AXIOLOGIX, INC.

A Nevada Corporation Listed on the OTC Pink Market

Current Trading Symbol: AXLX.PK

Quarterly Report

For the Three Months Ended August 31, 2013

Including Financial Statements and Disclosures

Prescribed by OTC Pink Market for

Alternative Reporting Standards.

Filed on November 13, 2013

1) Name of the issuer and its predecessors (if any)

In answering this item, please also provide any names used by predecessor entities in the past five years and the dates of the name changes.

Axiologix, Inc. (6/6/2012 – present)
Axiologix Education Corporation (1/17/2012 – 6/5/2012)
VOIP ACQ, INC. (10/5/2011 – 1/17/2012)

2) Address of the issuer's principal executive offices

Company Headquarters
1990 Main Street, Suite 750,
Sarasota, FL 34236
Telephone: 941-309-5334
Facsimile: 941-309-5201
Website: www.axiologix.net

Investor Relations: vbrowne@axiologix.net
1990 Main Street, Suite 750,
Sarasota, FL 34236
Telephone: 941-309-5334
Facsimile: 941-309-5201
Website: www.axiologix.net

3) Security Information

Trading Symbol: AXLX.PK
Exact title and class of securities outstanding:
Common Stock:
CUSIP: 05462T106
Par or Stated Value: $0.0001

Total shares authorized:	8,000,000,000	as of:	August 31, 2013
Total shares outstanding:	2,714,157,103	as of:	August 31, 2013

Preferred Stock:
Par or Stated Value: $0.001

Total shares authorized:	10,000,000	as of:	August 31, 2013
Total shares outstanding:	900,029	as of:	August 31, 2013

Transfer Agent
American Stock Transfer & Trust Company, LLC
6201 15th Avenue
Brooklyn, NY 11219
Telephone: 718-921-8293

Is the Transfer Agent registered under the Exchange Act?* **Yes:** X

*To be included in the OTC Pink Current Information tier, the transfer agent must be registered under the Exchange Act.

List any restrictions on the transfer of security:

None

Describe any trading suspension orders issued by the SEC in the past 12 months.

None

4) Issuance History

The following events resulted in changes in total shares outstanding by the issuer in the past two year period ending on the last day of the issuer's most recent fiscal quarter:

During the three months ended August 31, 2013, the Company issued a total of 758,179,800 shares of common stock. Of this amount, 230,000,000 shares of unrestricted common stock were issued in exchange for the partial settlement of $800,000 worth of debt under SEC Rule 3(a)10, and the balance, or 528,179,800 shares of unrestricted common stock, were issued from the conversion of $50,940 worth of convertible promissory notes. The Company also issued 5 additional shares of Series C Preferred Stock.

During the twelve months ended May 31, 2013, the Company issued a total of 1,925,672,581 shares of common stock. Of this amount, 62,000,000 shares of restricted common stock were issued in exchange for services rendered; 663,672,691 shares of unrestricted common stock were issued from the conversion of $193,875 worth of convertible promissory notes; 400,000,000 shares of unrestricted common stock were issued in exchange for the partial settlement of $800,000 worth of debt under SEC Rule 3(a)(10), and the balance, or 800,000,000 shares of restricted common stock were issued to VOIP ACQ as part of the Contribution Agreement, described below. Additionally, 500,000,000 shares of restricted common stock were returned by VOI ACQ in exchange for 500,000 shares of Series A Convertible Preferred Stock. Additionally, $170,000 worth of new convertible promissory notes were issued in exchange for cash, with conversion prices ranging from a 20% to 50% discount to the Market Price of the Company's common stock. In addition, 400,000 shares of Series B Convertible Preferred Stock and warrants to purchase up to 22,500,000 shares of restricted common stock at $0.006 per share was issued to an accredited investor in exchange for cash. In addition, 2,000 shares of Series C Convertible Preferred Stock was designated and 24 shares of Series C Convertible Preferred Stock were issued to an accredited investor in exchange for cash.

During the year ended May 31, 2012, the Company issued a total of 422,000,000 shares of common stock. Of this amount, 5,000,000 shares of restricted common stock were issued in exchange for services rendered; 67,000,000 shares of unrestricted common stock were issued from the conversion of $28,500 worth of convertible promissory notes, and the balance, or 350,000,000 shares of restricted common stock were issued to VOIP ACQ as part of the Contribution Agreement, described below. Additionally, warrants to purchase up to 500,000,000 shares of restricted common stock at $0.002 per share were issued to Vincent Browne as part of his compensation package, and 23,700395 shares of common stock were returned in exchange for the sale of a subsidiary company.

During the year ended May 31, 2011, the Company had not issued any securities, because the Company's share issuance history begins as of January 17, 2012, when AXLX acquired substantially all of the assets and liabilities of VOIP in exchange for a total of 1,150,000,000 shares of AXLX's restricted common stock pursuant to a definitive Contribution Agreement dated November 30, 2011 by and among AXLX and VOIP (the "Contribution Agreement"). Although AXLX is the legal acquirer, for accounting purposes VOIP is the accounting acquirer and the transaction was accounted for as a reverse merger.

Each of the above securities offerings or transactions was made by officers and directors of the issuer and was not a registered offering. The offerings relied upon an exemption under Regulation S or Rule 4(2) of the Securities Act of 1933, as amended. The shares in these offerings or transactions were restricted (i.e., not freely tradable), where indicated above; and the certificates evidencing such shares contained a legend (1) stating that the shares have not been registered under the Securities Act of 1933, as amended, and (2) setting forth or referring to the restrictions on transferability and sale of the shares under the Securities Act of 1933, as amended.

5) Financial Statements

Provide the financial statements described below for the most recent fiscal year end or quarter end to maintain qualification for the OTC Pink Current Information tier. For the initial disclosure statement (qualifying for Current Information for the first time) please provide reports for the two previous fiscal years and any interim periods.

A. Balance sheet;
B. Statement of income;
C. Statement of cash flows;
D. Financial notes; and
E. Audit letter, if audited

The financial statements requested pursuant to this item shall be prepared in accordance with US GAAP by persons with sufficient financial skills.

The Company's unaudited financial statements for its three months ended August 31, 2013 and 2012 are attached hereto and incorporated herein as part of the Company's Quarterly Company Information and Disclosure Statement and filed herewith at the end of this Report. They are prepared by Company management who, via qualifications and prior direct business experience have sufficient financial skills.

6) Describe the Issuer's Business, Products and Services

Describe the issuer's business so a potential investor can clearly understand the company. In answering this item, please include the following:

A. a description of the issuer's business operations;

As of and for the three months ended August 31, 2013, we operated our business through two wholly-owned subsidiaries, Axiologix Limited and AxioComm, Inc. Axiologix Limited does business under the name Prime Carrier, and delivers Cloud based software to the international telecommunications marketplace as it has done for over ten years. AxioComm will offer IP voice, data and Cloud services directly to small and medium sized businesses throughout the United States.

B. Date and State (or Jurisdiction) of Incorporation:

Axiologix Education Corporation ("AXLX") was originally incorporated under the laws of the State of Nevada on April 29, 2009.

VOIP ACQ, INC. ("VOIP") was originally incorporated under the laws of Delaware on October 5, 2011.

On January 17, 2012, AXLX acquired substantially all of the assets and liabilities of VOIP in exchange for a total of 1,150,000,000 shares of AXLX's restricted common stock pursuant to a definitive Contribution Agreement dated November 30, 2011 by and among AXLX and VOIP (the "Contribution Agreement"). Although AXLX is the legal acquirer, for accounting purposes VOIP is the accounting acquirer and the transaction was accounted for as a reverse merger.

C. the issuer's primary and secondary SIC Codes;

- Primary SIC # 4813 and 7372
- Secondary SIC #4813-02

D. the issuer's fiscal year end date;

May 31st

E. principal products or services, and their markets;

- Cloud based software provided to the international telecommunications marketplace.
- IP voice, data and Cloud services provided directly to small and medium sized businesses throughout the United States.

7) Describe the Issuer's Facilities

The goal of this section is to provide a potential investor with a clear understanding of all assets, properties or facilities owned, used or leased by the issuer.

In responding to this item, please clearly describe the assets, properties or facilities of the issuer, give the location of the principal plants and other property of the issuer and describe the condition of the properties. If the issuer does not have complete ownership or control of the property (for example, if others also own the property or if there is a mortgage on the property), describe the limitations on the ownership.

If the issuer leases any assets, properties or facilities, clearly describe them as above and the terms of their leases.

The Company leases office space for its headquarters on a yearly basis, with renewal options, from Regus. The office is currently located at 1990 Main Street, Suite 750, Sarasota, Florida 34236. Axiologix Limited leases office space for its operations on a month-to-month basis; its office is located at Liscara, 51 Fitzwilliam Square, Dublin 2, Ireland.

8) Officers, Directors, and Control Persons

The goal of this section is to provide an investor with a clear understanding of the identity of all the persons or entities that are involved in managing, controlling or advising the operations, business development and disclosure of the issuer, as well as the identity of any significant shareholders.

A. Names of Officers, Directors, and Control Persons. In responding to this item, please provide the names of each of the issuer's executive officers, directors, general partners and control persons (control persons are beneficial owners of more than five percent (5%) of any class of the issuer's equity securities), **as of the date of this information statement**.

Chief Executive Officer, Chief Financial Officer, Corporate Secretary and Director:	Vincent Browne
President of Telecom Operations and Director:	Dennis Mitrano
Control Persons:	Darjon Investments, Ltd.
	Ironridge Global IV, Ltd.

Vincent Browne, *Chief Executive Officer, Chief Financial Officer, Corporate Secretary and Chairman of the Board of Directors, age 46.*

Mr. Browne became Chief Executive Officer, Chief Financial Officer, Corporate Secretary and Chairman of the Board of AXLX on January 17, 2012. Mr. Browne is also currently acting Chief Financial Officer and a member of the Board of Directors of World Assurance Group, Inc. ("WDAS") and has served in that capacity since January of 2013. Mr. Browne is also currently Chairman of the Board, Corporate Secretary and acting Chief Financial Officer for Flint Telecom Group, Inc. ("Flint") and has served in that capacity since October 2008. Mr. Browne has over 20 years experience in the ICT sector. During this time he has served at senior management levels in large multinationals and public companies. Prior to founding Flint, Mr. Browne was Head of Procurement with Esat Telecom Group, Ireland's leading competitive operator and quoted on NASDAQ. In this position, Mr. Browne managed annual expenditure in excess of $250 million and also managed the Carrier Services division with responsibility for unit profitability as well as supporting retail sales and subscriber acquisition programs. Esat Telecom was purchased by British Telecom in June 2000. Prior to that, Mr. Browne was with Siemens in Ireland managing the Products Business Segment with annual revenues in excess of $50 million and 8 years of profitability. He holds a Bachelor of Commerce degree from University College Dublin and is a regular contributor in commercialization of research and technology projects with the Technology and Enterprise Campus at Trinity College Dublin.

Dennis Mitrano, age 58. Mr. Mitrano became President of Telecom Operations of AXLX on August 17, 2012. Effective September 21, 2012, Dennis Mitrano was elected as a director of the Company. Mr. Mitrano is also currently President & CEO for Realistic Solutions, Inc. and has served in that capacity since July 1992. Mr. Mitrano has over 30 years experience bringing technologies and companies to market. Prior to joining AXLX, Mr. Mitrano was President with DayStar Communications since January 2011 and will remain in that position through the closing date of its pending acquisition, which is anticipated to be September 29, 2012. Prior to that, from April 2007 to January of 2011, Mr. Mitrano was with Intellectual Property Partners in the capacity of Partner. Mr. Mitrano holds an MBA from George Washington University, majoring in Finance and International Business, and received a Bachelor of Science in Finance from Virginia Tech. He is currently on the advisory boards of two early stage firms, is an Executive Advisory Board member of ATP (Association for Telecom Professionals) and has been involved with TAG (Technology Association of Georgia) for over 10 years. Mr. Mitrano is also a member of the Turnaround Management Association.

B. Legal/Disciplinary History. Please identify whether any of the foregoing persons have, in the last five years, been the subject of:

1. A conviction in a criminal proceeding or named as a defendant in a pending criminal proceeding (excluding traffic violations and other minor offenses);

No

2. The entry of an order, judgment, or decree, not subsequently reversed, suspended or vacated, by a court of competent jurisdiction that permanently or temporarily enjoined, barred, suspended or otherwise limited such person's involvement in any type of business, securities, commodities, or banking activities;

No

3. A finding or judgment by a court of competent jurisdiction (in a civil action), the Securities and Exchange Commission, the Commodity Futures Trading Commission, or a state securities regulator of a violation of federal or state securities or commodities law, which finding or judgment has not been reversed, suspended, or vacated; or

No

4.The entry of an order by a self-regulatory organization that permanently or temporarily barred suspended or otherwise limited such person's involvement in any type of business or securities activities.

No

C. Beneficial Shareholders. Provide a list of the name, address and shareholdings or the percentage of shares owned by all persons beneficially owning more than ten percent (10%) of any class of the issuer's equity securities. If any of the beneficial shareholders are corporate shareholders, provide the name and address of the person(s) owning or controlling such corporate shareholders and the resident agents of the corporate shareholders.

Darjon Investments, Ltd.: 60% Beneficial Shareholder of Issuer
Address: 4 Cubes 1, Beacon South Quarter, Sandyford, Dublin 18, Ireland.
Vincent Browne: holds dispositive voting and investment control of Darjon
Address: c/o 4 Cubes 1, Beacon South Quarter, Sandyford, Dublin 18, Ireland.

9) Third Party Providers

Please provide the name, address, telephone number, and email address of each of the following outside providers that advise your company on matters relating to operations, business development and disclosure:

Accountant or Auditor
Name: Casey Kinchen
Firm: M&K CPAS, PLLC
Address 1: 4100 North Sam Houston Pkwy W
Address 2: Houston, TX 77086
Phone: +1-832-242-9950
Email: +1-832-242-9956

Other Advisor: Any other advisor(s) that assisted, advised, prepared or provided information with respect to this disclosure statement.

Name: Taliesin Durant
Firm: DART Business Services, LLC
Address 1: 16192 Coastal Highway
Address 2: Lewes, DE 19958
Email: tali@dart-services.com

10) Issuer Certification

I, Vincent Browne, certify that:

1. I have reviewed this Quarterly Report of Axiologix, Inc.;

2. Based on my knowledge, this disclosure statement 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 disclosure statement; and

3. Based on my knowledge, the financial statements, and other financial information included or incorporated by reference in this disclosure statement, fairly present in all material respects the financial condition, results of operations and cash flows of the issuer as of, and for, the periods presented in this disclosure statement.

November 13, 2013

Vincent Browne

Chief Executive Officer and Chief Financial Officer

AXIOLOGIX, INC. & SUBSIDIARIES

CONSOLIDATED FINANCIAL STATEMENTS

AS OF AND FOR THE THREE MONTHS

ENDED AUGUST 31, 2013

AXIOLOGIX, INC. AND SUBSIDIARIES
CONSOLIDATED BALANCE SHEETS
(Unaudited)

	August 31, 2013	May 31, 2013
ASSETS		
Current Assets		
Total cash and cash equivalents	13,862	7,076
Trade receivables	89,455	114,322
Revenue earned not yet invoiced	13,613	19,091
Prepaid expenses and other current assets	482,035	476,035
Current Assets	598,965	616,523
Equipment and IP (Net)	588,060	601,570
Intangible assets and goodwill (Net)	-	-
Total Assets	$1,187,024	$1,218,093
LIABILITIES AND STOCKHOLDERS' DEFICIT		
Payables within 1 year		
Accounts payable and accrued liabilities	357,584	324,714
Accrued interest payable	50,303	44,793
Convertible notes payable, third party - net of discount	258,743	252,677
Convertible notes payable, related parties - net of discount	40,000	40,000
Notes Payable	15,000	18,960
Notes Payable - related parties	19,788	19,788
Embedded note derivative liability	-	-
Series C Preferred dividends payable	13,616	2,566
Deferred revenue	124,035	142,528
Total Liabilities	879,069	846,026
Payables after 1 year		
Series B Redeemable Preferred shares	400,000	400,000
Total due after one year	400,000	400,000
Temporary Equity		
Series C Convertible preferred shares	290,000	240,000
Stockholders' Equity		
Series A Convertible Preferred shares	10,000	10,000
Common stock, $0.001 par value; 8,000,000 shares authorized, 2,714,157,103 and 1,955,977,303 shares issued and outstanding, as of February 28, 2013 and May 31, 2012, respectively	271,416	195,598
Common Stock Issuable	-	-
Additional paid in capital	1,577,633	1,592,511
Other Comprehensive Income / (Loss)	142	11,651
Accumulated deficit	(2,241,236)	(2,077,693)
Total Shareholders' Equity / (Deficit)	(382,045)	(267,933)
Total Liabilities and Stockholders' Deficit	$1,187,024	$1,218,093

See accompanying notes to the consolidated financial statements.

AXIOLOGIX, INC. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF OPERATIONS
(Unaudited)

	For the Three Months Ended	
	August 31, 2013	**August 31, 2012**
Revenues	$187,336	$207,600
Cost of revenues	(14,704)	(10,958)
Gross profit (loss)	172,631	196,642
Operating expenses		
Sales and general administrative	271,942	160,983
Stock compensation expense	-	116,445
Earnings before interest, tax, depreciation and amortization (EBITDA)	(99,311)	(80,786)
Depreciation and amortization	25,892	21,189
Operating Income	(125,203)	(101,975)
Other (income) expense		
(Gain) loss on foreign exchange	(1,876)	3,608
Interest expense	42,840	104,348
Series C preferred share dividends	11,050	-
Net Profit (loss)	**$(177,217)**	**$(209,931)**
Net profit (loss) attributable to common stockholders	**$(177,217)**	**$(209,931)**
Net loss per share - basic and diluted	**($0.00)**	**($0.00)**
Weighted average shares outstanding		
Basic and diluted	**2,427,757,981**	**940,304,612**

See accompanying notes to the consolidated financial statements.

AXIOLOGIX, INC. AND SUBSIDIARIES
STATEMENT OF STOCKHOLDERS' EQUITY (DEFICIT) AND OTHER COMPREHENSIVE LOSS
(Unaudited)

	Preferred stock		Common stock		Additional		
	Shares	Amount	Shares	Amount	paid-in capital	Accum. deficit	TOTAL
Balances at May 31, 2013	**500,024**	**$250,000**	**1,955,977,303**	**$195,598**	**$1,592,511**	**$(2,063,860)**	**$(275,751)**
Conversion of debt and other payables	-	-	528,179,800	52,818	(1,878)	-	$50,940
Stock issued to Ironridge Global IV	-	-	230,000,000	23,000	(23,000)	-	$ -
Issuance of Series C Preferred shares for cash	-	50,000	-	-	-	-	$ -
Debt discount on convertible notes	-	-	-	-	10,000	-	$10,000
Amortization of deferred financing fees	-	-	-	-	-	-	$ -
Other comprehensive income / (loss)	-	-	-	-	-	-	$ -
Net profit / (loss) for the period	-	-	-	-	-	(177,234)	$(177,234)
Balances at August 31, 2013	**500,024**	**$300,000**	**2,714,157,103**	**$271,416**	**$1,577,633**	**$(2,241,094)**	**$(392,045)**

See accompanying notes to consolidated financial statements.

AXIOLOGIX, INC. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CASH FLOW
(Unaudited)

	For the Three Months Ended August 31, 2013	For the Three Months Ended August 31, 2012
Cash Flows from Operating Activities:		
Net loss	$(177,234)	$(209,942)
Adjustments to reconcile net loss to net cash used in operations		
Depreciation and amortization	25,893	21,189
Non-cash stock based compensation	-	116,445
Common Stock Issued for services	-	-
Amortization of debt discount	35,640	15,731
Debt issuance and deferred offering Costs	(6,000)	-
Non cash interest charges	-	43,234
Changes in assets and liabilities, net of acquisition and disposals:		
Accounts receivable	30,344	74,153
Accounts payable & accrued liabilities	32,870	2,557
Deferred revenue	(18,494)	(88,076)
Series C Preferred share dividends accrued	11,050	-
Accrued interest	7,216	35,113
Net cash (used) generated from operating activities	**(58,714)**	**10,404**
Cash Flows from Investing Activities:		
Purchases of fixed assets	(1,172)	-
Cash from Acquisition	-	-
Investment in notes receivable	-	-
Net cash used in investing activities	(1,172)	-
Cash Flows From Financing Activities:		
Proceeds from sale of Series C preferred shares	50,000	-
Proceeds from sale of convertible debt	10,000	61,766
Proceeds from notes payable	15,000	-
Payments on convertible notes payable	-	(25,000)
Payments on secured notes payable	-	(36,258)
Net cash provided (used) by financing activities	**75,000**	**508**
Cash Flows From Foreign Currency Activities:		
Exchange gain (loss) on translation of foreign assets	(8,328)	3,608
Net cash provided by (used in) foreign currency activities	**(8,328)**	**3,608**
Net increase (decrease) in cash and cash equivalents	6,786	14,520
Cash and cash equivalents, beginning of the period	7,076	606
Cash and cash equivalents, end of the period	**13,862**	**15,126**
SUPPLEMENTAL CASH FLOW DISCLOSURE:		
Cash paid for interest	$ -	$ 10,270
Cash paid for taxes	$ -	$ -

See accompanying notes to consolidated financial statements.

AXIOLOGIX, INC. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CASH FLOW
SUPPLEMENTAL DISCLOSURES
(Unaudited)

SUPPLEMENTAL DISCLOSURE OF NONCASH ACTIVITIES:

	For the Three Months Ended August 31, 2013	For the Three Months Ended August 31, 2012
Common stock issued for conversion of notes payable and accrued interest	$ 50,940	$ 45,000
Common stock issued for common stock payable	$ -	$ -
Settlement of derivative liability to additional paid in capital	$ -	$ -
Common stock issued for services	$ -	$ 54,000
Common stock issued to officers for services	$ 54,000	$ -
Common Stock issued to Ironridge on settlement of debt	$ 23,000	$ -
Debt discount related to convertible notes payable	$ 10,000	$ -

See accompanying notes to the consolidated financial statements.

AXIOLOGIX, INC. & SUBSIDIARIES
NOTES TO FINANCIAL STATEMENTS
(Unaudited)

NOTE 1 – ORGANIZATION AND BUSINESS OPERATIONS

Axiologix, Inc. ("AXLX", "We" or the "Company") is incorporated under the laws of Nevada, USA. We were originally incorporated on October 5, 2011 in Delaware as VOIP ACQ, INC.

On January 17, 2012, the Company acquired substantially all of the assets and liabilities of VOIP ACQ, Inc. ("VOIP") in exchange for a total of 1,150,000,000 shares of our restricted common stock (the "Shares") pursuant to a definitive Contribution Agreement dated November 30, 2011 among AXLX and VOIP (the "Contribution Agreement"). VOIP has a number of agreements to acquire part or all of the issued share capital of a number of potential acquisitions in the VoIP and Cloud Services markets. Although AXLX is the legal acquirer, for accounting purposes VOIP is the accounting acquirer. (See Note 5: Acquisition of VOIP ACQ). The pre-existing educational software and on-line services operations were housed in a wholly owned subsidiary, Axiologix Holdings Inc., and were subsequently sold in May of 2012. (See Notes 5 and 6).

Effective September 14, 2012 we changed our name to Axiologix, Inc.

Following completion of the reverse merger with VOIP ACQ Inc, Axiologix has focused on Cloud technologies and services beyond the education market. As part of this new strategy, on March 5, 2012 the Company completed the acquisition of a cloud services company in Ireland, Prime Carrier. A key area of the new strategy is to build a U.S. nationwide provider of VoIP (Voice over Internet Protocol) telecom and data services, currently the largest Cloud services market globally. (See Note 7: Acquisition of Prime Carrier).

In November of 2012, the Company incorporated a new wholly owned subsidiary in Delaware, named AxioComm, Inc. AxioComm was formed to partner with strategic partners in order to offer retail hosted IP Voice, data and cloud services to small and medium sized business customers using strategic partner relationships.

We are headquartered at 1990 Main Street, Suite 750, Sarasota, FL 34236, and our telephone number is 941-309-5334. The address of our website is www.axiologix.net . Information on our website is not part of this report.

As of and for the three months ended August 31, 2013, we operated our business through two wholly-owned subsidiaries, Axiologix Limited and AxioComm, Inc. Axiologix Limited does business under the name Prime Carrier, and delivers Cloud based software to the international telecommunications marketplace as it has done for over ten years. AxioComm offers IP voice, data and Cloud services directly to small and medium sized businesses throughout the United States.

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of presentation

The accompanying financial statements have been prepared in accordance with accounting principles generally accepted in the United States of America ("U.S. GAAP").

Reclassification

Certain amounts from prior periods have been reclassified to conform to the current period presentation. There is no effect on net loss, cash flows or stockholders' deficit as a result of these reclassifications.

Use of estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States requires management to make certain estimates and assumptions that affect the amounts reported in the financial statements and accompanying notes. Estimates are adjusted to reflect actual experience when necessary. Significant estimates and assumptions affect many items in the financial statements. These include estimates of fair value of common stock and related impact to stock-based compensation. Actual results may differ from those estimates and assumptions, and such results may affect income, financial position or cash flows.

Cash and cash equivalents

The Company considers all highly liquid instruments purchased with maturity of three months or less to be cash equivalents. There were no cash equivalents at August 31, 2013.

The Company minimizes its credit risk associated with cash by periodically evaluating the credit quality of its primary financial institution. The balance at times may exceed federally insured limits. At August 31, 2013 the balance did not exceed the federally insured limit.

Risks and Uncertainties

The Company's operations are subject to significant risk and uncertainties including financial, operational, technological, and regulatory risks including the potential risk of business failure. Also see Note 3 regarding going concern matters.

Derivative Financial Instruments

The Company does not use derivative instruments to hedge exposures to cash flow, market or foreign currency risks.

The Company reviews the terms of the common stock, warrants and convertible debt it issues to determine whether there are embedded derivative instruments, including embedded conversion options, which are required to be bifurcated and accounted for separately as derivative financial instruments. In circumstances where the host instrument contains more than one embedded derivative instrument, including the conversion option, that is required to be bifurcated, the bifurcated derivative instruments are accounted for as a single, compound derivative instrument.

Bifurcated embedded derivatives are initially recorded at fair value and are then revalued at each reporting date with changes in the fair value reported as non-operating income or expense. The Company uses a lattice model for valuation of the derivative. When the equity or convertible debt instruments contain embedded derivative instruments that are to be bifurcated and accounted for as liabilities, the total proceeds received are first allocated to the fair value of all the bifurcated derivative instruments. The remaining proceeds, if any, are then allocated to the host instruments themselves, usually resulting in those instruments being recorded at a discount from their face value.

The discount from the face value of the convertible debt, together with the stated interest on the instrument, is amortized over the life of the instrument through periodic charges to interest expense, using the effective interest method.

Derivative instrument liabilities are classified in the balance sheet as current or non-current based on whether net cash settlement of the derivative instrument could be required within the 12 months of the balance sheet date.

Loss per share

In accordance with accounting guidance now codified as FASB ASC Topic 260, *"Earnings per Share,"* basic earnings (loss) per share is computed by dividing net income (loss) by weighted average number of shares of common stock outstanding during each period. Diluted earnings (loss) per share is computed by dividing net income (loss) by the weighted average number of shares of common stock, common stock equivalents and potentially dilutive securities outstanding during the period.

Since the Company reflected a net loss for the three month periods ended August 31, 2013 and 2012, the effect of considering any common stock equivalents, if outstanding, would have been anti-dilutive. A separate computation of diluted earnings (loss) per share is not presented.

Warrants to purchase an aggregate of up to 22,500,000 shares of restricted common stock at $0.006 per share, having a five year term, standard anti-dilution and a cashless exercise provision were issued on July 31, 2012. Additionally, warrants to purchase up to 500,000,000 shares of common stock at $0.002 per share were issued in January of 2012. No warrants have been exercised as of August 31, 2013.

	August 31, 2013	August 31, 2012
Net loss per share – basic and diluted	($0.00)	($0.00)
Weighted average number of shares issued and outstanding - basic and diluted	2,427,757,981	940,304,612

The securities listed below were not included in the computation of diluted earnings per share as the effect from their conversion would have been anti-dilutive:

Security	**Common Stock Equivalent**	
	August 31, 2013	August 31,2012
Series A convertible preferred shares	500,000,000	-
Series B convertible preferred shares	800,000,000	-
Series C convertible preferred shares	29	-
Convertible notes payable	3,203,390,867	258,087,000
Outstanding warrants to purchase common stock	522,500,000	500,000,000
Total	5,025,890,896	758,087,000

Share Based Payments

Generally, all forms of share-based payments, including stock option grants, restricted stock grants and stock appreciation rights, are measured at their fair value on the awards' grant date, and based on the estimated number of awards that are ultimately expected to vest. Share-based payment awards issued to non-employees for services rendered are recorded at either the fair value of the services rendered or the fair value of the share-based payment, whichever is more readily determinable. The expense resulting from share-based payments are recorded as non-cash stock based compensation, which is an operating expense.

Research and Development Costs

The Company is engaged in ongoing research and development ("R&D") activities. The Company accounts for R&D under standards issued by the Financial Accounting Standards Board ("FASB"). Under these standards, all R&D costs must be charged to expense as incurred. Accordingly, internal R&D costs are expensed as incurred. Third-party R&D costs are expensed when the contracted work has been performed or as milestone results have been achieved. The costs associated with equipment or facilities acquired or constructed for R&D activities that have alternative future uses are capitalized and depreciated on a straight-line basis over the estimated useful life of the asset. The amortization and depreciation for such capitalized assets are charged to R&D expenses.

Beneficial conversion features

From time to time, the Company may issue convertible notes that may contain an imbedded beneficial conversion feature. A beneficial conversion feature exists on the date a convertible note is issued when the fair value of the underlying common stock to which the note is convertible into is in excess of the remaining unallocated proceeds of the note after first considering the allocation of a portion of the note proceeds to the fair value of the warrants, if related warrants have been granted. The intrinsic value of the beneficial conversion feature is recorded as a debt discount with a corresponding amount to additional paid in capital. The debt discount is amortized to interest expense over the life of the note using the effective interest method.

Impairment of Long-Lived Assets

The Company has adopted Accounting Standards Codification subtopic 360-10, Property, Plant and Equipment ("ASC 360-10"). ASC 360-10 requires that long-lived assets and certain identifiable intangibles held and used by the Company be reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount of an asset may not be recoverable. The Company evaluates its long-lived assets for impairment annually or more often if events and circumstances warrant. Events relating to recoverability may include significant unfavorable changes in business conditions, recurring losses or a forecasted inability to achieve break-even operating results over an extended period. The Company evaluates the recoverability of long-lived assets based upon forecasted undiscounted cash flows. Should impairment in value be indicated, the carrying value of long-lived assets will be adjusted, based on estimates of future discounted cash flows resulting from the use and ultimate disposition of the asset. ASC 360-10 also requires assets to be disposed of be reported at the lower of the carrying amount or the fair value less costs to sell.

Revenue Recognition

The Company recognizes revenue in accordance with accounting principles generally accepted in the United States of America. The Company's current revenue stream consists primarily of 'right-to-use' licenses for hosted software applications. The licenses are contracted over a year and paid for in advance on either a quarterly or monthly basis. Revenue is recognized in the period that is contracted in arrears and any payments for periods beyond the current reporting period are classed as deferred revenue in payables.

Revenues are recognized when persuasive evidence of an arrangement exists, the fees to be paid by the customer are fixed or determinable, collection of the fees is probable, delivery of the service and or product has occurred, and no other significant obligations on the part of the Company remain.

In future periods, the Company plans to recognize most of its revenue in accordance with software industry specific GAAP.

Prepaid Expenses

The Company has capitalized pre-payments pursuant to consulting agreements and deferred financing costs. The prepaid expenses and financing costs are amortized over the term of the consulting agreements or in line with the specific performance milestones within the agreements.

Property and Equipment

Property and equipment are stated at cost. The Company amortizes the cost of property and equipment over their estimated useful lives at the following annual rates:

Computer equipment	33%	straight-line basis
Furniture and equipment	20%	straight-line basis
Acquired IP and software	15%	straight-line basis

Comprehensive Loss

ASC 220, "Comprehensive Income," establishes standards for the reporting and presentation of comprehensive income (loss) and its components in the financial statements. As at August 31, 2013 the Company reported $142 in comprehensive gain, representing the translation difference for foreign currency assets held into U.S. Dollars in the group balance sheet. See below.

Foreign Currency Translation

The Company's functional currency is U.S. Dollars. Transactions in foreign currencies are translated into the currency of measurement at the exchange rates in effect on the transaction date. Monetary balance sheet items expressed in foreign currencies are translated into US dollars at the exchange rates in effect at the balance sheet date. The resulting exchange gains and losses are recognized in income.

The Company's integrated foreign subsidiaries are financially or operationally dependent on the Company. The Company uses the temporal method to translate the accounts of its integrated operations into US dollars. Monetary assets and liabilities are translated at the exchange rates in effect at the balance sheet date. Non-monetary assets and liabilities are translated at historical rates. Revenues and expenses are translated at average rates for the period, except for amortization, which is translated on the same basis as the related asset. The resulting exchange gains or losses are recognized in income.

Income Taxes

The Company accounts for income taxes in accordance with standards of disclosure propounded by the FASB, and any related interpretations of those standards sanctioned by the FASB. Accordingly, deferred tax assets and liabilities are determined based on differences between the financial statement and tax bases of assets and liabilities, as well as a consideration of net operating loss and credit carry forwards, using enacted tax rates in effect for the period in which the differences are expected to impact taxable income. A valuation allowance is established, when necessary, to reduce deferred tax assets to the amount that is more likely than not to be realized.

No provision for income taxes has been recorded due to the net operating loss carry forwards totaling approximately $2,000,000 as of August 31, 2013 that will be offset against future taxable income. No tax benefit has been reported in the financial statements as they cannot be accurately measured due to uncertainties in There were no uncertain tax positions taken by the Company.

NOTE 3 – GOING CONCERN

As reflected in the accompanying financial statements, the Company has a net loss of $177,234 and $209,942 for the three month periods ended August 31, 2013 and August 31, 2012 respectively. Net cash used from operations was $58,714 for the three months ended August 31, 2013 and net cash generated from operations of $10,404 for the three months ended August 31, 2012. The Company had a working capital deficit of $280,104 and a stockholders' deficit of $382,045 at August 31, 2013.

As a result, the accompanying financial statements do not include any adjustments related to recoverability and classification of asset carrying amounts or the amount and classification of liabilities that might result should the company be unable to continue as a going concern.

The Company plans to seek additional funds to finance its immediate and long-term operations and business plan through debt and/or equity financing. The successful outcome of future financing activities cannot be determined at this time and there is no assurance that if achieved, the Company will have sufficient funds to execute its intended business plan.

ULTIMATELY, THE COMPANY'S ABILITY TO CONTINUE AS A GOING CONCERN IS DEPENDENT UPON ITS ABILITY TO ATTRACT NEW SOURCES OF CAPITAL, AND EXPLOIT THE GROWING VOIP TELECOM AND DATA SERVICES MARKET IN ORDER TO ATTAIN A REASONABLE THRESHOLD OF OPERATING EFFICIENCY AND ACHIEVE SUSTAINED PROFITABLE OPERATIONS.

NOTE 4 – FAIR VALUE

The Company has categorized its assets and liabilities recorded at fair value based upon the fair value hierarchy specified by GAAP. All assets and liabilities are recorded at historical cost that approximates fair value, and therefore, no items were valued according to these inputs.

The levels of fair value hierarchy are as follows:

- Level 1 inputs utilize unadjusted quoted prices in active markets for identical assets or liabilities that the Company has the ability to access;

- Level 2 inputs utilize other-than-quoted prices that are observable, either directly or indirectly. Level 2 inputs include quoted prices for similar assets and liabilities in active markets, and inputs such as interest rates and yield curves that are observable at commonly quoted intervals; and

- Level 3 inputs are unobservable and are typically based on our own assumptions, including situations where there is little, if any, market activity.

In certain cases, the inputs used to measure fair value may fall into different levels of the fair value hierarchy. In such cases, the Company categorizes such financial asset or liability based on the lowest level input that is significant to the fair value measurement in its entirety. Our assessment of the significance of a particular input to the fair value measurement in its entirety requires judgment and considers factors specific to the asset or liability.

Both observable and unobservable inputs may be used to determine the fair value of positions that are classified within the Level 3 category. All assets and liabilities are at cost that approximates fair value and there are not items that were required to be valued on a non-recurring basis.

No items were valued at fair value on a recurring basis as of August 31, 2013.

NOTE 5 – ACQUISITION OF VOIP ACQ

On January 17, 2012, AXLX acquired substantially all of the assets and liabilities of VOIP ACQ, Inc. ("VOIP") in exchange for a total of 1,150,000,000 shares of AXLX's restricted common stock (the "Shares") pursuant to a definitive Contribution Agreement dated November 30, 2011 by and among the AXLX and VOIP (the "Contribution Agreement"). Three hundred fifty million (350,000,000) of the Shares were issued immediately upon Closing, and the remaining eight hundred million (800,000,000) shares were issued on June 6, 2012, the date on which AXLX's Articles of Incorporation were amended to increase the number of total authorized shares of common stock to 8,000,000,000.

Although AXLX is the legal acquirer, for accounting purposes VOIP is the accounting acquirer. Therefore, as a result of this transaction, we acquired $1,320 in fair value of assets, and $831,994 in liabilities.

In June of 2012, VOIP ACQ, Inc. surrendered five hundred million (500,000,000) shares of common stock in exchange for 500,000 shares of Series A Convertible Preferred Shares. The Series A Convertible Preferred Shares are convertible into a total of 500,000,000 shares of common stock and carry voting rights of 5,000 votes for each preferred share. The above description of the Series A Convertible Preferred Shares is qualified in its entirety by the Certificate of Designation of Series A Convertible Preferred Stock, which is attached as an Exhibit to the Company's Annual Report filed on August 2, 2012, and incorporated herein by reference.

NOTE 6 - DISPOSITION OF AXIOLOGIX HOLDINGS

On May 10, 2012, AXLX sold one of its subsidiaries, Axiologix Holdings, Inc. ("AX Holdings"), which included all of the assets and properties, subject to all the liabilities, debts, obligations and contracts of the 'Education Business' to Mr. John Daglis for 24,043,595 shares of restricted common stock of AXLX owned by Mr. Daglis. The "Education Business", as set forth in Exhibit A of the Agreement and Plan of Corporate Separation and Reorganization, is defined as the operations of AXLX as conducted immediately prior to the Contribution Agreement by and among AXLX and VOIP ACQ that closed on January 17, 2012, and does not reflect the business operations of VOIP ACQ acquired in connection with that transaction. The foregoing description of the Education Business disposition is qualified in its entirety by reference to the full text of the Agreement and Plan of Corporate Separation and Reorganization, which was attached as an Exhibit to the Supplemental Information Statement filed on May 17, 2012, and is incorporated herein by reference.

As a result of this sale, we recorded a loss on the sale of $1,040,524 for the twelve month period ended May 31, 2012.

NOTE 7 – ACQUISITION OF PRIME CARRIER

On March 5, 2012 AXLX acquired substantially all of the assets of Prime Carrier Limited via a wholly subsidiary, Axiologix Limited, in exchange for a secured promissory note in the amount €510,502 (Five Hundred Ten Thousand Five Hundred and Two Euros) issued to ETV Capital S.A. and ACT Venture Capital Limited, Prime Carrier's secured lenders (the "Secured Lenders"). This note is repayable in monthly installments over 24 months from March 5, 2012 and has a first secured lien over the assets of Axiologix Limited. AXLX has also provided a guaranty for the payments of the Note. AXLX also issued 20,000,000 shares of restricted common stock to the Secured Lenders. 20,000,000 of the shares originally issued to VOIP were returned to AXLX in exchange, because part of the original consideration for VOIP included the subsequent acquisition of Prime Carrier. In addition, the Secured Lenders shall receive additional shares of restricted common stock if the Highest Average Trading Price ("HATP") falls within the following price per share amounts for thirty consecutive trading days prior to September 30, 2013: (i) 6,666,666 restricted common shares if the HATP is less than $0.008 per share but greater than or equal to $0.006 per share, (ii) 12,000,000 shares if the HATP is less than $0.006 per share but greater than or equal to $0.0045 per share, or (iii) 20,000,000 shares if the HATP is less than $0.0045 per share.

On February 22, 2013, Ironridge Global IV, Ltd. purchased the total outstanding amounts owed to the Secured Lenders, and subsequently settled that amount owed in exchange for shares of AXLX common stock. (See Note 8: Ironridge for more details).

NOTE 8 – IRONRIDGE - 3(a)10 Transaction

On February 22, 2013, AXLX and Ironridge Global IV, Ltd ("IV") settled $802,889.00 in AXLX accounts payable, now owned by IV, in exchange for shares of AXLX common stock. Pursuant to an order approving stipulation for settlement of claims between IV and AXLX, IV is entitled to receive 10 million common shares plus that number of shares with an aggregate value equal to the debt amount plus a 10% third-party agent fee, and reasonable attorney fees, divided by 70% of the following: the closing price of AXLX's common stock on the date prior to entry of the order, not to exceed the arithmetic average of the individual daily volume weighted average prices of any five trading days during a period equal to that number of consecutive trading days following the date of initial receipt of shares required for the aggregate trading volume to exceed $9 million.

As of August 31, 2013, IV has received a total of 630 million unrestricted AXLX common shares, and may be required to return or be entitled to receive additional shares, based on the calculation summarized in the prior paragraph. For purposes of calculating the percent of class, the reporting persons have assumed that there were a total of 1,435,370,902 shares of common stock outstanding immediately prior to the issuance of shares to IV, such that the shares initially issued to IV would represent approximately 9.99% of the outstanding common stock after such issuance. IV is prohibited from receiving any shares of common stock that would cause it to be deemed to beneficially own more than 9.99% of the issuer's total outstanding shares at any one time.

In connection with the transaction, IV agreed not to hold any short position in the issuer's common stock, and not to engage in or effect, directly or indirectly, any short sale until at least 180 days after the end of the calculation period.

IV is not a registered broker-dealer or an affiliate of a registered broker-dealer. Voting and dispositive power with respect to shares of common stock owned by IV is exercised by Peter Cooper, Director. However, for so long as IV holds any shares, it is prohibited from, among other actions: (1) voting any shares of issuer common stock owned or controlled by them, exercising any dissenter's rights, executing or soliciting any proxies or seeking to advise or influence any person with respect to any voting securities of the issuer; (2) engaging or participating in any actions or plans that relate to or would result in, among other things, (a) acquiring additional securities of the issuer, alone or together with any other person, which would result in them collectively beneficially owning or controlling, or being deemed to beneficially own or control, more than 9.99% of the total outstanding common stock or other voting securities of the issuer, (b) an extraordinary corporate transaction such as a merger, reorganization or liquidation, (c) a sale or transfer of a material amount of assets, (d) changes in the present board of directors or management of the issuer, (e) material changes in the capitalization or dividend policy of the issuer, (f) any other material change in the issuer's business or corporate structure, (g) actions which may impede the acquisition of control of the issuer by any person or entity, (h) causing a class of securities of the issuer to be delisted, (i) causing a class of equity securities of the issuer to become eligible for termination of registration; or (3) any actions similar to the foregoing.

We believe our offering and sale of the securities in the above transaction, made only to an accredited investor, was exempt from registration under Section 3(a)(10) of the Securities Act.

NOTE 9 – IRONRIDGE – SERIES C PREFERRED STOCK PURCHASE TRANSACTION

On May 1, 2013 Axiologix, Inc. ("We" or "Our") entered into a Stock Purchase Agreement with an accredited investor, Ironridge Technology Co. (the "Investor"), under which the Investor will purchase up to a total aggregate of US $7,500,000.00 in shares of convertible, redeemable Series C Preferred Stock, convertible into shares of Common Stock at fixed price of $0.0008 per share (the "Series C Preferred Stock"). The Series C Preferred Stock carries an 8% per annum adjustable dividend, payable in cash or shares of our restricted common stock, at our option. If paid in shares then the shares will be valued at a 15% discount to the lowest daily VWAP (volume weighted average price) from May 1, 2013 to 30 days after the date of conversion, less $0.0001 per share. We issued 19 shares of Series C Preferred Stock to the Investor as a commitment fee on the date the Agreement was executed, May 1, 2013.

Subject to certain closing conditions, the Investor will purchase 5 Preferred Shares at each Closing through the ninth Closing and thereafter Investor will purchase 10 Preferred Shares at each Closing. The first Closing occurred on May 3, 2013 in which we received $50,000 and issued 5 shares of Series C Preferred Stock. Each subsequent Closing will take place on the first day each calendar month thereafter or sooner, at our option and if all conditions set forth in the Stock Purchase Agreement, including, but not limited to, the conditions set forth below, have been fully satisfied, until a total of $7,500,000 has been purchased by the Investor. As of May 31, 2013, no additional Closings had occurred. In June of 2013 a second Closing occurred under the Stock Purchase Agreement with Ironridge in which we received $50,000 and issued 5 additional shares of Series C Preferred Stock to Ironridge.

Each subsequent Closing will be subject to standard customary closing conditions as well as specific provisions, that the trading price of our Common Stock is at least $0.0003 per share on the day prior to a Closing, and since the prior Closing, a minimum of $1.0 million in aggregate trading volume of our Common Stock has traded in the public market.

The foregoing description of the financing transaction is qualified in its entirety by reference to the full text of the Stock Purchase Agreement and Certificate of Designation of Series C Preferred Stock, which are attached as Exhibits to our Supplemental Report filed on May 7, 2013 and are incorporated herein by reference.

These funds will be used for general working capital purposes.

We believe our offer and sale of the securities in the above transaction, made only to an accredited investor, were exempt from registration under Section 4(2) of the Securities Act as a transaction by an issuer not involving any public offering, and as a private placement of restricted securities pursuant to Rule 506 of Regulation D promulgated under the Act. The certificates representing the securities issued contain a legend to the effect that such securities were not registered under the Securities Act and may not be transferred except pursuant to an effective registration statement or pursuant to an exemption from such registration requirements.

NOTE 10 - CONVERTIBLE NOTES PAYABLE

For the Three Months Ended August 31, 2013:

As of August 31, 2013, the Company had $333,531 of principal balance on promissory notes issued and outstanding, $258,743 of which is convertible at a discount to the current market price of the Company's common stock, with discounts ranging from 20% to 70%. As of August 31, 2012, the Company had $347,500 of principal balance on promissory notes issued and outstanding, $307,500 of which is convertible at a discount to the current market price of the Company's common stock, with discounts ranging from 20% to 70%.

As of August 31, 2013 and 2012, the Company had accrued interest payable of $50,303 and $85,982, respectively. Interest expense totaled $42,857 and $104,348 for the three month periods ended August 31, 2013 and 2012, respectively. Of the $42,857 charge for the three months ending August 31, 2013, $35,640 represented amortization of debt discount on convertible notes.

During the three month periods ended August 31, 2013 and 2012, the Company converted $50,940 and $47,000, respectively, of outstanding promissory notes into 528,179,800 and 150,000,000 shares of common stock, respectively, at prices ranging from $0.005 per share to $0.00005 per share.

During the three months ended August 31, 2013, the Company issued the following new promissory note and entered into the following investment transaction:

On July 26, 2013, the Company issued a $10,000 convertible promissory note to an accredited investor in exchange for a $10,000 investment. The promissory note accrues 15% interest per annum, matures on July 23, 2014 and is convertible at a 50% discount to the current market price.

Also during the three months ended August 31, 2013 we executed a first amendment with Cape One Financial, contingent upon the closing by the Company of a third party financing / revolving line of credit by no later than September 15, 2013 (the "Closing"). This Amendment includes the following terms: i) extends the term of the Note issued to Cape One by six months from the date of the Closing, ii) at the Closing, AXLX agrees to pay to the Holder a total sum of Thirty One Thousand Five Hundred Dollars ($31,500), to go towards repayment of the Note, iii) the existing Warrant's exercise price shall be reduced to $0.00005 per share, iv) the Company agrees to issue 450,000,000 additional Warrants to the Holder, also at a reduced exercise price of $0.00005 per share, with no additional warrants owed to the Holder, v) the conversion price of the Note shall be 50% of the Market Price at the time of conversion, vi) If and when the Company raises additional capital, the Company shall prepay/redeem the Note in an amount equal to ten percent (10%) of the gross proceeds received by the Company from and at the closing of such additional capital raises. Accrued but unpaid interest shall be paid first, and then Principal Amount of the Note, vii) After the Note is repaid in full, then Company shall redeem the Series B Preferred from the Holder if and when the Company raises additional capital, in an amount equal to ten percent (10%) of the gross proceeds received by the Company at each and every closing from such capital raise. The foregoing descriptions of the Amendment are qualified in its entirety by reference to the full text of the Amendment, which was attached as an Exhibit to our Annual Report filed on September 10, 2013 and incorporated herein by reference.

For the Twelve Months Ended May 31, 2013:

As of May 31, 2013, the Company had $329,575 of principal balance on promissory notes issued and outstanding, all of which is convertible at a discount to the current market price of the Company's common stock, with discounts ranging from 20% to 70%.

As of May 31, 2013, the Company had accrued interest payable of $44,953. Interest expense totaled $346,626 for the twelve month period ended May 31, 2013. Of the $346,626 charge for the twelve months ending May 31, 2013, $121,602 represented amortization of debt discount on convertible notes and $80,289 was a one-time charge associated with the Ironridge transaction.

During the twelve month period ended May 31, 2013, the Company converted $174,275 of outstanding promissory notes into 663,672,691 shares of common stock, at conversion prices ranging from $0.0005 per share to $0.000122 per share.

During the twelve months ended May 31, 2013, the Company issued the following new promissory notes or entered into the following investment transactions:

On May 13, 2013, the Company issued a $20,000 convertible promissory note to an accredited investor in exchange for a $20,000 investment, accruing 5% interest per annum and convertible at $0.00035 per share.

On April 10, 2013, the Company issued a $20,000 convertible promissory note to an accredited investor in exchange for a $20,000 investment. The note accrues 5% interest per annum and is convertible at $0.0005 per share.

On February 25, 2013, the Company issued two $5,000 convertible promissory notes to two accredited investors in exchange for a $10,000 investment. These notes accrue 12% interest per annum and are convertible at 50% of the Market Price at the date of conversion and each have a maturity date of August 28, 2014.

On February 20, 2013, the Company issued a convertible promissory note in the principal amount of $20,000 to an accredited investor, accruing 8% interest per annum and convertible at 67% of the Market Price at the date of conversion and having a maturity date of February 20, 2014.

On January 17, 2013, the Company issued two $17,500 convertible promissory notes to two accredited investors in exchange for a $35,000 investment. These notes carry accrue 12% interest per annum and are convertible at 50% of the Market Price at the date of conversion and each have a maturity date of January 17, 2014.

On July 31, 2012, the Company issued a $15,000 convertible promissory note to an accredited investor in exchange for a $15,000 investment. The note carries a 5% interest rate per annum, matures on January 31, 2013 and is convertible into shares of common stock at the conversion price per share equal to the greater of i) a twenty percent (20%) discount to the Per Share Market Price, which is defined as the average of the lowest three (3) trading days daily dollar volume-weighted average price, and ii) the fixed conversion price of $0.00009 per share. On February 10, 2013, the maturity date of this Note was extended to August 10, 2013 and the conversion price was modified to be equal to the greater of i) a thirty three percent (33%) discount to the Per Share Market Price, and ii) the fixed conversion price of $0.00009 per share. On May 13, 2013, the conversion price of the Note was amended to be convertible at a 50% discount to the Market Price at the date of conversion.

On July 31, 2012 the Company entered into a Subscription Agreement with an accredited investor, Cape One Financial Master Fund (the “Subscriber”) for an investment of $90,000 (the “Offering”), which closed on August 2nd, in which we issued (i) a subordinated secured convertible promissory note at a 22% original investment discount and having an interest at a rate of 8% per annum, convertible at $0.006 per share into an aggregate of up to 15,000,000 shares of restricted common stock, with standard anti-dilution provisions and a maturity date of 6 months after the Closing (the “Note”), (ii) warrants to purchase an aggregate of up to 22,500,000 shares of our restricted common stock at $0.006 per share, having a five year term, standard anti-dilution and a cashless exercise provision (the “Warrants”), and (iii) 400,000 shares of Series B Convertible Preferred Stock, convertible into shares of common stock at the market price at the time of conversion and redeemable by the Company 18 months after the Closing (the “Preferred Shares”). Additionally, 20% of the gross proceeds from any capital raise that the Company closes prior to the end of 18 months shall also be used to repay the Note and redeem the Preferred Shares. The Subscriber has also been granted a subordinated security interest in all of our assets. In addition, all of our officers and 5% or greater shareholders have agreed not to sell their shares for twelve months, as further described in the Lock Up Agreement. The foregoing description of the financing transaction is qualified in its entirety by reference to the full text of the Subscription Agreement, Debenture, Warrant, Certificate of Designation of Series B Convertible Preferred Stock, Lock-Up Agreement, Subsidiary Guarantee and Security Agreement which were attached as Exhibits to the Company’s Supplemental Information Statement filed on August 13, 2012 and are incorporated herein by reference.

As the subordinated secured convertible promissory note was issued in conjunction with warrants, the Company recorded a Debt Discount of $90,000 that is amortized over the life of the note as interest charge. The unamortized discount is netted setoff against the principal balance in the Balance Sheet incorporated in this report. As of May 31, 2013 this Note was in default. However, an amendment has recently been executed that, among other terms, extends the term of the Note. See Note 16: Subsequent Events, for more details. Management are confident that a successful outcome will result.

From the period of inception to May 31, 2012:

On September 7, 2010, the Company entered into two $100,000 Convertible Promissory Notes pursuant to two consulting agreements with third parties. The notes carry an annual interest rate of 15% and are convertible into common stock at a variable conversion rate. The variable conversion rate is 50% of the lowest closing price for the Company’s common stock during the previous 20 trading days from the notice of conversion. The note holders agreed that they will not submit conversion notices or enforce conversion rights requiring the Company to issue a number of common shares which exceeds the unissued authorized common shares of the Company. The Company has evaluated the conversion feature of the notes and determined that there was a $200,000 beneficial conversion feature on these notes as the conversion price was less than the fair value of the common stock at the time of issuance. The beneficial conversion feature was recorded as a debt discount on the accompanying balance sheet. One of the $100,000 notes has been fully converted as of February 28, 2013. The remaining note has a principal balance owed of $50,000 as of August 31, 2013 and a maturity date of March 15, 2013.

NOTE 11 – STOCKHOLDERS' SURPLUS (DEFICIT)

As of August 31, 2013, the Company is authorized to issue up to 8,000,000,000 shares of common stock, at $0.0001 par value, and up to 10,000,000 shares of preferred stock. At August 31, 2013, there were 2,714,157,103 common shares issued and outstanding and 900,029 shares of preferred stock outstanding, including 500,000 shares of Series A Convertible Preferred, 400,000 shares of Series B Convertible Preferred and 29 shares of Series C Convertible Preferred.

Series A: The Series A Convertible Preferred Shares are convertible into a total of 500,000,000 shares of common stock and carry voting rights of 5,000 votes for each preferred share. The description of the Series A Convertible Preferred Shares is qualified in its entirety by the Certificate of Designation of Series A Convertible Preferred Stock, which is attached as an Exhibit to the Company's Annual Report filed on August 2, 2012, and incorporated herein by reference.

Series B: The Series B Convertible Preferred Stock is convertible into shares of common stock at the market price at the time of conversion and redeemable by the Company after January of 2014. The description of the Series B Convertible Preferred Shares is qualified in its entirety by the Certificate of Designation of Series B Convertible Preferred Stock, which is attached as an Exhibit to the Company's Supplemental Information Statement filed on August 13, 2012, and incorporated herein by reference. See Note 16: Subsequent Events for more details.

Series C: The Series C Preferred Stock is convertible into shares of Common Stock at fixed price of $0.0008 per share. The Series C Preferred Stock carries an 8% per annum adjustable dividend, payable in cash or shares of our restricted common stock, at our option. If paid in shares then the shares will be valued at a 15% discount to the lowest daily VWAP (volume weighted average price) from May 1, 2013 to 30 days after the date of conversion, less $0.0001 per share. The description of the Series C Convertible Preferred Shares is qualified in its entirety by the Certificate of Designation of Series C Convertible Preferred Stock, which is attached as an Exhibit to the Company's Supplemental Report filed on May 7, 2013, and incorporated herein by reference.

On February 26, 2013, the Company amended its Articles of Incorporation to increase the total authorized shares of common stock from 3,000,000,000 to 8,000,000,000.

On October 12, 2012, the Company amended its Articles of Incorporation to decrease the par value of its common stock from $0.001 par value per share to $0.0001 par value per share.

As of May 31, 2012, the Company was authorized to issue up to 750,000,000 shares of common stock and 10,000,000 shares of preferred stock. At May 31, 2012, there were 575,304,612 common shares issued and outstanding and 500,000 shares of Series A Convertible Preferred Stock.

During the Three Months Ended August 31, 2013 and 2012:

During the three months ended August 31, 2013, the Company issued 528,179,800 shares of unrestricted common stock to 4 convertible debt holders pursuant to the conversion of convertible promissory notes, reducing the Company's debt obligations by $50,940. The Company also issued 230,000,000 shares of unrestricted common stock to Ironridge – See Note 8 for more details, and 5 additional shares of Series C Preferred Stock to Ironridge – see Note 9 for more details.

During the three months ended August 31, 2013 the Company issued 5 additional shares of Series C Convertible Preferred Stock to Ironridge netting $50,000 in cash; see Note 9 for more details.

During the three month period ended August 31, 2012, the Company converted $47,000 of outstanding promissory notes into 150,000,000 shares of common stock.

During the Twelve Months Ended May 31, 2013:

During the twelve months ended May 31, 2013, the Company issued a total of 1,925,672,581 shares of common stock.

Of this amount, 62,000,000 shares of restricted common stock were issued in exchange for services rendered; 663,672,691 shares of unrestricted common stock were issued from the conversion of $193,875 worth of convertible promissory notes; 400,000,000 shares of unrestricted common stock were issued in exchange for the partial settlement of $800,000 worth of debt under SEC Rule 3(a)(10), and the balance, or 800,000,000 shares of restricted common stock were issued to VOIP ACQ as part of the Contribution Agreement, described below.

In July of 2012, the Company issued to an accredited investor as part of a $90,000 investment, 400,000 shares of Series B Convertible Preferred Stock, convertible into shares of common stock at the market price at the time of conversion and redeemable by the Company 18 months after the Closing. (See Note 8: Convertible Promissory Notes for more details).

In June of 2012, VOIP ACQ, Inc. surrendered five hundred million (500,000,000) shares of common stock in exchange for 500,000 shares of Series A Convertible Preferred Shares. The Series A Convertible Preferred Shares are convertible into a total of 500,000,000 shares of common stock and carry voting rights of 5,000 votes for each preferred share. The above description of the Series A Convertible Preferred Shares is qualified in its entirety by the Certificate of Designation of Series A Convertible Preferred Stock, which is attached as an Exhibit to the Company's Annual Report filed on August 2, 2012, and incorporated herein by reference.

During the Year Ended May 31, 2012:

On January 17, 2012, AXLX acquired substantially all of the assets and liabilities of VOIP ACQ, Inc. ("VOIP") in exchange for a total of 1,150,000,000 shares of AXLX restricted common stock (the "Shares") pursuant to a definitive Contribution Agreement dated November 30, 2011 among AXLX and VOIP (the "Contribution Agreement"). Three hundred fifty million (350,000,000) of the Shares were issued immediately upon Closing, and were valued at $700,000. The remaining eight hundred million (800,000,000) shares were issued on June 6, 2012, the date on which AXLX's Articles of Incorporation were amended to increase the number of total authorized shares of common stock to 3,000,000,000.

On January 17, 2012, pursuant to the terms of Vincent Browne's 4-year employment agreement, the Company issued to Mr. Browne warrants to purchase up to 500,000,000 shares of restricted common stock exercisable at $0.002 per share, the market price of AXLX stock on the Closing Date, having a term of 4 years and a total value of $999,122.

On March 5, 2012, the Company issued 20,000,000 shares of restricted common stock to ETV, one of AXLX subsidiaries' creditors, as part of the consideration for the acquisition of Prime Carrier by AXLX. 20,000,000 of the shares originally issued to VOIP were returned to AXLX in exchange, because part of the original consideration for VOIP included the subsequent acquisition of Prime Carrier.

On April 18, 2012, the Company issued 5,000,000 shares of restricted common stock for services. The shares were valued at the closing trading price of the Company's common stock at the time of issuance, $0.002 per share, and accordingly the Company recorded $10,000 of stock based compensation.

In May of 2012, the Company issued 67,000,000 shares of common stock to 4 convertible debt holders, reducing its principal obligation by $28,500.

NOTE 12 – RELATED PARTY TRANSACTIONS

In June of 2012, VOIP ACQ, Inc. surrendered five hundred million (500,000,000) shares of common stock in exchange for 500,000 shares of Series A Convertible Preferred Shares. The Series A Convertible Preferred Shares are convertible into a total of 500,000,000 shares of common stock and carry voting rights of 5,000 votes for each preferred share. Vincent Browne controls and is a 70% owner of VOIP ACQ, Inc. (See Note 5: Acquisition of VOIP ACQ).

On March 5, 2013, Darjon Investments, Ltd. loaned the Company $19,788, repayable on demand. Darjon is controlled and 100% owned by Vincent Browne.

For the Year Ended May 31, 2012:

During the year ended May 31, 2012, the officers and directors together loaned the Company a total of $55,000, as follows: Mr. Daglis: $25,000, $20,000 of which was assigned to a trust, E&CR Trust, controlled by Mr. Daglis; Mr.

Schafer: $18,000; Mr. Romito: $3,000, and Mr. Siliunas: $4,000. The notes carry an interest rate of 20% per annum and are convertible to common stock at the lesser of $0.007 or 70% of the average closing price of the previous 20 trading days. The Company repaid $1,000 to one officer, Emily Vassallo, for an outstanding loan.

Subsequently, on December 5, 2011, each officer and director signed an addendum to their promissory notes that set the total amounts owed to all directors and officers at $40,000, with no further interest accruing, and grants the holders a right to convert into a total of 10% of the Company's common stock at the time of conversion, broken down as follows: Mr. Daglis: 1.02%; E&CR Trust: 5%; Mr. Schafer: 1.58%; Mr. Romito: 0.25%; Mr. Siliunas: 0.75%, Mr. Ramadan: 1.14%, and Ms. Vassallo: 0.26%. Additionally, all of these Notes will automatically convert into a total of 10% of the Company's common stock immediately upon the completion of a reverse stock split. The form of the Addendum to these related party promissory notes is attached and incorporated herein by reference.

On January 17, 2012 the Company entered into a 4 year employment agreement with Mr. Vincent Browne. Pursuant to the terms of his 4 year employment agreement, Mr. Browne will receive salary in the amount of $150,000 per year and warrants to purchase up to 500,000,000 shares of restricted common stock at $0.002 per share, the market price of AXLX stock on the Closing Date, having a term of 4 years. He will be entitled to participate in other employee benefit plans to the same extent provided to other executive officers. The foregoing description of the terms of employment of Mr. Browne is qualified in its entirety by reference to the full text of Mr. Browne's Employment Agreement and Warrant, which are attached as Exhibits to the Company's Initial Disclosure Statement filed on April 20, 2012, and are incorporated herein by reference.

On March 5, 2012 AXLX acquired substantially all of the assets of Prime Carrier Limited via a wholly subsidiary, Axiologix Limited. (See Note 6: Acquisition of Prime Carrier). Vincent Browne controls and is a 66% owner of Prime Carrier Limited.

On May 10, 2012, AXLX sold one of its subsidiaries, Axiologix Holdings, Inc. ("AX Holdings"), which included all of the assets and properties, subject to all the liabilities, debts, obligations and contracts of the 'Education Business' to Mr. John Daglis for 24,043,595 shares of restricted common stock of AXLX owned by Mr. Daglis. (See Note 5: Acquisition of VOIP and Subsequent Disposition of Axiologix Holdings).

NOTE 13 - MANAGEMENT AND BOARD OF DIRECTORS CHANGES

Effective August 17, 2012, Dennis Mitrano was appointed as President of Telecom Operations of the Company. Axiologix entered into an employment agreement with Mr. Mitrano, effectuating the following: (i) Mr. Mitrano's title is President and Chief Operating Officer (ii) Mr. Mitrano will receive a salary in the amount of $150,000 per year; (iii) Mr. Mitrano was issued 45,000,000 shares of immediately vested restricted common stock; (iv) Mr. Mitrano is eligible to earn a performance related bonuses of up to 50% of his salary; (v) Mr. Mitrano is eligible for long term incentive compensation based on performance, of 2% of the then total issued and outstanding shares of the Company's common stock, vesting over a period of three years such that 1/4 of the shares issued vest immediately, and ¼ vest at each annual anniversary thereafter, and as further described in his employment agreement; and (vi) after the first six months of employment, the Board of Directors of Axiologix will review Mr. Mitrano's performance and the terms of his employment agreement and may, in its sole discretion, extend the term of his Agreement to a period of three years, including a nine month severance payment. The foregoing description of Mr. Mitrano's Employment Agreement is qualified in its entirety by reference to the full text of the Employment Agreement, which is attached hereto as Exhibit 1 and is incorporated herein by reference.

Effective September 21, 2012, Dennis Mitrano was elected as a director of the Company.

The following is a description of the business experience of Mr. Mitrano for at least the past five years:

Dennis Mitrano, age 58. Mr. Mitrano became President of Telecom Operations of AXLX on August 17, 2012. Mr. Mitrano is also currently President & CEO for Realistic Solutions, Inc. and has served in that capacity since July 1992. Mr. Mitrano has over 30 years experience bringing technologies and companies to market. Prior to joining AXLX, Mr. Mitrano was President with DayStar Communications since January 2011 and will remain in that position through the closing date of its pending acquisition, which is anticipated to be September 29, 2012. Prior to that, from April 2007 to

January of 2011, Mr. Mitrano was with Intellectual Property Partners in the capacity of Partner. Mr. Mitrano holds an MBA from George Washington University, majoring in Finance and International Business, and received a Bachelor of Science in Finance from Virginia Tech. He is currently on the advisory boards of two early stage firms, is an Executive Advisory Board member of ATP (Association for Telecom Professionals) and has been involved with TAG (Technology Association of Georgia) for over 10 years. Mr. Mitrano is also a member of the Turnaround Management Association.

For the Year Ended May 31, 2012:

On January 17, 2012, as part of the closing of the VOIP transaction, each executive officer and member of the Board of Directors of AXLX resigned, with the exception of John Daglis who remained on the Board of Directors until he resigned on May 11, 2012.

Also on January 17, 2012, Mr. Daglis resigned as CEO and Ms. Vassallo resigned as Corporate Secretary, and Vincent Browne became Chief Executive Officer, Chief Financial Officer, Corporate Secretary and a member of the Board of Directors of AXLX.

NOTE 14 – COMMITMENTS AND CONTINGENCIES

Consulting Agreement

In September 2010, the Company entered into two four-month consulting agreements with unrelated third parties to provide consulting services. In exchange for the services provided, the Company issued two convertible promissory notes totaling $200,000 due March 15, 2013. As of August 31, 2013, one note, in the original principal amount of $100,000 remains due and outstanding. This note has subsequently been partially assigned and converted into shares of common stock. See Note 10 – Convertible Promissory Notes, for more details

Litigation

The Company is not currently involved in any litigation that it believes could have a material adverse effect on its financial condition or results of operations. There is no action, suit, proceeding, inquiry or investigation before or by any court, public board, government agency, self-regulatory organization or body pending or, to the knowledge of the executive officers of the Company or any of its subsidiaries, threatened against or affecting the Company, our common stock, any of our subsidiaries or of our companies or our subsidiaries' officers or directors in their capacities as such, in which an adverse decision could have a material adverse effect.

NOTE 15 – DERIVATIVE LIABILITY

The Company evaluated the conversion feature embedded in the convertible notes to determine if such conversion feature should be bifurcated from its host instrument and accounted for as a freestanding derivative. Due to the note not meeting the definition of a conventional debt instrument because it contained a diluted issuance provision, the convertible notes were accounted for in accordance with ASC 815. According to ASC 815, the derivatives associated with the convertible notes were recognized as a discount to the debt instrument, and the discount is being amortized over the life of the note and any excess of the derivative value over the note payable value is recognized as additional interest expense at issuance date. The company also evaluated all common stock equivalents to determine if these instruments were tainted due to the embedded derivative.

Further, and in accordance with ASC 815, the embedded derivatives are revalued at each balance sheet date and marked to fair value with the corresponding adjustment as a "gain or loss on change in fair value of derivatives" in the statement of operations.

As of August 31, 2013 the fair value of the embedded derivatives included on the accompanying balance sheet was $0. During the three months ended August 31, 2013, the Company did not recognize any changes in fair value of derivative liability totaling. Key assumptions used in the valuation of derivative liabilities associated with the convertible notes at August 31, 2013 were as follows:

- The stock price would fluctuate with an annual volatility ranging from 281% to 326% based on the historical volatility for the company.

- An event of default would occur 1% of the time, increasing 1.00% per month to a maximum of 10%.

- Alternative financing for the convertible notes would be initially available to redeem the note 10% of the time and increase monthly by 0.2% to a maximum of 20%.

- The holder would automatically convert the notes at maturity if the registration was effective and the company was not in default.

- The Company classifies the fair value of these securities under level three of the fair value hierarchy of financial instruments. The fair value of the derivative liability was calculated using a lattice model that values the compound embedded derivatives based on a probability weighted discounted cash flow model. This model is based on future projections of the various potential outcomes. The embedded derivatives that were analyzed and incorporated into the model included the conversion feature with the full ratchet reset, and the redemption options.

NOTE 16 - VELOCITY

We entered into a definitive Agreement of Merger on June 17, 2013 with a newly incorporated wholly-owned subsidiary, Axiologix Sub, Inc., a Delaware Corporation ("Sub"), and Velocity Networks, Inc., a California corporation (the "Velocity"), and Velocity's primary executive officer, Kurt Wolfgang (the "Merger Agreement"), relating to the acquisition of all of the stock of Velocity by Sub through a merger in exchange for a potential total consideration of $3,500,000 in cash and 550,000 shares of AXLX Series D Convertible Preferred Stock. $2,000,000 in cash and 400,000 shares of AXLX's Series D Convertible Preferred Stock shall be paid on the Closing Date, and a potential additional payment of $1,500,000 in cash and 150,000 shares of Series D Convertible Preferred Stock (the "Merger Stock") may be issued 12 months following the Closing Date if Velocity meets or exceeds the Gross Margin target of $2,800,000 during those 12 months following the Closing Date.

The Series D Convertible Preferred Stock has a $10.00 per share liquidation value, a $0.001 par value, one vote for each preferred share issued, and one share of Series D Convertible Preferred Stock is convertible into Ten Dollars ($10.00) worth of common stock at Market Price. Market Price is defined as the average closing price per share of AXLX's common stock over the five (5) consecutive trading days prior to the date of the Shareholder's notice of its election to convert its Preferred Shares.

The Merger Agreement is subject to certain closing conditions, including, among other things, (i) AXLX closing a third party financing to finance the total Merger Consideration to be paid, (ii) no material adverse changes to the Targets' business, and (iii) the cancellation or assumption of personal guarantees on certain existing Velocity debt (the "Closing"). From the period between completion of the Definitive Agreement and Closing AXLX will provide bridge payments to Velocity in six tranches of $50,000 each, commencing on or before July 8, 2013 and ending eleven weeks thereafter if the Closing has not happened prior to each payment being due. In the event that AXLX fails to pay timely any 2 of the bridge payments, the Merger Agreement shall terminate. If the Closing has not occurred by September 23rd, the Merger Agreement will terminate. If the Merger Agreement terminates, all bridge funds advanced by AXLX to Velocity will be forfeited.

The foregoing descriptions of the Merger Agreement and the Merger Stock are qualified in its entirety by reference to the full text of the Agreement of Merger and the Form of Certificate of Designation of Series D Preferred Stock, which were attached as Exhibits to our Supplemental Information Statement filed on June 18, 2013, and are incorporated herein by reference.

As of August 31, 2013, no bridge payments had been made to Velocity. In August, Axiologix and Velocity executed an amendment to the Merger Agreement whereby the following terms were amended: i) all of the required bridge financing payments from Axiologix to Velocity were cancelled, ii) the Closing of the Merger was extended to December 31, 2013, and iii) Velocity has the right to terminate the Merger Agreement at any time upon 10 days prior written notice. The foregoing description of the Amendment to the Merger Agreement is qualified in its entirety by reference to the full text of the Amendment, attached hereto as an Exhibit and incorporated herein by reference.

While the Agreements contemplate that closing of the acquisition would take place during the third quarter of 2013, the conditions precedent to Closing are such that there can be no assurance that the acquisition will be completed in that time or at all.

NOTE 17 – SUBSEQUENT EVENTS

In accordance with ASC 855, Subsequent Events, we have evaluated subsequent events through November 7, 2013, the date of available issuance of these unaudited financial statements.

Common Stock Issuances:

From August 31, 2013 through November 7, 2013 we issued to Ironridge a total of 810,000,000 shares of common stock to Ironridge pursuant to a 3(a)(10) transaction; see Note 8 for more details.

From August 31, 2013 thru November 7, 2013 we issued a total of 385,546,000 shares of common stock to 3 convertible note holders, reducing our principal debt obligations by $26,812.

VOIP ACQ, INC.: Preferred Share Exchange and Merger

In September, VOIP ACQ, INC. exchanged 600,000,000 shares of AXLX common stock for amended terms to its 500,000 shares of AXLX Series A Convertible Preferred Stock, whereby the 500,000 shares of Series A Convertible Preferred convert into a total of 60% of the total issued and outstanding shares of AXLX common stock at the time of conversion, and the Series A Preferred vote on an as-converted basis. The foregoing description of the amended Series A Convertible Preferred is qualified in its entirety by reference to the full text of the Form of Certificate of Designation of Amended and Restated Series A Preferred Stock, which is attached as an Exhibit to our this Quarterly Report, and is incorporated herein by reference.

In October, VOIP ACQ, INC. merged with and into Axiologix. VOIP's ownership of AXLX common and preferred shares were therefore distributed to VOIP's shareholder, Darjon Investments, Ltd.; Vincent Browne holds the dispostive voting and investment control of Darjon.

TCA Credit Facility:

On September 12, 2013, Axiologix, Inc., a Nevada corporation (the "Company"), and all of its wholly owned subsidiaries (collectively, the "Guarantors") entered into a Senior Secured Revolving Credit Facility Agreement (the "Credit Agreement") with TCA Global Credit Master Fund, LP, as lender (the "Lender").

The Credit Agreement provides for a revolving credit facility (the "Credit Facility") of up to $5,000,000. Funds under the Credit Facility will be made available to the Company on an as-needed basis, based on a mutually approved formula of eligible receivables and assets, with an initial draw down at closing of $250,000 less transaction expenses. The Credit Facility is guaranteed by the Guarantors and is secured by the assets of the Company and the Guarantors. The Lender will maintain and operate a bank account "lock box" for the collection and disbursement of the Company's accounts receivable, and will become the senior, secured lender for the Company.

The Company intends to use the proceeds of the Credit Facility for general working capital purposes and to fund initial consideration for acquisitions. Neither the Company nor the Guarantors had any relationship with the Lender, material or otherwise, prior to entering into the Credit Agreement.

The maturity date for the Credit Facility is the six-month anniversary of the effective date (the "Maturity Date"), and the Company has the option (so long as no event of default exists and no event has occurred that, with the passage of time or giving of notice or both, would constitute an event of default) to request an extension of the Maturity Date for an additional six month period, which request may be accepted or rejected by the Lender in its sole discretion.

Borrowings under the Credit Facility outstanding from time to time will bear interest at an annual rate of 16.5% and such interest will be payable on a weekly basis. The Company may repay principal amounts borrowed under the Credit Facility from time to time prior to the Maturity Date, but all outstanding amounts under the Credit Facility must be repaid in full on or prior to the Maturity Date. Principal amounts repaid under the Credit Facility may be re-borrowed prior to the Maturity Date.

The Credit Agreement contains representations and warranties, affirmative and negative covenants (including financial covenants with respect to minimum revenues and a loan-to-value ratio) that are typical for facilities and transactions of this type. The Credit Agreement also contains events of default (and related remedies, including acceleration and increased interest rates following an event of default) that are typical for facilities and transactions of this type.
Loans drawn under the Credit Facility will be evidenced by a Revolving Convertible Promissory Note (the "Revolving Note"). At any time while the Revolving Notes remain outstanding and only if an Event of Default occurs subject to certain limitations, the Lender may convert all or any portion of the outstanding principal, accrued but unpaid interest and other sums payable under the Revolving Note or the Credit Agreement into shares of the Company's common stock, par value $0.01 per share, at a price equal to (i) the amount to be converted, divided by (ii) 85% of the lowest daily volume weighted average price of the Company's common stock during the five business days immediately prior to the conversion date.

As consideration for investment banking and advisory services provided by the Lender to the Company, pursuant to the Credit Agreement the Company shall pay a fee to the Lender in the amount of $108,000, payable in 3 equal installments of $36,000 each over a period of 12 months from September 12, 2013. Mr. Browne, our Chief Executive Officer has personally guaranteed the advisory services in full and the Revolving Note, under certain limited circumstances.
The Revolving Note was issued by the Company upon reliance on the exemption from the registration requirements of the Securities Act of 1933, as amended, provided in Section 4(2) thereof.

Also as part of the Closing, the Company agreed to register its shares of common stock with the Securities and Exchange Commission (SEC), through the filing of a SEC Form 10, within 3 months of the Closing.

The Company incurred placement agent fees of $10,000. After payment of additional legal and other expenses net proceeds received equaled $157,000.

The foregoing description is a summary of certain of the terms of the Revolving Note and the Credit Agreement. This summary does not purport to be complete and is qualified in its entirety by the complete text of (i) the Revolving Note, which is filed as an Exhibit to this Supplemental Information Statement and is incorporated herein by reference and (ii) the Credit Agreement, which were filed as Exhibits to the Company's Supplemental Information Statement filed on September 19, 2013 and are incorporated herein by reference.

EXHIBITS

CERTIFICATE OF DESIGNATION OF
SERIES A CONVERTIBLE PREFERRED STOCK
OF AXIOLOGIX, INC.
AS AMENDED AND RESTATED

____

Axiologix, Inc., a Nevada corporation (the "Company") certifies that pursuant to the authority contained in ARTICLE IV of its Articles of Incorporation, as amended (the "Articles of Incorporation"), the Board of Directors of the Company (the "Board of Directors"), by unanimous written consent in lieu of a meeting effective September 19, 2013, duly approved and adopted the following resolution, which resolution remains in full force and effect on the date hereof:

RESOLVED, that pursuant to the authority vested in the Board of Directors by the Articles of Incorporation, the Board of Directors does hereby designate, create, authorize and provide for the issue of a series of preferred stock, having $0.001 par value per share, which shall be designated as Series A Convertible Preferred Stock, and which shall have the voting powers, designations, preferences, limitations, restrictions, and relative rights as follows:

1. Designation and Number of Shares. There shall be a series of Preferred Stock that shall be designated as "Series A Convertible Preferred Stock," and the number of shares constituting such series shall be **five hundred thousand (500,000)** shares. The price per share shall be **$0.002 per share (the "Original Purchase Price")**. Such number of shares may be increased or decreased by resolution of the Board of Directors; provided, however, that no decrease shall reduce the number of shares of Series A Convertible Preferred Stock to less than the number of shares then issued and outstanding plus the number of shares issuable upon exercise of outstanding rights, options or warrants or upon conversion of outstanding securities issued by the Corporation.

2. Ranking. The Series A Preferred Stock shall rank on parity with the Corporation's Common Stock and any class or series of capital stock of the Corporation hereafter created, except the Series B Preferred Stock, specifically ranking by its terms on parity with the Series A Preferred Stock (the "Parity Securities"), in each case as to the distribution of assets upon liquidation, dissolution or winding up of the Corporation.

3. Liquidation. Upon any liquidation, dissolution or winding up of the Corporation, whether voluntary or involuntary ("Liquidation"), the holders of record of the shares of the Series A Preferred Stock shall be entitled to receive assets and funds on parity with the Parity Securities. If, upon such Liquidation, the assets of the Corporation available for distribution to the holders of Series A Preferred Stock and any Parity Securities shall be insufficient to permit payment in full to the holders of the Series A Preferred Stock and Parity Securities, then the entire assets and funds of the Corporation legally available for distribution to such holders and the holders of the Parity Securities then outstanding shall be distributed ratably among the holders of the Series A Preferred Stock and Parity Securities based upon the proportion the total amount distributable on each share upon Liquidation bears to the aggregate amount required to be distributed, but for the provisions of this sentence, on all shares of the Series A Preferred Stock and of such Parity Securities, if any.

4. Dividends. None.

5. Conversion Rights.

   (a) Conversion. Each share of Series A Preferred shall be convertible, at the option of the Holder thereof, at any time into that number of fully paid and non-assessable shares of Common Stock as shall be **0.00012%** of the Corporation's common stock on a fully diluted basis, such that all **500,000** shares of Series A Preferred shall convert into a total of **sixty percent (60%)** of the Corporation's common stock on a fully diluted basis (the "Conversion Formula") as of the Conversion Date (as defined below).

   (b) Mechanics of Conversion.

      (i) Before any holder of Series A Convertible Preferred Stock shall be entitled to convert the same into shares of Common Stock, such holder shall surrender the certificate or certificates therefor, duly endorsed, at the office of the Corporation or of any transfer agent for the Series A Convertible Preferred Stock, and shall give written notice to the Corporation at its principal corporate office, of the election to convert the same and shall state therein the name or names in which the certificate or certificates for shares of Common Stock are to be issued, by use of a copy of the form of conversion notice attached hereto as <u>Exhibit A</u> (the "<u>Conversion Notice</u>"). The Corporation shall, within five business days, issue and deliver at such office to such holder of Series A Convertible Preferred Stock, or to the nominee or nominees of such holder, a certificate or certificates for the number of shares of Common

Stock to which such holder shall be entitled as aforesaid. Conversion shall be deemed to have been effected on the date when delivery of notice of an election to convert and certificates for shares is made, and such date is referred to herein as the " Conversion Date ."

(ii) All Common Stock, which may be issued upon conversion of the Series A Convertible Preferred Stock, will, upon issuance, be duly issued, fully paid and non-assessable and free from all taxes, liens, and charges with respect to the issuance thereof.

6. Anti-Dilution Provisions. During the period in which any shares of Series A Convertible Preferred Stock remain outstanding, the Conversion Formula in effect at any time and the number and kind of securities issuable upon the conversion of the Series A Convertible Preferred Stock shall be subject to adjustment from time to time following the date of the original issuance of the Series A Convertible Preferred Stock upon the happening of certain events as follows:

(a) Consolidation, Merger or Sale. If any consolidation or merger of the Corporation with an unaffiliated third-party, or the sale, transfer or lease of all or substantially all of its assets to an unaffiliated third-party shall be effected in such a way that holders of shares of Common Stock shall be entitled to receive stock, securities or assets with respect to or in exchange for their shares of Common Stock, then provision shall be made, in accordance with this Section 6(a), whereby each holder of shares of Series A Convertible Preferred Stock shall thereafter have the right to receive such securities or assets as would have been issued or payable with respect to or in exchange for the shares of Common Stock into which the shares of Series A Convertible Preferred Stock held by such holder were convertible immediately prior to the closing of such merger, sale, transfer or lease, as applicable. The Corporation will not effect any such consolidation, merger, sale, transfer or lease unless prior to the consummation thereof the successor entity (if other than the Corporation) resulting from such consolidation or merger or the entity purchasing or leasing such assets shall assume by written instrument (i) the obligation to deliver to the holders of Series A Convertible Preferred Stock such securities or assets as, in accordance with the foregoing provisions, such holders may be entitled to purchase, and (ii) all other obligations of the Corporation hereunder. The provisions of this Section 6(a) shall similarly apply to successive mergers, sales, transfers or leases. Holders shall not be required to convert Series A stock pursuant to this Section 6(a).

(b) Notice of Adjustment. Whenever the Conversion Formula is adjusted as herein provided, the Corporation shall promptly but no later than 10 days after any request for such an adjustment by the holder, cause a notice setting forth the adjusted Conversion Formula issuable upon exercise of each share of Series A Convertible Preferred Stock, and, if requested, information describing the transactions giving rise to such adjustments, to be mailed to the holders at their last addresses appearing in the share register of the Corporation, and shall cause a certified copy thereof to be mailed to its transfer agent, if any. The Corporation may retain a firm of independent certified public accountants selected by the Board of Directors (who may be the regular accountants employed by the Corporation) to make any computation required by this Section 6, and a certificate signed by such firm shall be conclusive evidence of the correctness of such adjustment.

7. Voting Rights. On any matter presented to the stockholders of the Corporation for their action or consideration at any meeting of stockholders of the Corporation (or by written consent of stockholders in lieu of meeting), each holder of outstanding shares of Series A Preferred Stock shall be entitled to cast the number of votes equal to the number of whole shares of Common Stock into which the shares of Series A Preferred Stock held by such holder are convertible as of the record date for determining stockholders entitled to vote on such matter. (For avoidance of doubt, voting rights are on an

'as-converted' basis.) Except as provided by law or by the other provisions of the Certificate of Incorporation, holders of Series A Preferred Stock shall vote together with the holders of Common Stock as a single class.

8. Redemption. Neither the Corporation nor the holders of the Series A Preferred Stock shall have any right at any time to require the redemption of any of the shares of Series A Preferred Stock, except upon and by reason of any liquidation, dissolution or winding-up of the Corporation, as and to the extent herein provided.

9. Reservation of Shares. The Corporation shall at all times reserve and keep available and free of preemptive rights out of its authorized but unissued Common Stock, solely for the purpose of effecting the conversion of the Series A Convertible Preferred Stock pursuant to the terms hereof, such number of its shares of Common Stock (or other shares or other securities as may be required) as shall from time to time be sufficient to effect the conversion of all outstanding Series A Convertible Preferred Stock pursuant to the terms hereof. If at any time the number of authorized but unissued shares of Common Stock (or such other shares or other securities) shall not be sufficient to affect the conversion of all then outstanding Series A Convertible Preferred Stock, the Corporation shall promptly take such action as may be necessary to increase its authorized but unissued Common Stock (or other shares or other securities) to such number of shares as shall be sufficient for such purpose.

10. Miscellaneous.

    (a) The shares of the Series A Convertible Preferred Stock shall not have any preferences, voting powers or relative, participating, optional, preemptive or other special rights except as set forth above in this Resolution Designating Series A Convertible Preferred Stock and in the Certificate of Amendment to the Certificate of Incorporation of the Corporation.

    (b) The holders of the Series A Convertible Preferred Stock shall be entitled to receive all communications sent by the Corporation to the holders of the Common Stock.

    (c) Holders of fifty-one percent (51%) of the outstanding shares of Series A Convertible Preferred Stock may, voting as a single class, elect to waive any provision of this Resolution Designating Series A Convertible Preferred Stock, and the affirmative vote of such percentage with respect to any proposed waiver of any of the provisions contained herein shall bind all holders of Series A Convertible Preferred Stock.

Effect of Headings. The section headings herein are for convenience only and shall not affect the construction hereof.

IN WITNESS WHEREOF, Axiologix, Inc. has caused this Certificate of Designation to be signed by its Chief Executive Officer and Chief Financial Officer on this 19th day of September, 2013.

By: ______________________________

Name: Vincent Browne

Title: Chief Executive Officer, Chairman and Chief Financial Officer

EXHIBIT A

NOTICE OF CONVERSION
AT THE ELECTION OF HOLDER

(*To be Executed by the Registered Holder in order to Convert shares of Series A Preferred Stock)*

The undersigned hereby elects to convert the number of shares of Series A Convertible Preferred Stock indicated below, into shares of common stock (the "Common Stock"), of Axiologix, Inc. (the "Company") according to the conditions hereof, as of the date written below. If shares are to be issued in the name of a person other than undersigned, the undersigned will pay all transfer taxes payable with respect thereto and is delivering herewith such certificates and opinions as reasonably requested by the Company in accordance therewith. No fee will be charged to the Holder for any conversion, except for such transfer taxes, if any.

Conversion calculations:

____
Date to Effect Conversion

____
Number of shares of Series A Preferred Stock to be Converted

____
Number of shares of Common Stock to be Issued

____
Applicable Conversion Price Calculation

____
Name of Person to whom Shares of Common Stock are to be Issued

____
Signature

____
Name

____
Address