MIRENCO INC
Form 10-K
April 15, 2010

UNITED STATES

SECURITIES AND EXCHANGE COMMISSION

WASHINGTON, D.C. 20549

FORM 10-K

(Mark One)

T ANNUAL REPORT UNDER SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

FOR THE FISCAL YEAR ENDED DECEMBER 31, 2009

¨ TRANSITION REPORT UNDER SECTION13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

FOR THE TRANSITION PERIOD FROM __________ TO __________

COMMISSION FILE NUMBER: 333-41092

Mirenco, Inc.

(Name of registrant in its charter)

Iowa	**39-1878581**
(State or other jurisdiction of incorporation or organization)	(I.R.S. Employer Identification No.)

206 May Street, Radcliffe, IA 50230

(Address of principal executive offices) (Zip Code)

Issuer s telephone Number: **(515) 899-2164**

Securities registered under Section 12(b) of the Exchange Act: None.

Securities registered under Section 12(g) of the Exchange Act: Common Stock: No par value

Indicate by check mark whether the registrant is a well-known seasoned issuer, as defined in Rule 405 of the Securities Act. Yes **o** No **X**

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

Indicate by check mark whether the registrant (1) has filed all reports required 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 **X** No **o**

Indicate by check mark whether the registrant has submitted electronically and posted on its corporate Web site, if any, every Interactive Data File required to be submitted and posted pursuant to Rule 405 of Regulation S-T (§ 232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit and post such files).

Yes **o** No **o**

Indicate by check mark if disclosure of delinquent filers pursuant to Item 405 of Regulation S-K 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. **X**

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

Large accelerated filer **o** Accelerated filer **o**

Non-accelerated filer **o** Smaller reporting company **x**

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

As of June 30, 2009, we had 14,051,695 shares held by persons not considered affiliates of the company. The closing price on that date was $.08 for an aggregate market value of shares held by non-affiliates of $1,124,136.

The number of shares of registrant s common stock outstanding, as of April 13, 2009 was 31,494,177.

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DOCUMENTS INCORPORATED BY REFERENCE

None.

AVAILABLE INFORMATION

Information about us is also available at our website at www.mirenco.com, under Investors, which includes links to reports we have filed with the Securities and Exchange Commission. The contents of our website are not incorporated by reference in this Form 10-K.

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PART III

SIGNATURES

Cautionary Statement on Forward-Looking Statements.

The discussion in this Report on Form 10-K, contains forward-looking statements that have been made pursuant to the provisions of the Private Securities Litigation Reform Act of 1995.

Such forward-looking statements are based on current expectations, estimates and projections about the Company's business, based on management's current beliefs and assumptions made by management. Words such as "expects", "anticipates", "intends", believes", "plans", "seeks", "estimates", and similar expressions or variations of these words are intended to identify such forward-looking statements. Additionally, statements that refer to the Company's estimated or anticipated future results, sales or marketing strategies, new product development or performance or other non-historical facts are forward-looking and reflect the Company's current perspective based on existing information. These statements are not guarantees of future performance and are subject to certain risks, uncertainties and assumptions that are difficult to predict. Therefore, actual results and outcomes may differ materially from what is expressed or forecasted in any such forward-looking statements. Such risks and uncertainties include those that may be included in this annual report as well as previous public filings with the Securities and Exchange Commission. The discussion of the Company's financial condition and results of operations included in Item 7 should also be read in conjunction with the financial statements and related notes included in Item 8 of this annual report. The Company undertakes no obligation to update publicly any forward-looking statements, whether as a result of new information, future events or otherwise.

PART I

ITEM 1. Description of Business

(a) Development

Mirenco, Inc. was organized and incorporated in the State of Iowa on February 21, 1997. We develop, market and distribute technologically advanced products improving efficiencies in engine combustion and equipment application. Mirenco also offers consultative services in evaluating diesel engines through its Mirenco Diesel Evaluation

Procedure, MDEP, which consists of testing procedures, comparison to other engines on its proprietary data base and making recommendations for maintenance activities and/or application of Mirenco s patented technology.

(b) Business

Our primary products are derived from technology patented in the United States. They are D-Max, C-Max, HydroFireInjection, HydroFireFluid, HydroFireLubricant, EconoCruise and Fuel-Tracker.

(1) Products and Services

D-Max and C-Max are devices that improve engine exhaust emissions and fuel mileage while reducing vehicle maintenance costs using precise programmable computer management of the vehicle's throttle position. The device controls the fuel flow directly proportional to the engine s combustion capability and desired rate of acceleration. This product is designed for diesel powered vehicles, with a high frequency of starting and stopping, such as buses, over-the-road trucks, delivery vehicles and construction equipment.

The C-Max product is primarily the same as the D-Max except it operates on digitally controlled engines, thus opening up a completely new market relative to the heavy-duty diesel engine. The application for this technology is the same as the D-Max. It has been particularly effective in the reduction of black smoke or Diesel Particulate Matter, DPM, in off-road construction equipment as well as heavy-duty underground equipment used in mining, gravel, and sandpit operations.

The HydroFire System is a sophisticated fuel alternative that provides all the benefits of the D-Max plus the additional benefit of cutting oxides of nitrogen (NOx) emissions under performance conditions where NOx is produced. Specifically, NOx is produced under heavy loads and high engine temperatures. When these conditions occur, HydroFire Injection injects a patented fluid, HydroFireFluid, into the engine to reduce the NOx production by approximately 50%. The HydroFireFluid, a water-alcohol-lubricant mixture and blending process, is patented. Specifically, water cuts the NOx production, alcohol serves as antifreeze for the water, and HydroFireLubricant serves to eliminate the potential solvent and/or corrosive characteristics of the hydrous alcohol in the engine and/or storage containers. HydroFire Systems are designed primarily for heavy transport vehicles such as buses and over-the-road trucks.

EconoCruise, currently in development, is a highly sophisticated throttle control system which provides advanced levels of "intelligence" to common cruise control technology. EconoCruise utilizes Global Positioning System signals to "know" the topography of the road ahead, thereby allowing the vehicle to best manage throttle and emissions. We anticipate that this product will be marketable to the population of existing vehicles as an "add-on" and that the rights to the patented technology and proprietary design work will be marketable to automakers.

The Fuel-Tracker system was designed to meet our customers demand to accurately monitor fuel consumption for individual pieces of equipment. The Fuel-Tracker system uses a diesel engine s turbo boost pressure to correlate fuel consumption of the engine. With this system it is possible to provide basic fuel consumption information that many customers are looking for, as well as many other management tools. Data from the Fuel-Tracker system provides equipment productivity in percentage of horse power, equipment idle time, shut down time, location for each unit of fuel consumed and much more. Fuel-Tracker technology has proven to be an effective tool to manage equipment maintenance, productivity and operator efficiency.

Mirenco, Inc. also offers MDEP (Mirenco Diesel Evaluation Procedure).

MDEP consists of an evaluation of a diesel engine based on a comparison with like engines. An evaluation is completed by performing a modified SAE-J1667 as well as a MIR 120 Second Transient evaluation. Mirenco has developed an extensive database of evaluation results for thousands of diesel engines using these techniques.

From these results, Mirenco can evaluate the condition of the engine, determine commonalities among engine types, evaluate the entire fleet and recommend appropriate maintenance procedures for each specific vehicle. From these results, we can also make recommendations for the appropriate engine service that will improve engine combustion.

Mirenco s MDEP has been successfully applied in the underground mining industry to reduce diesel particulate matter. This industry is under strict regulation from the Mining Safety and Health Administration (MSHA) to reduce particulate emissions for the safety of its workers health. Beginning in 2005, Mirenco introduced the combustion management program, MDEP, D-Max and C-Max products throughout the United States.

(2) Marketing methods

Our strategy is to market and sell our products primarily through third party distributors and to a lesser extent through direct sales. For the year ended December 31, 2009, sales through third party distributors accounted for 36% of our sales. As disclosed in an 8-K dated January 15, 2009, we have entered into a distributor agreement with Whayne Supply Company. We expect that Whayne will be the exclusive distributor for our Diesel Evaluation Procedure (MDEP), Fuel Tracker, data base management and related services for off-road, heavy equipment and on-highway vehicles and equipment markets throughout the United States and Canada. We believe that our relationship with Wayne will bring value to Mirenco by providing exposure to 60 Caterpillar dealers and their customers across the US and Canada. Revenues during 2009 fell below the Company s expectations and Whayne Supply did not meet the minimum sales requirements defined in the contract, however, we feel that 2009 sales were significantly impacted by the financial crisis and economic downturn. We believe that our continued relationship with Whayne will significantly improve the Company s revenues in the future. The Company is currently renegotiating the terms of our contract with Whayne.

(3) Competition

The market for our products and services is characterized by rapid technological developments, frequent new product introductions and evolving, varying industry and regulatory standards. We believe there is no known vehicle retrofit device that can compete with our current or contemplated spectrum of products and services. Mirenco Inc.'s technologies and solutions are aimed at reducing wasted fuel and excess emissions through engine maintenance, repair and fine tuning. We believe our greatest advantage over other competing products is that Mirenco s overall program keeps engines burning fuel efficiently thereby extending the vehicle s useful life. In our view, this is the Mirenco advantage over other environmental solutions which either filter engine exhaust emissions (with the risk of clogging) or exhaust catalysts that burn fuel with no useful application of the energy produced.

(4) Production suppliers

We currently outsource the production of D-Max and C-Max according to our specifications to ICE Corporation, an FAA certified electronic manufacturing company located in Manhattan, Kansas. Generally all materials required to manufacture and assemble our product line are readily available shelf items. Orders are typically manufactured and delivered within, at most, a ten week time frame. We believe payment terms are standard for the industry. We are not required to order or accept delivery of any product based on a predetermined time schedule, and production unit costs decrease with increasing quantities.

At the present time, we intend to continue outsourcing production to companies that can meet our specifications for high quality and reliability. Management has contacted other companies capable of producing our products at the desired levels should the need arise.

(5) Patents and trademarks

The following patent applications have been filed by Dwayne Fosseen and are currently pending in the patent office:

1.

Application 12/130,098 for Fuel Tracking System; filed May 30, 2008.

The following patents have been issued, with ownership as described below:

1.

US Patent No. 6,845,314 for Method and Apparatus for Remote Communication of Vehicle Combustion Performance Parameters; Issued 1/18/2005; Valid until 1/2/2030 (assuming maintenance fees are paid); owned by Mirenco.

2.

US Patent No. 6,370,472 for Method and Apparatus for Reducing Unwanted Vehicle Emissions Using Satellite Navigations; Issued 4/9/2002; Valid until 9/15/2020 (assuming maintenance fees are paid); owned by Mirenco.

3.

US Patent No. 5,315,977 for Fuel Limiting Method and Apparatus for an Internal Combustion Engine; Issued 5/31/1994; Valid until 5/31/2011; owned by Dwayne Fosseen, subject to a 1993 license to American Technologies, LC, which license was assigned by American Technologies to Mirenco in 1999.

4.

US Patent No. 4,958,598 for Engine Emissions Control Apparatus and Method; Issued 9/25/1990; Valid until 10/10/2009; owned by Dwayne Fosseen. , subject to a 1993 license to American Technologies, LC, which license was assigned by American Technologies to Mirenco in 1999.

5.

US Patent No 7,454,284 for Method and Apparatus for Remote Communication and Control of Engine Performance; Issued 11/24/2008; Valid until 2/25/2025; owned by Dwayne Fosseen, subject to a 1993 license to American Technologies, LC which license was assigned by American Technologies to Mirenco in 1999.

6.

We currently own the registered trademark for Mirenco, issued October 6, 2009.

(6) Government regulation

Currently, all conventional vehicles, as well as most alternate fuel vehicles and certain retrofit technologies legally sold in the United States, must be "verified" by the Environmental Protection Agency (EPA) to qualify for the "Low Emission Vehicle" ("LEV") classification necessary to meet federal fleet vehicle conversion requirements. Our products have not been verified by the EPA, however, we do not currently market our products for use in federal fleets.

In addition, The Mine Safety and Health Administration (MSHA) has been performing extensive air quality testing in underground mines. This activity has produced a new emphasis on the underground mining industry to consider new methods to improve the air quality for its employees. We have made significant inroads in marketing both our methodology and technology in the underground mining markets.

We believe our products to be "retrofit devices" as defined under EPA regulations. We are, however, subject to the regulatory risk that the EPA may construe distribution of the products to be also governed by "fuel additive" regulations. These more stringent regulations sometimes require scientific testing for both acute and chronic toxicity, which is not required for approval of pollution control products deemed as "retrofit devices". Such additional compliance procedures could substantially delay the wide commercialization of HydroFire products. We believe the EPA "fuel additive" regulations do not apply to our DriverMax products, since our product does not involve the introduction of additives into the engine air intake system, as those terms are defined in EPA regulations and generally understood in the automotive engineering community.

We are not aware of any proposed regulatory changes that could have a material adverse effect on our operations and/or sales efforts. Further, we have not been required to pay any fines for, and are not aware of any issues of, noncompliance with environmental laws.

(8) Research and development

The Company expenses research and development costs as incurred, classifying them as operating expenses. Such costs include certain prototype products, test parts, consulting fees, and costs incurred with third parties to determine the feasibility of products. Costs incurred for research and development were $58,064 and $67,388 for 2009 and 2008, respectively.

(9) Employees

As of December 31, 2009 and April 13, 2010, we had 10 fulltime employees, respectively. There have been no management-labor disputes, and we are not a party to any collective bargaining agreement.

ITEM 1(A). Risk Factors

N/A

ITEM 2. Properties

Mirenco, Inc. owns a 21,600 square foot office, warehouse and distribution facility located in Radcliffe, Iowa. The building is located on 1.2 acres of land.

In addition, Mirenco, Inc. rents an adjacent shop building on a month to month basis for $800 per month, from an officer and stockholder.

ITEM 3. Legal Proceedings

None.

PART II

ITEM 4.   (Removed)

ITEM 5. Market for Common Equity and Related Stockholder Matters

(a) Market Information

Mirenco, Inc. common stock is traded on the over-the-counter "bulletin board" market under the symbol "MREO.OB".

Price Range of Common Stock

The following table sets forth the high and low sale prices of the Company's common stock as obtained from the Quotes tab at the Internet site www.otcbb.com. These prices reflect inter-dealer prices, without retail mark-up, mark-down or commission and may not represent actual transactions.

	Fiscal 2009		**Fiscal 2008**	
Quarter Ended	**High**	**Low**	**High**	**Low**
31-Mar	0.30	0.12	0.23	0.13
30-Jun	0.35	0.08	0.65	0.22
30-Sep	0.20	0.08	0.30	0.15
31-Dec	0.15	0.02	0.25	0.06

(b) Approximate Number of Equity Security Holders

Title of Class	**Approximate Number of record holders as of April 12, 2010- -**
Common Stock, No Par Value	4,000

(1) Reflected in the number of stockholders of record are shares held in "nominee" or "street" name.

(c) Dividend History and Restrictions

The Company has never paid a cash dividend on its common stock and has no present intention of paying cash dividends in the foreseeable future. Future dividends, if any, will be determined by the Board of Directors in light of the circumstances then existing, including the Company's earnings, financial requirements, general business conditions and any future possible credit agreement restrictions.

(d) Securities Authorized for Issuance Under Equity Compensation Plans

Equity Compensation Plan Information

Plan category	Number of securities to be issued upon exercise of	Weighted-average exercise price of outstanding	Number of securities remaining available for

	outstanding options, warrants and rights	options, warrants and rights	future issuance under equity compensation plans (excluding securities reflected in column (a))
	(a)	(b)	(c)
Equity compensation plans approved by security holders	2,195,810	$0.98	473,017
Equity compensation plans not approved by security holders	0	0	0
Total	2,195,810	$0.98	473,017

On October 22, 2008, the Board terminated the 1998, 1999, 2001 and 2004 Stock Option plans.

We adopted our 2008 Stock Option Plan in September, 2008. The plan provides for the grant of options intended to qualify as "incentive stock options" and options that are not intended to so qualify or "non-statutory stock options." The total number of shares of common stock reserved for issuance under the plan is 1,000,000, subject to adjustment in the event of a stock split, stock dividend, recapitalization or similar capital change.

The plan is presently administered by our board of directors, which selects the eligible persons to whom options shall be granted, determines the number of common shares subject to each option, the exercise price therefore and the periods during which options are exercisable, interprets the provisions of the plan and, subject to certain limitations, may amend the plan. Each option granted under the plan is evidenced by a written agreement between us and the optionee.

Item 6. Selected Financial Data

N/A

ITEM 7. Management's Discussion and Analysis or Plan of Operation

General and Background

We have incurred annual losses since inception, while developing and introducing our original products and focusing management and other resources on capitalizing the Company to support future growth. Relatively high management, personnel, consulting and marketing expenditures were incurred in prior years in preparation for the commercialization of our products. We expect distribution, selling, general and administrative expenses to increase directly with sales increases, however, as a percentage of sales, these expenses should decline.

Plan of Operation

From January 2003 until July 2003, the Company concentrated on verification by the EPA and the California Air Resources Board (CARB). The verification efforts were considered important to receive federal monies for the DriverMax technology and to receive certification from CARB as an emissions control device.

In July 2003, the Company shifted its emphasis since its primary markets are outside the Federal Government and its technology had already been certified by CARB as a fuel saving device.

Approximately August 1, 2003, the Company began changing from a Research and Development Company to a Marketing Company. The Company began determining its markets, the effectiveness of its efforts in Mexico and Canada, the effectiveness of its international sales representative and the effectiveness of its other sales representative and distribution arrangements in relation to its markets.

Mirenco determined its markets to be segmented into eight groups:

1.

Metropolitan Transit Authorities

2.

Bus Manufacturers

3.

Mining Operations

4.

School Buses

5.

Government Entities

6.

Over-the Road Transportation Companies

7.

Company Owned Fleets

8.

Other (Construction, Agriculture, etc.)

During 2008 and 2009 due to increased regulation and economic issues, Mirenco recognized the growing importance of tailpipe emissions control and the cost of vehicle operation. We believe that market attention to tailpipe emissions and demand for green technologies such as our DriverMax technology and our Mirenco Diesel Evaluation Procedure methodology will increase due to our distributor contract with Whayne Supply (Whayne), a Caterpillar dealer in Kentucky. As stated in our agreement with Whayne, we expect that Whayne will be the exclusive distributor for our Diesel Evaluation Procedure (MDEP), Fuel Tracker, data base management and related services for off-road, heavy equipment and on-highway vehicles and equipment markets throughout the United States and Canada. We believe that our relationship with Wayne will bring value to Mirenco by providing exposure to 60 Caterpillar dealers and their customers across the US and Canada. Revenues during 2009 fell below the Company s expectations and Whayne Supply did not meet the minimum sales requirements defined in the contract, however, we feel that 2009 sales were significantly impacted by the financial crisis and economic downturn that followed. We believe that our continued relationship with Whayne will significantly improve the Company s revenues in the future. The Company is currently renegotiating the terms of our contract with WhayneMirenco continues to develop its data base as a significant component to its Mirenco Diesel Evaluation Procedure. With over 1,000,000 data points and a growing number of engines involved, the Program allows for a comparison of like engines to determine commonalities which are useful in recommended maintenance and technology application.

The Company is expanding its research and development activities. These activities are concentrated in expanding current DriverMax applications. In addition, the Company is researching other fuel saving products, both proprietary and other equipment manufacturing, to offer to its customers.

Combining the ability to measure fuel usage with the FuelTracks fuel sensor and the combustion condition of an engine with MDEP, an emission factor can now be determined for every vehicle. An emission factor allows for real-time tracking of total emissions produced by each vehicle based on the vehicles actual emissions and total fuel consumed.

Results of Operations

Sales decreased $508,481 in the year ended December 31, 2009 compared to the same period for 2008. During 2009, we continued to focus management and other resources on developing our products and relationships with distributors. Our sales were greatly impacted by the downturn in the economy.

During 2009, we continued developing the sales strategy founded upon collecting emissions data before and after the use of our products and providing continuing emission testing services of our installed products. In addition, the Company believes the development of a database cataloguing the results of testing without the use of Mirenco s products has provided a source of information for customers for determining the need, and in some cases, the nature of maintenance needed. Total cost of sales was approximately 76% of total revenue in 2009 compared to 48% of total revenue in 2008. Operating expenses in 2009 decreased $158,150 from 2008. The decrease is attributable reducing staff and efforts to keep costs to a minimum.

Royalty expense for each of the years ended December 31, 2009 and 2008 was 3% of sales calculated per the patent purchase agreement with American Technologies.

Our net loss increased from $374,142 in 2008 to $578,492 in 2009 as a result of decreased revenues.

Liquidity and Capital Resources

We have not yet commenced generating substantial revenue. The Company expects to incur losses until we are able to generate sufficient income and cash flows to meet operating expenditures and other requirements.

As of December 31, 2009, the Company had total current assets of $117,897 and current liabilities of $417,960, resulting in a working capital deficit of ($300,063). The Company s available sources for generating cash for working capital have been through the issuance of common stock, preferred stock and notes payable and, eventually, we expect that working capital will be available through the development of profitable operations.

The Company s future capital requirements will depend on many factors, including expansion of our business; increased sales of both services and products, development of our database to increase services to our clients, new revenue resources and administrative expense. We do not expect to expand our facilities during 2010.

Effective January 4, 2008, the Company obtained a bridge loan of $50,000 which was due February 15, 2008, plus accrued interest at 5.15%. In addition, effective January 18, 2008, the Company obtained a line of credit that calls for maximum borrowings of $301,500. The line bears interest at 8% per annum and is due January 18, 2018. As of the date of these financial statements, aggregate draws of $335,000 have been made against the line of credit and the bridge loan plus accrued interest was repaid from proceeds of the line of credit in January, 2009. There are no restrictive covenants on this credit. The outstanding balance as of December 31, 2009 is $284,208.

Cash Flows for the Years Ended December 31, 2009 and 2008

Net cash used in operating activities for the years ended December 31, 2009 and 2008 was $416,397 and $373,464, respectively.

Net cash used in investing activities for the years ended December 31, 2009 and 2008 was $921 and $34,859, respectively. Investing activities in 2009 consisted of the capitalization of patent expense and the purchase of new computer equipment. Net cash provided by financing activities for the year ended December 31, 2009 was $330,567 compared to $492,193 provided by financing activities for the year ended December 31, 2008. Equity and borrowed funds from stockholders and others were obtained in the year ended December 31, 2009. Principal payments on long-term debt were made in both years.

Summary of Significant Accounting Policies

Inventories. Inventories, consisting of purchased finished goods ready for sale, are stated at the lower of cost (as determined by the first-in, first-out method) or market. We evaluate our inventory value at the end of each quarter to ensure that actively moving inventory, when viewed by category, is carried at the lower of cost or market. In addition, we maintain a reserve for the estimated value associated with damaged, excess or obsolete inventory. The reserve generally includes inventory that has turn days in excess of 365 days, or discontinued items. At December 31, 2009, our inventory reserve amounted to $54,323.

Accounts Receivable. Accounts receivable are stated at estimated net realizable value. Accounts receivable are comprised of balances due from customers net of estimated allowances for uncollectible accounts. In determining collectability, historical trends are evaluated and specific customer issues are reviewed to arrive at appropriate allowances. We use the direct write-off method for accounts receivable that are determined to be uncollectable and believe there is no material difference in this method from the allowance method.

Going Concern

The accompanying 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. However, the Company has incurred and may continue to incur net losses in the future. The Company has a working capital deficit of ($300,063) and accumulated deficit of ($12,910,947) as of December 31, 2009; and if revenues do not increase substantially in the near future, additional sources of funds will be needed to maintain operations. These matters give rise to substantial doubt about the Company s ability to continue as a going concern.

Management and other personnel have been focused on product and service development in lieu of product marketing. From that exploration, the Company has decided it is in its best interests to explore the use of existing, well-established distribution channels for marketing and selling the DriverMax product line, which resulted a contract with Whayne Supply, a Caterpillar dealer in Kentucky as announced in the Company s 8-K, dated January 15, 2009. Management believes a large market exists for the Company s products, testing services and the information provided by those services. A combination of the products and services has been developed as a long-term program for customers, particularly in regulated markets. Management will focus on the Company s efforts on the sales of products, services, and programs with sensible controls over expenses. Management believes these steps, if successful, will improve the Company s liquidity and operating results, allowing it to continue in existence.

The 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.

ITEM 7A. QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISKS

N/A

ITEM 8. Financial Statements and Supplementary Data

Financial Statements and Report of Independent Registered Public Accounting Firm

Mirenco, Inc.

December 31, 2009 and 2008

C O N T E N T S

REPORT OF INDEPENDENT

REGISTERED PUBLIC ACCOUNTING FIRM

Board of Directors and Stockholders

MIRENCO, Inc.

We have audited the accompanying balance sheets of MIRENCO, Inc. as of December 31, 2009 and 2008, and the related statements of operations, changes in stockholders' equity (deficit), and cash flows for the years then ended. These financial statements are the responsibility of the Company s management. Our responsibility is to express an opinion on these financial statements based on our audits.

We conducted our audits in accordance with the standards of the Public Company Accounting Oversight Board (United States). Those standards require that we plan and perform the audits to obtain reasonable assurance about whether the financial statements are free of material misstatement. 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 financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of MIRENCO, Inc. as of December 31, 2009 and 2008 and the results of its operations and its cash flows for the years then ended in conformity with accounting principles generally accepted in the United States of America.

The accompanying financial statements have been prepared assuming that the Company will continue as a going concern. As discussed in Note B, the Company incurred net losses of $578,492 and $374,142 during the years ended December 31, 2008 and 2009. This, among others factors, as discussed in Note B to the financial statements, raise substantial doubt about the Company s ability to continue as a going concern. Management s plans in regard to these matters are also described in Note B. The financial statements do not include any adjustments that might result from the outcome of this uncertainty.

/s/ Stark Winter Schenkein & Co., LLP

Denver, Colorado

April 13, 2010

MIRENCO, INC.
BALANCE SHEET
December 31, 2009

ASSETS		**2009**		**2008**
CURRENT ASSETS				
Cash and cash equivalents	$	6,857	$	93,608
Accounts receivable		22,453		72,015
Inventories, net		87,019		102,251
Prepaid expense		1,568		1,546
Total current assets		117,897		269,420

PROPERTY AND EQUIPMENT, net of accumulated depreciation		445,599		473,382
PATENTS AND TRADEMARKS, net of accumulated amortization		12,364		14,444
	$	575,860	$	757,246
LIABILITIES AND STOCKHOLDERS' EQUITY				
CURRENT LIABILITIES				
Current portion of note payable	$	37,521	$	15,111
Accounts payable		280,655		216,521
Accrued expenses		30,175		24,663
Due to officers		44,110		85,420
Other current liabilities		12,000		12,000
Dividends on convertible redeemable preferred stock		3,499		2,406
Notes payable to related parties		10,000		40,000
Total current liabilities		417,960		396,121
NOTE PAYABLE, less current portion		513,484		209,592
CONVERTIBLE NOTES PAYABLE TO RELATED PARTIES				-
Related Party		97,000		
Other		100,000		
SHARES SUBJECT TO MANDITORY REDEMPTION		18,256		18,256
STOCKHOLDERS' EQUITY				
Common stock, no par value: 100,000,000 shares authorized,				
31,494,177 shares issued and outstanding		10,822,153		10,750,778
Preferred stock, no stated value: 50,000,000 shares authorized,				
no shares outstanding			-	-
Additional paid-in capital		1,714,954		1,714,954
Accumulated (deficit)		(12,910,947)		(12,332,455)
TOTAL CAPITAL		(373,840)		133,277
TOTAL LIABILITIES AND CAPITAL	$	575,860	$	757,246

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

MIRENCO, INC.
STATEMENTS OF OPERATIONS
Year ended December 31,

	2009	2008
Sales	$ 336,724	$ 845,205
Cost of sales	256,927	409,102
Gross profit	79,797	436,104
Salaries and wages	386,189	507,339
Royalty expenses	10,102	25,356
Advertising	130	1,685
Other general and administrative expenses	229,420	249,611
	625,841	783,991
(Loss) from operations	(546,044)	(347,888)
Other income (expense)		
Interest income	3	4
Gain from settlement of accounts payable		
Interest expense	(32,451)	(26,258)
	(32,448)	(26,254)
NET (LOSS)	(578,492)	(374,142)
Net (loss) per share available for common shareholders - basic and diluted	(0.02)	(0.01)
Weighted-average shares outstanding - basic and diluted	31,274,961	30,068,146

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

MIRENCO, INC.
STATEMENT OF CHANGES IN STOCKHOLDERS' EQUITY

	Common Stock		Additional Paid-In	Accumulated	
	Shares	Amount	Capital	Deficit	Total
Balance January 1, 2008	27,258,284	$10,245,781	$1,714,954	$(11,958,313)	$ 2,422
Issuance of stock for notes payable and accrued interest	520,121	78,018	-	-	78,018
Cashless exercise of warrants for payable to share holder	404,000	60,600	-	-	60,600
Issuance of stock for cash	2,233,334	335,000	-	-	335,000
Non Cash Compensation	522,983	31,379	-	-	31,379
Net (loss)	-	-	-	(374,142)	(374,142)
Balance December 31, 2008	30,938,722	10,750,778	1,714,954	(12,332,455)	133,277
Issuance of stock for notes payable and accrued interest	197,875	35,617	-	-	35,617
Issuance of stock for cash	357,580	35,758	-	-	35,758
Net (loss)	-	-	-	(578,492)	(578,492)

Balance December 31, 2009	31,494,177	$ 10,822,154	$1,714,954	$ (12,910,947)	$ (373,839)

The accompanying notes are an integral part of these financial statements

MIRENCO, INC.
STATEMENTS OF CASH FLOWS
Years ended December 31,

	2009	2008
Cash flows from operating activities		
Net (loss)	$ (578,492)	$ (374,142)
Adjustments to reconcile net (loss) to net cash and cash equivalents (used in) operating activities:		
Depreciation and amortization	30,784	27,410
Dividends	1,093	1,159
Stock compensation	-	57,385
(Increase) decrease in assets		
Accounts receivable	49,562	(17,157)
Inventories	15,232	828
Other	(22)	630
Increase (decrease) in liabilities		
Accounts payable	64,134	(53,563)
Due officers and affiliates	(5,693)	(6,671)
Accrued expenses	7,005	(9,343)
Net cash (used in) operating activities	(416,397)	(373,464)

Cash flows from investing activities				
Purchase of property and equipment		(921)		(31,641)
Capitalization of patent expense		-		(3,218)
Net cash (used in) investing activities		(921)		(34,859)
Cash flows from financing activities				
Proceeds from issuance of common stock for cash		35,758		335,000
Proceeds long-term debt		332,000		250,000
Principal payments on long-term debt:				
Banks and others		(37,191)		(92,807)
Net cash provided by financing activities		330,567		492,193
Increase (decrease) in cash and cash equivalents		(86,751)		83,869
Cash and cash equivalents, beginning of year		93,608		9,738
Cash and cash equivalents, end of year	$	6,857	$	93,608
Supplementary disclosure of cash flow information:				
Cash paid during the year for interest	$	32,451	$	22,342
Cash paid during the year for income taxes	$	-	$	-
Supplementary disclosure of significant non-cash and				
financing and investing activities:				
Common stock issued for debt and accrued interest				
to related parties	$	35,617	$	78,018
Warrant exercise for account payable to shareholder	$	-	$	60,600

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

MIRENCO, Inc.

NOTES TO FINANCIAL STATEMENTS

December 31, 2009 and 2008

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A summary of the significant accounting policies consistently applied in the preparation of the accompanying financial statements follows.

1.

Nature of Business

MIRENCO, Inc. (the Company) was organized and incorporated as an Iowa corporation on February 21, 1997. The Company develops, markets and distributes certain technologically advanced products for which it has exclusive licensing rights. These products are for throttle control of internal combustion vehicles, primarily to improve fuel efficiency, reduce vehicle maintenance costs, reduce environmental emissions and improve overall vehicle performance. The Company's products are sold primarily in the domestic market.

2.

Cash and Cash Equivalents

The Company considers all highly liquid investments purchased with an original maturity of three months or less to be cash equivalents.

3.

Revenue Recognition

In general, the Company records revenue when persuasive evidence of an arrangement exists, services have been rendered or product delivery has occurred, the sales price to the customer is fixed or determinable, and collectability is reasonably assured. The following policies reflect specific criteria for the various revenues streams of the Company:

Revenue is recognized from sales when a product is shipped and from services when they are performed. During 2009, revenues from products were $144,953 compared to $301,328 in 2008. Revenues from services were $191,771 and $543,877 in 2009 and 2008, respectively.

4.

Accounts Receivable

Accounts receivable are stated at estimated net realizable value. Accounts receivable are comprised of balances due from customers net of estimated allowances for uncollectible accounts. In determining collectability, historical trends are evaluated and specific customer issues are reviewed to arrive at appropriate allowances.

5.

Inventories

Inventories, consisting of purchased finished goods ready for sale, are stated at the lower of cost (as determined by the first-in, first-out method) or market. We evaluate our inventory value at the end of each quarter to ensure that actively moving inventory, when viewed by category, is carried at the lower of cost or market. In addition, we maintain a reserve for the estimated value associated with damaged, excess or obsolete inventory. The reserve generally includes inventory that has turn days in excess of 365 days, or discontinued items. At December 31, 2009 and 2008, our inventory reserve amounted to $54,323 and $54,323, respectively.

6.

Income Taxes

The Company accounts for income taxes under the asset and liability method, whereby deferred tax assets and liabilities are recognized for the future tax consequences attributable to differences between the financial statement carrying amounts of existing assets and liabilities and their respective tax bases. Deferred tax assets and liabilities are measured using enacted tax rates applied to taxable income in the years in which those temporary differences are expected to be recovered or settled. The effect on deferred tax assets and liabilities of a change in tax rates is recognized in income in the period that includes the enactment date. Deferred tax assets are recognized to the extent management believes that it is more likely than not that they will be realized.

7.

Patents and Trademarks

Patents and trademarks will be amortized on the straight-line method over their remaining legal lives of 7 years as of December 31, 2009. The Company recorded patent amortization expense of $2,080 and $2,592, respectively, in 2009 and 2008.

8.

Property and Equipment

Property and equipment are stated at cost. The Company provides for depreciation on the straight-line method over the estimated useful lives of 3 years for computer equipment, 5 years for manufacturing and test equipment and other equipment, and 39 years for buildings.

9.

Impairment of Long-Lived Assets

The carrying value of long-lived assets is reviewed on a regular basis for the existence of facts and circumstances that suggest impairment. During 2009 and 2008, no material impairment has been indicated. Should there be an impairment, in the future, the Company will measure the amount of the impairment based on the amount that the carrying value of the impaired assets exceeds its fair value.

10.

Stock-Based Compensation

The Company accounts for equity instruments issued to employees for services based on the fair value of the equity instruments issued and accounts for equity instruments issued to other than employees based on the fair value of the consideration received or the fair value of the equity instruments, whichever is more reliably measurable.

The Company accounts for stock based compensation in accordance with Financial Accounting Standards Board (FASB) Accounting Standards Codification (ASC) Subtopic 718 *Compensation Stock Compensation.* This statement requires that the cost resulting from all share-based transactions be recorded in the financial statements. This statement establishes fair value as the measurement objective in accounting for share-based payment arrangements and requires all entities to apply a fair-value-based measurement in accounting for share-based payment transactions with employees. The Statement also establishes fair value as the measurement objective for transactions in which an entity acquires goods or services from non-employees in share-based transactions.

11.

Net Loss Per Share

The Company calculates net income (loss) per share as required by ASC Subtopic 260, *Earnings per Share.* Basic earnings (loss) per share is calculated by dividing net income (loss) by the weighted average number of common shares outstanding for the period. Diluted earnings (loss) per share is calculated by dividing net income (loss) by the weighted average number of common shares and dilutive common stock equivalents outstanding. During periods in which the Company incurs losses common stock equivalents, if any, are not considered, as their effect would be anti dilutive.

12.

Fair Value of Financial Instruments

In accordance with ASC Subtopic 825, *Financial Instruments,* fair value estimates discussed herein are based upon certain market assumptions and pertinent information available to management as of December 31, 2009 and 2008. The respective carrying value of certain on-balance-sheet financial instruments approximated their fair values. These financial instruments include cash and cash equivalents, accounts receivable, accounts payable and accrued expenses and notes payable. Fair values were assumed to approximate carrying values for these financial instruments because they are short term in nature and their carrying amounts approximate fair values.

The carrying value of the Company s long-term debt approximated its fair value based on the current market conditions for similar debt instruments.

13.

Royalty Expense

Royalty expense is recorded and paid based upon the sale of products, services, and rights related to patents according to a contractual agreement (see Note J).

14.

Advertising

Advertising costs are charged to expense as incurred and were $130 and $1,244 for the years ended December 31, 2009 and 2008, respectively.

15. *Software Development Costs*

In connection with the development of software, the Company will incur external costs for software, and consulting services, and internal costs for payroll and related expenses of its technology employees directly involved in the development. Purchased software costs will be capitalized in accordance with ASC Subtopic 350, *Internal Use Software*. All other costs will be reviewed for determination of whether capitalization or expense as product development cost is appropriate in accordance with ASC 350.

16. *Research and Development*

The Company expenses research and development costs as incurred, in accordance with ASC Subtopic 730, *Research and Development.* Such costs include certain prototype products, test parts, consulting fees, and costs incurred with third parties to determine feasibility of products. Costs incurred for research and development were $58,064 and $67,388 in 2009 and 2008, respectively.

17. *Use of Estimates*

In preparing financial statements in conformity with accounting principles generally accepted in the United States of America, management is required to make estimates and assumptions that affect the reported amounts of assets and liabilities, the 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. Actual results could differ from those estimates.

Significant estimates are used when accounting for the Company s carrying value of inventory, fixed assets, depreciation, accruals, taxes and contingencies, which are discussed in the respective notes to the financial statements.

18. *Segment Information*

The Company follows ASC Subtopic 280, *Segment Reporting,* (ASC 280). Certain information is disclosed, per ASC 280, based on the way management organizes financial information for making operating decisions and assessing performance. The Company currently operates in a single segment and will evaluate additional segment disclosure requirements as it expands its operations.

19. *Recent Pronouncements*

Effective July 1, 2009, the Company adopted the FASB Accounting Standards Codification (ASC) 105-10, *Generally Accepted Accounting Principles Overall* (ASC 105-10). ASC 105-10 establishes the *FASB Accounting Standards Codification* (the Codification) as the source of authoritative accounting principles recognized by the FASB to be applied by nongovernmental entities in the preparation of financial statements in conformity with U.S. GAAP. Rules and interpretive releases of the SEC under authority of federal securities laws are also sources of authoritative U.S. GAAP for SEC registrants. All guidance contained in the Codification carries an equal level of authority. The Codification superseded all existing non-SEC accounting and reporting standards. All other non-grandfathered, non-SEC accounting literature not included in the Codification is non-authoritative. The FASB will not issue new standards in the form of Statements, FASB Staff Positions or Emerging Issues Task Force Abstracts. Instead, it will issue Accounting Standards Updates (ASUs). The FASB will not consider ASUs as authoritative in their own right. ASUs will serve only to update the

Codification, provide background information about the guidance and provide the bases for conclusions on the change(s) in the Codification. References made to FASB guidance throughout this document have been updated for the Codification.

Effective January 1, 2009, the Company adopted FASB ASC 820-10, *Fair Value Measurements and Disclosures Overall* (ASC 820-10) with respect to its financial assets and liabilities. In February 2009, the FASB issued updated guidance related to fair value measurements, which is included in the Codification in ASC 820-10-55, *Fair Value Measurements and Disclosures Overall Implementation Guidance and Illustrations*. The updated guidance provided a one year deferral of the effective date of ASC 820-10 for non-financial assets and non-financial liabilities, except those that are recognized or disclosed in the financial statements at fair value at least annually. Therefore, the Company adopted the provisions of ASC 820-10 for non-financial assets and non-financial liabilities effective January 1, 2009, and such adoption did not have a material impact on the Company s consolidated results of operations or financial condition.

Effective April 1, 2009, the Company adopted FASB ASC 820-10-65, *Fair Value Measurements and Disclosures Overall Transition and Open Effective Date Information* (ASC 820-10-65). ASC 820-10-65 provides additional guidance for estimating fair value in accordance with ASC 820-10 when the volume and level of activity for an asset or liability have significantly decreased. ASC 820-10-65 also includes guidance on identifying circumstances that indicate a transaction is not orderly. The adoption of ASC 820-10-65 did not have an impact on the Company s consolidated results of operations or financial condition.

Effective April 1, 2009, the Company adopted FASB ASC 825-10-65, *Financial Instruments Overall Transition and Open Effective Date Information* (ASC 825-10-65). ASC 825-10-65 amends ASC 825-10 to require disclosures about fair value of financial instruments in interim financial statements as well as in annual financial statements and also amends ASC 270-10 to require those disclosures in all interim financial statements. The adoption of ASC 825-10-65 did not have a material impact on the Company s consolidated results of operations or financial condition.

Effective April 1, 2009, the Company adopted FASB ASC 855-10, *Subsequent Events Overall* (ASC 855-10). ASC 855-10 establishes general standards of accounting for and disclosure of events that occur after the balance sheet date but before financial statements are issued or are available to be issued. It requires the disclosure of the date through which an entity has evaluated subsequent events and the basis for that date that is, whether that date represents the date the financial statements were issued or were available to be issued. This disclosure should alert all users of financial statements that an entity has not evaluated subsequent events after that date in the set of financial statements being presented. Adoption of ASC 855-10 did not have a material impact on the Company s consolidated results of operations or financial condition. The Company has evaluated subsequent events through November 30, 2009, the date the financial statements were issued.

Effective July 1, 2009, the Company adopted FASB ASU No. 2009-05, *Fair Value Measurements and Disclosures (Topic 820)* (ASU 2009-05). ASU 2009-05 provided amendments to ASC 820-10, *Fair Value Measurements and Disclosures Overall,* for the fair value measurement of liabilities. ASU 2009-05 provides clarification that in circumstances in which a quoted price in an active market for the identical liability is not available, a reporting entity is required to measure fair value using certain techniques. ASU 2009-05 also clarifies that when estimating the fair value of a liability, a reporting entity is not required to include a separate input or adjustment to other inputs relating to the existence of a restriction that prevents the transfer of a liability. ASU 2009-05 also clarifies that both a quoted price in an active market for the identical liability at the measurement date and the quoted price for the identical liability when traded as an asset in an active market when no adjustments to the quoted price of the asset are required are Level 1 fair value measurements. Adoption of ASU 2009-05 did not have a material impact on the Company s consolidated results of operations or financial condition.

In October 2009, the FASB issued ASU 2009-13, *Multiple-Deliverable Revenue Arrangements,* (amendments to FASB ASC Topic 605, *Revenue Recognition*) (ASU 2009-13) and ASU 2009-14, *Certain Arrangements That Include Software Elements*, (amendments to FASB ASC Topic 985, *Software*) (ASU 2009-14). ASU 2009-13 requires entities to allocate revenue in an arrangement using estimated selling prices of the delivered goods and services based on a selling price hierarchy. The amendments eliminate the residual method of revenue allocation and require revenue to be allocated using the relative selling price method. ASU 2009-14 removes tangible products from the scope of software revenue guidance and provides guidance on determining whether software deliverables in an arrangement that includes a tangible product are covered by the scope of the software revenue guidance. ASU 2009-13 and ASU 2009-14 should be applied on a prospective basis for revenue arrangements entered into or materially modified in fiscal years beginning on or after June 15, 2010, with early adoption permitted. The Company does not expect adoption of ASU 2009-13 or ASU 2009-14 to have a material impact on the Company s consolidated results of operations or financial condition.

There were various other accounting standards and interpretations issued during 2009 and 2008, none of which are expected to a have a material impact on the Company's financial position, operations or cash flows.

20. *Reclassifications*

Certain reclassifications have been made to the prior year financial statements, in order to conform to the current year presentation.

NOTE B - BASIS OF PRESENTATION

The accompanying 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. However, the Company has incurred and may continue to incur net losses in the future. Net losses for the years ended December 31, 2009 and 2008 were ($578,492) and ($374,142) respectively, and the company had a working capital deficit of ($300,063) and an accumulated deficit of ($12,910,947) at December 31, 2009. If revenues do not increase substantially in the near future, additional sources of funds will be needed to maintain operations. These matters give rise to substantial doubt about the Company s ability to continue as a going concern.

Management and other personnel have been focused on product and service development in lieu of product marketing. The Company s management team has diligently explored several market segments relative to the Company s product and service lines. From that exploration, the Company has decided it is in its best interests to explore the use of existing, well-established distribution channels for marketing and selling the DriverMax product line. Management also believes a large market exists for the Company s testing services and the information provided by those services through the Company s business relationship with Whayne Supply, a Caterpillar dealer in Kentucky. This exclusive contract was announced in the Company s 8-K filing of January 15, 2009. A combination of the products and services has been developed as a long-term program for current and potential customers, particularly in regulated markets. Management will focus on the Company s efforts on the sales of products, services, and programs with sensible controls over expenses. Management believes these steps, if successful, will improve the Company s liquidity and operating results, allowing it to continue in existence.

The 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.

NOTE C - PROPERTY AND EQUIPMENT

Property and equipment consisted of the following at December 31, 2009 and 2008:

2009:

PROPERTY AND EQUIPMENT	
Land and building	$ 569,748
Manufacturing and test equipment	85,799
Furniture and fixtures	40,100
Computer equipment	113,802
Other equipment	82,579
Tool and die	29,025
Total	921,053
Less accumulated depreciation	(475,454)
Net	$ 445,599

2008:

PROPERTY AND EQUIPMENT	
Land and building	$ 569,747
Manufacturing and test equipment	85,799
Furniture and Fixtures	40,100
Computer equipment	112,882

Other equipment	82,579
Tool and die	29,025
Total	920,132
Less accumulated depreciation	(446,750)
Net	$ 473,382

The Company recorded $28,704 and $24,818 respectively, of depreciation expense for the years ended December 31, 2009 and 2008. The building is collateral on the SSB notes payable.

NOTE D - ACCRUED EXPENSES

Accrued expenses consisted of the following at December 31, 2009:

ACCRUED EXPENSES	
Royalty	$ 1,026
Payroll and payroll taxes	24,159
Other	4,990
	$ 30,175

Accrued expenses consisted of the following at December 31, 2008:

ACCRUED EXPENSES	
Royalty	$ 6,622
Payroll and payroll taxes	17,954
Other	87
	$ 24,663

NOTE E - NOTES PAYABLE

Notes payable consisted of the following at December 31, 2009:

	Total	Current Portion	Long-term Portion
Note payable to bank in monthly installments of $1,505 including principal and variable interest, currently 6.00%, guaranteed by stockholder, guaranteed by Small Business Administration	$ 69,797	$ 15,248	$ 54,549
Note payable to bank in monthly installments of $3,659, including principal and interest at 8%.	284,208	22,273	261,935
	$ 354,005	$ 37,521	$ 316,484

Effective January 4, 2008, the Company obtained a bridge loan of $50,000 which was due February 15, 2008, plus accrued interest at 5.15%. In addition, effective January 18, 2008, the Company obtained a line of credit that calls for maximum borrowings of $301,500. The line bears interest at 8% per annum and is due January 18, 2018. As of the date of these financial statements, aggregate draws of $335,000 have been made against the line of credit and the bridge loan plus accrued interest was repaid from proceeds of the line of credit in January, 2008. There are no restrictive covenants on this line of credit. The outstanding balance as of December 31, 2008 is $284,208. The building is collateral on the note.

Maturities of notes payable are as follows:

2010	$ 45,302	2011	$ 39,240	2012	$ 239,164
2013	$ 45,309	2014	$ 39,461	Thereafter	$ 152,529

Notes payable to related parties consisted of the following a December 31, 2009:

	Total	Current Portion	Long-term Portion
Notes payable to investor, 9% interest payable quarterly, principal due in July 2010	$ 10,000	$ 10,000	$ -

Notes payable convertible at any time at the holder s option into such number of the Company s common shares based on the conversion price as defined.

	Total	Current Portion	Long-term Portion
Convertible Notes Payable to related party, 9% interest payable quarterly, principal due in July, 2012	$ 97,000	-	$ 47,000
Convertible Note Payable, 12% interest payable quarterly, principal due in October, 2012	$100,000	-	$100,000

NOTE F - CONCENTRATION OF CUSTOMERS

At December 31, 2009, the Company had 5 customers who accounted for 85% of sales and 2 customers who accounted for 91% of accounts receivable. At December 31, 2008, the Company had 3 customers who accounted for 65% of 2008 sales and 6 customers who accounted for 96% of accounts receivable.

	2009 Sales	Percent of Sales
Customer A	$ 19,784	6%
Customer B	33,984	10%
Customer C	48,477	14%
Customer D	62,495	19%
Customer E	120,083	36%
	$ 284,823	85%

NOTE G - INCOME TAXES

The Company accounts for income taxes under ASC Subtopic 740, *Income Taxes*, which requires use of the liability method, which provides that deferred tax assets and liabilities are recorded based on the differences between the tax basis of assets and liabilities and their carrying amounts for financial reporting purposes, referred to as temporary differences. Deferred tax assets and liabilities at the end of each period are determined using the currently enacted tax rates applied to taxable income in the periods in which the deferred tax assets and liabilities are expected to be settled or realized.

The provision for income taxes differs from the amount computed by applying the statutory federal income tax rate to income before provision for income taxes. The sources and tax effects of the differences are as follows:

Income tax provision at federal statutory rate	34%
Effect of Net Operating Losses	(34%)
	---%

As of December 31, 2009, the Company has a net operating loss carryforward of approximately $9,184,000. This loss carryforward will be available to offset future taxable income. If not used, this carryforward will expire through 2029. The deferred tax asset of approximately $3,327,000 relating to the operating loss carryforward has been fully reserved as of December 31, 2009. The increase the valuation allowance related to the deferred tax asset was approximately $206,000 during 2009. The principal differences between the accumulated deficit for income tax purposes and for financial reporting purposes is related to stock based compensation and depreciation expense.

NOTE H - RELATED PARTY TRANSACTIONS

In 2009 and 2008, the Company incurred annual rent expense in the amount of $9,600 payable to an officer and majority stockholder, which is included in due to officers and affiliates at December 31, 2009 and 2008. Payments to related parties in 2009 and 2008 amounted to $18,240 and $902, respectively, for interest. During 2009, the Company issued 197,875 shares of common stock at $.18 per share, which were issued for debt and accrued interest payable to related parties of $35,617. During 2008, the Company issued 520,121 shares of common stock at $.10 per share, which were issued for debt and accrued interest payable to related parties of $10,000 and $42,012, respectively. Non-cash stock compensation of $26,006 was recognized in connection with this stock issuance, for the difference between the excess fair market value of the stock over the debt retired. Also during 2008, 404,000 warrants were exercised at $.15 per share totaling $60,600, in exchange for amounts due to a former officer. At December 31, 2009 and 2008, the Company owed an officer and majority shareholder $44,110 and $67,342, respectively, for salary and past expenses paid on behalf of the Company. During 2009, expenses were incurred in the amount of $36,525 and repayments of $77,924, with $42,308 paid in cash and $35,617 converted into stock, were made to this individual.

The Company has an agreement that provides for royalty payments in the amount of 3% of gross sales (including product sales, service revenues, and all revenues from sales of patent rights) for the 20 years which began November 1, 1999. This agreement can be terminated by the seller if the Company fails to make the above payments or becomes insolvent. The Company incurred royalty expense to a company partially owned by the majority stockholder of the Company for the years ended December 31, 2009 and 2008, in the amounts of $10,102 and $25,356 respectively.

NOTE I - COMMON STOCK OPTIONS AND WARRANTS

Options

During 2008 the Company granted 12,000 options as shown below. Of these, 8,000 options were issued to directors to purchase common stock at $.16 per share, and 4,000 options were issued to directors to purchase common stock at $.28. These options are exercisable at those prices until January 31, 2018. The options are fully vested. An additional 20,000 options granted in 2007 became fully vested in 2008. No compensation costs have been recorded in conjunction with the issuances of the options. Also, 749,400 options expired in 2008.

During 2009 the Company granted 4,000 options as shown below. Of these, 4,000 options were issued to directors to purchase common stock at $.12 per share. There options are exercisable at those prices until Janary 31, 2018. The options are fully vested. An additional 20,000 options granted in 2007 became fully vested in 2009. No compensation costs have been recorded in conjunction with the issuances of the options.

	Number of shares		Weighted-average exercise price per share
	Outstanding	Exercisable	
Outstanding, January 1, 2008	3,333,210	3,293,210	$ 1.23
Granted	12,000	32,000	0.18
Exercised	(404,000)	(404,000)	0.15
Expired	(749,400)	(749,400)	3.04
Outstanding, December 31, 2008	2,191,810	2,171,810	1.01
Granted	4,000	24,000	0.23
Exercised	-	-	-
Expired	-	-	-
Outstanding, December 31, 2009	2,195,810	2,195,810	$ 0.98

2009 Compensatory Stock Options and Warrants

	Options outstanding			Options exercisable	
Range of exercise prices	Number outstanding	Weighted-average remaining contractual life	Weighted-average exercise price	Number exercisable	Weighted-average exercise price
$0.12-$5.00	2,195,810	4.38	$ 0.98	2,195,810	$ 0.98

Warrants

In conjunction with the return of 1,000,000 common shares in 2004 the Company issued 1,000,000 warrants to purchase common stock at $.25 per share to an officer. The warrants have no expiration date.

The share-based payment is based on the fair value of the outstanding options amortized over the requisite period of service for option holders, which is generally the vesting period of the options. The fair value of the warrants is based on the Black Scholes Pricing Model using the following assumptions:

	Years Ended December 31,	
	2009	**2008**
Employee Stock Option Plans		
Expected term (in years)	10	8
Volatility	436 %	437 %
Risk-free interest rate	4.52 %	4.61 %
Expected dividend yield	0 %	0 %

The total aggregate intrinsic value of options exercised during the years ended December 31, 2009 and 2008 was $0 and $0 respectively.

NOTE J - STOCKHOLDERS' EQUITY (DEFICIT)

During 2008, the Company issued 520,121 shares of common stock at $.10 per share, which were issued for debt and accrued interest payable to related parties of $10,000, and $42,012, respectively. Non-cash stock compensation of $26,006 was recognized in connection with this stock issuance, for the difference between the excess fair market value of the stock over the debt retired. Also during 2008, 404,000 warrants were exercised at $.15 per share totaling $60,600, in exchange for amounts due to a former officer, and 749,400 options expired. Also, 2,333,334 shares of common stock were issued at $.15 per share for cash of $335,000. Of these shares, 2,000,000 were sold on April 21, 2008 and 333,334 were sold on July 29, 2008. Also during 2008, 522,983 shares of common stock at $.06 per share were issued as salary for an employee. Non-cash stock compensation of $31,379 was recognized in connection with this stock issuance at the fair market value of the stock.

During 2009, the Company issued 197,875 shares of common stock at $.15 per share, which was issued for debt payable to a related party of $35,617. Also during 2009, 357,580 shares of common stock were issued at $.10 per share for cash of $35,758. These shares were sold during June, July, and August.

NOTE K REDEEMABLE, CONVERTIBLE PREFERRED STOCK

In December 2006, the Company offered minimum $3,000 investments for 25,000 shares of its common stock at $0.12 per share, plus 500 shares of convertible, redeemable preferred stock valued by the Company at $1 per share. In connection with this offering, 13,900 shares of the convertible, redeemable preferred stock were issued in 2006. An additional 4,356 shares were issued in 2007. Each preferred share is convertible at the holder s option, to five shares of the Company s common stock, and carries a cumulative 6% dividend rate through December 31, 2011. The preferred shares may be redeemed by the Company any time after December 31, 2009, and must be fully redeemed on December 31, 2011, together with all cumulative dividends in arrears. Accordingly, the 18,256 preferred shares are presented as shares subject to mandatory redemption in the accompanying financial statements.

NOTE L SUBSEQUENT EVENTS

Three convertible notes due to a related party were entered into during the first quarter of 2010. The first on January 4, 2010 with the principal amount of $60,000, on February 1, 2010 a note with the principal amount of $52,500 and on March 1, 2010 a note with the principal amount of $67,000. All three notes are due in three years, with interest paid quarterly and contain the option to convert to common stock at any point during that three year period. All material subsequent events from the balance sheet date of December 31, 2009 through April 14, 2010 have been disclosed above.

ITEM 9. Changes in and Disagreements With Accountants on Accounting and Financial Disclosure

None

ITEM 9A(T). Controls and procedures

(a) *Evaluation of Disclosure Controls and Procedures.* Our principal executive officer and principal financial officer evaluated the effectiveness of our disclosure controls and procedures as of the end of the period covered by this report. Disclosure controls and procedures are controls and other procedures that are designed to ensure that information required to be disclosed by us in the reports that we file or submit under the Exchange Act is recorded, processed, summarized and reported within the time periods specified in the SEC s rules and forms. Disclosure controls and procedures include, without limitation, controls and procedures designed to ensure that information required to be disclosed by us in the reports that we file under the Exchange Act is accumulated and communicated to our management, as appropriate to allow timely decisions regarding required disclosure. Based on his evaluation, our principal executive officer and principal financial officer have concluded that our disclosure controls and procedures were effective as of December 31, 2009.

It should be noted that any system of controls, however well designed and operated, can provide only reasonable, and not absolute, assurance that the objectives of the system are met. In addition, the design of any control system is based in part upon certain assumptions about the likelihood of future events. Because of these and other inherent limitations of control systems, there can be no assurance that any design will succeed in achieving its stated goals under all potential future conditions.

(b) *Changes in internal control over financial reporting.* There have been no changes in our internal control over financial reporting that occurred during the last fiscal quarter that have materially affected, or are reasonably likely to materially affect, our internal control over financial reporting. Our management team will continue to evaluate our internal control over financial reporting throughout 2010.

Management s Report on Internal Control over Financial Reporting.

Management is responsible for establishing and maintaining adequate internal control over financial reporting (as defined in Rules 13a-15(f) and 15d-15(f) under the Securities Exchange Act of 1934) and has assessed the effectiveness of its control using the components established in the *Internal Control-Integrated Framework* issued by the Committee of Sponsoring Organizations of the Treadway Commission. Our internal control over financial reporting has been designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with accounting principles generally accepted in the United States of America.

Our internal control over financial reporting includes policies and procedures that pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect transactions and dispositions of our assets; provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with accounting principles generally accepted in the United States of America, and that receipts and expenditures are being made only in accordance with authorization of our management and directors; and provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use or disposition of our assets that could have a material effect on our financial statements.

Management performed this evaluation as of December 31, 2009. As a result of this evaluation, management concluded that we maintained effective internal control over financial reporting as of December 31, 2009.

This annual report does not include an attestation report of the Company s independent registered public accounting firm regarding internal control over financial reporting. Management s report was not subject to attestation by the company s independent registered public accounting firm pursuant to temporary rules of the Securities and Exchange Commission that permit the company to provide only management s report in this annual report.

ITEM 9 B. Other Information Required to be Reported on Form 8-K

None

PART III

ITEM 10. Directors, Executive Officers and Those Charged with Corporate Governance

As of the date of this Annual Report, based solely upon a review of copies of Forms 3, 4 and 5 and amendments thereto furnished to the Company during its most recent fiscal year, management believes that all directors and officers, both past and present, are in compliance with the reporting requirements of Section 16(a) of the Securities Exchange Act of 1934.

Biographical summaries concerning individuals serving on the Board of Directors, the Company's executive officers and significant employees, are shown below.

Dwayne L. Fosseen, age 64, is founder, Chief Executive Officer, Chairman of the Board of Directors, and Principal (controlling) Stockholder of Mirenco, Inc. Mr. Fosseen has been CEO and a director of the Company since its inception. Mr. Fosseen has personally been involved in major projects with the U.S. Department of Agriculture, the U.S. Department of Energy, the Iowa Corn Growers Board, the National BioDiesel Board and the Iowa Soybean Promotions Board. Mr. Fosseen has over 15 years' experience in the field of heavy-duty engines and has directed major EPA testing efforts at Ortech Corporation, an international emissions testing company.

Director Tim Neugent, age 60, is a graduate of Marquette University and is currently Vice President of and COO of Powerfilm Solar of Ames, Iowa. Previously he was Director of American Auto Finance and has owned and operated several companies in Central Iowa. Mr. Neugent brings valuable business and marketing expertise to the Board of Directors.

Merlin Hanson, age 70, Director, is a Certified Public Accountant and a graduate of the University of Minnesota. Mr. Hanson is a retired partner with McGladrey and Pullen with over 35 years with the firm. Mr. Hanson also serves on the board of Powerfilm Solar of Ames, Iowa as Chairman of the Board and Chairman of the Audit Committee and also serves on the board of Emerging Growth Group as a director. In the past, Mr. Hanson served as the Chairman of the Board for Goodwill Industries, International. Mr. Hanson is currently employed by Direct Communications Incorporated.

Don D. Williams, age 75, a lifelong resident of Williams, Iowa, has been involved in the grain business and is a major producer of livestock. Mr. Williams has also been associated with real estate as a licensed associate. Mr. Williams has served as an officer of the County Farm Bureau Board, Heart of Iowa Realtors Board, and the County Compensation and Extension Board. A director of Mirenco, Inc. since June 1, 1998, Mr. Williams is also a veteran of the Korean War.

Mr. Hanson and Mr. Neugent serve on the Company s Audit Committee. Mr. Hanson qualifies as a financial expert with his long career as a Certified Public Accountant, with practice experience in reporting matters for publicly held companies.

Glynis M. Hendrickson, age 49, became Chief Financial Officer in February, 2007. Mrs. Hendrickson graduated from the University of Northern Iowa in 1996. Mrs. Hendrickson started with Mirenco, Inc. in 2005 as controller. Mrs. Hendrickson has 8 years of accounting experience in the manufacturing industry prior to coming to Mirenco.

Daniel Bina, age 29, became Chief Operations Officer in October of 2008. Mr. Bina holds a degree in Mechanical Engineering from Iowa State University. Mr. Bina joined the Mirenco team in 2003 as an engineer. Mr. Bina was promoted to Chief Engineer in 2005 and most recently promoted to Chief Operations Officer in October of 2008.

Code of Business Conduct and Ethics

We have adopted a Code of Business Conduct and Ethics to provide guiding principles to all of our employees. Our Code of Business Conduct and Ethics does not cover every issue that may arise, but it sets out basic principles to guide our employees and provides that all of our employees must conduct themselves accordingly and seek to avoid even the appearance of improper behavior. Our Code of Business Conduct and Ethics provides that any employee who violates our Code of Business Conduct and Ethics will be subject to disciplinary action, up to and including termination of his or her employment. Generally, our Code of Business Conduct and Ethics provides guidelines regarding:

- compliance with laws, rules and regulations,
- conflicts of interest,
- competition and fair dealing,
- discrimination and harassment,
- health and safety,
- record keeping,
- confidentiality,
- protection and proper use of company assets,
- reporting any illegal or unethical behavior, and
- compliance procedures.

In addition, we have also adopted an Insider Trading Policy for our directors, officers, employees and their family members, in order to comply with federal and state securities laws governing (a) trading in Mirenco, Inc. (Company) securities while in the possession of material nonpublic information concerning the Company, and (b) tipping or disclosing material nonpublic information to outsiders, in order to prevent even the appearance of improper insider trading or tipping.

The Code of Ethics and Insider Trading Policy are posted on our website under the investor relations section of our website: www.mirenco.com.

AUDIT COMMITTEE

The Board of Directors has an audit committee composed of Merlin Hanson and Tim Neugent. Mr. Hanson is considered the financial expert on the audit committee. He is a retired partner of RSM McGladrey, a public accounting firm.

ITEM 11. Executive Compensation

The following table sets forth the compensation of the named executive officers for each of the Company's last three completed fiscal years.

Summary Compensation Table

Name and Principal Position	Year	Salary	Bonus	Options Awarded	All Other Compensation	Total
Dwayne Fosseen, CEO	2009	$ 65,000	$ -	$ 120	$ -	$ 65,120
	2008	$ 65,000	$ -	$ 600	$ -	$ 65,600

Mr. Fosseen s compensation is comprised of a base salary and a bonus agreement. The bonus agreement would be based on an annual bonus pool subject to the Board of Directors determination and objective goals determined by the Board of Directors. No bonus has been awarded to Mr. Fosseen. Stock options are awarded to Mr. Fosseen for board meeting attendance. These options are fully vested at the award date.

Option Grants

OUTSTANDING EQUITY AWARDS AT FISCAL YEAR-END

OPTION AWARDS

Name (a)	Number of Securities Underlying Unexercised options (#)(b)	Option Exercise Price ($)(e)	Option Expiration Date ($)(f)
Dwayne Fosseen, CEO	1000	0.1563	1/31/2014
Dwayne Fosseen, CEO	1000	0.275	1/31/2014
Dwayne Fosseen, CEO	1000	0.375	1/31/2014
Dwayne Fosseen, CEO	1000	0.2625	1/31/2014
Dwayne Fosseen, CEO	1000	0.25	1/31/2014
Dwayne Fosseen, CEO	1000	0.2125	1/31/2014

Dwayne Fosseen, CEO	2000	0.16	1/31/2014
Dwayne Fosseen, CEO	1000	0.28	1/31/2018
Dwayne Fosseen, CEO	1000	0.12	1/31/2018

All options are fully vested when granted.

Aggregate Option Exercises and Fiscal Year-End Option Value

There were no stock options exercised during the year ended December 31, 2009, and no options were exercised during the year ended December 31, 2008. During 2008, 404,000 warrants were exercised at $.15 per share totaling $60,600, in exchange for amounts due to a former officer.

Compensation of Directors

The following table sets forth with respect to the directors, compensation information inclusive of equity awards and payments made for the fiscal year ended December 31, 2009:

Name	Fees Earned or Paid in Case ($)	Options Awarded	All Other Compensation	Total
Dwayne Fosseen	$ -	$ 120	$ -	$ 120
Donald Williams	$ -	$ 120	$ -	$ 120
Merlin Hanson	$ -	$ 120	$ -	$ 120
Timothy Neugent	$ -	$ 120	$ -	$ 120

Stock options are awarded to board members for board meeting attendance. These options are fully vested at the award date.

ITEM 12. Security Ownership of Certain Beneficial Owners and Management and Related Stockholder Matters

The following table sets forth the individuals serving on the Board of Directors, the Company s executive officers and significant employees, and information with respect to the number of shares of the Company s common stock beneficially owned by each of them directly or indirectly, as of December 31, 2009. The number of shares beneficially owned includes shares, if any, held in the name of the spouse, minor children, or other relatives of the individual living in his home, as well as shares, if any, held in the name of another person under an arrangement whereby the individual enjoys the right to vote or the use of the income, or whereby the individual can vest or re-vest title in himself or herself at once or at some future time.

Name, Position and Address of Beneficial Owner	Amount Beneficially Owned	Percent of Class

Dwayne Fosseen, Director, Chairman of the Board and Chief Executive Officer 206 May Street Radcliffe, IA 50230	10,920,296	(a)	33.15%
Glynis M. Hendrickson, Secretary and Chief Financial Officer 206 May Street Radcliffe, IA 50230	76,500	(b)	0.24%
Don Williams, Director 206 May Street Radcliffe, IA 50230	420,700	(c)	1.33%
Tim Neugent, Director 206 May Street Radcliffe, IA 50230	49,000	(d)	0.16%
Merlin Hanson, Director 206 May Street Radcliffe, IA 50230	20,000	(e)	0.06%
Daniel Bina, Chief Operating Officer 206 May Street Radcliffe, IA 50230	6,000	(f)	0.02%
All Directors and Officers as a group (7 persons)	11,492,496		34.74%
Robert Glace	7,211,000		22.90%
Total number of shares outstanding 12/31/08	31,494,177		
Total options outstanding	525,810		
Total warrants outstanding	1,646,000		
Total shares, options and warrants	33,665,987		

(a)

Dwayne Fosseen's beneficial ownership includes 1,443,150 shares which are acquirable pursuant to the exercise of outstanding stock options and warrants, 2,000 shares owned by family members in his household and 4,250 shares, which are acquirable pursuant to the exercise of outstanding stock options owned by his spouse.

(b)

Glynis Hendrickson s beneficial ownership includes 76,500 shares which are acquirable pursuant to the exercise of outstanding stock options.

(c)

Don William s beneficial ownership includes 23,000 shares, which are acquirable pursuant to the exercise of outstanding stock options.

(d)

Tim Neugent s beneficial ownership includes 19,000 shares, which are acquirable pursuant to the exercise of outstanding stock options.

(e)

Merlin Hanson s beneficial ownership includes 20,000 shares, which are acquirable pursuant to the exercise of outstanding stock options.

(f) Daniel Bina s beneficial ownership includes 6,000 shares, which are acquirable pursuant to the exercise of outstanding stock options.

(g)

The beneficial ownership of all directors and officers as a group includes 221,900 shares which are acquirable pursuant to the exercise of outstanding stock options and 1,370,000 shares which are acquirable pursuant to the exercise of outstanding warrants.

ITEM 13. Certain Relationships and Related Transactions

During 2009, the Company issued 197,875 shares of common stock at $.15 per share, which was issued for debt to related parties of $35,617.

During 2008, the Company issued 520,121 shares of common stock at $.10 per share, which were issued for debt and accrued interest payable to related parties of $10,000, and $42,012, respectively. Non-cash stock compensation of $26,006 was recognized in connection with this stock issuance, for the difference between the excess fair market value of the stock over the debt retired. An additional 522,983 shares of common stock were issued to an officer for salary of $31,379, at $.06 per share, the fair market value at the date of issue.

In 2008 the Company incurred rent expense in the amount of $9,600 payable to an officer and majority stockholder. Payments to related parties in 2008 amounted to $902 for interest. Also during 2008, 404,000 warrants were exercised at $.15 per share totaling $60,600, in exchange for amounts due to a former officer. The Company has also incurred debt to an officer totaling $67,432 for past expenses and salary.

The Company has an agreement that provides for royalty payments in the amount of 3% of gross sales (including product sales, service revenues, and all revenues from sales of patent rights) for 20 years, which began November 1, 1999. This agreement can be terminated by the seller if the Company fails to make the above payments or becomes insolvent. The Company incurred royalty expense to a company partially owned by the majority stockholder of the Company for the years ended December 31, 2009 and 2008 in the amounts of $10,102 and $25,356 respectively.

ITEM 14.

PRINCIPAL ACCOUNTANT FEES AND SERVICES

The Company s board of directors reviews and approves audit and permissible non-audit services performed by its independent accountants, as well as the fees charged for such services. In its review of non-audit service fees and its appointment of Stark Winter Schenkein & Co., LLP as the Company's independent accountants, the board of directors considered whether the provision of such services is compatible with maintaining independence. All of the services provided and fees charged by Stark Winter Schenkein & Co., LLP in 2009 and 2008 were approved by the board of directors.

Audit Fees

The aggregate fees billed for professional services for the audit of the annual financial statements of the Company and the reviews of the financial statements included in the Company's quarterly reports on Form 10-QSB or Form 10-Q for 2009 and 2008 were $38,135 and $37,000 respectively, net of expenses.

Audit-Related Fees

There were no other fees billed during the last two fiscal years for assurance and related services that were reasonably related to the performance of the audit or review of the Company's financial statements and not reported under "Audit Fees" above.

Tax Fees

There were no fees billed during the last two fiscal years for professional services rendered for tax compliance.

All Other Fees

There were no other fees billed during the last two fiscal years for products and services provided.

ITEM 15. Exhibits

a)

The following documents are filed as part of this report:

1 and 2. The following financial statements are included in Item 8 of this Annual Report:

Report of Independent Registered Public Accounting Firm

Balance Sheets as of December 31, 2009 and 2008

Statements of Operations for the years ended December 31, 2009 and 2008

Statements of Stockholders' Equity (Deficit) for the years ended December 31, 2009 and 2008

Statements of Cash Flows for the years ended December 31, 2009 and 2008

Notes to Financial Statements

3. The following are the exhibits to this annual report.

3.2(a)

Articles of Amendment to Articles of Incorporation (Incorporated by reference to the Company s 10QSB for the quarter ended June 30, 2004 filed on August 10, 2004)

3.2(b)

Certificate of Incorporation and Certificates of Amendment to the Certification of Incorporation of Registrant (incorporated by reference to the Company s Registration Statement filed on July 10, 2000).

3.3

Bylaws of Registrant (incorporated by reference to the Company s Registration Statement filed on July 10, 2000).

10.2(d)

Stock Option Agreement between Registrant and Betty Fosseen (incorporated by reference to the Company s Registration Statement filed on July 10, 2000).

10.2(f)

Stock Option Agreement between Registrant and J. Richard Relick (incorporated by reference to the Company s Registration Statement filed on July 10, 2000).

10.4

Purchase Agreement Between Registrant and American Technologies, LLC (incorporated by reference to the Company s Registration Statement filed on July 10, 2000).

10.5

Environmental Regulatory Approvals with the U.S. Environment Protection Agency and California Air Resources Board (incorporated by reference to the Company s Registration Statement filed on July 10, 2000).

10.6

Summary of Patents and Associated Service Marks (incorporated by reference to the Company s Registration Statement filed on July 10, 2000).

10.7

Copies of U.S. and Canadian Patents Issued to Dwayne L. Fosseen (incorporated by reference to the Company s Registration Statement filed on July 10, 2000).

10.8

Summary of Mexican Patents and Associated Protections Issued to Dwayne L. Fosseen (incorporated by reference to the Company s Registration Statement filed on July 10, 2000).

10.9

Rental Agreement Between Registrant and Fosseen Manufacturing & Development, Inc (incorporated by reference to the Company s Registration Statement filed on July 10, 2000).

10.13(a)

Stock Option Agreement between Registrant and Betty Fosseen (incorporated by reference to the Company s Registration Statement Amendment filed on April 17, 2001).

1.14

2001 Common Stock Compensation Plan (incorporated by reference to the Company s 10KSB for the fiscal year ended December 31, 2001).

10.30 2004 Common Stock Compensation Plan (Incorporated by reference to the Company s 10KSB, filed April 15, 2005).

10.31

2008 Common Stock Incentive Compensation Plan(incorporated by reference to the Company s 14C filed on September 17, 2008.

10.32

Distributor Agreement with Whayne Supply, dated January 13, 2009 (incorporated by reference to the Company s 8K filed on January 15, 2009.

* 31.1

Certification of Dwayne Fosseen, Principal Executive Officer,dated April 15, 2010, 2009 pursuant to Rule 31a-14(a) or 15d-14(a) under the Securities Exchange Act of 1934.

* 31.2

Certification of Glynis Hendrickson, Principal Financial Officer,dated April 15, 2010 pursuant to Rule 31a-14(a) or 15d-14(a) under the Securities Exchange Act of 1934.

* 32

Certifications of Dwayne Fosseen, Principal Executive Officer, and Glynis Hendrickson, Principal Financial Officer, dated April 15, 2010 pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.

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Filed with this report.

SIGNATURES

In accordance with Section 13 or 15(d) of the Exchange Act, the Registrant caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

Mirenco, Inc.
(Registrant)

By: /s/ Glynis M. Hendrickson

Glynis M. Hendrickson

Principal Financial Officer

and Principal Accounting Officer

Date: April 15, 2010

In accordance with the Exchange Act, 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/ Dwayne Fosseen

Dwayne Fosseen

Chairman of the Board,

Principal Executive Officer

and Director

Date: April 15, 2010

By: /s/ Don Williams

Don Williams

Director

Date: April 15, 2010

By: /s/ Timothy Neugent

Timothy Neugent

Director

Date: April 15, 2010

By:: /s/ Glynis M. Hendrickson

Glynis M. Hendrickson

Secretary

#1821844

EXHIBIT 31.1

PRINCIPAL EXECUTIVE OFFICER CERTIFICATION

I, Dwayne Fosseen, Principal Executive Officer and President of Mirenco, Inc. certify that:

1.

I have reviewed this report on Form 10-K the Company;

2.

Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3.

Based on my knowledge, the financial statements, and other financial information included in this annual report, fairly present in all material respects the financial condition, results of operations and cash flows of the Company as of, and for, the periods presented in this report;

4.

The Company s other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the Company and have:

(a)

Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the Company, including its consolidated subsidiaries is made known to us by others within those entities, particularly during the period in which this annual report is being prepared;

(b)

Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

(c)

Evaluated the effectiveness of the Company s disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

(d)

Disclosed in this report any change in the Company s internal control over financial reporting that occurred during the Company s most recent fiscal quarter (the Company s fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the Company s internal control over financial reporting; and

5.

The Company s other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the Company s auditors and the audit committee of Company s board of directors (or persons performing the equivalent functions):

(a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the Company s ability to record, process, summarize and report financial information; and

(b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the Company s internal control over financial reporting.

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Date: April 15, 2010

/s/Dwayne Fosseen

Dwayne Fosseen,

President and Principal Executive Officer

EXHIBIT 31.2

PRINCIPAL FINANCIAL OFFICER CERTIFICATION

I, Glynis Hendrickson, Principal Financial Officer of Mirenco, Inc. certify that:

1.

I have reviewed this report on Form 10-K the Company;

2.

Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3.

Based on my knowledge, the financial statements, and other financial information included in this annual report, fairly present in all material respects the financial condition, results of operations and cash flows of the Company as of, and for, the periods presented in this report;

4.

The Company s other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the Company and have:

(a)

Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the Company, including its consolidated subsidiaries is made known to us by others within those entities, particularly during the period in which this annual report is being prepared;

(b)

Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

(c)

Evaluated the effectiveness of the Company s disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

(d)

Disclosed in this report any change in the Company s internal control over financial reporting that occurred during the Company s most recent fiscal quarter (the Company s fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the Company s internal control over financial reporting; and

5.

The Company s other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the Company s auditors and the audit committee of Company s board of directors (or persons performing the equivalent functions):

(a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the Company s ability to record, process, summarize and report financial information; and

(b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the Company s internal control over financial reporting.

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Date: April 15, 2010

/s/Glynis Hendrickson

Glynis Hendrickson,

Principal Financial Officer

EXHIBIT 32

CERTIFICATION PURSUANT TO

SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002

I, Dwayne Fosseen, Chief Executive Officer and I, Glynis Hendrickson, Principal Financial Officer of Mirenco, Inc. (the Company), certify that

(1)

I have reviewed the annual report on Form 10-K of Mirenco, Inc.;

(2)

Based on my knowledge, this annual report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this annual report; and

(3) Based on my knowledge, the financial statements, and other financial information included in this quarterly report, fairly present in all material respects the financial condition, results of operations and cash flows of the Company as of, and for, the period presented in this annual report.

Date: April 15, 2010

/s/ Dwayne Fosseen

Dwayne Fosseen

Chief Executive Officer and President

/s/ Glynis Hendrickson

Principal Financial Officer

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