fund our losses for the respective periods. Cash used in operating activities for 2009 was higher compared to 2008 mainly due to commencement of our clinical trials and related expenses.

For the year ended December 31, 2009, net cash used in investing activities was \$40,706 and was mainly used for the purchase of equipment for our laboratories.

Net cash flows from financing activities for the year ended December 31, 2009, was \$491,151, which resulted primarily from net proceeds of \$500,000 in connection with our September 2009 bridge financing. Net cash flows from financing activities of \$1,290,428 for the year ended December 31, 2008 were mainly comprised of net proceeds of \$1,300,000 in connection with our June 2008 private placement.

Contractual Obligations

Our contractual obligations consist mainly of payments related to capital and operating leases used in the operation of our business as well as short-term debt. The following table summarizes our contractual obligations as of December 31, 2009:

	2010	2011 & 2012	Total
Operating leases	\$ 27,089	\$ 19,242	\$ 46,331
Capital lease obligations	36,272	56,869	93,141
Short-term debt	558,258	-	558,258
Total contractual obligations	<u>\$ 621,619</u>	<u>\$ 76,111</u>	<u>\$ 697,730</u>

Recent Private Placements

On September 2, 2009, we entered into a loan agreement to obtain a bridge loan of \$500,000 from a third-party lender for ordinary working capital needs. The loan was due to mature on September 2, 2010. On March 5, 2010, we entered into a conversion agreement with the lender, pursuant to which the loan and all accrued interest was

converted into equity securities. In full repayment of the loan and all accrued interest, we issued to the lender 1,000,000 units, with each unit consisting of: (i) one common share; (ii) one non-transferable share purchase warrant entitling the holder thereof to purchase one share of common stock until February 16, 2012, at a price per share of \$0.60; and (iii) one non-transferable common stock purchase warrant entitling the holder thereof to purchase one share of common stock until February 16, 2012, at a price per share of \$0.70.

On March 5, 2010, we closed a private placement consisting of 1,000,000 units of our securities at a price of \$0.50 per unit, for aggregate proceeds of \$500,000. Each unit consists of: (i) one common share; (ii) one non-transferable share purchase warrant entitling the holder thereof to purchase one share of common stock for a period of 24 months commencing from the closing of the private placement agreement, at an exercise price of \$0.60 per common share; and (iii) one non-transferable share purchase warrant entitling the holder thereof to purchase one share of common stock for a period of 24 months commencing from the closing of the private placement agreement, at an exercise price of \$0.70 per common share.

Going Concern

Our registered independent auditors included an explanatory paragraph in their report on the accompanying consolidated financial statements regarding our ability to continue as a going concern. Our consolidated financial statements contain additional note disclosures describing the circumstances that lead to this disclosure by our registered independent auditors. The consolidated financial statements do not include any adjustments that might result from the outcome of that uncertainty.

We expect our current funding will be sufficient only to enable us to continue our operations as currently planned until approximately the end of fiscal 2010. We currently estimate that we will require an additional \$2,000,000 to \$5,000,000 to fund our operations for the subsequent 12 to 24 month period.

There are no assurances that we will be able to obtain funds required for our continued operation. There can be no assurance that additional financing will be available to us when needed or, if available, that it can be obtained on commercially reasonable terms. If we are not able to obtain the additional financing on a timely basis, we will not be able to meet our other obligations as they become due and we will be forced to scale down or perhaps even cease the operation of our business. The issuance of additional equity securities by us could result in a significant dilution in the equity interests of our current stockholders. Obtaining commercial loans, assuming those loans would be available, will increase our liabilities and future cash commitments.

Off-Balance Sheet Arrangements

There are no off-balance sheet arrangements that have or are reasonably likely to have a current or future effect on our financial condition, changes in financial condition, revenues or expenses, results of operations, liquidity, capital expenditures or capital resources that is material to investors.

CRITICAL ACCOUNTING POLICIES

Our financial statements have been prepared in accordance with accounting principles generally accepted in the United States. The preparation of these financial statements requires us to make certain estimates and assumptions that affect the reported amounts of assets, liabilities, revenues and expenses, and the related disclosures of contingent assets and liabilities as of the date of the financial statements and during the applicable periods. We base these estimates on historical experience and on other factors that we believe are reasonable under the circumstances. Actual results may differ materially from these estimates under different assumptions or conditions and could have a material impact on our financial statements.

Stock-based Compensation

The Company accounts for stock-based compensation in accordance with ASC Topics 505 and 718. Stock-based compensation for stock options is measured based on the estimated fair value of each award on the date of grant

using the Black-Scholes valuation model. Stock-based compensation for restricted shares is measured based on the closing fair market value of the Company's common stock price on the date of grant. The Company recognizes stock-based compensation costs as expense ratably on a straight-line basis over the requisite service period

We account for equity instruments issued in exchange for the receipt of goods or services from other than employees in accordance with ASC Topic 505. Costs are measured at the estimated fair market value of the consideration received or the estimated fair value of the equity instruments issued, whichever is more reliably measurable. The value of equity instruments issued for consideration other than employee services is determined on the earlier of a performance commitment or completion of performance by the provider of goods or services as defined by ASC Topic 505. As of December 31, 2009, we have adopted a stock option plan and have granted stock options. Refer to Notes 1 and Note 6 of the Notes to Consolidated Financial Statements for further information.

Impairment of Intellectual Property

The purchase of intellectual property from Indigoleaf was accounted for under ASC Topic 350. We believe that there are no legal, regulatory, contractual, competitive, or economic factors that limit the useful life of this intangible asset. Consequently, we consider the useful life of this asset to be indefinite and we have recorded no amortization expense. In accordance with ASC Topic 350, we perform, at least annually, impairment testing in the last quarter of the year.

Refer to Note 1 to the Consolidated Financial Statements entitled "Summary of Significant Accounting Policies" included in this Annual Report for a discussion of other accounting policies utilized by the Company.

RECENT ACCOUNTING PRONOUNCEMENTS

Refer to Note 10 to the Consolidated Financial Statements entitled "Recent Accounting Pronouncements" included in this Annual Report for a discussion of recent accounting pronouncements and their impact on our Financial Statements.

ITEM 7A. QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK

Not applicable.

ITEM 8. FINANCIAL STATEMENTS AND SUPPLEMENTARY DATA

**MABCURE INC. AND SUBSIDIARY
(A DEVELOPMENT STAGE COMPANY)
INDEX TO CONSOLIDATED FINANCIAL STATEMENTS
DECEMBER 31, 2009, AND 2008**

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REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

To the Board of Directors and Stockholders of
MabCure Inc.:

We have audited the accompanying consolidated balance sheets of MabCure Inc. (the “Company”) (a development stage company) and subsidiary as of December 31, 2009 and 2008, and the related consolidated statements of operations and comprehensive (loss), stockholders’ equity, and cash flows for the years then ended, and from inception (May 8, 2006) through December 31, 2009. These consolidated financial statements are the responsibility of the Company’s management. Our responsibility is to express an opinion on these consolidated financial statements based on our audits.

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

In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the consolidated financial position of MabCure Inc. and subsidiary as of December 31, 2009 and 2008, and the results of their consolidated operations and their consolidated cash flows for the years then ended, and from inception (May 8, 2006) through December 31, 2009, in conformity with accounting principles generally accepted in the United States of America.

The accompanying consolidated financial statements have been prepared assuming that the Company will continue as a going concern. As discussed in Note 2 to the consolidated financial statements, the Company is in the development stage and has not established any source of revenues to cover its operating costs. As such, it has incurred an operating loss since inception. Further, as of December 31, 2009 and 2008, the cash resources of the Company were insufficient to meet its planned business objectives. These and other factors raise substantial doubt about the Company’s ability to continue as a going concern. Management’s plan regarding these matters is also described in Note 2 to the financial statements. The accompanying consolidated financial statements do not include any adjustments that might result from the outcome of this uncertainty.

/s/ ROTENBERG MERIL SOLOMON BERTIGER & GUTTILLA, P.C.

ROTENBERG MERIL SOLOMON BERTIGER & GUTTILLA, P.C.

Saddle Brook, New Jersey
April 14, 2011

MABCURE INC. AND SUBSIDIARY		
(A DEVELOPMENT STAGE COMPANY)		
CONSOLIDATED BALANCE SHEETS		
AS OF DECEMBER 31, 2009, AND 2008		
	2009	2008
ASSETS		
<i>Current Assets:</i>		
Cash and cash equivalents	\$ 214,480	\$ 811,439
Accounts receivable - other	31,934	10,574
Prepaid expenses	31,672	16,586
Total current assets	278,086	838,599
<i>Property and Equipment:</i>		
Computer & office equipment	11,295	3,084
Furniture & fixtures	8,464	8,198
Laboratory equipment	119,289	92,974
Vehicles	71,967	62,324
Website development costs	3,640	3,640
	214,655	170,220
Less: accumulated depreciation	(44,908)	(4,054)
Net property and equipment	169,747	166,166
Intellectual property	16,000,000	16,000,000
Deposits and other	4,515	3,877
Total Assets	\$ 16,452,348	\$ 17,008,642
LIABILITIES AND STOCKHOLDERS' EQUITY		
<i>Current Liabilities:</i>		
Accounts payable and accrued liabilities	\$ 152,272	\$ 97,000
Due to related parties - Directors and officers	29,365	8,138
Current portion of capital lease obligations	36,272	31,473
Loans payable	558,258	58,258
Total current liabilities	776,167	194,869
<i>Long-Term Debt, less current portion:</i>		
Capital lease obligations	56,869	91,606
Total liabilities	833,036	286,475
<i>Commitments</i>		
<i>Stockholders' equity</i>		
Common stock (\$0.001 par value; authorized 1,500,000,000 shares; outstanding 60,399,725 and 60,348,000)	60,400	60,348
Additional paid-in capital	17,583,517	17,290,652
Donated capital	13,000	13,000
Accumulated other comprehensive loss	(20,282)	(7,470)
Deficit accumulated during the development stage	(2,017,323)	(634,363)
Total stockholders' equity	15,619,312	16,722,167
Total Liabilities and Stockholders' Equity	\$ 16,452,348	\$ 17,008,642

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

MABCURE INC. AND SUBSIDIARY			
(A DEVELOPMENT STAGE COMPANY)			
CONSOLIDATED STATEMENTS OF OPERATIONS AND COMPREHENSIVE LOSS			
FOR THE YEARS ENDED DECEMBER 31, 2009, AND 2008, AND			
CUMULATIVE FROM INCEPTION (MAY 8, 2006) THROUGH DECEMBER 31, 2009			
	Year Ended December 31,		Cumulative
	2009	2008	from inception
Revenues	\$ -	\$ -	\$ -
Expenses:			
Research and development	402,657	3,806	406,463
General and administrative-			
Salaries and wages	280,402	186,140	466,542
Professional fees	87,878	159,572	347,715
Stock-based compensation	247,916	-	247,916
Marketing and public relations	209,487	11,606	221,093
Management and consulting	29,862	55,398	95,260
Travel	24,366	45,429	69,795
Insurance	34,731	14,080	48,811
Office	14,731	7,681	22,412
Depreciation and amortization	16,258	3,855	20,113
Meals and entertainment	9,576	10,491	20,067
Bank and other charges	5,145	12,996	18,141
Rent	6,276	6,826	13,102
Employee housing	299	11,674	11,973
Taxes and licenses	933	-	933
Total general and administrative	967,860	525,748	1,603,873
Loss from operations	(1,370,517)	(529,554)	(2,010,336)
Other Income (Expense):			
Interest income	4,256	5,892	10,148
Other income	-	534	534
Interest expense	(16,699)	(970)	(17,669)
Total other income (expense):	(12,443)	5,456	(6,987)
Loss before income taxes	(1,382,960)	(524,098)	(2,017,323)
Provision for income taxes	-	-	-
Net loss	\$ (1,382,960)	\$ (524,098)	\$ (2,017,323)
Comprehensive Loss:			
Foreign currency translation adjustment	(12,812)	(7,470)	(20,282)
Total Comprehensive Loss	\$ (1,395,772)	\$ (531,568)	\$ (2,037,605)
Basic and diluted loss per share	\$ (0.02)	\$ (0.01)	
Weighted average number of shares outstanding - basic and diluted	60,357,211	43,253,945	

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

MABCURE INC. AND SUBSIDIARY							
(A DEVELOPMENT STAGE COMPANY)							
CONSOLIDATED STATEMENT OF STOCKHOLDERS' EQUITY							
FOR THE PERIODS FROM INCEPTION (MAY 8, 2006)							
THROUGH DECEMBER 31, 2009							
	Common Stock		Additional Paid	Donated	Accumulated	Deficit	
	Number	Amount	in Capital	Capital	other	Accumulated	
					comprehensive	During the	
					loss	Development	Total
						Stage	
Balance, May 8, 2006 (Date of Inception)	-	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Common stock issued for cash at \$0.02 per share, December 20, 2006	2,550,000	2,550	48,450	-	-	-	51,000
Donated services	-	-	-	4,000	-	-	4,000
Loss for the period	-	-	-	-	-	(4,000)	(4,000)
Balance, December 31, 2006	2,550,000	2,550	48,450	4,000	-	(4,000)	51,000
Donated services	-	-	-	6,000	-	-	6,000
Forward stock split (20:1)	48,450,000	48,450	(48,450)	-	-	-	-
Returned to treasury	(24,000,000)	(24,000)	24,000	-	-	-	-
Loss for the period	-	-	-	-	-	(106,265)	(106,265)
Balance, December 31, 2007	27,000,000	27,000	24,000	10,000	-	(110,265)	(49,265)
Donated services	-	-	-	3,000	-	-	3,000
Common stock issued for cash	1,300,000	1,300	1,298,700	-	-	-	1,300,000
Common stock issued for purchase of intellectual property	32,048,000	32,048	15,967,952	-	-	-	16,000,000
Foreign currency translation adjustment	-	-	-	-	(7,470)	-	(7,470)
Loss for the period	-	-	-	-	-	(524,098)	(524,098)
Balance, December 31, 2008	60,348,000	60,348	17,290,652	13,000	(7,470)	(634,363)	16,722,167
Common stock issued for investor relations services	51,725	52	44,949	-	-	-	45,001
Stock-based compensation (options)	-	-	247,916	-	-	-	247,916
Foreign currency translation adjustment	-	-	-	-	(12,812)	-	(12,812)
Loss for the period	-	-	-	-	-	(1,382,960)	(1,382,960)
Balance, December 31, 2009	60,399,725	\$ 60,400	\$ 17,583,517	\$ 13,000	\$ (20,282)	\$ (2,017,323)	\$ 15,619,312

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

MABCURE INC. AND SUBSIDIARY			
(A DEVELOPMENT STAGE COMPANY)			
CONSOLIDATED STATEMENTS OF CASH FLOWS			
FOR THE YEARS ENDED DECEMBER 31, 2009, AND 2008, AND			
CUMULATIVE FROM INCEPTION (MAY 8, 2006) THROUGH DECEMBER 31, 2009			
	Years ended December 31,		Cumulative
	2009	2008	from inception
Cash flows from operating activities:			
Net loss	\$ (1,382,960)	\$ (524,098)	\$ (2,017,323)
Adjustments to reconcile net loss to net cash used in operating activities:			
Depreciation	39,794	3,854	43,648
Donated services	-	3,000	13,000
Stock-based compensation	247,916	-	247,916
Common stock issued for investor relations services	45,001	-	45,001
Changes in net assets and liabilities:			
Increase in accounts receivable - other	(22,768)	(9,046)	(31,814)
Increase in prepaid expenses and other current assets	(15,033)	(16,586)	(31,619)
Increase in deposits and other	(573)	(3,877)	(4,450)
Increase in accounts payable and accrued liabilities	55,030	93,000	152,030
Net cash used in operating activities	(1,033,593)	(453,753)	(1,583,611)
Cash flows from investing activities:			
Capital expenditures	(40,706)	(15,820)	(56,526)
Net cash used in investing activities	(40,706)	(15,820)	(56,526)
Cash flows from financing activities:			
Proceeds from loan payable	500,000	48,048	593,313
Payments on loan payable	-	(35,055)	(35,055)
Payments of principal on capital lease obligations	(31,138)	(28,769)	(59,907)
Proceeds from loans from related parties	22,289	6,204	28,493
Issuance of common stock for cash	-	1,300,000	1,351,000
Net cash provided by financing activities	491,151	1,290,428	1,877,844
Effects of exchange rate changes on cash and cash equivalents	(13,811)	(9,416)	(23,227)
Net (decrease) increase during period	(596,959)	811,439	214,480
Cash and cash equivalents at beginning of period	811,439	-	-
Cash and cash equivalents at end of period	\$ 214,480	\$ 811,439	\$ 214,480
Supplemental disclosure of cash flow information			
Cash paid during the period for:			
Interest	\$ 6,699	\$ 970	\$ 7,669
Income taxes	\$ -	\$ -	\$ -
Supplemental Information of Noncash Investing and Financing Activities:			
On July 7, 2008, MabCure issued 32,048,000 shares of common stock for the purchase of intellectual property valued at \$16,000,000. Refer to Note 2 for further details of this transaction.			

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

(1) Summary of Significant Accounting Policies

Basis of Presentation and Organization

MabCure Inc. (“MabCure” or the “Company”) was incorporated in the State of Nevada on May 8, 2006, under the name of Smartec Holdings, Inc. The Company originally was in the business of developing a detergent for removing pesticides from fruits and vegetables. Because the Company was not successful in implementing its business plan, it considered various alternatives to ensure the viability and solvency of the Company. On January 10, 2008, the Company changed its name to MabCure Inc. to better reflect its new business plan. On January 10, 2008, MabCure entered into an asset purchase agreement with Indigoleaf Associates Ltd. (“Indigoleaf”) and Dr. Amnon Gonenne pursuant to which the Company agreed to purchase all of Indigoleaf’s interest and rights to a proprietary technology for the rapid and efficient generation of monoclonal antibodies against desired antigens such as cancer markers, including, but not limited to, the know-how, secrets, inventions, practices, methods, knowledge and data owned by Indigoleaf. The Company purchased this proprietary technology pursuant to an intellectual property transfer agreement and consummated the other transactions contemplated by the asset purchase agreement on July 7, 2008. Pursuant to the asset purchase agreement, as amended on April 2, 2009, the Company issued 25,638,400 shares of its common stock to Indigoleaf in consideration for the purchase of Indigoleaf’s proprietary technology, and the Company issued 6,409,600 shares of common stock to Dr. Gonenne in consideration for being one of the founders of the Company’s cancer therapy and detection business.

On October 30, 2008, the Company established MabCure, N.V., a wholly-owned subsidiary in Belgium. The Belgian subsidiary was established in order to accelerate the development and commercialization of MabCure’s proprietary products for the early detection of cancer with specific antibodies and for the creation of highly specific therapeutics (antibodies and novel drugs) against cancer. MabCure, N.V. will be eligible to apply for research grants from the Flemish Government.

Principles of Consolidation

The accompanying consolidated financial statements include the accounts of the Company and its wholly owned Belgian subsidiary, MabCure, N.V. All significant intercompany accounts and transactions have been eliminated in consolidation.

Cash and Cash Equivalents

For purposes of reporting within the consolidated statements of cash flows, the Company considers all cash on hand, cash accounts not subject to withdrawal restrictions or penalties, and all highly liquid debt instruments purchased with a maturity of three months or less to be cash and cash equivalents.

Property and equipment

Property and equipment are recorded at historical cost. Minor additions and renewals are expensed in the year incurred. Major additions and renewals are capitalized and depreciated over their estimated useful lives. When property and equipment are retired or otherwise disposed of, the cost and accumulated depreciation are removed from the accounts, and any resulting gain or loss is included in the results of operations for the respective period. The Company uses the straight-line method of depreciation. Depreciation expense for the years ended December 31, 2009 and 2008 totaled \$39,794 and \$3,854, respectively. The estimated useful lives for significant property and equipment categories are as follows:

Computers and office equipment	3 years
Computer software	3 years
Furniture and Fixtures	5-10 years
Equipment and tools	5 years
Vehicles	5 years

Impairment of Intellectual Property

The purchase of intellectual property from Indigoleaf was accounted for under ASC Topic 350. We believe that there are no legal, regulatory, contractual, competitive, or economic factors that limit the useful life of this intangible asset. Consequently, we consider the useful life of this asset to be indefinite and we have recorded no amortization expense. In accordance with ASC Topic 350, we perform, at least annually, impairment testing in the last quarter of the year. See Note 3 below for a further discussion.

Impairment of Long-Lived Assets

The Company evaluates the recoverability of long-lived assets and the related estimated remaining lives at each balance sheet date. The Company records an impairment or change in useful life whenever events or changes in circumstances indicate that the carrying amount may not be recoverable or the useful life has changed. For the years ended December 31, 2009, and 2008, no events or circumstances occurred for which an evaluation of the recoverability of long-lived assets was required.

Lease Obligations

All noncancellable leases with an initial term greater than one year are categorized as either capital or operating leases. Assets recorded under capital lease obligations are amortized according to the same methods employed for property and equipment or over the term of the related lease, if shorter.

Fair Value of Financial Instruments

The Company estimates the fair value of financial instruments using the available market information and valuation methods. Considerable judgment is required in estimating fair value. Accordingly, the estimates of fair value may not be indicative of the amounts the Company could realize in a current market exchange. As of December 31, 2009, and 2008, the carrying value of the Company's financial instruments approximated fair value due to the short-term maturity of these instruments.

Foreign Currency Translation

MabCure accounts for foreign currency translation pursuant to Accounting Standards Codification ("ASC") Topic 830. The functional currency of the Company's Belgian subsidiary is the euro. Under ASC Topic 830, all assets and liabilities are translated into United States dollars using the current exchange rate at the end of each fiscal period. Revenues and expenses are translated using the average exchange rates prevailing throughout the respective periods. Translation adjustments are included in other comprehensive income (loss) for the period. Certain transactions of the Company's Belgian subsidiary are denominated in United States dollars. Translation gains or losses related to such transactions are recognized for each reporting period in the related interim consolidated statements of operations and comprehensive (loss).

Basic and Diluted Loss per Share

In accordance with ASC Topic 260, basic loss per common share is computed by dividing net loss available to common stockholders by the weighted average number of common shares outstanding. Diluted loss per common share is computed similarly to basic loss per common share except that the denominator is increased to include the number of additional common shares that would have been outstanding if the potential common shares had been issued and if the additional common shares were dilutive. Due to net losses for the years ended December 31, 2009 and 2008, diluted loss per share is calculated using the weighted average number of common shares outstanding and excludes the effects of potential common stock shares that are antidilutive. The potential shares of common stock that have been excluded from the diluted loss per share calculation above for the years ended December 31, 2009 and 2008 were as follows:

	December 31,	
	2009	2008
Stock options	540,000	-
Warrants	1,300,000	2,600,000

Income Taxes

The Company accounts for income taxes pursuant to ASC Topic 740. Under ASC Topic 740, deferred tax assets and liabilities are determined based on temporary differences between the bases of certain assets and liabilities for income tax and financial reporting purposes. The deferred tax assets and liabilities are classified according to the consolidated financial statement classification of the assets and liabilities generating the differences.

The Company maintains a valuation allowance with respect to deferred tax assets. The Company establishes a valuation allowance based upon the potential likelihood of realizing the deferred tax asset and taking into consideration the Company's consolidated financial position and results of operations for the current period. Future realization of the deferred tax benefit depends on the existence of sufficient taxable income within the carryforward period under the Federal tax laws.

Changes in circumstances, such as the Company generating taxable income, could cause a change in judgment about the realizability of the related deferred tax asset. Any change in the valuation allowance will be included in income in the year of the change in estimate.

The Company has adopted the provisions of ASC Topic 740-10-05 "Accounting for Uncertainty in Income Taxes." The ASC clarifies the accounting for uncertainty in income taxes recognized in an enterprise's financial statements. The ASC prescribes a recognition threshold and measurement attribute for the financial statement recognition and measurement of a tax position taken or expected to be taken in a tax return. The ASC provides guidance on de-recognition, classification, interest and penalties, accounting in interim periods, disclosure and transition.

Stock-based Compensation

The Company accounts for stock-based compensation in accordance with ASC Topics 505 and 718. Stock-based compensation for stock options is measured based on the estimated fair value of each award on the date of grant using the Black-Scholes valuation model. Stock-based compensation for restricted shares is measured based on the closing fair market value of the Company's common stock price on the date of grant. The Company recognizes stock-based compensation costs as expense ratably on a straight-line basis over the requisite service period.

The allocation of stock-based compensation expense by functional area for the years ended December 31, 2009 and 2008 was as follows:

	Year Ended December 31,	
	2009	2008
Research and development	\$ 26,481	\$ -
General and administrative	221,435	-
Total	<u>\$ 247,916</u>	<u>\$ -</u>

On August 10, 2009, the Company granted to Directors and officers 420,000 options to purchase a like number of shares of common stock. In addition, on December 10, 2009, the Company granted to employees 120,000 options to purchase a like number of shares of common stock. As of December 31, 2009, 220,000 of such options were fully vested. Fair value was estimated at the date of grant using the Black-Scholes pricing model, with the following weighted average assumptions:

Risk-free interest rate	1.59%
Expected dividend yield	None
Expected life	5 years
Expected volatility	164.30%

The weighted-average grant-date fair value of options granted in 2009 was \$0.82 per share.

The risk-free interest rate used in the Black-Scholes valuation method is based on the implied yield currently available in U.S. Treasury securities at maturity with an equivalent term. The Company has not declared or paid any dividends and does not currently expect to do so in the future. The expected term of options represents the period that our stock-based awards are expected to be outstanding and was determined based on projected holding periods for the remaining unexercised shares. Consideration was given to the contractual terms of our stock-based awards, vesting schedules and expectations of future employee behavior. Expected volatility is based on the historical volatility of the stock prices of several companies in the Company's industry.

The Company's stock price volatility and option lives involve management's best estimates, both of which impact the fair value of the option calculated under the Black-Scholes methodology and, ultimately, the expense that will be recognized over the life of the option.

When options are exercised, the policy of the Company is to issue previously unissued shares of common stock to satisfy share option exercises. As of December 31, 2009, the Company had 1,439,600,275 shares of authorized but unissued common stock.

No tax benefits were attributed to the stock-based compensation expense because a valuation allowance was maintained for substantially all net deferred tax assets.

The Company accounts for equity instruments issued in exchange for the receipt of goods or services from other than employees in accordance with ASC Topic 505. Costs are measured at the estimated fair market value of the consideration received or the estimated fair value of the equity instruments issued, whichever is more reliably measurable. The value of equity instruments issued for consideration other than employee services is determined on the earlier of a performance commitment or completion of performance by the provider of goods or services as defined by ASC Topic 505.

Estimates

The accompanying consolidated financial statements are prepared on the basis of accounting principles generally accepted in the United States of America. The preparation of consolidated financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities as of December 31, 2009 and 2008, and revenues and expenses for the years ended December 31, 2009 and 2008, and cumulative from inception. Actual results could differ from those estimates made by management.

Reclassification

Certain 2008 amounts have been reclassified to conform to the 2009 presentation.

(2) Development Stage Activities and Going Concern

The Company is currently in the development stage. The original business plan of the Company was to develop a detergent for removing pesticides from fruits and vegetables. However, the Company has changed its business plan to develop and commercialize its proprietary antibody technology for the early detection of cancer and for the creation of highly specific therapeutics (antibodies and novel drugs) against cancer. The Company plans to continue its capital formation activities through the issuance of debt and shares of common stock.

While management of the Company believes that it will be successful in its capital formation and planned operating activities, there can be no assurance that the Company will be able to raise additional equity capital, or be successful in the development and commercialization of its proprietary antibody technology for the early detection of cancer or for the creation of highly specific therapeutics (antibodies and novel drugs) against cancer that will generate sufficient revenues to sustain the operations of the Company.

The accompanying consolidated financial statements have been prepared in conformity with accounting principles generally accepted in the United States of America, which contemplate continuation of the Company as a going concern. MabCure has not established any source of revenues to cover its operating costs, and as such, has incurred an operating loss since inception. Further, as of December 31, 2009 and 2008, the cash resources of the Company were insufficient to meet its current business plan. These and other factors raise substantial doubt about the Company's ability to continue as a going concern. The accompanying consolidated financial statements do not include any adjustments to reflect the possible future effects on the recoverability and classification of assets or the amounts and classification of liabilities that may result from the possible inability of the Company to continue as a going concern.

(3) Purchase of Intellectual Property and Stock Issuance to Founder

On January 10, 2008, MabCure entered into an asset purchase agreement with Indigoleaf Associates Ltd. ("Indigoleaf") and Dr. Amnon Gonenne pursuant to which the Company agreed to purchase all of Indigoleaf's interest and rights to a proprietary technology for the rapid and efficient generation of monoclonal antibodies against desired antigens such as cancer markers, including, but not limited to, the know-how, secrets, inventions, practices, methods, knowledge and data owned by Indigoleaf. The Company purchased this proprietary technology pursuant to an intellectual property transfer agreement and consummated the other transactions contemplated by the asset purchase agreement on July 7, 2008. Pursuant to the asset purchase agreement, as amended on April 2, 2009, the Company issued 25,638,400 shares of its common stock to Indigoleaf in consideration for the purchase of Indigoleaf's proprietary technology, and the Company issued 6,409,600 shares of common stock to Dr. Gonenne in consideration for being one of the founders of the Company's cancer therapy and detection business. The shares were valued at \$16,000,000.

On April 2, 2009, the Company entered into an amendment to the asset purchase agreement dated January 10, 2008, whereby the parties specified their original intention that the 6,409,600 shares of the Company's common stock that were issued to Dr. Gonenne were, in fact, issued to Dr. Gonenne as founder's shares as consideration for being one of the founders of the Company's cancer therapy and detection business. The amendment to the asset purchase agreement provided that up to 75 percent of the shares issued to Dr. Gonenne, i.e., up to 4,807,200 shares of the Company's common stock, are subject to a lapsing repurchase right that may be exercised by the Company in the event Dr. Gonenne's employment agreement with the Company is terminated within 18 months from July 7, 2008. The 4,807,200 (post forward stock split) shares of the Company's common stock subject to the lapsing repurchase right shall be released from such right in three 6-month intervals, such that 1/3 of the shares (i.e. 1,602,400 shares) shall be released from the lapsing repurchase right at the end of each 6-month interval, provided that at each respective 6-month interval, Dr. Gonenne continues to be retained by the Company pursuant to his employment agreement. All of the 4,807,200 shares of common stock shall be released from the lapsing repurchase right and no longer subject thereto upon the expiration of a continuous period of employment of 18 months from July 7, 2008.

The purchase of intellectual property was accounted for under ASC Topic 350. The value of the intellectual property acquired on July 7, 2008 was calculated based on the June 27, 2008 private placement transaction discounted by a factor to reflect the fact that the issued stock was restricted and escrowed for an extended period of time under the agreement. This value amounted to \$16,000,000 for the shares issued and was recorded by us as an intangible asset, "intellectual property" in the accompanying consolidated balance sheets as of December 31, 2009 and 2008. We believe that there are no legal, regulatory, contractual, competitive, or economic factors that limit the useful life of this intangible asset. Consequently, we consider the useful life of this asset to be indefinite. As such, we have recorded no amortization expense.

In accordance with ASC Topic 350, we perform, at least annually, impairment testing in the last quarter of the year. The Company did not record an impairment charge at December 31, 2009 and 2008.

(4) Loan Payable and Lease Obligations

Leases:

Capital Leases

The Company currently has capital lease commitments for furniture, fixtures, and vehicles. As of December 31, 2009, and 2008, the total cost of capitalized leases presented in the accompanying consolidated balance sheets amounted to \$156,634, and \$154,055, respectively. Accumulated amortization amounted to \$34,521 and \$2,625 at December 31, 2009 and 2008, respectively. Amortization of the capital lease costs for items used in research and development is included in research and development expenses. Amortization of the capital lease costs for items not used in research and development is included in depreciation and amortization expense.

Operating Lease

The Company's principal executive offices and the residence of the Company's Chief Executive Officer are located in the same space in Hasselt, Belgium.

The Company currently has operating lease commitments for office space and housing for Dr. Gonne and Dr. Orr with unrelated parties for a period of up to three years through September 2011. Lease expense related to office space for the years ended December 31, 2009 and 2008 amounted to \$15,125 and \$6,826, respectively. Lease expense related to housing for the years ended December 31, 2009 and 2008 was \$21,282 and \$11,674, respectively.

Future noncancellable minimum rental commitments for leases as of December 31, 2009 were as follows:

	Operating Leases	Capital Leases
Year		
2010	\$ 27,089	\$ 41,061
2011	19,242	41,988
2012	-	18,818
Total	<u>\$ 46,331</u>	101,867
Less - Amount representing interest		(8,726)
Present value of net minimum lease payments		93,141
Less - Current portion		(36,272)
Capital lease obligations, less current portion		<u>\$ 56,869</u>

Loan Payable

On September 2, 2009, the Company entered into a loan agreement to obtain a bridge loan of \$500,000 from a third-party lender. The loan amount bears interest at a rate of six percent per annum, is unsecured, and matures on September 2, 2010. The accrued interest will be payable on the repayment of the loan. The loan amount will be used for ordinary working capital needs. As of December 31, 2009, the amount due was \$500,000. On March 5, 2010, the Company entered into a conversion agreement with the lender, pursuant to which the loan and all accrued interest, amounting to \$515,411, was converted into common stock. See Note 6 below for further details.

The Company received loans from a third party that were provided for working capital purposes. The loans are non-interest bearing, unsecured, and have no terms for repayment. As of December 31, 2009 and 2008, the amount due was \$58,258.

Loans payable amounted to \$558,258 at December 31, 2009 and \$58,258 at December 31, 2008.

(5) Donated Capital

The Company recorded transactions of commercial substance with related parties at fair value as determined by management. The Company recognized donated services of its directors for management fees, valued at \$500 per month. As of June 30, 2008, the total value of donated services totaled \$13,000 and is recorded in “stockholders’ equity.”

Beginning July 1, 2008, the Company no longer recorded donated services of Directors. Future services performed by Company Directors will be paid using cash and expensed as incurred.

(6) Common Stock

The Company is authorized to issue 1,500,000,000 shares of \$0.001 par value common stock. All common stock shares have equal voting rights, are non-assessable, have one vote per share, and entitle stockholders to receive dividends. Upon liquidation or wind-up, stockholders are entitled to participate equally with respect to any distribution of net assets or any dividends which may be declared. Voting rights are not cumulative and, therefore, the holders of more than 50 percent of the common stock could, if they choose to do so, elect all of the Directors of the Company.

Effective November 26, 2007, we filed a certificate of change increasing our authorized capital from 75,000,000 common shares with a par value of \$0.001 per common share to 1,500,000,000 common shares with a par value of \$0.001 per common share. On that date, we also effected a forward stock split on a twenty-to-one basis. The accompanying consolidated financial statements have been adjusted accordingly to reflect this forward stock split.

On December 20, 2006, the Company issued 51,000,000 shares of common stock at a price of \$0.001 per share for total proceeds of \$51,000.

On December 11, 2007, 24,000,000 shares of common stock were returned to the treasury and retired. The par value of the returned shares of \$24,000 was reallocated to additional paid-in capital.

On June 27, 2008, pursuant to the asset purchase agreement, the Company closed a private placement consisting of 1,300,000 units of MabCure’s securities at a price of \$1.00 per unit, for aggregate proceeds of \$1,300,000. Each unit consists of: (i) one common share; (ii) one non-transferable share purchase warrant entitling the holder thereof to purchase one share of common stock for a period of 12 months commencing from the closing of the asset purchase agreement, at an exercise price of \$1.25 per common share; and (iii) one non-transferable share purchase warrant entitling the holder thereof to purchase one share of common stock for a period of 24 months commencing from the closing of the asset purchase agreement, at an exercise price of \$1.25 per common share (“Two-Year Warrants”). On September 17, 2010, the Company entered into an amendment of its Subscription Agreement dated June 27, 2008, pursuant to which the Company extended the term of the Two-Year Warrants until June 27, 2012 and reset the exercise price of the Two-Year Warrants to \$0.50 per share.

On July 7, 2008, the Company issued 25,638,400 shares of its common stock to Indigoleaf Associates Ltd, and 6,409,600 shares of the Company’s common stock to Dr. Amnon Gonenne, following the asset purchase agreement discussed in Note 3, entitled, “Purchase of Intellectual Property and Stock Issuance to Founder.”

On October 28, 2009, the Company issued 51,725 shares of common stock to a third party provider of investor relations services pursuant to a consulting agreement dated August 7, 2009. The value of the transaction was \$45,001.

On September 2, 2009, the Company entered into a loan agreement to obtain a bridge loan of \$500,000 from a third-party lender for ordinary working capital needs. On March 5, 2010, the Company entered into a conversion agreement with the lender, pursuant to which the loan and all accrued interest was converted into equity securities. In full repayment of the loan and all accrued interest, the Company issued to the lender 1,000,000 units, with each unit consisting of: (i) one common share; (ii) one non-transferable share purchase warrant entitling the holder thereof to purchase one share of common stock until February 16, 2012, at a price per share of \$0.60; and (iii) one non-transferable common stock purchase warrant entitling the holder thereof to purchase one share of common stock until February 16, 2012, at a price per share of \$0.70.

On March 5, 2010, the Company closed an offshore private placement consisting of 1,000,000 units of securities at a price of \$0.50 per unit, for aggregate proceeds of \$500,000. Each unit consists of: (i) one common share; (ii) one non-transferable share purchase warrant entitling the holder thereof to purchase one share of common stock for a period of 24 months commencing from the closing of the private placement agreement, at an exercise price of \$0.60 per common share; and (iii) one non-transferable share purchase warrant entitling the holder thereof to purchase one share of common stock for a period of 24 months commencing from the closing of the private placement agreement, at an exercise price of \$0.70 per common share.

In February 2011, the Company issued 100,000 shares of common stock to a third party provider of consulting services to raise financing pursuant to an agreement dated February 24, 2011.

Stock options

On August 4, 2009, as part of the Company's Annual Meeting of Shareholders, the shareholders of the Company approved the adoption of the MabCure, Inc. 2009 Stock Option Plan (the "Plan"). The purpose of this Plan is to retain the services of valued key employees and consultants of the Company and to encourage such persons to acquire a greater proprietary interest in the Company, thereby strengthening their incentive to achieve the objectives of the shareholders of the Company, and to serve as an aid and inducement in the hiring of new employees and to provide an equity incentive to consultants and other persons selected by the Company. The Company has reserved 6,034,800 shares of common stock, par value \$0.001 per share, for issuance under the Plan, subject to adjustment to protect against dilution in the event of certain changes in the Company's capitalization.

The following is a summary of stock option grants issued under the Plan:

In August 2009, the Company granted an option to each of two members of the Company's Board of Directors to purchase 120,000 shares (total of 240,000 shares) of its common stock at an exercise price of \$0.87 per share.

In August 2009, the Company granted an option to purchase 180,000 shares of its common stock at an exercise price of \$0.87 per share to its Chief Financial Officer.

In December 2009, the Company granted an option to purchase 120,000 shares of its common stock at an exercise price of \$0.65 per share to certain employees of the Company.

In September 2010, the Company granted to a newly-appointed member of the Company's Board of Directors options to purchase 120,000 shares of its common stock at an exercise price of \$0.45 per share.

The following table summarizes stock option activity for the Company during the year ended December 31, 2009:

	Options	Weighted Average Exercise Price	Weighted Average Remaining Contractual Term	Aggregate Intrinsic Value
Outstanding December 31, 2008	None			
Granted	540,000	\$0.82		
Exercised	-	-		
Forfeited or expired	-	-		
Outstanding December 31, 2009	540,000	\$0.82	4.68	\$0
Vested and Exercisable at December 31, 2009	220,000	\$0.82	4.68	\$0

As of December 31, 2009, the total unrecognized compensation cost related to stock options amounted to \$168,032, which will be recognized over the remaining requisite service period through October 2011.

Warrants

A summary of the warrants outstanding at December 31, 2009 is as follows:

<u>Warrants</u>	<u>Exercise Price</u>	<u>Expiration Date</u>
1,300,000	\$ 1.25	June 2010

(7) Income Taxes

Components of loss before income taxes for the years ended December 31, 2009 and 2008 are as follows:

	<u>2009</u>	<u>2008</u>
United States	\$ (900,086)	\$ (473,013)
Belgium	<u>(482,874)</u>	<u>(51,085)</u>
Total	<u>\$ (1,382,960)</u>	<u>\$ (524,098)</u>

MabCure is subject to U.S. income taxes. The Company's subsidiary incorporated in Belgium is subject to Belgian income taxes. The effective tax rates used to calculate deferred income taxes are 34% for the United States and 33.99% for Belgium.

At December 31, 2009, the Company had available approximately \$1.2 million of net operating loss carry forwards, for U.S. income tax purposes which expire in the years 2026 through 2029. The Company's subsidiary has Belgian net operating loss carryforwards of \$506,000 with no expiration date.

Significant components of the Company's deferred tax assets at December 31, 2009 and 2008 are as follows:

	<u>2009</u>	<u>2008</u>
Net operating loss carryforwards	\$ 568,090	\$ 192,751
Accrued salaries	22,904	22,904
Stock based compensation	41,982	-
Accrued expenses	<u>(1,389)</u>	<u>(1,320)</u>
Total deferred tax assets	631,587	214,335
Valuation allowance	<u>(631,587)</u>	<u>(214,335)</u>
Net deferred tax assets	<u>\$ —</u>	<u>\$ —</u>

Due to the uncertainty of their realization, no income tax benefit has been recorded by the Company for these deferred tax assets as valuation allowances have been established for any such benefits. The increase in the valuation allowance was the result of increases in the above stated items.

At December 31, 2009 and 2008, the Company had no material unrecognized tax benefits and no adjustments to liabilities or operations were required. The Company does not expect that its unrecognized tax benefits will materially increase within the next twelve months. We recognize interest and penalties related to uncertain tax positions in general and administrative expense. As of December 31, 2009 and 2008, we have not recorded any provisions for accrued interest and penalties related to uncertain tax positions.

MabCure files U.S. federal and state income tax returns in jurisdictions with varying statutes of limitations. The 2006 through 2009 tax years generally remain subject to examination by federal and state tax authorities. The Company's subsidiary filed its initial return covering the period October 24, 2008 through December 31, 2009 in 2010 and such return is subject to examination by Belgian tax authorities for three years.

(8) Related Party Transactions

As of December 31, 2009 and 2008, the Company owed to directors and officers of the Company a total of \$29,365 and \$8,138, respectively, for various working capital loans received by the Company. The loans are unsecured, non-interest bearing, and have no terms for repayment.

(9) Commitments

The Company is subject to various commitments under contractual and other commercial obligations. Refer to Note 4 entitled "Loan Payable and Lease Obligations" for minimum rental commitments under non-cancelable operating and capital lease obligations as of December 31, 2009.

(10) Recent Accounting Pronouncements

In January 2010, the FASB issued ASU 2010-06, "Improving Disclosures about Fair Value Measurements." This update requires additional disclosure within the roll forward of activity for assets and liabilities measured at fair value on a recurring basis, including transfers of assets and liabilities between Level 1 and Level 2 of the fair value hierarchy and the separate presentation of purchases, sales, issuances and settlements of assets and liabilities within Level 3 of the fair value hierarchy. In addition, the update requires enhanced disclosures of the valuation techniques and inputs used in the fair value measurements within Levels 2 and 3. The new disclosure requirements are effective for interim and annual periods beginning after December 15, 2009, except for the disclosure of purchases, sales, issuances and settlements of Level 3 measurements. Those disclosures are effective for fiscal years beginning after December 15, 2010. As ASU 2010-06 only requires enhanced disclosures, the Company does not expect that the adoption of this update will have a material effect on its financial statements.

In February 2010, the FASB issued ASU No. 2010-09, "Amendments to Certain Recognition and Disclosure Requirements," which eliminates the requirement for SEC filers to disclose the date through which an entity has evaluated subsequent events. ASC No. 2010-09 is effective for its fiscal quarter beginning after December 15, 2010. The adoption of ASC No. 2010-06 will not have a material impact on the Company's financial statements.

In April 2010, the FASB issued Accounting Standards Update 2010-13, "Compensation—Stock Compensation (Topic 718): Effect of Denominating the Exercise Price of a Share-Based Payment Award in the Currency of the Market in Which the Underlying Equity Security Trades," or ASU 2010-13. ASU 2010-13 provides amendments to Topic 718 to clarify that an employee share-based payment award with an exercise price denominated in currency of a market in which a substantial porting of the entity's equity securities trades should not be considered to contain a condition that is not a market, performance, or service condition. Therefore, an entity would not classify such an award as a liability if it otherwise qualifies as equity. The amendments in this Update are effective for fiscal years, and interim periods within those fiscal years, beginning on or after December 15, 2010. The Company does not expect the adoption of ASU 2010-13 to have a significant impact on its consolidated financial statements.

Other recent accounting pronouncements issued by the FASB (including its Emerging Issues Task Force), the AICPA, and the SEC did not, or are not believed by management to, have a material impact on the Company's present or future consolidated financial statements.

(11) Subsequent Events

The Company has reviewed subsequent events through the date of this filing.

ITEM 9. CHANGES IN AND DISAGREEMENTS WITH ACCOUNTANTS ON ACCOUNTING AND FINANCIAL DISCLOSURE

None.

ITEM 9A. CONTROLS AND PROCEDURES

(a) Disclosure Controls and Procedures

Disclosure controls and procedures are the controls and other procedures that are designed to provide reasonable assurance that information required to be disclosed by the issuer in the reports that it files or submits under the Securities Exchange Act of 1934, as amended (the “Exchange Act”) is recorded, processed, summarized and reported within the time periods specified in the Securities and Exchange Commission’s rules and forms. Disclosure controls and procedures include, without limitation, controls and procedures designed to ensure that information required to be disclosed by an issuer in the reports that it files or submits under the Exchange Act is accumulated and communicated to the issuer’s management, including the principal executive and principal financial officer, or persons performing similar functions, as appropriate, to allow timely decisions regarding required disclosure. Any controls and procedures, no matter how well designed and operated, can provide only reasonable assurance of achieving the desired control objectives.

We have carried out an evaluation, under the supervision and with the participation of our Chief Executive Officer and Chief Financial Officer, of the effectiveness of our disclosure controls and procedures, as defined in Rules 13a-15(e) and 15d-15(e) of the Exchange Act as of the end of the fiscal year covered by this Annual Report.

Based on that evaluation, our Chief Executive Officer and Chief Financial Officer have concluded that the Company’s disclosure controls and procedures were effective as of the end of the fiscal year covered by this Annual Report on Form 10-K.

(b) Management’s Annual Report on Internal Control over Financial Reporting

Management is responsible for establishing and maintaining adequate internal control over financial reporting, as defined in Securities Exchange Act Rule 13a-15(f). Internal control over financial reporting is designed to provide reasonable assurance regarding the reliability of financial reporting and preparation of financial statements for external purposes in accordance with U.S. GAAP.

Under the supervision and with the participation of our Chief Executive Officer and Chief Financial Officer, we conducted an assessment of the design and effectiveness of our internal control over financial reporting as of the fiscal year covered by this Report based on the framework issued by the Committee of Sponsoring Organizations (“COSO”) of the Treadway Commission in Internal Control—Integrated Framework.

Based on this assessment, management concluded that, as of December 31, 2009, the Company’s internal control over financial reporting was effective.

This Annual Report does not include an attestation report of our Company’s registered public accounting firm regarding internal control over financial reporting. Management’s report was not subject to attestation by the Company’s registered public accounting firm pursuant to temporary rules of the SEC that permit the Company to provide only management’s report in this Annual Report.

(c) Change in Internal Control over Financial Reporting

There were no significant changes to our internal control over financial reporting (as defined in Rules 13a-15(f) and 15d-15(f) under the Exchange Act) during our fourth fiscal quarter, that could materially affect, or are reasonably likely to materially affect, our internal control over financial reporting.

ITEM 9B. OTHER INFORMATION

None.

PART III

ITEM 10. DIRECTORS, EXECUTIVE OFFICERS AND CORPORATE GOVERNANCE

Directors, Executive Officers, Promoters and Control Persons

The following individuals serve as the Directors and executive officers of our Company. All Directors of our Company hold office until the next annual meeting of our shareholders or until their successors have been elected and qualified. The executive officers of our Company are appointed by our Board of Directors and hold office until their death, resignation, or removal from office:

Name	Age	Position Held with our Company	Date First Elected or Appointed
Dr. Amnon Gonenne	66	President, Chief Executive Officer and Director	July 7, 2008
Itshak Zivan	57	Director	July 7, 2008
Dr. David S. Frank	64	Director	April 26, 2009
Dr. Elisha Orr	66	Executive Vice-President and Chief Scientific Officer	July 7, 2008
Ron Kalfus	35	Chief Financial Officer	November 7, 2008

Business Experience

The following is a brief account of the education and business experience during at least the past five years of each Director, executive officer, and key employee of our Company, indicating the person's principal occupation during that period, and the name and principal business of the organization in which such occupation and employment were carried out.

Dr. Amnon Gonenne, President, Chief Executive Officer, and Director

Dr. Gonenne has more than twenty years experience in the biotechnology field. He has held a number of top executive positions including positions in regulatory affairs, supervision of international clinical trials, serving as Vice-President of Corporate Development for Biotechnology General Corp. in New York and serving as Chief Executive Officer of Immunotherapy Inc. in New York. He has played a significant role in the successful registration and licensing of several genetically engineered products in the United States, Israel, and Japan. Between the years 2000 and 2002, he served as Chief Executive Officer of a venture capital fund, Elscint Biomedical Investment (Israel), which made major investments in Gamida Cell Ltd. (Israel), a leading stem cell company. Since 2002, and prior to joining MabCure, Dr. Gonenne worked as an independent bio-tech consultant for start-up companies.

Dr. Gonenne received his Doctorate degree in Biochemistry and Biophysics from Syracuse University and completed his post-doctorate training at the University of California, San Diego Medical School.

The Board has concluded that Dr. Gonenne should serve as director of the Company because of his experience as one of the founders of the Company's cancer therapy and detection business, his experience as the Company's Chief Executive Officer, and his more than twenty years experience in the biotechnology field.

Itshak Zivan, Director

Mr. Zivan is the founder, Director and former Chief Executive Officer of Zivtex Ltd. (UK), a position he held from 1992 to 2007. He is a computer engineer with more than twenty years experience in business development and management. He has served as Deputy Managing Director of Pex Ltd. (UK) and member of the Board and managing director of Delta Textiles (Israel).

Mr. Zivan received his Bachelors of Science - Engineering degree in computer science from the Israel Institute of Technology (Technion).

The Board has concluded that Mr. Zivan should serve as director of the Company because of his extensive analytical and financial skills, as well as his more than twenty years experience in business development and management.

Dr. David S. Frank, Director

Dr. Frank is the Managing Director of MEDx Associates, a consulting company in the field of diagnostics. He also serves as the Chairman of the Board of Nehora Photonics Ltd., a medical device company located in Israel. From 2007-2008, Dr. Frank served as a faculty member at the LAHAV-Tel Aviv University Graduate School of Business, where he taught "Health Care Technology" courses for bioscience entrepreneurs. From 1995-2007, Dr. Frank was the executive director of business development at Ortho-Clinical Diagnostics, a Johnson & Johnson company.

Dr. Frank received his Doctorate degree in Biochemistry from Cornell University.

The Board has concluded that Dr. Frank should serve as director of the Company because of his rich background in working for clinical diagnostics companies, his extensive knowledge of the bio-technology industry, and his experience in bio-technology business development.

Dr. Elisha Orr, Executive Vice-President, and Chief Scientific Officer

Dr. Orr is the developer of the MabCure technology and our novel MAbs. He has been serving as a senior research scientist at the University of Leicester, Department of Genetics, for the past thirty years. He has received awards from several institutions, among them the Wellcome Trust Personal Chair award for five years in 1987, the Royal Society (UK) award for a visiting professorship in Israel in 1994, a European Union award for a visiting professorship in Israel in 1998 and several long and short-term awards from the European Molecular Biology Organization (EMBO). Dr. Orr has been a visiting professor at Tel Aviv University since 2006.

Among his scientific accomplishments is the discovery, characterization and cloning of a number of enzymes, proteins and genes (e.g. bacterial DNA gyrase, yeast non-muscle heavy chain myosin and bacterial genes) involved in the production of antibiotics.

Dr. Orr received his Doctorate degree in Microbiology & Molecular Biology from Hadassah Medical School, Jerusalem. He completed his post-doctorate training at the Department of Genetics, Medical School, at the University of Leicester, in the United Kingdom.

Ron Kalfus, Chief Financial Officer

Prior to joining MabCure, Mr. Kalfus held various positions with Toys "R" Us, Inc. from 2003 to 2007, being responsible the company's financial reporting to the Securities and Exchange Commission and being responsible for the Toys "R" Us division's annual budget. Prior to joining Toys "R" Us, Inc., Mr. Kalfus worked as an auditor for two large public accounting firms, specializing in audits of medium-sized enterprises as well as public companies.

Mr. Kalfus is a Certified Public Accountant, holds an MSc in Accounting from Fairleigh Dickinson University, and a BBA in Finance from the University of Georgia.

Board Leadership Structure

The Company has chosen to combine the principal executive officer and Board chairman positions. The Company believes that this Board leadership structure is the most appropriate for the Company for the following reasons. First, the Company is a development stage company and at this early stage, it is more efficient to have the leadership of the Board in the same hands as the principal executive officer of the Company. The challenges faced by the Company at this stage – obtaining financing and performing research and development activities – are most efficiently dealt with by having one person intimately familiar with both the operational aspects as well as the strategic aspects of the Company's business.

Second, Dr. Gonenne is uniquely suited to fulfill both positions of responsibility because he possesses both the strategic vision as well as the hands-on management experience that the Company needs to execute its business plan.

Family Relationships

There are no family relationships among our Directors or executive officers.

Involvement in Certain Legal Proceedings

None of our Directors, executive officers, promoters or control persons has been involved in any of the following events during the past ten years:

- any bankruptcy petition filed by or against any business of which such person was a general partner or executive officer either at the time of the bankruptcy or within two years prior to that time;
- any conviction in a criminal proceeding or being subject to a pending criminal proceeding (excluding traffic violations and other minor offences);
- being subject to any order, judgment, or decree, not subsequently reversed, suspended or vacated, of any court of competent jurisdiction, permanently or temporarily enjoining, barring, suspending or otherwise limiting his involvement in any type of business, securities or banking activities; or
- being found by a court of competent jurisdiction (in a civil action), the Securities and Exchange Commission or the Commodity Futures Trading Commission to have violated a federal or state securities or commodities law, and the judgment has not been reversed, suspended, or vacated.

Committees of the Board of Directors

At present, we do not have any committees of the Board of Directors.

Code of Ethics

At present, we have not adopted a Code of Ethics applicable to our principal executive, financial and accounting officers; however, we plan to implement such a Code in the near future.

Compliance with Section 16(a) of the Securities Exchange Act

Section 16(a) of the Exchange Act requires our Directors, executive officers and persons who own more than 10 percent of a registered class of our equity securities to file with the SEC initial statements of beneficial ownership, reports of changes in ownership and annual reports concerning their ownership of our Common Shares and other equity securities, on Forms 3, 4 and 5 respectively. Directors, executive officers and persons who own more than 10 percent of a registered class of our equity securities are required by the SEC regulations to furnish us with copies of all Section 16(a) reports that they file.

Based solely on our review of the copies of such forms received by us, or written representations from certain reporting persons, we believe that all filing requirements applicable to our Directors, executive officers, and persons who own more than 10 percent of a registered class of our equity securities were complied with.

Audit Committee

We do not presently have a separately constituted audit committee or any other committees of our Board of Directors. Nor do we have an audit committee “financial expert.” As such, our entire Board of Directors acts as our audit committee.

Board's Role in Risk Oversight

The Board assesses on an ongoing basis the risks faced by the Company. These risks include financial, technological, competitive, and operational risks. The Board dedicates time at each of its meetings to review and consider the relevant risks faced by the Company at that time. In addition, since the Company does not have an Audit Committee, the entire Board is also responsible for the assessment and oversight of the Company's financial risk exposures.

ITEM 11. EXECUTIVE COMPENSATION

The particulars of compensation paid to the following persons during the fiscal period ended December 31, 2009, are set out in the summary compensation table below:

- our Chief Executive Officer (Principal Executive Officer);
- our Chief Financial Officer (Principal Financial Officer);
- each of our three most highly compensated executive officers, other than the Principal Executive Officer and the Principal Financial Officer, who were serving as executive officers at the end of the fiscal year ended December 31, 2009; and
- up to two additional individuals for whom disclosure would have been provided under the item above but for the fact that the individual was not serving as our executive officer at the end of the fiscal year ended December 31, 2009;

(Collectively, the "Named Executive Officers"):

SUMMARY COMPENSATION TABLE									
Name	Year	Salary (\$)	Bonus (\$)	Stock Awards (\$)	Option Awards (\$)	Non-Equity Incentive Plan Compensation (\$)	Nonqualified Deferred Compensation Earnings (\$)	All Other Compensation (\$)	Total (\$)
Dr. Amnon Gonne ⁽¹⁾	2009	168,000	0	0	0	0	0	6,276 ⁽⁶⁾	174,276
	2008	80,839	0	0	0	0	0	0	80,839
Ron Kalfus ⁽²⁾	2009	96,000	0	0	69,389 ⁽⁵⁾	0	0	0	165,389
	2008	37,935	0	0	0	0	0	0	37,935
Dr. Elisha Orr ⁽³⁾	2009	141,396	0	0	0	0	0	13,807 ⁽⁷⁾	155,203
	2008	67,366	0	0 ⁽⁴⁾	0	0	0	0	67,366

Notes:

- (1) Dr. Gonne has been our President, Chief Executive Officer (Principal Executive Officer), and a Director since July 7, 2008.
- (2) Mr. Kalfus has been our Chief Financial Officer (Principal Financial Officer) since November 7, 2008.
- (3) Dr. Orr has been our Chief Scientific Officer since July 7, 2008.
- (4) Indigoleaf Associates Ltd., a company wholly-owned by Dr. Orr, received stock valued at \$16,000,000 pursuant to the January 10, 2008 asset purchase agreement. Please see Item 12 entitled, "Security Ownership of Certain Beneficial Owners and Management" below.
- (5) Mr. Kalfus granted 180,000 options to purchase a like number of shares of common stock.
- (6) Represents rent paid for Dr. Gonne's personal residence.
- (7) Represents rent paid for Dr. Orr's personal residence.

Stock option grants

The following table sets forth information as of December 31, 2009 concerning unexercised options, unvested stock and equity incentive plan awards for the executive officers named in the Summary Compensation Table.

Name	Number of Securities Underlying Unexercised Options (#) Exercisable	Number of Securities Underlying Unexercised Options (#) Unexercisable	Equity Incentive Plan Awards: Number of Securities Underlying Unexercised Unearned Options (#)	Option Exercise Price (\$)	Option Expiration Date
Ron Kalfus	60,000	120,000	0	\$0.87	August 10, 2014

Employment Contracts and Termination of Employment Agreements

As of July 7, 2008, we entered into an employment agreement with Dr. Amnon Gonne, pursuant to which Dr. Gonne serves as our President and Chief Executive Officer. In consideration for his services, we pay him a salary calculated as 120 percent of that paid to Dr. Orr, plus such benefits and bonuses as are set out in his employment agreement. The term of the agreement is for an indefinite period and may be terminated with or without cause, according to the terms of the agreement.

As of July 7, 2008, we entered into an employment agreement with Dr. Elisha Orr, pursuant to which Dr. Orr serves as our Executive Vice-President and Chief Scientific Officer. Dr. Orr was employed by MabCure until December 31, 2008, at which time the employment agreement was terminated and he was retained as a consultant by our Belgian subsidiary pursuant to a management services agreement. In consideration for his management services, we pay him a net annual consultancy fee of \$90,951, plus reasonable and justified out-of-pocket expenses. The term of the agreement is for an indefinite period and may be terminated with or without cause, according to the terms of the agreement.

As of November 7, 2008, we entered into an employment agreement with Mr. Ron Kalfus, pursuant to which Mr. Kalfus serves as our Chief Financial Officer. In consideration for his services, we pay him an annual salary of \$96,000, plus such benefits as are set out in his employment agreement. The term of the agreement is for an indefinite period and may be terminated with or without cause, according to the terms of the agreement.

There are currently no arrangements or plans in which we provide pension, retirement or similar benefits for our Directors and officers; however our Board of Directors may approve any such plan at any time in their discretion, in which case Dr. Gonne, Dr. Orr, and Mr. Kalfus will participate in such plans. We currently do not have any material bonus or profit sharing plans pursuant to which cash or non-cash compensation is or may be paid to our Directors or officers, except that we have agreed that each of Dr. Orr and Dr. Gonne are eligible to receive an annual discretionary bonus and that stock options may be granted at the discretion of our Board in the future.

We have no plans or arrangements in respect of remuneration received or that may be received by the officers to compensate such officers in the event of termination of employment (as a result of resignation, retirement, change of control) or a change of responsibilities following a change of control, with the exception of a severance payment of one month's salary for every full year of service. The Company has also undertaken to grant stock options to its employees, and the options to be granted will vest in the event of a change in control of the Company.

Director Compensation

Our Board of Directors has adopted that each director of the Company receive: (i) a \$4,000 annual payment for services rendered as a Director; (ii) an additional \$8,000 annual payment for serving on one or more committees of the Board; and (iii) reimbursement for any reasonable expenses incurred in the performance of the duties and functions of a director. During 2009 and 2008, we paid \$2,000 and \$4,187, respectively, to directors of the Company and owe an additional \$6,333 and \$1,333, respectively, for the services of our directors during 2009 and 2008.

DIRECTOR COMPENSATION TABLE FOR FISCAL 2009							
Name	Fees earned or paid in cash (\$)	Stock Awards (\$)	Option Awards (\$)	Non-Equity Incentive Plan Compensation (\$)	Change in Pension Value Nonqualified Deferred Compensation Earnings (\$)	All Other Compensation (\$)	Total (\$)
Itshak Zivan	4,000	0	97,960 ⁽¹⁾	0	0	0	101,960
Dr. David S. Frank	3,000	0	54,086 ⁽²⁾	0	0	0	57,086

Notes:

- (1) Mr. Zivan was granted 120,000 options to purchase a like number of shares of common stock.
(2) Dr. Frank was granted 120,000 options to purchase a like number of shares of common stock.

ITEM 12. SECURITY OWNERSHIP OF CERTAIN BENEFICIAL OWNERS AND MANAGEMENT AND RELATED STOCKHOLDER MATTERS

Beneficial Ownership of Holdings

The following table sets forth, as of December 31, 2009, certain information with respect to the beneficial ownership of our common stock by each stockholder known by us to be the beneficial owner of more than 5 percent of our common stock, as well as by each of our current Directors and executive officers as a group. Each person has sole voting and investment power with respect to the shares of common stock, except as otherwise indicated. Beneficial ownership consists of a direct interest in the shares of common stock, except as otherwise indicated.

Name and Address of Beneficial Owner	Title of Class	Amount and Nature of Beneficial Ownership ⁽¹⁾	Percentage of Class ⁽²⁾
Indigoleaf Associates Ltd. ⁽³⁾ Unit 6 – The Court Yard Gaulby Lane, Stoughton Leicester, United Kingdom LE2 2FL	Common Stock	25,638,400 ⁽⁴⁾	42.45%
Dr. Amnon Gonenne Unit 6 – The Court Yard Gaulby Lane, Stoughton Leicester, United Kingdom LE2 2FL	Common Stock	6,409,600 ⁽⁵⁾	10.61%
Ron Kalfus	Common Stock	60,000 ⁽⁶⁾	<1.00%
Itshak Zivan	Common Stock	120,000 ⁽⁷⁾	<1.00%
Dr. David Frank	N/A	0	0.00%
Directors and Executive Officers as a Group	Common Stock	32,228,000	51.78%

Notes:

- (1) Except as otherwise indicated, we believe that the beneficial owners of the common stock listed above, based on information furnished by such owners, have sole investment and voting power with respect to such shares, subject to community property laws where applicable. Beneficial ownership is determined in accordance with the rules of the Securities and Exchange Commission and generally includes voting or investment power with respect to securities. Shares of common stock subject to options or warrants currently exercisable, or exercisable within 60 days, are deemed outstanding for purposes of computing the percentage ownership of the person holding such option or warrants, but are not deemed outstanding for purposes of computing the percentage ownership of any other person. Unless otherwise indicated, the address of each person listed is c/o MabCure Inc., De Schiervellaan 3/B1, 3500 Hasselt, Belgium.
- (2) Based on 60,399,725 shares of common stock issued and outstanding as of December 31, 2009.
- (3) Dr. Elisha Orr, our Chief Scientific Officer, is the sole shareholder of Indigoleaf Associates Ltd.

- (4) We issued 25,638,400 restricted Common Shares to Indigoleaf Associates Ltd. pursuant to the asset purchase agreement dated January 10, 2008, subject to escrow and other conditions. All of these shares will be held in escrow for a period of two years from the date of July 7, 2008, and may not be sold, pledged or optioned during this time. At the end of the two-year period, 30 percent of the shares may be released to Indigoleaf without our prior consent. However, 70 percent of Indigoleaf's shares must be held in escrow for an additional year to secure against its intellectual property representations under the asset purchase agreement.
- (5) We issued 6,409,600 restricted Common Shares to Dr. Gonne pursuant to an asset purchase agreement dated July 7, 2008, as amended on April 2, 2009, of which 4,807,200 shares are subject to a lapsing repurchase right and other conditions. All of the shares will be held in escrow for a period of two years from the date of July 7, 2008, and may not be sold, pledged or optioned during this period. The asset purchase agreement, as amended, and the escrow agreement with Dr. Gonne further provide that in the event Dr. Gonne's employment agreement with us is terminated we have the right to repurchase, for par value, up to 75 percent of the shares issued to Dr. Gonne, equivalent to 4,807,200 Common Shares, with such right lapsing in connection to 1,602,400 shares of Common Shares every six months, starting July 7, 2008. All of the shares of Dr. Gonne held in escrow shall be released from the lapsing repurchase right and no longer subject thereto upon the expiration of a continuous period of employment of 18 months from July 7, 2008. At the end of the two years, all of Dr. Gonne's shares then in escrow shall be released to Dr. Gonne.
- (6) We issued 180,000 options to Ron Kalfus, of which 60,000 have vested and are exercisable.
- (7) We issued 120,000 shares to Itshak Zivan, all of which have vested and are exercisable.

Changes in Control

We are unaware of any contract or other arrangement the operation of which may at a subsequent date result in a change of control of our Company.

Equity Compensation Plan Information

Plan category	Number of securities to be issued upon exercise of outstanding options, warrants and rights (a)	Weighted-average exercise price of outstanding options, warrants and rights (b)	Number of securities remaining available for future issuance under equity compensation plans (excluding securities reflected in column (a)) (c)
Equity compensation plans approved by security holders	540,000	0.82	5,494,800
Equity compensation plans not approved by security holders	0	0	0
Total	540,000	0.82	5,494,800

ITEM 13. CERTAIN RELATIONSHIPS AND RELATED TRANSACTIONS, AND DIRECTOR INDEPENDENCE.

Since the beginning of the fiscal year preceding the last fiscal year and except as disclosed below, none of the following persons has had any direct or indirect material interest in any transaction to which our Company was or is a party, or in any proposed transaction to which our Company proposes to be a party:

- any Director or officer of our Company;
- any proposed Director or officer of our Company;
- any person who beneficially owns, directly or indirectly, shares carrying more than 5 percent of the voting rights attached to our common stock; or

- any member of the immediate family of any of the foregoing persons (including a spouse, parents, children, siblings, and in-laws).

On January 10, 2008, we entered into an asset purchase agreement with Indigoleaf Associates Ltd. (“Indigoleaf”), and Dr. Amnon Gonenne, our President, Chief Executive Officer (Principal Executive Officer), and a Director, pursuant to which we purchased all of Indigoleaf’s interest and rights to a proprietary technology for the rapid and efficient generation of monoclonal antibodies against desired antigens such as cancer markers, including, but not limited to, the know-how, secrets, inventions, practices, methods, knowledge and data owned by Indigoleaf. We purchased this proprietary technology pursuant to an intellectual property transfer agreement and consummated the other transactions contemplated by the asset purchase agreement on July 7, 2008. Pursuant to the asset purchase agreement, as amended on April 2, 2009, we issued 25,638,400 shares of its common stock to Indigoleaf in consideration for the purchase of Indigoleaf’s proprietary technology, and, we issued 6,409,600 shares of our common stock to Dr. Gonenne in consideration for his being one of the founders of our cancer therapy and detection business. The shares issued to Dr. Gonenne were described in error in the asset purchase agreement as having been issued to Dr. Gonenne in consideration for future services that Dr. Gonenne agreed to provide to us, and this error has been corrected in the April 2, 2009 amendment.

As of December 31, 2009, we owed to certain of our Directors and officers \$29,365 for various working capital loans received by us through December 31, 2009. The loans are unsecured, non-interest bearing, and have no terms for repayment.

On April 2, 2009, we entered into an amendment to the January 10, 2008, asset purchase agreement, pursuant to which the parties corrected the asset purchase agreement to reflect the original intention of the parties that the 6,409,600 shares of our common stock that had been issued to Dr. Gonenne had been issued to Dr. Gonenne as founders shares in consideration for his being one of the founders of our cancer therapy and detection business. The amendment to the asset purchase agreement provided that up to 75 percent of the shares issued to Dr. Gonenne, *i.e.*, up to 4,807,200 shares of our common stock, are subject to a lapsing repurchase right that may be exercised by us in the event Dr. Gonenne’s employment agreement with us is terminated within 18 months of July 7, 2008. The 4,807,200 shares of our common stock subject to the lapsing repurchase right shall be released from such right in three 6-month intervals, such that 1/3 of the shares (*i.e.* 1,602,400 shares) shall be released from the lapsing repurchase right at the end of each 6-month interval, provided that at each respective 6-month interval Dr. Gonenne continues to be retained by us pursuant to his employment agreement. All of the 4,807,200 shares of common stock shall be released from the lapsing repurchase right and no longer subject thereto upon the expiration of a continuous period of employment of 18 months from July 7, 2008.

Dr. Amnon Gonenne is not an Independent Director of the Company as he is an executive officer. Mr. Itshak Zivan and Dr. David S. Frank are Independent Directors. The determination of independence of Directors has been made using the definition of "Independent Director" contained under Nasdaq Marketplace Rule 4200(a)(15).

ITEM 14. PRINCIPAL ACCOUNTING FEES AND SERVICES

Audit Fees

We had three independent registered public accounting firms:

From July 1, 2007 through November 3, 2008, our principal independent auditor was Silberstein Ungar, PLLC (“Silberstein”) (formerly Maddox Ungar Silberstein, PLLC). Silberstein reviewed the quarters ended March 31, 2008, June 30, 2008 and September 30, 2008.

From November 3, 2008 through March 9, 2011, our principal independent accountant was Etania Audit Group, P.C. (“Etania”) (formerly known as Davis Accounting Group). Etania audited the Company’s December 31, 2009 financial statements and reviewed the quarters ended March 31, 2010 and 2009, June 30, 2010 and 2009 and September 30, 2010 and 2009. The Securities and Exchange Commission recently advised us that Etania was not duly licensed when it issued its audit opinion on the Company’s financial statements included in the Company’s annual reports on Form 10-K for the years ended December 31, 2009 and 2008. Accordingly, these financial statements are not considered to be audited.

Thereafter, we engaged Rotenberg Meril Solomon Bertiger & Guttilla, P.C. (“Rotenberg Meril”) for the audit of the year ended December 31, 2010 as well as the audits of the years ended December 31, 2009 and 2008.

The aggregate fees billed for each of the last two fiscal years for professional services rendered by the principal account for the audit of our financial statements and review of financial statements included in our quarterly Reports on Form 10-Q and services that are normally provided by the accountant in connection with statutory and regulatory filings or engagements for these fiscal periods were as follows:

	December 31, 2009 ⁽¹⁾	December 31, 2008 ⁽²⁾
Audit Fees	\$33,000	\$33,000
Audit Related Fees	0	0
Tax Fees	\$1,250	0
All Other Fees	0	0

Notes:

- (1) For the year ended December 31, 2009, audit fees to Rotenberg Meril totaled \$21,000 and \$12,000 to Etania. Tax fees to Etania totaled \$1,250.
- (2) For the year ended December 31, 2008, audit fees to Rotenberg Meril totaled \$21,000, \$9,000 to Etania and \$3,000 to Silberstein.

In each of the last two fiscal years ended December 31, 2009 and 2008, there were no fees billed for assurance and related services by the principal accountant that are reasonably related to the performance of the audit or review of our financial statements and are not reported under Item 9(e)(1) of Schedule 14A, for professional services rendered by the principal account for tax compliance, tax advice, and tax planning, for products and services provided by the principal accountant, other than the services reported in Item 9(e)(1) through 9(d)(3) of Schedule 14A.

Audit Committee Pre-Approval of Audit and Permissible Non-Audit Services of Independent Auditors

Given the small size of our Board as well as the limited activities of our Company, our Board of Directors acts as our Audit Committee. Our Board pre-approves all audit and permissible non-audit services. These services may include audit services, audit-related services, tax services, and other services. Our Board approves these services on a case-by-case basis.

PART IV

ITEM 15. EXHIBITS, FINANCIAL STATEMENT SCHEDULES

(a) Financial Statements and financial statement schedules

(1) and (2) The financial statements and financial statement schedules required to be filed as part of this report are set forth in Item 8 of Part II of this report.

(3) Exhibits. See Item 15(b) below.

(b) Exhibits required by Item 601 of Regulation S-K

Exhibit No.	Description
3.1	Articles of Incorporation (incorporated by reference from our Registration Statement on Form SB-2 filed on March 8, 2007).
3.2	Bylaws (incorporated by reference from our Registration Statement on Form SB-2 filed on March 8, 2007).
3.3	Certificate of Change (incorporated by reference from our Quarterly Report on Form 10-QSB filed on November 20, 2007).
3.4	Certificate of Correction (incorporated by reference from our Quarterly Report on Form 10-QSB/A filed on November 23, 2007).
3.5	Articles of Merger (incorporated by reference from our Current Report on Form 8-K filed on January 24, 2008).
4.1	Specimen ordinary share certificate (incorporated by reference from our Registration Statement on Form SB-2 filed on March 8, 2007).
10.1	Asset Purchase Agreement dated January 10, 2008 with Indigoleaf Associates Ltd. and Dr. Amnon Gonenne (incorporated by reference from our Current Report on Form 8-K filed on July 10, 2008).
10.1.1	Amendment to Asset Purchase Agreement with Indigoleaf Associates Ltd. and Dr. Amnon Gonenne dated April 2, 2009 (incorporated by reference from our Annual Report on Form 10-K filed on April 10, 2009).
10.2	Intellectual Property Assignment Agreement made effective July 7, 2008 with Indigoleaf Associates Ltd. (incorporated by reference from our Current Report on Form 8-K filed on July 10, 2008).
10.3	Form of Subscription Agreement (incorporated by reference from our Current Report on Form 8-K filed on July 10, 2008).
10.4	Form of Escrow Agreement for unit subscribers (incorporated by reference from our Current Report on Form 8-K filed on July 10, 2008).
10.5	Escrow Agreement dated July 7, 2008 with Dr. Amnon Gonenne (incorporated by reference from our Current Report on Form 8-K filed on July 10, 2008).
10.5.1	Amendment to Escrow Agreement with Dr. Amnon Gonenne dated April 2, 2009 (incorporated by reference from our Annual Report on Form 10-K filed on April 10, 2009).
10.6	Escrow Agreement dated July 7, 2008 with Indigoleaf Associates Ltd. (incorporated by reference from our Current Report on Form 8-K filed on July 10, 2008).
10.7	Employment Agreement dated July 7, 2008 with Dr. Amnon Gonenne (incorporated by reference from our Current Report on Form 8-K filed on July 10, 2008).

- 10.7.1 Amendment to Employment Agreement with Dr. Amnon Gonenne dated April 2, 2009 (incorporated by reference from our Annual Report on Form 10-K filed on April 10, 2009).
- 10.8 Employment Agreement dated July 7, 2008 with Dr. Elisha Orr (incorporated by reference from our Current Report on Form 8-K filed on July 10, 2008).
- 10.8.1 Termination of Employment Agreement with Dr. Elisha Orr (incorporated by reference from our Annual Report on Form 10-K filed on March 24, 2010).
- 10.8.2 Management Services Agreement effective as of January 1, 2009 with Dr. Elisha Orr (incorporated by reference from our Annual Report on Form 10-K filed on March 24, 2010).
- 10.9 Employment Agreement dated November 7, 2008 with Mr. Ron Kalfus (incorporated by reference from our Quarterly Report on Form 10-Q filed on November 19, 2008).
- 10.10 Director Agreement dated April 17, 2009 with David S. Frank (incorporated by reference from our Quarterly Report on Form 10-Q filed on May 13, 2009)
- 10.11 Loan Agreement by and between Registrant and Chrysler Enterprises Ltd. dated September 2, 2009 (incorporated by reference from our Current Report on Form 8-K filed on September 17, 2009).
- 10.12 Conversion Agreement by and between Registrant and Chrysler Enterprises Ltd. executed March 5, 2010 (incorporated by reference from our Current Report on Form 8-K filed on March 8, 2010).
- 10.13 Subscription Agreement by and between Registrant and investor executed March 5, 2010 (incorporated by reference from our Current Report on Form 8-K filed on March 8, 2010).
- 21* Subsidiaries of the Registrant
- 31.1* Section 302 Certification of the Sarbanes-Oxley Act of 2002 of Dr. Amnon Gonenne
- 31.2* Section 302 Certification of the Sarbanes-Oxley Act of 2002 of Ron Kalfus
- 32.1* Section 906 Certification of the Sarbanes-Oxley Act of 2002 of Dr. Amnon Gonenne
- 32.2* Section 906 Certification of the Sarbanes-Oxley Act of 2002 of Ron Kalfus

*Filed herewith

SIGNATURES

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

MABCURE, INC.
(Registrant)

By: /s/Dr. Amnon Gonenne
Name: Dr. Amnon Gonenne
Title: President, Chief Executive Officer
(Principal Executive Officer) and Director

Dated: April 15, 2011

Pursuant to the requirements of the Securities Exchange Act of 1934, this report has been signed below by the following persons on behalf of the Registrant and in the capacities and on the dates indicated.

By: /s/ Dr. Amnon Gonenne
Name: Dr. Amnon Gonenne
Title: President, Chief Executive Officer
(Principal Executive Officer) and Director

By: /s/ Ron Kalfus
Name: Ron Kalfus
Title: Chief Financial Officer (Principal
Financial and Accounting Officer)

Dated: April 15, 2011

[Only one additional Director signature is required]

By: /s/ Dr. David S. Frank
Name: Dr. David S. Frank
Title: Director

Dated: April 15, 2011