SIMLATUS CORP

FORM 10-Q
(Quarterly Report)

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

FORM 10-Q

[X] **QUARTERLY REPORT UNDER SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**
For the quarterly period ended September 30, 2017

[ ] **TRANSITION REPORT UNDER SECTION 13 OR 15(d) OF THE EXCHANGE ACT OF 1934**
For the transition period from ______ to _______

Commission File Number 000-53276

SIMLATUS CORPORATION

(Name of small business issuer in its charter)

Nevada	**20-2675800**
(State of incorporation)	(I.R.S. Employer Identification No.)

175 Joerschke Dr., Ste. A
Grass Valley, CA 95945

(Address of principal executive offices)

(530) 205-3437

(Registrant's telephone number)

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days.Yes [X] No [ ]

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 [X] No [ ]

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, smaller reporting company, or an emerging growth company. See the definitions of "large accelerated filer," "accelerated filer," "smaller reporting company," and "emerging growth company" in Rule 12b-2 of the Exchange Act.

Large accelerated filer	[ ]	Accelerated filer	[ ]
Non-accelerated filer	[ ] (Do not check if a smaller reporting company)	Smaller reporting company	[X]
Emerging growth company	[ ]		

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act. [ ] {

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

As of November 2, 2017, there were 2,842,333 shares of the registrant's $0.00001 par value common stock issued and outstanding.

SIMLATUS CORP.

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Special Note Regarding Forward-Looking Statements

Information included in this Form 10-Q contains forward-looking statements within the meaning of Section 27A of the Securities Act of 1933, as amended ("Securities Act"), and Section 21E of the Securities Exchange Act of 1934, as amended ("Exchange Act"). This information may involve known and unknown risks, uncertainties and other factors which may cause the actual results, performance or achievements of Simlatus Corp. (the "Company"), to be materially different from future results, performance or achievements expressed or implied by any forward-looking statements. Forward-looking statements, which involve assumptions and describe future plans, strategies and expectations of the Company, are generally identifiable by use of the words "may," "will," "should," "expect," "anticipate," "estimate," "believe," "intend," or "project" or the negative of these words or other variations on these words or comparable terminology. These forward-looking statements are based on assumptions that may be incorrect, and there can be no assurance that these projections included in these forward-looking statements will come to pass. Actual results of the Company could differ materially from those expressed or implied by the forward-looking statements as a result of various factors. Except as required by applicable laws, the Company has no obligation to update publicly any forward-looking statements for any reason, even if new information becomes available or other events occur in the future.

Please note that throughout this Quarterly Report, and unless otherwise noted, the words "we,""SIML," "our," "us," the "Company," refers to Simlatus Corp.

PART I - FINANCIAL INFORMATION

ITEM 1. FINANCIAL STATEMENTS

SIMLATUS CORP.
BALANCE SHEETS

		September 30, 2017		March 31, 2017
ASSETS		(Unaudited)		
Current Assets				
Cash	$	5,421	$	1,330
Inventory, net		73,578		68,629
Prepaid expenses		-		10,000
Total Current Assets		78,999		79,959
TOTAL ASSETS	**$**	**78,999**	**$**	**79,959**
LIABILITIES				
Current Liabilities:				
Accounts payable	$	228,962	$	83,839
Accrued wages		705,452		656,326
Derivative liabilities		4,817,291		5,316,130
Convertible notes payable, net of discount		844,794		776,777
Convertible notes payable, interest		2,058,162		1,215,519
Related party liabilities		2,096,359		2,841,512
Total Current Liabilities		10,751,020		10,890,103
Total Liabilities		10,751,020		10,890,103
Commitments and contingencies		-		-
SHAREHOLDERS' EQUITY				
Preferred stock, $0.001 par value 20,000,000 shares authorized				
Series A: 10,000,000 shares authorized		3,484		2,213
3,483,923 shares issued and outstanding at September 30, 2017				
2,213,154 shares issued and outstanding at March 31, 2017				
Series B: 10,000,000 shares authorized		1		1
500 shares issued and outstanding at September 30, 2017				
1,000 shares issued and outstanding at March 31, 2017				
Common stock, $0.00001 par value 900,000,000 authorized		28		7
2,842,333 shares issued and outstanding at September 30, 2017 (1)				
733,059 shares issued and outstanding at March 31, 2017 (1)				
Additional paid in capital		(2,845,797)		(4,306,526)
Accumulated deficit		(7,829,737)		(6,505,839)
Total Shareholders' Equity		(10,672,021)		(10,810,144)
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY	**$**	**78,999**	**$**	**79,959**

(1) All common share amounts and per share amounts in the financial statements reflect the one-for-fifteen hundred reverse stock split that was made effective on November 1, 2017. See Note 9.

The accompanying notes are an integral part of these financial statements

SIMLATUS CORP.
STATEMENT OF OPERATIONS
(Unaudited)

	Three months ended September 30, 2017	Three months ended September 30, 2016 (Restated)	Six months ended September 30, 2017	Six months ended September 30, 2016 (Restated)
Sales	$ 3,600	$ 58,365	$ 11,951	$ 60,017
Cost of materials	3,659	32,821	10,276	35,825
Gross profit (loss)	(59)	25,544	1,675	24,192
Operating expenses:				
G&A expenses	24,386	17,788	75,070	47,838
Professional fees	104,550	57,291	202,186	84,526
Salaries and wages	81,250	112,500	183,333	225,000
Total Operating expenses	210,186	187,579	460,589	357,364
Loss from operations	(210,245)	(162,035)	(458,914)	(333,172)
Other income (expense):				
Gain (loss) on derivative liability valuation	(504,358)	(1,014,313)	437,916	(2,524,164)
Gain (loss) on settlement of debt	-	(348,853)	(62,421)	1,390,166
Interest expenses	(580,095)	(55,434)	(1,240,479)	(741,105)
Total other income/expenses	(1,084,453)	(1,418,600)	(864,984)	(1,875,103)
Net loss before income taxes	(1,294,698)	(1,580,635)	(1,323,898)	(2,208,275)
Income tax expense	-	-	-	-
Net loss	**$ (1,294,698)**	**$ (1,580,635)**	**$ (1,323,898)**	**$ (2,208,275)**
Per share information				
Weighted number of common shares outstanding, basic and diluted (1)	2,888,150	70,110	2,193,400	72,177
Net loss per common share	$ (0.4483)	$ (22.55)	$ (0.6036)	$ (30.60)

(1) All common share amounts and per share amounts in the financial statements reflect the one-for-fifteen hundred reverse stock split that was made effective on November 1, 2017. See Note 9.

The accompanying notes are an integral part of these financial statements

SIMLATUS CORP.
STATEMENTS OF CASH FLOWS
(Unaudited)

	Six months ended September 30, 2017	Six months ended September 30, 2016 (Restated)
Increase (decrease) in cash and cash equivalents:		
Cash flows from operating activities:		
Net loss	$ (1,323,898)	$ (2,208,275)
Adjustments to reconcile net income to net cash provided by operating activities:		
Amortization of convertible debt discount	260,211	149,229
New derivatives recorded as loan fees	98,293	48,360
Common stock issued for services	27,250	-
(Gain) loss on derivative liability valuation	(437,916)	2,524,164
(Gain) loss on settlement of debt	62,421	(1,390,166)
Decrease (increase) in operating assets		
Accounts receivable	6,705	(5,010)
Inventory	(11,654)	(14,337)
Prepaid expenses	10,000	-
Increase (decrease) in operating liabilities		
Accounts payable	165,024	126,727
Accrued wages	210,543	231,789
Accrued interest	843,515	474,319
Net cash used in operating activities	(89,506)	(63,200)
Cash flows from investing activities	-	-
Cash flows from financing activities:		
Proceeds from notes payable	-	15,000
Payments on notes payable	-	(5,044)
Proceeds from convertible notes payable	60,000	51,000
Proceeds from (payments to) related parties, net	33,597	-
Net cash provided by financing activities	93,597	60,956
Net decrease in cash	4,091	(2,244)
Cash, beginning of period	1,330	4,353
Cash, end of period	$ 5,421	$ 2,109
Supplemental disclosures of cash flow information:		
Cash paid for income taxes	$ -	$ -
Cash paid for interest	$ -	$ -
Schedule of non-cash investing & financing activities:		
Shares issued for liabilities	$ 1,343,284	$ 3,676,439
Preferred Series A stock converted to common stock	$ 1,918	$ -
Derivative liability and beneficial conversion feature recorded as debt discount	$ 95,817	$ 226,000
Accrued interest on note payable transferred to principal	$ 872	$ 54,786
Common stock converted to Series A preferred stock	$ 1,216	$ -
Accounts payable converted to convertible notes payable	$ -	$ 10,000

The accompanying notes are an integral part of these financial statements

1. BASIS OF PRESENTATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Organization and Description of Business

Simlatus Corporation ("SIML" or "Company") was incorporated in the State of Nevada under the name Sunberta Resources Inc. on November 15, 2006, as a mining and exploration of mineral claims business. On November 18, 2009, the Company changed its name to Grid Petroleum Corp. and continued with the mining and exploration of mineral claims operations, exploring mining claims in Alberta, Canada, Vancouver Island, British Columbia, England and the United States.

On March 9, 2016, the Company entered into an Asset Purchase Agreement (the "Asset Purchase Agreement") with RJM and Associates, LLC, a California limited liability company ("RJM") whereby RJM's owners became the directors of the Company and were to be issued $6,250,000 worth of the Company's stock; $5,000,000 of Restricted Common Stock 90 days from the date of this agreement and $1,250,000 of Preferred Series-A Shares of the Company's Preferred Stock (the "Acquisition"). On the same date, the entire management of RJM became the entire management of the Company. The Company's transaction with RJM has been treated as a reverse recapitalization of the Company, with the Company (the legal acquirer of RJM) considered the accounting acquiree, and RJM, whose management took control of the Company (the legal acquiree of the Company), considered the accounting acquirer. The historical financial statements include the operations of the accounting acquirer (RJM) for all periods presented.

RJM was incorporated in the State of California on June 11, 2014, for the purpose of operating a broadcast equipment production business.

On March 25, 2016, the Company approved a name change to Simlatus Corporation, stock symbol SIML, which was executed on April 4, 2016. The new name change better describes the Company's new business and new revenues in selling commercial broadcast equipment on a global basis. Simlatus Corporation develops, manufactures, markets and owns proprietary advanced broadcast equipment and software and sells this audio and video broadcast equipment worldwide. These systems have been sold worldwide over the past 15 years including some of the major broadcast companies.

The Company currently sells approximately 55 different audio/video products, and is preparing to market its newest audio/video product referred to as SyncPal™. In addition to the Company's traditional line of audio/video products, it has commenced the research & development of its Immersive Broadcast System, referred to as the Simlatus-IBS™. The Simlatus-IBS™ will include commercial augmented reality and virtual reality applications for studio engineers. These applications, both hardware and software, will allow the customer to control and manage the studio audio/video systems from anywhere in the world. These products are being developed to serve a market segment that is presently being strongly embraced by consumers and is forecasted, by some of the most widely recognized tech companies in the world, as becoming a multi-billion-dollar market in the very near future. The Market Analysis and IP Portfolio will include new patents specifically developed for these products and owned by the Company.

Basis of Presentation

The accompanying financial statements of the Company have been prepared without audit, pursuant to the rules and regulations of the Securities and Exchange Commission. Certain information and disclosures required by accounting principles generally accepted in the United States have been condensed or omitted pursuant to such rules and regulations. These financial statements reflect all adjustments that, in the opinion of management, are necessary to present fairly the results of operations of the Company for the period presented. The results of operations for the six months ended September 30, 2017, are not necessarily indicative of the results that may be expected for any future period or the fiscal year ending March 31, 2018 and should be read in conjunction with the Company's Form 10-K for the year ended March 31, 2017, filed with the Securities and Exchange Commission on October 25, 2017.

Cash and Cash Equivalents

Cash and equivalents include investments with initial maturities of six months or less. The Company maintains its cash balances at credit-worthy financial institutions that are insured by the Federal Deposit Insurance Corporation ("FDIC") up to $250,000. As of September 30, 2017 and March 31, 2017 the Company had no cash equivalents.

Revenue Recognition

The Company recognizes revenue on arrangements in accordance with ASC 605, Revenue Recognition. Revenue is recognized only when the price is fixed and determinable, persuasive evidence of an arrangement exists, the service is performed and collectability of the resulting receivable is reasonably assured. The Company's revenues to date consist of the sale of audio and video broadcasting products.

Accounts Receivable and Uncollectible Receivables

Accounts Receivable are recorded at the invoiced amount to the customer and do not bear interest. The Company extends unsecured credit to its customers in the ordinary course of business, but mitigates associated risks by actively pursuing past due accounts. Receivables that are over 180 days past due are deemed uncollectible and are written off to the statement of operations. During the six months ended September 30, 2017 and 2016 no receivables were written off as uncollectible.

Accounts Payable and Accrued Expenses

Accounts payable and accrued expenses are carried at amortized cost and represent liabilities for goods and services provided to the Company prior to the end of the fiscal year that are unpaid and arise when the Company becomes obliged to make future payments in respect of the purchase of these goods and services.

Use of Estimates

The preparation of the Company's financial statements in conformity with generally accepted accounting principles of United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period.

Management makes its best estimate of the ultimate outcome for these items based on historical trends and other information available when the financial statements are prepared. Actual results could differ from those estimates.

Loss Per Share

Basic loss per share of common stock is computed by dividing the net loss by the weighted average number of common shares outstanding during the period. Diluted earnings (loss) per share is equal to the basic per share for the six months ended September 30, 2017 and 2016. Common stock equivalents are not included in the loss per share since they are anti-dilutive.

Inventories

Inventories are stated at the lower of cost, computed using the first-in, first-out method and net realizable value. Any adjustments to reduce the cost of inventories to their net realizable value are recognized in earnings in the current period. As of September 30, 2017 and March 31, 2017, the Company's inventories consist only of raw materials and supplies rather than finished goods and are presented net of an allowance for obsolete inventory of $125,329.

Fair Value of Financial Instruments

Fair value is defined as the price that would be received upon sale of an asset or paid upon transfer of a liability in an orderly transaction between market participants at the measurement date and in the principal or most advantageous market for that asset or liability. The fair value should be calculated based on assumptions that market participants would use in pricing the asset or liability, not on assumptions specific to the entity. In addition, the fair value of liabilities should include consideration of non-performance risk including our own credit risk.

In addition to defining fair value, the standard expands the disclosure requirements around fair value and establishes a fair value hierarchy for valuation inputs is expanded. The hierarchy prioritizes the inputs into three levels based on the extent to which inputs used in measuring fair value are observable in the market. Each fair value measurement is reported in one of the three levels and which is determined by the lowest level input that is significant to the fair value measurement in its entirety.

These levels are:

Level 1 - inputs are based upon unadjusted quoted prices for identical instruments traded in active markets.

Level 2 - inputs are based upon quoted prices for similar instruments in active markets, quoted prices for identical or similar instruments in markets that are not active, and model-based valuation techniques for which all significant assumptions are observable in the market or can be corroborated by observable market data for substantially the full term of the assets or liabilities.

Level 3 - inputs are generally unobservable and typically reflect management's estimates of assumptions that market participants would use in pricing the asset or liability. The fair values are therefore determined using model-based techniques that include option pricing models, discounted cash flow models, and similar techniques.

Financial assets and liabilities measured at fair value on a recurring basis:

	Input Level	September 30, 2017 Fair Value	March 31, 2017 Fair Value
Derivative Liability	3	$ 4,817,291	$ 5,316,130
Total Financial Liabilities		$ 4,817,291	$ 5,316,130

In management's opinion, the fair value of convertible notes payable and advances payable is approximate to carrying value as the interest rates and other features of these instruments approximate those obtainable for similar instruments in the current market. Unless otherwise noted, it is management's opinion that the Company is not exposed to significant interest, exchange or credit risks arising from these financial instruments. As of September 30, 2017 and March 31, 2017, the balances reported for cash, accounts receivable, prepaid expenses, accounts payable, and accrued liabilities, approximate the fair value because of their short maturities.

Income Taxes

The Company records deferred taxes in accordance with FASB ASC No. 740, *Income Taxes.* Deferred tax assets and liabilities are recognized for the future tax consequences attributable to temporary differences between the financial statement carrying amounts of existing assets and liabilities and loss carry-forwards and their respective tax bases. Deferred tax assets and liabilities are measured using enacted tax rates expected to apply to taxable income in the years in which those temporary differences are expected to be recovered or settled. The effect of a change in tax rules on deferred tax assets and liabilities is recognized in operations in the year of change. A valuation allowance is recorded when it is "more likely-than-not" that a deferred tax asset will not be realized.

As of the date of this filing, the Company is delinquent in filing their tax returns, and there is uncertainty regarding potential penalties and interest. The last return filed by the Company was March 31, 2012, and the Company has not accrued any potential penalties or interest from that period forward. The Company will need to file returns for the years ending March 31, 2013, 2014, 2015 and 2016, which are still open for examination.

Recent Accounting Pronouncements

In May 2014, the FASB issued Accounting Standards Update ("ASU") 2014-09, Revenue from Contracts with Customers (ASC Topic 606). ASU 2014-09 creates a new topic in the ASC Topic 606 and establishes a new control-based revenue recognition model, changes the basis for deciding when revenue is recognized over time or at a point in time, provides new and more detailed guidance on specific topics, and expands and improves disclosures about revenue. In addition, ASU 2014-09 adds a new Subtopic to the Codification, ASC 340-40, Other Assets and Deferred Costs: Contracts with Customers, to provide guidance on costs related to obtaining a contract with a customer and costs incurred in fulfilling a contract with a customer that are not in the scope of another ASC Topic. The guidance in ASU 2014-09 is effective for public entities for annual reporting periods beginning after December 15, 2017, including interim periods therein. Early application is not permitted. Management is in the process of assessing the impact of ASU 2014-09 on the Company's financial statements.

In February 2016, the FASB issued ASU 2016-02 (ASC Topic 842), Leases. The ASU amends a number of aspects of lease accounting, including requiring lessees to recognize operating leases with a term greater than one year on their balance sheet as a right-of-use asset and corresponding lease liability, measured at the present value of the lease payments. The amendments in this ASU are effective for fiscal years beginning after December 15, 2018, including interim periods within those fiscal years. Early adoption is permitted. The Company is in the process of assessing the impact on its consolidated financial statements.

2. GOING CONCERN

These financial statements have been prepared on a going-concern basis which assumes the Company will be able to realize assets and discharge liabilities in the normal course of business for the foreseeable future.

The Company has experienced substantial losses since its inception, has limited business operations, and has total liabilities in excess of total assets, which raises substantial doubt about the Company's ability to continue as going concern. The ability of the Company to meet its commitments as they become payable is dependent on the ability of the Company to obtain necessary financing or achieving a profitable level of operations. There is no assurance the Company will be successful in achieving these goals.

The Company does not have sufficient cash to fund its desired research and development objectives for its augmented/virtual reality product development for the next 12 months. The Company has arranged financing and intends to utilize the cash received to fund the research and development project. This financing may be insufficient to fund expenditures or other cash requirements required to complete the product design for the augmented/virtual reality markets. There can be no assurance the Company will be successful in completing any new product development. The Company plans to seek additional financing if necessary in private or public equity offering(s) to secure future funding for operations. There can be no assurance the Company will be successful in raising additional funding. If the Company is not able to secure additional funding, the implementation of the Company's business plan will be impaired. There can be no assurance that such additional financing will be available to the Company on acceptable terms or at all.

These financial statements do not give effect to adjustments to the amounts and classification to assets and liabilities that would be necessary should the Company be unable to continue as a going concern.

3. RESTATEMENT OF PREVIOUSLY ISSUED FINANCIAL STATEMENTS

The financial statements for the six months ending September 30, 2016, filed with the SEC on November 16, 2016 in Form 10-Q, contained errors and omissions due to the asset acquisition on March 9, 2016 being accounted for incorrectly. The transaction should have been treated as a reverse acquisition and capital transaction in substance, rather than an asset acquisition. In addition to the errors resulting from the incorrect accounting for the acquisition, the September 30, 2016 financial statements were also restated to correct errors in the accounting for (1) the cancellation or forgiveness of debt, (2) the conversions of debt into common stock, (3) derivative liability valuations, and (4) incorrect revenue recognition. Accordingly, the statements of operations for the three and six months ended September 30, 2016 and the statement of cash flows for the six months ended September 30, 2016 have been restated to correct these errors and omission.

The restated financial statements correct the following errors to the Statement of Operations:

Revenue and Cost of Materials Adjustments:

- The Company overstated income by $3,695 for the six-month period ending September 30, 2016. Cost of materials for the three and six-month periods were understated by $24,158 and overstated by $5,361, respectively. This was due to errors in the timing of recognition of revenue and its associated expense.

Operating Expense Adjustments:

- G&A expenses for the three and six-month periods were overstated by $560,904 and $930,139, respectively, and professional fees were overstated for the three and six-month periods by $50,285 and $44,165, respectively. Salaries and wages for the three and six-month periods were understated by $112,500 and $225,000, respectively. This was a result of the Company incorrectly recording an intangible asset with the reverse acquisition and recognizing amortization during the six months ended September 30, 2016. Additionally, the Company incorrectly brought RJM liabilities on the books by recording expenses and corrected account groupings on their income statement. Lastly, the Company had to correct errors in their salary and wage calculations to correctly reflect employment agreements in place.

Other Income and Expense Adjustments :

- For the three and six-month periods, the change in derivative liability valuation was misstated by $759,401 and $2,342,91, respectively, interest expense was understated by $50,959 and $57,647, respectively, and debt forgiveness was understated by $1,267,540 and overstated by $408,079, respectively. These misstatements were due to the following: (1) the Company incorrectly recorded debt and its related interest and derivative amounts that were cancelled, forgiven, or exchanged, (2) the Company incorrectly recorded stock issued for debt transactions.

- Loss on the sale of mineral property was misstated by $5,340,824 for the six-month period. It was concluded that the exchange of the oil and gas asset for convertible debt was part of the Company's acquisition transaction with RJM & Associates. Therefore, the oil and gas lease and Direct Capital convertible debt were not assets and liabilities that were exchanged in the acquisition, and those assets and liabilities were excluded from the Company's books as of March 9, 2016, as if the exchange occurred in conjunction with the acquisition transaction instead of 2 months after.

The net effects of these corrections are noted below by line item for each financial statement that is impacted.

Statement of Operations	As Previously Reported Three Months Ended September 30, 2016	Adjustments	As Restated Three Months Ended September 30, 2016
Sales	$ 58,365	$ -	$ 58,365
Cost of materials	(8,663)	(24,158)	(32,821)
G&A expenses	(578,692)	560,904	(17,788)
Professional fees	(107,576)	50,285	(57,291)
Salaries and wages	-	(112,500)	(112,500)
Gain (loss) on derivative liability valuation	(254,912)	(759,401)	(1,014,313)
Gain (loss) on settlement of debt	918,687	(1,267,540)	(348,853)
Interest expenses	(4,475)	(50,959)	(55,434)
Loss on sale of mineral property	-	-	-
Net income (loss)	$ 22,734	$ (1,603,369)	$ (1,580,635)
Net income (loss) per common share	$ 0.3371		$ (22.55)

Statement of Operations	As Previously Reported Six Months Ended September 30, 2016	Adjustments	As Restated Six Months Ended September 30, 2016
Sales	$ 63,712	$ (3,695)	$ 60,017
Cost of materials	(41,186)	5,361	(35,825)
G&A expenses	(977,977)	930,139	(47,838)
Professional fees	(128,691)	44,165	(84,526)
Salaries and wages	-	(225,000)	(225,000)
Gain (loss) on derivative liability valuation	(181,373)	(2,342,791)	(2,524,164)
Gain on settlement of debt	982,087	408,079	1,390,166
Interest expenses	(683,458)	(57,647)	(741,105)
Loss on sale of mineral property	(5,340,824)	5,340,824	-
Net Loss	$ (6,307,710)	$ 4,099,435	$ (2,208,275)
Net loss per common share	$ (0.01197)		$ (30.60)

Statement of Cash Flows	As Previously Reported Six Months Ended September 30, 2016	Adjustments	As Restated Six Months Ended September 30, 2016
Cash flows from operating activities:			
Net loss	$ (6,307,710)	$ 4,099,435	$ (2,208,275)
Amortization of convertible debt discount	186,180	(36,951)	149,229
Depreciation and amortization	605,839	(605,839)	-
New derivatives recorded as loan fees	-	48,360	48,360
(Gain) loss on derivative liability valuation	(486,585)	3,010,749	2,524,164
Gain on settlement of debt	-	(1,390,166)	(1,390,166)
Accounts receivable	(6,705)	1,695	(5,010)
Inventory	(1,896)	(12,441)	(14,337)
Accounts payable	143,734	(17,007)	126,727
Accrued wages	62,212	169,577	231,789
Accrued interest	(368,560)	842,879	474,319
Other short-term liabilities	(2,750,000)	2,750,000	-
Net cash used in operating activities	(8,923,491)	8,860,291	(63,200)
Cash flows from investing activities:			
Deposit on intangible asset	7,026,666	(7,026,666)	-
Net cash from investing activities	7,026,666	(7,026,666)	-
Cash flows from financing activities:			
Proceeds from notes payable	37,208	(22,208	15,000
Payments on notes payable	-	(5,044)	(5,044)
Proceeds from convertible notes payable	-	51,000	51,000
Payments on convertible notes payable	(2,402,497)	2,402,497	-
Proceeds from (payments to) related parties, net	(10,000)	10,000	-
Proceeds from stockholders' loans	192,635	(192,635)	-
Issuance of preferred stock	698	(698)	-
Issuance of common stock	4,078,664	(4,078,664)	-
Net cash provided by financing activities	1,896,708	(1,835,752)	60,956
Net decrease in cash	(117)	(2,127)	(2,244)
Cash, beginning of year	2,226	2,127	4,353
Cash, end of year	$ 2,109	$ -	$ 2,109

4. PREPAID EXPENSES

	September 30, 2017	March 31, 2017
Prepaid expenses	$ -	$ 10,000

Prepaid fees represent amounts paid in advance for future contractual benefits to be received. Contracting expenses paid in advance are recorded as a prepaid asset and then amortized to the statements of operations when services are rendered, or over the life of the contract using the straight-line method.

During the six months ended September 30, 2017, the Company amortized prepaid expenses of $10,000 for legal fees billed and paid in advance for April through August 2017, at $2,000 per month.

5. CONVERTIBLE NOTES PAYABLE

As of September 30, 2017, and March 31, 2017, notes payable were comprised of the following:

	Original Note Date	Due Date	Interest Rate	Conversion Rate	September 30, 2017	March 31, 2017
ARC Capital Ltd	10/1/2015	4/2/2015	24%	Variable	$ 2,625	$ 11,625
Asher Enterprises #4	9/16/2011	6/20/2012	22%	Variable	13,000	13,000
Auctus Fund #1	12/16/2016	9/16/2017	10%	Variable	46,750	46,750
Auctus Fund #2	8/9/2017	5/9/2017	10%	Variable	46,750	-
Blackbridge Capital #2	5/3/2016	5/3/2017	5%	Variable	80,400	80,400
Carl Ambrose	3/23/2017	9/1/2018	3%	Variable	-	20,914
Direct Capital #26	4/7/2016	10/7/2016	8%	Variable	25,000	25,000
Direct Capital #27	5/17/2016	11/17/2016	8%	Variable	36,000	36,000
EMA Financial	11/9/2016	11/9/2017	10%	Variable	22,246	35,000
Frank Trapp	3/23/2017	12/31/2017	5%	Variable	-	14,945
GHS Investment #3	2/7/2017	Demand	0%	Variable	-	98,800
GW Holdings	10/13/2015	4/1/2015	24%	Variable	42,500	42,500
Rockwell Capital #5	2/28/2017	Demand	0%	Variable	-	19,782
Southridge Partners	10/27/2015	3/1/2014	22%	Variable	15,655	15,655
Syndication Capital #1	12/31/2012	10/10/2011	22%	0.01	5,000	5,000
Tide Pool	1/1/2015	7/1/2015	22%	Variable	348,500	348,500
Tri-Bridge Ventures #1	1/19/2017	10/19/2017	8%	Variable	9,000	25,000
Tri-Bridge Ventures #2	1/19/2017	10/19/2017	8%	Variable	150,000	150,000
Tri-Bridge Ventures #3	4/21/2017	1/21/2018	8%	Variable	20,000	-
Tri-Bridge Ventures #4	4/20/2017	4/20/2018	8%	0.00002	35,817	-
V2IP #2	5/13/2016	Demand	6%	Variable	10,000	10,000
					909,243	998,871
Debt discount					(64,449)	(222,094)
Notes payable, net of discount					$ 844,794	$ 776,777

During the six months ended September 30, 2017, the Company received proceeds from new convertible notes of $60,000, reclassified $872 of accrued interest into convertible notes payable, and reclassified convertible promissory notes of $35,817 into a new convertible note payable. The Company recorded no payments on their convertible notes and conversions of $157,249 of convertible note principal. All but one of the Company's convertible notes have a conversion rate that is variable or a conversion rate with a reset provision. Therefore, for those notes the Company has accounted for their conversion features as derivative instruments (see Note 6). As a result of recording derivative liabilities at note inception, the Company increased the debt discount recorded on their convertible notes by $66,750 during the six months ended September 30, 2017. For the one note with a fixed conversion rate the Company recorded a beneficial conversion feature of $35,817, which increased the debt discount on their convertible notes. The Company also recorded amortization of $260,211 on their convertible note debt discounts. As of September 30, 2017, the convertible notes payable are convertible into 38,184,285 shares of the Company's common stock.

During the six months ended September 30, 2016, the Company received proceeds from new convertible notes of $51,000 and reclassified $54,786 of accrued interest and $10,000 of payables into convertible notes payable. The Company recorded no payments on their convertible notes, conversions of $246,492 of convertible note principal, and gain of $27,000 representing the write-off of convertible note principal. Each of the Company's convertible notes had a conversion rate that is variable or a conversion rate with a reset provision. Therefore, the Company accounted for such conversion features as derivative instruments. As a result of recording derivative liabilities at note inception, the Company increased the debt discount recorded on their convertible notes by $226,000 during the six months ended September 30, 2016. The Company also recorded amortization of $149,229 on their convertible note debt discounts.

During the six months ended September 30, 2017 and 2016, the Company recorded accrued interest expense of $843,514 and $473,856, respectively, on its convertible notes payable. As of September 30, 2017, the accrued interest balance was $2,058,162.

6. DERIVATIVE LIABILITIES

The following table represents the Company's derivative liability activity for the embedded conversion features for the six months ended September 30, 2017:

	September 30, 2017
Balance, beginning of period	$ 5,316,130
Initial recognition of derivative liability	165,043
Conversion of derivative instruments to Common Stock	(225,966)
Mark-to-Market adjustment to fair value	(437,916)
Balance, end of period	$ 4,817,291

The Company uses the Black-Scholes option pricing model to estimate fair value for those instruments convertible into common shares at inception, at conversion or extinguishment date, and at each reporting date. During the six months ended September 30, 2017, the company used the following assumptions in their Black-Scholes model: (1) risk free interest rate 0.95% - 1.20%, (2) term of 0.25 years – .75 years, (3) expected stock volatility of 199% - 390%, (4) expected dividend rate of 0%, (5) common stock price of $0.0001, and (6) exercise price of $0.00005 - $0.00007.

These instruments were not issued with the intent of effectively hedging any future cash flow, fair value of any asset, liability or any net investment in a foreign operation. The instruments do not qualify for hedge accounting, and as such, all future changes in the fair value will be recognized in earnings until such time as the instruments are exercised, converted or expire.

7. RELATED PARTY TRANSACTIONS

In conjunction with the reverse recapitalization transaction on March 9, 2016, the Company recorded amounts due to related parties of $6,250,000, which represented shares that were owed to members of management. During the year ended March 31, 2017 the Company issued 698,324 Series A Preferred shares and 265,909 common shares to reduce the liability by $3,458,750, resulting in a remaining liability of $2,791,250 as of March 31, 2017.

On June 1, 2017, the Company issued 536,351 Series A Preferred shares to Gary Tilden, a former officer and director, which reduced liabilities owed to him of $960,069, of which $778,750 was related to the liability recorded for the recapitalization transaction, resulting in a remaining liability of $2,012,500.

On August 21, 2017, the Company retired 250 Series B Voting Preferred shares issued and 81,061 common shares issued to Gary Tilden, in accordance with his resignation arrangement. Additionally, the Company issued Mr. Tilden 747,208 Series A Preferred shares.

The Company is periodically advanced noninterest bearing operating funds from related parties. The advances are due on demand and unsecured. As of September 30, 2017, the Company owed related parties $83,859.

8. PREFERRED STOCK

On January 25, 2011, the Company filed an amendment to its Nevada Certificate of Designation to create two classes of Preferred Stock, Series A and Series B, with a par value of $0.001. Each class has 10,000,000 shares authorized.

On July 1, 2015, the Company's Board of Directors authorized the creation of shares of Series B Voting Preferred Stock and on July 27, 2015 a Certificate of Designation was filed with the Nevada Secretary of State. The holder of the shares of the Series B Voting Preferred Stock has the right to vote those shares of the Series B Voting Preferred Stock regarding any matter or action that is required to be submitted to the shareholders of the Company for approval. The vote of each share of the Series B Voting Preferred Stock is equal to and counted as 4 times the votes of all of the shares of the Company's (i) common stock, and (ii) other voting preferred stock issued and outstanding on the date of each and every vote or consent of the shareholders of the Company regarding each and every matter submitted to the shareholders of the Company for approval.

On January 3, 2017, the Company filed an Amendment to Certificate of Designation with the Nevada Secretary of State defining the rights and preferences of the Series A Preferred Shares. Series A Preferred Stock shall be convertible into common shares at the rate of the closing market price on the day of the conversion notice equal to the dollar amount of the value of the Series A Shares, and holders shall have no voting rights on corporate matters, unless and until they convert their Series A Shares into Common Shares, at which time they will have the same voting rights as all Common Shareholders have; their consent shall not be required for taking any corporate action.

During the six months ended September 30, 2017, Gary Tilden, a former officer and director, agreed to convert all of his outstanding salary and interest in the amount of $161,415, unpaid expenses of $19,902 and $778,750 owed in common stock pursuant to the APA agreement, to Preferred Series A Stock. The Company issued 536,351 shares of Preferred Series A stock to satisfy $960,069 of debt owed to Mr. Tilden. Additionally, the Company retired 250 Series B Voting Preferred shares issued and 81,061 common shares issued to Gary Tilden in accordance with his resignation arrangement, which were exchanged for 747,206 Preferred Series A Stock.

During the six months ended September 30, 2017, the Company also retired 250 Series B Voting Preferred shares issued to Donna Murtaugh and converted 12,788 Series A preferred shares into 127,888 common shares.

As of September 30, 2017, 10,000,000 Series A preferred shares and 10,000,000 Series B preferred shares were authorized, of which 3,483,923 Series A shares were issued and outstanding, (2,213,154 shares as of March 31, 2017) and 500 Series B shares were issued and outstanding (1,000 shares as of March 31, 2017).

9. COMMON STOCK

During the six months ended September 30, 2017, the Company issued 53,333 shares of common stock for services valued $16,000, based on the market price of the Company's common stock on the date of issuance.

During the six months ended September 30, 2017, the Company retired 81,061 common shares issued to Gary Tilden in accordance with his resignation arrangement, which were exchanged for 747,206 Preferred Series A Stock.

During the six months ended September 30, 2017, the holders of convertible notes converted a total of $157,249 of principal into 2,009,113 shares of common stock. The common stock was valued at $450,135 based on the market price of the Company's stock on the date of conversion. The issuance extinguished $225,966 worth of derivative liabilities and $62,421 was recorded as a gain on settlement of debt.

During the six months ended September 30, 2017, 127,888 common shares were issued in exchange for 12,788 shares of Series A preferred shares.

During the six months ended September 30, 2016, the holders of convertible notes converted a total of $246,492 of principal and $4,440 of accrued interest into 16,444 shares of common stock. The common stock was valued at $849,588 based on the market price of the Company's stock on the date of conversion. The issuance extinguished $694,570 worth of derivative liabilities and $78,850 was recorded as a gain on settlement of debt.

On October 31, 2017, the Company approved the authorization of a 1 for 1,500 reverse stock split of the Company's outstanding shares of common stock. The Company's financial statements have been retroactively adjusted for this stock split for all periods presented.

On November 1, 2017, the Company filed a Certificate of Amendment with the Secretary of State in Nevada, to amendment its Articles of Incorporation pursuant to the reverse split and to reduce the number of authorized common shares to 900,000,000 having a par value of $0.00001. Any fractional shares which results from that reverse stock split will be rounded up to the next whole share. All common share amounts and per share amounts in the financial statements reflect the one-for-fifteen hundred reverse stock split.

As of September 30, 2017, 900,000,000 common shares, par value $0.00001, were authorized, of which 2,842,333 shares were issued and outstanding (733,059 shares as of March 31, 2017).

10. COMMITMENTS AND CONTINGENCIES

On June 27, 2016, the Company entered into a Consulting Agreement with Channel Sales & Consulting, LLC ("Channel"). The Company has agreed to pay Channel $3,000 per month for the first two months, and $4,000 per month thereafter. Channel will also be paid a 10% commission on all gross sales generated through a licensed dealer and 30% commission on non-licensed dealers. If within the first twelve months of the Agreement, Channel generates gross sales above $2,000,000, the Company will pay an additional 5% commission on gross sales, either in cash or restricted common stock.

On February 1, 2017, the Company entered into a standard office lease for approximately 1,700 square feet of office space at 175 Joerschke Drive, Suite A, Grass Valley, CA 95945. The lease has a term of 1 year, from February 1, 2017 through January 31, 2018 with a monthly rent of $1,400. The Company intends to renew this lease. Rental expenses incurred for this operating lease during the six months ended September 30, 2017 and 2016 were $10,400 and $14,400, respectively.

On March 6, 2017, the Company entered into a Consulting Agreement with TEN Associates LLC. The Company has agreed to pay TEN Associates LLC $3,000 per month for a period of six (6) months **.**

On March 27, 2017, the Company entered into an Investor Relations Consulting Agreement with StockVest that covered the period from April 1, 2017 through July 1, 2017. The Company issued 13,333 shares of restricted common stock as compensation pursuant to the Agreement. The parties to the arrangement agreed that the shares originally issued were not sufficient therefore on April 27, 2017 the Company amended their arrangement with StockVest and issued an additional 53,333 shares of restricted common stock and extended the contract term through August 1, 2017.

On April 1, 2017, the Company entered into a Consulting Agreement with Hanson & Associates. The Company has agreed to pay Hanson & Associates a retainer of $15,000 for services performed for a period of three (3) months, and a fee of $5,000 per month thereafter. In addition, the Company shall issue $25,000 in SIML common shares. The stock is to be issued upon signing of the agreement and will be restricted for six (6) months, however, as of the date of this filing the shares have not yet been issued. A liability for these shares is recorded in accounts payable on the balance sheet as of September 30, 2017.

On April 7, 2017, the Company entered into a Consulting Agreement with Greg Rogers. The Company has agreed to pay Mr. Rogers a retainer of $10,500 and a monthly fee of $3,500. In addition, the Company shall issue $25,000 in SIML common shares. The stock is to be issued upon signing of the agreement and will be restricted for six (6) months. On August 7, 2017, the Company terminated the Consulting Agreement with Greg Rogers and has agreed to pay the outstanding balance of $1,300 and to issue the $25,000 in shares as stipulated in the Agreement. As of the date of this filing, the outstanding fees have been paid and the shares have not been issued. A liability for these shares is recorded in account payable on the balance sheet as of September 30, 2017.

On June 1, 2017, the Company entered into a Consulting Agreement with former President Gary Tilden. The term of this agreement is for a period of one year and is renewable with mutual consent. The Company has agreed to compensate Mr. Tilden $2,500 per month and any unpaid fees will accrue interest at 6% per year.

11. SUBSEQUENT EVENTS

On October 18, 2017, the Company entered in a Convertible Promissory Note with Emunah Funding LLC in the amount of $110,000. The note is unsecured, bears no interest, and matures on October 18, 2018.

On October 18, 2017, the Company entered in a Convertible Promissory Note with Emunah Funding LLC in the amount of $30,000. The note is unsecured, bears no interest, and matures on October 18, 2018.

On October 18, 2017, the Company entered in a Convertible Promissory Note with Emunah Funding LLC in the amount of $25,000. The note is unsecured, bears no interest, and matures on October 18, 2018.

On October 20, 2017, the Company entered in a Convertible Promissory Note with Emunah Funding LLC in the amount of $33,480. The note is unsecured, bears interest at 8% per annum, and matures on July 20, 2018.

On October 20, 2017, the Company executed a Common Stock Purchase Warrant for 39,227 shares. The purchase price of one share of Common Stock under this Warrant shall be equal to the Exercise Price of $0.75 per share.

On October 31, 2017, the Company approved the authorization of a 1 for 1,500 reverse stock split of the Company's outstanding shares of common stock. The Company's financial statements have been retroactively adjusted for this stock split for all periods presented.

On November 1, 2017, the Company filed a Certificate of Amendment with the Secretary of State in Nevada, to amendment its Articles of Incorporation pursuant to the reverse split and to reduce the number of authorized common shares to 900,000,000 having a par value of $0.00001. Any fractional shares which results from that reverse stock split will be rounded up to the next whole share . All common share amounts and per share amounts in the financial statements reflect the one-for-fifteen hundred reverse stock split.

On November 2, 2017, the Company entered into a six-month Consulting Agreement with Jump Television Studio's LLC to provide market intelligence to assist in strategic planning and news dissemination. The Company has agreed to pay Jump Television Studio's a fee of $30,000 for services performed, which is payable on or before January 3, 2018. In addition, the Company shall issue restricted shares of SIML common stock equal to $250,000.

On November 6, 2017, the Company executed an Adoption Agreement with Emunah Funding LLC (the "Purchaser"), pursuant to the terms of a Securities Purchase Agreement dated October 20, 2017. The Purchaser agrees that in exchange for a $9,000 payment to the Company, the Purchaser's note is being increased by $9,720.

On November 6, 2017, the Company executed a Common Stock Purchase Warrant for 10,225 shares. The purchase price of one share of Common Stock under this Warrant shall be equal to the Exercise Price of $0.75 per share.

The Company has evaluated subsequent events pursuant to ASC Topic 855 and has determined that there are no additional subsequent events to disclose.

ITEM 2. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION OR PLAN OF OPERATION

FORWARD-LOOKING STATEMENTS

This Management's Discussion and Analysis of Financial Condition and Results of Operations (MD&A) contains forward-looking statements that involve known and unknown risks, significant uncertainties and other factors that may cause our actual results, levels of activity, performance or achievements to be materially different from any future results, levels of activity, performance or achievements expressed, or implied, by those forward-looking statements. You can identify forward-looking statements by the use of the words may, will, should, could, expects, plans, anticipates, believes, estimates, predicts, intends, potential, proposed, or continue or the negative of those terms. These statements are only predictions. In evaluating these statements, you should consider various factors which may cause our actual results to differ materially from any forward-looking statements. Although we believe that the exceptions reflected in the forward-looking statements are reasonable, we cannot guarantee future results, levels of activity, performance or achievements. Therefore, actual results may differ materially and adversely from those expressed in any forward-looking statements. We undertake no obligation to revise or update publicly any forward-looking statements for any reason.

RESULTS OF OPERATIONS

Results for the three months ended September 30, 2017 compared to the three months ended September 30, 2016

Revenues:

The Company's revenues were $3,600 for the three months ended September 30, 2017 compared to $58,365 for the three months ended September 30, 2016. The decrease in revenue was due to a decrease in audio and video broadcasting product orders from the prior period.

Cost of Materials:

The Company's cost of materials was $3,659 for the three months ended September 30, 2017, compared to $32,821 for the three months ended September 30, 2016. The decrease was due to the fewer purchases of materials required to fulfill customer orders as sales decreased.

Operating Expenses **:**

Operating expenses consisted primarily of professional fees, salaries and wages, office expenses and fees associated with preparing reports and SEC filings relating to being a public company . Operating expenses for the three months ended September 30, 2017 and September 30, 2016, were $210,186 and $187,579 respectively. The decrease was primarily attributable to a decrease in professional fees and also wages due to the resignation of an employee.

Other Income (Expense) **:**

Other income (expense) for the three months ended September 30, 2017 and September 30, 2016, was $(1,084,453) and $(1,418,600), respectively. Other income (expense) consisted of gain or loss on debt forgiveness, gain or loss on derivative valuation and interest expense. The gain or loss on derivative valuation is directly attributable to the change in fair value of the derivative liability. Interest expense is primarily attributable to interest and penalties on outstanding notes payable, the initial interest expense associated with the valuation of derivative instruments at issuance, and the accretion of the convertible debentures over their respective terms. The decrease primarily resulted from the fluctuation of the Company's stock price which impacted the valuation of the derivative liabilities and the change in the gain/loss on debt settlement between periods based on the amount of debt converted and the difference between the value of the stock issued and the debt extinguished.

Net Loss:

Net loss for the three months ended September 30, 2017 was $1,294,698 compared with a net loss of $1,580,635 for the three months ended September 30, 2016. The decreased net loss can be explained by the changes in the gain in the fair value of derivative liabilities and the gain on settlement of debt and the decrease in operating expenses.

Results for the six months ended September 30, 2017 compared to the six months ended September 30, 2016

Revenues:

The Company's revenues were $11,951 for the six months ended September 30, 2017 compared to $60,017 for the six months ended September 30, 2016. The decrease in revenue was due to a decrease in audio and video broadcasting product orders from the prior period.

Cost of Materials:

The Company's cost of materials was $10,276 for the six months ended September 30, 2017, compared to $35,825 for the six months ended September 30, 2016. The decrease was due to a reduction in materials necessary to fulfill orders.

Operating Expenses **:**

Operating expenses consisted primarily of professional fees, salaries and wages, office expenses and fees associated with preparing reports and SEC filings relating to being a public company . Operating expenses for the six months ended September 30, 2017, and September 30, 2016, were $460,589 and $357,364 respectively. The increase was primarily attributable to an increase in G&A expenses and professional fees. During the six months ended September 30, 2017, the Company increased promotional activities and incurred additional costs to meet SEC reporting requirements.

Other Income (Expense) **:**

Other income (expense) for the six months ended September 30, 2017 and September 30, 2016, was $(864,984) and $(1,875,103), respectively. Other income (expense) consisted of gain or loss on debt forgiveness, gain or loss on derivative valuation and interest expense. The gain or loss on derivative valuation is directly attributable to the change in fair value of the derivative liability. Interest expense is primarily attributable to interest and penalties on outstanding notes payable, the initial interest expense associated with the valuation of derivative instruments at issuance, and the accretion of the convertible debentures over their respective terms. The decrease primarily resulted from the fluctuation of the Company's stock price which impacted the valuation of the derivative liabilities and the change in the gain/loss on debt settlement between periods based on the amount of debt converted and the difference between the value of the stock issued and the debt extinguished.

Net Loss:

Net loss for the six months ended September 30, 2017 was $1,323,898 compared with a net loss of $2,208,275 for the six months ended September 30, 2016. The decreased net loss can be explained by the changes in the gain in the fair value of derivative liabilities offset with and the gain on settlement of debt recorded in the prior period.

Liquidity and Capital Resources

	September 30, 2017 $	March 31, 2017 $
Current Assets	78,999	79,959
Current Liabilities	10,571,020	10,890,103
Working Capital (Deficit)	(10,672,021)	(10,810,144)

The overall working capital (deficit) decreased from $ (10,810,144) at March 31, 2017 to $ (10,672,021) at September 30, 2017.

	September 30, 2017 $	September 30, 2016 $
Cash Flows from (used in) Operating Activities	(89,506)	(63,200)
Cash Flows from (used in) Investing Activities	-	-
Cash Flows from (used in) Financing Activities	93,597	60,956
Net Increase (decrease) in Cash During Period	4,091	(2,244)

During the six months ended September 30, 2017, cash used in operating activities was $(89,506) compared to $ (63,200) for the six months ended September 30, 2016. The increase in the cash used in operating activities is primarily attributed to a gain in the fair value of derivative liabilities and accrued interest.

During the six months ended September 30, 2017 cash used in investing activities was $0 compared to $ 0 for the six months ended September 30, 2016.

During the six months ended September 30, 2017, cash from financing activity was $93,597 compared to $ 60,956 for the six months ended September 30, 2016. The increase in cash from financing activity primarily resulted from an increase in the proceeds from convertible notes during the six months ended September 30, 2017.

As of September 30, 2017, the Company had a cash balance and asset total of $5,421 and $78,999 respectively, compared with $1,330 and $79,959 of cash and total assets, respectively, as of March 31, 2017. The decrease in assets was due to the amortization of prepaid expenses.

As of September 30, 2017, the Company had total liabilities of $10,571,020 compared with $10,890,103 as of March 31, 2017. Although there were increases in accounts payable and accrued interest on promissory notes, overall there was a decrease in total liabilities due to a gain in the fair value of derivative liabilities, and due to stock issued for liabilities which resulted in a reduction of the amount due to related parties.

Going Concern

The ability of the Company to continue as a going concern is dependent on the Company's ability to raise additional capital and implement its business plan. Since its inception, the Company has been funded by related parties through capital investment and borrowing funds.

As of September 30, 2017, we have not attained profitable operations and are dependent upon obtaining financing to pursue any extensive acquisitions and activities. For these reasons, our auditors stated in their report on our March 31, 2017 audited financial statements that they have substantial doubt that we will be able to continue as a going concern.

Future Financings

We will continue to rely on equity sales of our common shares in order to continue to fund our business operations. Issuances of additional shares will result in dilution to existing stockholders. There is no assurance that we will achieve any additional sales of the equity securities or arrange for debt or other financing to fund planned acquisitions and exploration activities.

Off-Balance Sheet Arrangements

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

Critical Accounting Policies

Our financial statements and accompanying notes have been prepared in accordance with United States generally accepted accounting principles applied on a consistent basis. The preparation of financial statements in conformity with U.S. generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, 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 periods.

We regularly evaluate the accounting policies and estimates that we use to prepare our financial statements. A complete summary of these policies is included in the notes to our financial statements. In general, management's estimates are based on historical experience, on information from third party professionals, and on various other assumptions that are believed to be reasonable under the facts and circumstances. Actual results could differ from those estimates made by management.

Recently Issued Accounting Pronouncements

In May 2014, the FASB issued Accounting Standards Update ("ASU") 2014-09, Revenue from Contracts with Customers (ASC Topic 606). ASU 2014-09 creates a new topic in the ASC Topic 606 and establishes a new control-based revenue recognition model, changes the basis for deciding when revenue is recognized over time or at a point in time, provides new and more detailed guidance on specific topics, and expands and improves disclosures about revenue. In addition, ASU 2014-09 adds a new Subtopic to the Codification, ASC 340-40, Other Assets and Deferred Costs: Contracts with Customers, to provide guidance on costs related to obtaining a contract with a customer and costs incurred in fulfilling a contract with a customer that are not in the scope of another ASC Topic. The guidance in ASU 2014-09 is effective for public entities for annual reporting periods beginning after December 15, 2017, including interim periods therein. Early application is not permitted. Management is in the process of assessing the impact of ASU 2014-09 on the Company's financial statements.

In February 2016, the FASB issued ASU 2016-02 (ASC Topic 842), Leases. The ASU amends a number of aspects of lease accounting, including requiring lessees to recognize operating leases with a term greater than one year on their balance sheet as a right-of-use asset and corresponding lease liability, measured at the present value of the lease payments. The amendments in this ASU are effective for fiscal years beginning after December 15, 2018, including interim periods within those fiscal years. Early adoption is permitted. The Company is in the process of assessing the impact on its consolidated financial statements.

Contractual Obligations

We are a smaller reporting company as defined by Rule 12b-2 of the Securities Exchange Act of 1934 and are not required to provide the information under this item.

ITEM 3. QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK

We are a non-accelerated filer and a smaller reporting company, as defined in Rule 12b-2 of the of the Securities Exchange Act of 1934, and as such, are not required to provide the information under this item.

ITEM 4. CONTROLS AND PROCEDURES

Evaluation of Disclosure Controls and Procedures

We maintain disclosure controls and procedures, as defined in Rule 13a-15(e) promulgated under the Securities Exchange Act of 1934 (the "Exchange Act"), 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 Securities and Exchange Commission's rules and forms and that such information is accumulated and communicated to our Company's officers, as appropriate to allow timely decisions regarding required disclosure. We carried out an evaluation, under the supervision and with the participation of our Company's officers, of the effectiveness of the design and operation of our disclosure controls and procedures as of September 30, 2017. Based on the evaluation of these disclosure controls and procedures, and in light of the material weaknesses in our internal control over financial reporting identified in our Annual Report on Form 10-K for the year ended March 31, 2017, that was filed with the SEC on October 19, 2017, the Company's officers concluded that our disclosure controls and procedures are ineffective.

Changes in Internal Control over Financial Reporting

There were no changes in our internal control over financial reporting, as defined in Rule 13a-15(f) promulgated under the Exchange Act, during the quarter ended September 30, 2017 that have materially affected, or are reasonably likely to materially affect, our internal control over financial reporting.

PART II- OTHER INFORMATION

ITEM 1. LEGAL PROCEEDINGS

We know of no material, existing or pending legal proceedings against our company, nor are we involved as a plaintiff in any material proceeding or pending litigation. There are no proceedings in which our director, officer or any affiliates, or any registered or beneficial shareholder, is an adverse party or has a material interest adverse to our interest.

ITEM 1A. RISK FACTORS

Our Annual Report on Form 10-K for the fiscal year ended March 31, 2017 includes a detailed discussion of our risk factors.

ITEM 2. UNREGISTERED SALES OF EQUITY SECURITIES AND USE OF PROCEEDS

1. **Quarterly Issuances:**

   None.

2. **Subsequent Issuances:**

   None.

ITEM 3. DEFAULTS UPON SENIOR SECURITIES

None.

ITEM 4. MINE SAFETY DISCLOSURES

Not applicable.

ITEM 5. OTHER INFORMATION

None.

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ITEM 6. EXHIBITS

Exhibit Number	Description of Exhibit	Filing
3.1	Articles of Incorporation	Filed with the SEC on June 8, 2007 as part of our Registration of Securities on Form SB-2.
3.1a	Amended Articles of Incorporation	Filed with the SEC on November 11, 2009, on our Current Report on Form 8-K.
3.2	Bylaws	Filed with the SEC on June 8, 2007 as part of our Registration of Securities on Form SB-2.
10.45	Asset Purchase Agreement, by and between the Company and RJM and Associates, dated March 9, 2016	Filed with the SEC on March 10, 2016 as part of our Current Report on Form 8-K.
31.1	Certification of Principal Executive Officer Pursuant to Rule 13a-14	Filed herewith.
31.2	Certification of Principal Financial Officer Pursuant to Rule 13a-14	Filed herewith.
32.1	Certification of CEO and CFO Pursuant to Section 906 of the Sarbanes-Oxley Act	Filed herewith
101.INS	XBRL Instance Document	Filed herewith
101.SCH	XBRL Taxonomy Extension Schema Document	Filed herewith
101.CAL	XBRL Taxonomy Extension Calculation Linkbase Document	Filed herewith
101.LAB	XBRL Taxonomy Extension Labels Linkbase Document	Filed herewith
101.PRE	XBRL Taxonomy Extension Presentation Linkbase Document	Filed herewith
101.DEF	XBRL Taxonomy Extension Definition Linkbase Document	Filed herewith

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.

In accordance with the Exchange Act, this report has been signed below by the following persons on behalf of the Company and in the capacities and on the dates indicated.

	Simlatus Corporation
Date: November 14, 2017	By: /s/ Robert Stillwaugh
	Robert Stillwaugh
	President, Chief Executive Officer

CERTIFICATION OF THE PRINCIPAL EXECUTIVE OFFICER PURSUANT TO RULE 13a-14

I, Robert Stillwaugh, certify that:

1. I have reviewed this Quarterly Report on Form 10-Q of Simlatus Corporation;

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 report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant's other certifying officer(s) 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 registrant and have:

(a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under my supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this 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 registrant'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 registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant'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 registrant'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 registrant's internal control over financial reporting.

Date: November 14, 2017
/s/ Robert Stillwaugh
By: Robert Stillwaugh
Its: Principal Executive Officer

CERTIFICATION OF PRINCIPAL FINANCIAL OFFICER PURSUANT TO RULE 13a-14

I, Robert Stillwaugh, certify that:

1. I have reviewed this Quarterly Report on Form 10-Q of Simlatus Corporation;

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 report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant's other certifying officer(s) 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 registrant and have:

(a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under my supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this 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 registrant'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 registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant'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 registrant'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 registrant's internal control over financial reporting.

Date: November 14, 2017
/s/ *Robert Stillwaugh*
By: Robert Stillwaugh
Its: Principal Financial Officer

CERTIFICATION PURSUANT TO
18 U.S.C. SECTION 1350,
AS ADOPTED PURSUANT TO
SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002

In connection with the Quarterly Report of Simlatus Corporation (the "Company") on Form 10-Q for the period ending September 30, 2017, as filed with the Securities and Exchange Commission on the date hereof (the "Report"), I, Robert Stillwaugh, certify, pursuant to 18 U.S.C. § 1350, as adopted pursuant to § 906 of the Sarbanes-Oxley Act of 2002, that, to the best of my knowledge and belief:

(1) The Report fully complies with the requirements of section 13(a) or 15(d) of the Securities Exchange Act of 1934; and

(2) The information contained in the Report fairly presents, in all material respects, the financial condition and result of operations of the Company.

/s/ *Robert Stillwaugh*
By: Robert Stillwaugh
Principal Executive Officer and Principal Financial Officer
Dated: November 14, 2017

A signed original of this written statement required by Section 906, or other document authenticating, acknowledging, or otherwise adopting the signature that appears in typed form within the electronic version of this written statement has been provided to the Company and will be retained by the Company and furnished to the Securities and Exchange Commission or its staff upon request.