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BRAINSTORM CELL THERAPEUTICS INC

Form 10QSB/A

December 07, 2004

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549
FORM 10-QSB/A
(AMENDMENT NO. 2)

☒ QUARTERLY REPORT UNDER SECTION 13 OR 15(D) OF THE SECURITIES EXCHANGE ACT
OF 1934.

FOR THE QUARTERLY PERIOD ENDED JUNE 30, 2004

☐ TRANSITION REPORT UNDER SECTION 13 OR 15(D) OF THE SECURITIES AND
EXCHANGE ACT OF 1934.

FOR THE TRANSITION PERIOD FROM _____ TO _____

Commission File Number 0-21931

BRAINSTORM CELL THERAPEUTICS INC.

(EXACT NAME OF REGISTRANT AS SPECIFIED IN ITS CHARTER)

GOLDEN HAND RESOURCES INC.

(FORMER NAME OF REGISTRANT)

Washington

(State or other jurisdiction of
incorporation or organization)

912061053

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

36 Derech Bait Lechem
Jerusalem, Israel

(Address of principal executive offices)

011-972-2-6737445

(Issuer's telephone number)

Check whether the issuer (1) filed all reports required to be filed by
Section 13 or 15(d) of the Securities Exchange Act of 1934 during the past 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 ☐

The number of shares outstanding of the Issuer's Common Stock, \$.001 Par Value,
as of August 13, 2004 was 10,428,000.

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EXPLANATORY NOTE:

As disclosed in our Current Report on Form 8-K dated August 1, 2003, on July 31, 2003 our Board of Directors adopted a resolution to effect a 2 for 1 stock split with a record date of August 11, 2003. We inadvertently neglected to file the articles of amendment reflecting the amendment to amend our articles of incorporation reflecting the split with the Secretary of State of the State of Washington until November 9, 2004. The effect of this split was (1) to double the number of issued and outstanding shares of common stock, which has been correctly reflected in our financial statements, (2) to change our authorized shares of common stock from 100,000,000 shares par value \$0.0001 to 200,000,000 shares of common stock par value \$0.00005 and (3) to change our authorized shares of preferred stock from 20,000,000 par value \$0.0001 to 40,000,000 shares of preferred stock par value \$0.00005. In addition, our Common Stock as at March 31, 2004 changed from \$1,024 to \$512 and our Additional Paid In Capital as at March 31, 2004 changed from \$81,476 to \$81,988. We have filed this amendment to our quarterly report on Form 10-QSB/A for the quarterly period ended June 30, 2004 to reflect these changes which were not previously reflected in our financial statements.

We are concurrently filing an amendment to our Annual Report on Form 10-KSB for the fiscal year ended March 31, 2004 that will reflect these same changes. No amendments will be made to our Quarterly Reports on Form 10-QSB for the quarterly periods ended September 30, 2003 or December 31, 2003 as all relevant changes will be reflected in the Form 10-KSB/A for the year ended March 31, 2003 and the Form 10-Q/A for the quarterly period ended June 30, 2004.

In addition, we have included in this amendment to our quarterly report for the quarterly period ended June 30, 2004 a \$21,950 expense related to 60,000 shares granted to service providers for consulting, legal and accounting services that was not previously recorded in such financial statements.

This Amendment does not reflect events that have occurred after the period for which this Quarterly Report on Form 10-QSB was originally filed. Information with respect to those events has been or will be set forth, as appropriate, in the Company's subsequent periodic filings, including its Quarterly Reports on Form 10-QSB and Current Reports on Form 8-K. Any reference to facts and circumstances at a "current" date refer to such facts and circumstances as of such original filing date.

PART 1 - FINANCIAL INFORMATION

Golden Hand Resources Inc.
(formerly Wizbang Technologies Inc.)
Balance Sheets
(Expressed in U.S. Dollars)

June 30, 2004	March 31, 2004
\$	\$
(unaudited)	(audited)

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As restated
(Note 7)

ASSETS

Current Assets

Cash	67,817	4,604
Prepaid expenses	155	155
<hr/>		
Total Current Assets	67,972	4,759
<hr/>		
Product License (Note 3)		
Cost	--	66,000
Accumulated amortization	--	(54,529)
<hr/>		
Product License, Net	--	11,471
<hr/>		
Total Assets	67,972	16,230
<hr/>		

LIABILITIES AND STOCKHOLDERS' EQUITY

Current Liabilities

Accounts payable	200	140
Accrued liabilities	29,950	6,509
Notes payable (Notes 3 and 4)	--	30,974
Advance from related party (Note 5(d))	--	10,044
<hr/>		
Total Liabilities	30,150	47,667
<hr/>		

Contingencies and Commitments (Notes 1, 3 and 4)
Subsequent event (Note 8)

STOCKHOLDERS' EQUITY

Preferred stock:40,000,000 preferred shares authorized with par value \$.00005; none issued	--	--
Common stock:200,000,000 common shares authorized with par value \$.00005; 10,428,000 and 10,238,000 issued and outstanding, respectively (Note 6(a))	522	1,024
<hr/>		
Common shares subscribed (Note 6(b))	67,792	--
Additional paid in capital	80,978	81,476
Donated capital (Note 5(a))	52,500	48,750
<hr/>		
	201,792	131,250
Deficit	(163,970)	(162,687)
<hr/>		
Total Stockholders' Equity	37,822	(31,437)
<hr/>		
Total Liabilities and Stockholders' Equity	67,972	16,230
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(The accompanying notes are an integral part of these financial statements)

GOLDEN HAND RESOURCES INC.
(formerly Wizbang Technologies Inc.)
STATEMENT OF OPERATIONS
(Expressed in U.S. Dollars)

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(unaudited)

	Three Months Ended June 30,	
	2004	2003
	\$	\$
	As restated (Note 7)	
Sales	--	--
Cost Sales	--	--

Gross Margin	--	--

Operating Expenses		
Amortization	--	5,542
Bank charges and interest	15	410
Communication	1,972	150
Donated services (Note 5(a))	3,000	3,000
Mineral properties expense	--	--
Professional Fees	25,126	2,023
Donated rent (Note 5(a))	750	750
Loss on impairment of intangible asset (Note 3)	11,471	--

Total Operating Expenses	42,334	11,875

Other Income		
Consulting revenue (Note 5(c))	10,350	--
Gain on forgiveness of debt (Notes 3 and 4)	26,742	--
Gain on forgiveness of interest (Notes 3 and 4)	3,958	--

Total Other Income	41,050	--

Provision For Income Taxes	--	--

Net Loss for the Period	(1,284)	(11,875)

Net Loss Per Share - Basic and Diluted	--	--

Weighted Average Shares Outstanding	10,303,000	10,100,000

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

GOLDEN HAND RESOURCES INC.
(formerly Wizbang Technologies Inc.)
STATEMENT OF CASH FLOWS

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(Expressed in U.S. Dollars)
(unaudited)

	Three Months Ended June 30,	
	2004	2003
	\$	\$
	As restated (Note 7)	
Cash Flows From Operating Activities		
Net loss for the period	(1,284)	(11,875)
Adjustments to reconcile net loss to net cash used by operating activities:		
Amortization	--	5,542
Donated consulting services	3,000	3,000
Shares issued for services	24,000	
Donated rent	750	750
Gain on forgiveness of debt	(26,742)	--
Gain on forgiveness of interest	(3,958)	
Loss on impairment of intangible asset	11,471	--
Changes in operating assets and liabilities		
Prepaid expenses	--	150
Accounts payable	60	999
Accrued liabilities	2,401	1,066
-----	-----	-----
Net Cash Provided by (Used In) Operating Activities	9,698	(368)
-----	-----	-----
Cash Flows From Financing Activities		
Repayment of related party advances	(10,044)	--
Proceeds from common share subscriptions	67,792	
Repayment of notes payable	(4,233)	--
-----	-----	-----
Cash Flows Provided by (Used In) Financing Activities	53,515	--
-----	-----	-----
Increase (Decrease) in Cash	63,213	(368)
Cash, Beginning of Period	4,604	9,996
-----	-----	-----
Cash, End of Period	67,817	9,628
-----	-----	-----
Non-cash Financing Activities		
--		
Forgiveness of notes payable	26,742	--
Forgiveness of interest owing on notes payable	3,958	--
Issuance expenses against accrued liabilities	25,000	--
-----	-----	-----
	55,700	--
-----	-----	-----
Supplemental Disclosures		
Interest paid	--	--
Income taxes paid	--	--
-----	-----	-----

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

GOLDEN HAND RESOURCES INC.
(formerly Wizbang Technologies Inc.)
NOTES TO FINANCIAL STATEMENTS
(Expressed in US Dollars)

1. COMPANY BACKGROUND

Golden Hand Resources Inc. (formerly Wizbang Technologies, Inc.) ("the Company") was incorporated in the State of Washington on September 22, 2000. On this date the Company entered into a licensing agreement with Reach Technologies, Inc., a Canadian Corporation. The license agreement allows the Company to sell a Digital Data Recorder product line worldwide. On July 31, 2003 the Company acquired an option to purchase the Dalhousie Mineral Claim, situated in the Stewart Area, Skeena Mining Division in the Province of British Columbia, Canada. On May 8, 2004 the claim was returned to the vendor. The Company's principal business plan was to seek immediate earnings by exploiting the license agreement with Reach Technologies, Inc. and intended to develop an exploration program for the Dalhousie Mineral Claim.

On July 8, 2004 the Company entered into a licensing agreement with Ramot Tel Aviv University Ltd. (hereafter "Ramot"), an Israel corporation, to acquire certain stem cell technology (see Note 7). The Company's business plan will now focus on the treatment for Parkinson's disease based on the results of the acquired technology and research to be conducted and funded by the Company.

The Company has an accumulated deficit of \$ 163,970 at June 30, 2004. The company's ability to continue to operate is dependant upon additional financing support.

These financial statements do not include any adjustments relating to the recoverability and classification of assets carrying amounts or the amount and classification of liabilities that might result should the Company be unable to continue as a going concern.

The Company is in advanced stages of negotiating and signing a private placement agreements with investors for the sale of up to 2,000,000 units, at a price per unit of \$ 0.75. Each unit consists of one share of Common stock, one year warrant to purchase one share of Common stock at \$ 1.50 per share and a three year warrant to purchase one share of Common stock at \$ 2.50 per share. As of November 3, 2004, the Company issued 941,412 units in consideration for \$ 706,059.

In the event the Company is unable to successfully raise capital and generate revenues, it is unlikely that the Company will have sufficient cash flows and liquidity to finance its business operations as currently contemplated. There can be no assurance that additional funds will be available on terms acceptable to the Company, or at all.

2. SUMMARY OF SIGNIFICANT ACCOUNTING PRINCIPLES

a) Basis of presentation:

The financial statements of the Company have been prepared in accordance with United States generally accepted accounting principles.

The significant accounting policies applied in the annual consolidated financial statements of the Company as of March 31, 2004 are applied consistently in these

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consolidated financial statements.

These financial statements should be read in conjunction with the audited annual financial statements of the Company as of March 31, 2004 and their accompanying notes.

b) Year End

The Company's fiscal year end is March 31.

c) Intangible Assets

Intangible assets consist of product license, which is amortized on a straight-line basis over four years. The carrying value of the License is evaluated in each reporting period to determine if there were events or circumstances, which would indicate a possible inability to recover the carrying amount. Such evaluation is based on various analyses including assessing the Company's ability to bring the commercial applications to market, related profitability projections and undiscounted cash flows relating to each application. Where an impairment loss has been determined the carrying amount is written-down to fair market value.

d.) Accounting for stock-based compensation:

The Company applies SFAS No. 123 and Emerging Issues Task Force No. 96-18 "Accounting for Equity Instruments that are Issued to other than Employees for Acquiring, or in conjunction with selling, goods or Services" ("EITF 96-18"), with respect to options and warrants issued to non-employees.

GOLDEN HAND RESOURCES INC.
(formerly Wizbang Technologies Inc.)
NOTES TO FINANCIAL STATEMENTS
(Expressed in US Dollars)

e) Long-lived assets:

The company's long-lived assets are certain identifiable intangibles are reviewed for impairment in accordance with Statement of Financial standard No. 144, "Accounting for Impairment or Disposal of Long-Lived Assents" ("SFAS No. 144"), whenever events or changes in circumstances indicate that the carrying amount of an asset may not be recoverable. Recoverability of assents to be held and used in measured by a comparison of the carrying amount of an assent to the future undiscounted cash flows expected to be generated by the assets. If such assets are considered to be impaired, the impairment to be recognized is measured by the amount by which the carrying out amount of the assets exceeds the fair value of the assets.

The company's Long-lived assets consisted of a product license, which was amortized on a straight-line basis over four years. The carrying value of the license was evaluated in each reporting period to determine if there were events or circumstances, which would indicate a possible inability to recover the carrying amount. Such evaluation was based on various analyses including assessing the Company's ability to bring the commercial applications to market, related profitability projections and undiscounted cash flows relating to each application. Where an impairment loss has been determined, the carrying amount is written-down to fair market value. During the six months ended September 30, 2004, the product license was impaired and an impairment charge of \$ 11,471 was charged to operations.

f) Interim financial statements:

The accompanying unaudited interim financial statements have been prepared in a condensed format as of June 30, 2004 and for the three months then ended, in accordance with accounting principles generally accepted in the United States relating to the preparation of financial statements for interim periods. Accordingly, they do not include all the information and footnotes required by generally accepted accounting principles for complete financial statements. In the opinion of management, all adjustments (consisting of normal recurring accruals) considered necessary for a fair presentation have been included. Operating results for the three-month period ended June 30, 2004 are not necessarily indicative of the results that may be expected for the year ended March 31, 2005.

3. PRODUCT LICENSE

The Company acquired the right to market and sell a Digital Data Recorder product line (the "License") in the states of North Dakota, South Dakota, Nebraska, Kansas, Montana, Wyoming, and Colorado. The licensed product consists of 0 to 40 Megabit per second Bit Error Rate Testers that are configured for laboratory and onsite use. Models consist of laboratory, rack mount and portable versions. The licensor maintains the right to set the minimum price of the licensed products. The license was acquired on September 22, 2000 and has a four-year term. The license was purchased by the Company for \$16,000 cash from Reach Technologies, Inc. ("Reach"), which is one-third owned by the President of the Company. Reach manufactured all of the products that the Company sold. Under the terms of the License agreement, the Company purchased products from Reach and resold them.

On October 31, 2001 the Company agreed to pay \$20,000 in the form of a note payable, due October 31, 2003, to amend the License agreement to a worldwide exclusive license, except in the territories of Washington DC, Virginia, West Virginia, Maryland, Pennsylvania, New York, Connecticut, Massachusetts, New Hampshire, Maine, Ohio, Kentucky and Tennessee where the license will be non-exclusive. The Company has repaid the note payable in full.

On June 10, 2002 the Company agreed to pay \$30,000 in the form of a note payable, due June 30, 2004, to amend the License agreement to include a worldwide exclusive license for data recorders in the 41 to 160 mega bit per second range. Interest accrues on the unpaid principal amount of \$20,974 at a rate of 7% per annum and matures June 30, 2004 and is due on demand in the event of termination for cause, which includes breach of the agreement; the bankruptcy or insolvency of Golden Hand Resources Inc.; or the conviction of Golden Hand Resources Inc., its officers or directors, of any crime involving moral turpitude. The product license was being amortized on a straight-line basis over four years.

On May 4, 2004 the Company amended the License Agreement with Reach Technologies Inc. in exchange for a cash payment of \$4,233 and the forgiveness of the remaining balance on the promissory note of \$16,741 and accrued interest of \$3,653. The Company agreed to convert the license to a worldwide non-exclusive license.

Due to the non-exclusivity of the license the Company cannot determine whether the license will generate any future sales. As a result, the Company has recognized impairment in the value of product license equal to its net book value of \$11,471, which was charged to the statement of operations.

GOLDEN HAND RESOURCES INC.
(formerly Wizbang Technologies Inc.)
NOTES TO FINANCIAL STATEMENTS
(Expressed in US Dollars)

4. MINERAL CLAIM

On July 31, 2003 the Company acquired an option to purchase the Dalhousie Mineral Claim, situated in the Stewart Area, Skeena Mining Division in the Province of British Columbia, Canada. The purchase price was \$10,000 payable to the vendor within ninety days of the date of the Sale Agreement ("the Agreement"). The Company, pursuant to the Agreement, was required to split the common shares on a two for one basis and cancel an appropriate number of shares held by the Company's President to leave 10,100,000 post-split shares issued and outstanding prior to any share issuances to the vendor. The cancellation of shares held by the Company's President was completed as of December 31, 2003. Pursuant to the Agreement the Company was required to issue 100,000 post-split shares within ninety days of the date of the Agreement and 100,000 post-split shares on the beginning of any exploration program which the Company carries out on the Dalhousie Claim. Also, pursuant to the Agreement, the Company was to issue 100,000 post-split common shares to the vendor, upon the Dalhousie Claim being put into commercial production.

On September 1, 2003 the Company amended its Agreement such that the cash purchase price of the Dalhousie Mineral Claim was made by way of promissory note and that upon issue of the first tranche of 100,000 shares, the option portion of the Agreement would complete and transfer of claims and title would pass to the Company as described in the Agreement.

On October 6, 2003 the Company completed its option on the Dalhousie Mineral Claim by issuing 100,000 shares to the vendor pursuant to the Agreement. Also pursuant to the Agreement, the Company cancelled 10,062,000 shares owned by the President.

On May 4, 2004 the Dalhousie Mineral Claim was returned to the vendor in exchange for the forgiveness of \$10,305 includes accrued interest of \$305 owing to the vendor. As a result the Company has recorded a gain from forgiveness of debt, which has been charged to the statement of operations.

5. RELATED PARTY TRANSACTIONS/BALANCES

a) The President of the Company donated services valued at \$3,000 (2002 - \$3,000) and rent valued at \$750 for the three months ended June 30, 2004 (2003 - \$750). These amounts were charged to operations and classified as "donated capital" in stockholders' equity.

b) A Company director is also a 50% shareholder in Reach Technologies, Inc. ("Reach"). The other shareholders of Reach are not related to the Company. Under the terms of the license agreement with Reach, the Company acquired products from Reach for sale to unrelated third parties. The Company made no purchases from Reach during the three-month period ending June 30, 2004.

c) The former President of the Company advanced \$10,044 for working capital purposes, which was paid during the three months ended June 30, 2004. This amount was unsecured, non-interest bearing and payable on demand.

6. COMMON STOCK

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a) On June 1 and June 4, the Company issued 40,000 and 150,000 Common shares for 12 months filing services, legal and due-diligence services with respect to private placement, respectively. Compensation expenses related to filing expenses, totaling \$ 26,400, are amortized over a period of 12 months and were charged to the statement of operations. Compensation expenses related to legal and due-diligence services, totaling \$ 105,000, were recorded and deducted from additional paid in capital.

b) During the three months ended June 30, 2004 the Company accepted subscription agreements for 10,210,000 common shares for aggregate proceeds of \$110,172. Cash of \$67,792 with respect to this offering was received prior to June 30, 2004 with the balance of \$42,380 received in July 2004. During July 2004 the Company cancelled two subscriptions for an aggregate of 1,800,000 shares and returned those proceeds. Thus, the number of shares subscribed for totaled 8,510,000 shares for proceeds of \$60,175 (net of \$25,000 issuance expenses).

GOLDEN HAND RESOURCES INC.
(formerly Wizbang Technologies Inc.)
NOTES TO FINANCIAL STATEMENTS
(Expressed in US Dollars)

7. RESTATEMENT

a) On September 2004, the Company paid to its legal consultant \$25,000 for legal services with respect to private placement occurred on the first quarter. The Company did not accrue the liability for the quarter ended June 30, 2004. The expenses were accrued and deducted from additional paid in capital.

b) On August 12, 2003, pursuant to the Dalhousie Sale Agreement referred to in Note 4, the Company executed a two for one split of common shares. Although all issued share amounts had been retroactively adjusted to reflect the stock split, the Company did not account for the increase in the authorized share capital and the decrease in the par value of preferred and common shares. The authorized preferred stock increased from 20,000,000 shares to 40,000,000 shares and the par value decreased from \$0.0001 to \$0.00005. The authorized common stock increased from 100,000,000 shares to 200,000,000 shares and the par value decreased from \$0.0001 to \$0.00005.

c) On June 1 and June 4, the Company issued 40,000 and 150,000 Common shares for 12 months filing services, legal and due-diligence services with respect to private placement, respectively. The Company calculated its revised Compensation expenses based on the shares' market price, which was higher then its earlier calculation, based on the price per share received in the last investment round. The Compensation expenses related to filing expenses, totaling \$26,400, are amortized over a period of 12 months and were charged to the statement of operations. Compensation expenses related to legal and due-diligence services, totaling \$105,000, were recorded and deducted from additional paid in capital.

d) On July 1, 2004, the Company issued 20,000 shares to a director for accounting services for the first quarter of 2004. The Company calculated its revised Compensation expenses based on the shares' market price, which was higher then its earlier calculation, based on the price per share received in the last investment round. The Compensation expenses, totaling \$22,000, were charged to the statement of operations.

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The nature of the restatement is as follows:

	June 30, 2004 Previously Reported \$	Adjustmen \$
Balance Sheet		
Accrued liabilities	4,950	25,
Common stock: 10,238,000 issued and outstanding with par value of \$0.00005	1,043	(
Additional paid in capital	83,507	(2,
----- Total Stockholders' Deficit	(142,020)	21, =====
Statement of Operations		
Professional fees	3,176	21,
----- Income (loss) for the period	20,666	(21, =====

GOLDEN HAND RESOURCES INC.
(formerly Wizbang Technologies Inc.)
NOTES TO FINANCIAL STATEMENTS
(Expressed in US Dollars)

8. SUBSEQUENT EVENT

a) On July 8, 2004, the Company entered into a research and license agreement ("the agreement") with Ramot, a technology licensing company of Tel Aviv University Ltd. ("Ramot"). The license agreement grants the Company an exclusive, worldwide, royalty-bearing license to develop, use and sell its technology. In consideration of the license, the Company is required to remit an upfront license fee payment of \$ 100,000 within 45 days (which was extended until completion of a future financing); royalties at a rate of 5% of all net sales of products and 30% of all sublicense receipts. In addition the company shall grant Ramot, upon the completion of an investment of \$ 750,000 in the company, a warrant to purchase 29% of the issued and outstanding shares of the company on a fully diluted basis, at an exercise price of \$ 0.01 per share. The Company will also fund, through Ramot, further research of \$ 570,000 per year for an initial two-year period and for a further two-year period if certain research milestones are met. Ramot may terminate the agreement if the Company fails to reach certain development milestones; fails to raise a minimum of \$

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750,000 of investment capital within the next six months, or materially breaches the agreement. As of today, the company raised the minimum investment as described above.

b) On July 2004, the company entered into two consulting agreements, upon which the consultants shall provide the company consulting services in consideration for a monthly payment of \$ 6,000 each. In addition, the Company shall grant each consultant, upon the completion of an investment of \$ 750,000 in the company, a warrant to purchase 3% of the issued and outstanding shares of the company, on a fully diluted basis, at an exercise price of \$ 0.01 per share. The investment of \$ 750,000 was completed in the third quarter of 2004 (see Note 1).

c) On August 10, 2004, the Company issued 1,800,000 shares to two consultants for past and future consulting services. The compensation is deemed earned upon the issuance of the shares. As a result, compensation expenses, totaling \$ 1,530,000, were charged to the statement of operations in the second quarter of 2004.

d) On July 1 and September 22, 2004, the Company issued 20,000 and 15,000 shares to a director for financial services for the first and second quarters of 2004, respectively. Compensation expenses, totaling \$ 22,000 and \$ 16,950, were charged to the statement of operations in the first and second quarters of 2004, respectively.

e) On November 8, 2004, the Company appointed a new officer (the "Officer") that will perform as a President and Chief Executive. Pursuant to the agreement that was signed with the officer (the "Agreement"), the Company will grant the officer options to purchase 1,828,692 shares of the Company's common stock at a price per share of \$ 0.15 each, which options will vest and become exercisable in thirty-six equal monthly installments from November 8, 2004 (the "Effective Date"). Two years from the Effective Date, the officer will be entitled to receive an additional stock option to purchase the number of shares of the Company's common stock that represents two percent (2%) of the Company's issued and outstanding share capital as of that date at a price per share of \$ 0.15. The additional option shall vest and become exercisable in thirty six equal monthly installments commencing as of such date. Each of these options shall be exercisable for a ten 10 year period following the Effective Date, but in any case not later than four 4 years after termination of the Agreement.

The Officer will be entitled to an annual bonus in connection with the achievement of milestones and/or objectives, in each case as determined by the board of directors. In addition, within a 10 days period following the 12 months anniversary of the effective date of the Officer's employment agreement, the Officer will receive an additional bonus as determined by the board of directors of at least \$ 50,000.

ITEM 2. MANAGEMENT'S DISCUSSION AND ANALYSIS

The Research and License Agreement with Ramot grants us a license under certain stem cell technology developed by Professor Eldad Melamed (MD), Dr. Daniel Offen (PhD) and Yossef Levy (MSc) at the Felsenstein Medical Research Center of Tel Aviv University, and provides us with a license to the results of research relating to such technology conducted and to be funded by us in accordance with a defined research plan and budget. It is intended that Prof. Melamed's and Dr. Offen's team would continue the research of applications of adult stem cell transplantation for neurodegenerative diseases with an initial focus on treatment for Parkinson's Disease. We believe, although we cannot provide assurances, that this technology has the potential to provide an alternative to current therapies for a number of unmet medical needs in large markets.

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Parkinson's disease (PD) is a chronic, progressive neurodegenerative disorder, affecting certain nerve cells in the brain that produce dopamine. Dopamine is a chemical messenger (neurotransmitter) in a part of the brain that directs and controls movement. In PD, these dopamine-producing nerve cells break down, causing dopamine levels to drop and brain signals that direct movement to become abnormal. The cause of the disease is unknown.

The classic symptoms of Parkinson's disease are shaking (tremor), stiff muscles (rigidity) and slow movement. A person with fully developed PD may also have a stooped posture, a blank stare or fixed facial expression, speech problems and difficulties with balance or walking.

Our approach is intended to focus on the processing of human mesenchymal stem cells, present in adult marrow, which are capable of self-renewal, as well as differentiation into many mesenchymal-derived tissues. Our aim is to "repair" damaged cells and diseased tissue by augmentation with healthy cells provided by stem cell transplants.

At June 30, 2004, we had \$67,972 in total assets and \$5,150 in total liabilities. Cash increased by \$63,213 as compared to \$4,604 at March 31, 2004. We received share subscriptions of \$67,792.

We had no revenue from the sales of our products for the period ended June 30, 2004, but received \$10,350 in the form of consulting revenue.

Total operating expenses increased \$30,459 over the previous year, to \$42,334. This net decrease was largely due to:

1. a decrease in amortization expense from \$5,542 to 0, and
2. a decrease in bank charges and interest from \$410 to \$15
3. On May 4, 2004 the Company amended the License Agreement with Reach Technologies Inc. in exchange for a cash payment of \$4,233 and the forgiveness of the remaining balance on the promissory note of \$16,741 and accrued interest of \$3,653. The Company agreed to convert the license to a worldwide non-exclusive license. Due to the non-exclusivity of the license the Company cannot determine whether the license will generate any future sales. As a result, the Company has recognized impairment in the value of product license equal to its net book value of \$11,471, which was charged to operations.

Included in total expenses is \$3,176 in services and \$750 in rent, which was donated by the President of the Company, and therefore did not require cash.

Also included in operations is the forgiveness of another note payable of \$10,000 plus accrued interest of \$305 which related to a mineral claim purchased by the company in fiscal 2003. On May 4, 2004 the mineral claim was returned to the lender.

Net loss for the fiscal period ended June 30, 2004 was \$1,284 as compared with A net loss of \$11,875 during the previous fiscal year for that same period.

The Company has a net loss per share (basic and diluted) of \$0 per share.

In the event that the Company requires more capital, no commitments to provide additional funds have been made by management or other shareholders. Accordingly, there can be no assurance that any additional funds will be available on terms acceptable to the Company or at all. There is substantial doubt regarding the Company's ability to continue as a going concern.

Our license with Reach Technologies Inc. expires on September 30, 2004. The

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license is renewable by mutual agreement between us and Reach Technologies Inc. for an additional three-year periods. We have not yet begun discussions with Reach Technologies Inc. with respect to the license renewal.

We do not foresee any significant changes in the number of our employees over the next twelve months except in connection with our Research and License Agreement with Ramot or if we complete any other acquisitions which would require the Company to hire additional employees related to that business.

We have not paid dividends on our common stock, and we intend to reinvest our earnings, if any, to support its working capital and expansion requirements.

We do not expect to sell any manufacturing facilities or significant equipment over the next twelve months except within the demands of potential acquisitions that the Company may pursue.

CRITICAL ACCOUNTING POLICIES

The preparation of financial statements in conformity with U.S. generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Areas where significant estimates have been applied include the value of donated services and recoverability of license costs. Actual results could differ from those estimates.

The methods, estimates, and judgments we use in applying our most critical accounting policies have a significant impact on the results that we report in our financial statements. The SEC considers an entity's most critical accounting policies to be those policies that are both most important to the portrayal of a company's financial condition and results of operations, and those that require management's most difficult, subjective or complex judgments, often as a result of the need to make estimates about matters that are inherently uncertain at the time of estimation. We believe the following critical accounting policies, among others, require significant judgments and estimates used in the preparation of our financial statements:

Recoverability of license costs since commercial have recently commenced and operations and future profitability will determine if the license cost is recoverable; a judgment must be made with respect to its recoverability. Due to the non-exclusivity of the Company's license agreement the Company cannot determine whether its license will generate any future sales. As a result, the Company has recognized impairment in the value of product license equal to its net book value of \$11,471, which was charged to operations. Value of donated services and rent represents a significant expense of the company that does not use cash. It is not based on an any contract and therefore requires an estimate.

RECENT ACCOUNTING PRONOUNCEMENTS

The following is disclosure regarding recent accounting pronouncements and their effect or potential effect on our financial statements.

In December 2003, the SEC issued SAB 104. This staff accounting bulletin revises or rescinds certain sections of SAB 101, which gives interpretation guidance about revenue recognition. SAB 104 makes the interpretive guidance of SAB 101

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consistent with current authoritative accounting and auditing guidance and SEC rules and regulations. The adoption of SAB 104 in the fourth quarter of fiscal 2004 did not impact our financial position, cash flows or results of operations.

CONTROLS AND PROCEDURES

(a) Evaluation of Disclosure Controls and Procedures.

Within the 90 days prior to the date of the Quarterly Report for the period ended June 30, 2004, we carried out an evaluation, under the supervision and with the participation of our management, including the company's Chairman and Chief Executive Officer and the Principal Financial Officer, of the effectiveness of the design and operation of our disclosure controls and procedures pursuant to Rule 3a-14 of the Securities Exchange Act of 1934 (the "Exchange Act"), which disclosure controls and procedures are designed to insure that information required to be disclosed by a company in the report that it files under the Exchange Act is recorded, processed summarized and reported within required time periods specified by the SEC's rules and forms. Based upon that evaluation, the Chairman and the Principal Financial Officer concluded that our disclosure controls and procedures are effective in timely alerting them to material information relating to the company (including our consolidated subsidiaries) required to be included in the company's period SEC filings.

(b) Changes in Internal Control.

Subsequent to the date of such evaluation as described in subparagraph (a) above, there were no significant changes in our internal controls or other factors that could significantly affect these controls, including any corrective action with regard to significant deficiencies and material weaknesses.

PART II - OTHER INFORMATION

ITEM 1. LEGAL PROCEEDINGS

From time to time, we may become involved in various lawsuits and legal proceedings which arise in the ordinary course of business. However, litigation is subject to inherent uncertainties, and an adverse result in these or other matters may arise from time to time that may harm our business. We are currently not aware of any such legal proceedings or claims that we believe will have, individually or in the aggregate, a material adverse affect on our business, financial condition or operating results.

ITEM 2. CHANGE IN RESTRICTED SECURITIES

In our first quarter of 2004 we issued 150,000 shares of our common stock to our legal counsel for services rendered to the Company and issued an additional 40,000 shares of our restricted common stock to two individuals, one of which is also our legal counsel, for edgar services rendered to the Company. We believe these issuances were pursuant to Section 4(2) of the Securities Act of 1933, as amended.

ITEM 4. SUBMISSION OF MATTERS TO A VOTE OF SECURITY HOLDERS.

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Not Applicable.

ITEM 5. OTHER INFORMATION

ITEM 6. EXHIBITS AND REPORTS ON FORM 8-K.

a. Exhibits

31.1 Certification by the Chief Financial Officer and Principal Accounting Officer pursuant to Section 302 of the Sarbanes-Oxley Act of 2002

32.1 Certification of Principal Executive Officer and Principal Accounting Officer pursuant to Section 906 of the Sarbanes-Oxley Act of 2002

b. On May 24, 2004 we filed a Current Report on Form 8-K discussing a change in control of the registrant which was subsequently update on June 10, 2004. (SEC File Number - 333-61610). Also, subsequent to the first quarter, on July 27th, we filed a Form 8-K with the SEC disclosing our Research and License Agreement with Ramot.

SIGNATURES

In accordance with the requirements of the Exchange Act, the registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

BRAINSTORM CELL THERAPEUTICS INC.
(formerly GOLDEN HAND RESOURCES INC.)

Dated: December 5, 2004

By: /s/ Yaffa Beck

Name: Yaffa Beck

Title: President & CEO
Principal Executive Officer and
Principal Financial Officer