1PM INDUSTRIES, INC.
(formally known as Embarr Farms Inc.)
FINANCIAL STATEMENTS

INDEX TO FINANCIAL STATEMENTS

	PAGE
REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTANT	F-2
CONSOLIDATED BALANCE SHEETS	F-3
CONSOLIDATED STATEMENT OF EXPENSES	F-4
CONSOLIDATED STATEMENTS OF CASH FLOWS	F-5
CONSOLIDATTED STATEMENT OF CHANGES IN STOCKHOLDERS' EQUITY (DEFICIT)	F-6
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS	F-7

REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

To the Board of Directors and Stockholders' of
1PM Industries, Inc. (formerly known as Embarr Farms, Inc.)

We have audited the accompanying consolidated balance sheet of 1PM Industries, Inc. and subsidiary (formerly known as Embarr Farms, Inc.) (the "Company") as of February 28, 2015 and the related statements of expenses, changes in stockholders' deficit, and cash flows for the period from April 8, 2014 (Inception) through February 28, 2015. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audit.

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

In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the financial position of the Company and its subsidiary as of February 28, 2015 and the results of their operations and their cash flows for the period from April 8, 2014(inception) through February 28, 2015, in conformity with accounting principles generally accepted in the United States of America.

The accompanying financial statements have been prepared assuming that the Company will continue as a going concern. As discussed in Note 2 to the financial statements, the Company has a net loss since inception and has generated no revenues, which raises substantial doubt about its ability to continue as a going concern. Management's plans regarding those matters are described in Note 2. The financial statements do not include any adjustments that might result from the outcome of this uncertainty.

/s/ MaloneBailey, LLP
www.malonebailey.com
Houston, Texas
April 6, 2015

1PM Industries, Inc.

(formerly known as Embarr Farms, Inc.)

Consolidated Balance Sheet

	February 28, 2015
ASSETS:	
Current assets:	
Cash	$ 1,500
Total assets	$ 1,500
LIABILITIES AND STOCKHOLDERS' DEFICIT	
Liabilities:	
Note payable – Related Party, net of discount $11,477	$ 13,523
Total liabilities	$ 13,523
Stockholders' Deficit:	
Series F Preferred Stock, Par Value $.0001, 5,000,000 shares authorized, 4,000,000 issued and outstanding	400
Common Stock, Par Value $.0001, 200,000,000 shares authorized, 100,092,395 issued and outstanding	10,009
Additional paid in capital	7,207
Accumulated deficit	(29,639)
Total stockholders' deficit	(12,023)
Total liabilities and stockholders' deficit	$ 1,500

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

1PM Industries, Inc.

(formerly known as Embarr Farms, Inc.)

Consolidated Statement of Operations

	From Inception on April 8, 2014 to February 28, 2015
Operating Expenses	
SG&A	29,636
Total operating expenses	29,639
Net Loss	$ (29,639)
Net loss per share, basic and diluted	$ (0.39)
Weighted average number of shares outstanding, basic and diluted	76,662

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

1PM Industries, Inc.

(formerly known as Embarr Farms, Inc.)

Consolidated Statement of Changes in Stockholders' Deficit

	Preferred Stock- Series F		Common Stock				
	Shares	**Amount**	**Shares**	**Amount**	**Additional Paid In Capital**	**Net Loss**	**Total Stockholders' Equity**
Balances, April 8, 2014 (Inception)	-	$ -	-	$ -	-	-	-
Founders' shares	3,373,700	337	50,662	5	3,158	-	3,500
Reverse merger adjustment	1,626,300	163	41,732	4	(167)	-	-
Conversion of Preferred into common shares	(1,000,000)	(100)	100,000,000	10,000	(9,900)	-	-
					14,116		14,116
Net loss						(29,639)	(29,639)
Balances February 28, 2015	4,000,000	400	100,092,395	10,009	7,207	(29,639)	(12,023)

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

1PM Industries, Inc.

(formerly known as Embarr Farms, Inc.)

Consolidated Statements of Cash Flows

	From Inception on April 8, 2014 through February 28, 2015
Cash flows from operating activities	
Net loss	$ (29,639)
Adjustments to reconcile net loss to net cash used in operating activities:	
Amortization of debt discount	2,639
Changes in operating assets and liabilities:	
Accounts payable	-
Net cash used in operating activities	(27,000)
Cash flows from financing activities	
Proceeds from founders' shares	3,500
Loan from related party	25,000
Net cash provided by financing activities	28,500
Net change in cash	1,500
Cash balance, beginning of period	-
Cash balance, end of period	$ 1,500
Supplementary information	
Cash paid for:	
Interest	$ -
Income taxes	$ -
Non cash financing transactions	
Debt discount for imputed interest	$ 14,116
Common stock issued in reverse merger	$ 4
Preferred stock issued in reverse merger	$ 163
Preferred stock converted into common stock	$ 10,000

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

1PM INDUSTRIES, INC.
(formerly Embarr Farms, Inc.)

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

NOTE 1 – NATURE OF OPERATIONS AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A summary of significant accounting policies of 1PM Industries, Inc. (the "Company") is presented to assist in understanding the Company's financial statements. The accounting policies presented in these footnotes conform to accounting principles generally accepted in the United States of America and have been consistently applied in the preparation of the accompanying financial statements. These financial statements and notes are representations of the Company's management who are responsible for their integrity and objectivity.

Our Company

Our business address is 312 S. Beverly Drive #3102, Beverly Hills, California 90292. 1PM Industries ("1PM", "we", "us", "our", the "Company" or the "Registrant") was originally incorporated in the State of Colorado on March 26, 1990 under the name of Southshore Corporation and changed our name to Torrent Energy Corp. on July 15, 2004 and changed our name to 1PM Industries on February 19, 2015. On June 5, 2014, the Company executed a merger with Embarr Farms, Inc. On June 5, 2014, the Company entered into an Agreement whereby the Company acquired 100% of Embarr Farms, Inc. Embarr Farms was the surviving Company and became a wholly owned subsidiary of the Company and changed the name of the Company to 1PM Industries. At the time of the merger, the Company had no operations, assets or liabilities. The Company selected February 28 as its fiscal year end.

Cash and Cash Equivalents
For purposes of the statement of cash flows, the Company considers all short-term debt securities purchased with maturity of three months or less to be cash equivalents.

Use of Estimates
The preparation of financial statements in accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. A change in managements' estimates or assumptions could have a material impact on 1PM Industries financial condition and results of operations during the period in which such changes occurred. Actual results could differ from those estimates. Nate's Food Co.'s financial statements reflect all adjustments that management believes are necessary for the fair presentation of their financial condition and results of operations for the periods presented.

Share-Based Compensation

The Company applies Topic 718 "Share-Based Payments" ("Topic 718") to share-based compensation, which requires the measurement of the cost of services received in exchange for an award of an equity instrument based on the grant-date fair value of the award. Compensation cost is recognized when the event occurs. The Black-Scholes option-pricing model is used to estimate the fair value of options granted.

The Company accounts for equity-based transactions with non-employees under the provisions of ASC Topic No. 505-50, "Equity-Based Payments to Non-Employees" ("Topic No. 505-50"). Topic No. 505-50 establishes that equity-based payment transactions with non-employees shall be measured at the fair value of the consideration received or the fair value of the equity instruments issued, whichever is more reliably measurable.

Revenue Recognition
It is the company's policy that revenues and gains will be recognized in accordance with ASC Topic 605-10-25,

"Revenue Recognition." Under ASC Topic 605-10-25, revenue earning activities are recognized upon the sale of its products. As of February 28, 2015, the Company has not generated any revenue.

Income Taxes

The Company uses the asset and liability method of accounting for income taxes in accordance with ASC 740-10, "Accounting for Income Taxes." Under this method, income tax expense is recognized for the amount of: (i) taxes payable or refundable for the current year; and, (ii) deferred tax consequences of temporary differences resulting from matters that have been recognized in an entity's financial statements or tax returns. Deferred tax assets and liabilities are measured using enacted tax rates expected to apply to taxable income in the years in which those temporary differences are expected to be recovered or settled. The effect on deferred tax assets and liabilities of a change in tax rates is recognized in the results of operations in the period that includes the enactment date. A valuation allowance is provided to reduce the deferred tax assets reported if, based on the weight of available positive and negative evidence, it is more likely than not that some portion or all of the deferred tax assets will not be realized.

ASC 740-10 prescribes a recognition threshold and measurement attribute for the financial statement recognition of a tax position taken or expected to be taken on a tax return. Under ASC 740-10, a tax benefit from an uncertain tax position taken or expected to be taken may be recognized only if it is "more likely than not" that the position is sustainable upon examination, based on its technical merits. The tax benefit of a qualifying position under ASC 740-10 would equal the largest amount of tax benefit that is greater than 50% likely of being realized upon ultimate settlement with a taxing authority having full knowledge of all the relevant information. A liability (including interest and penalties, if applicable) is established to the extent a current benefit has been recognized on a tax return for matters that are considered contingent upon the outcome of an uncertain tax position. Related interest and penalties, if any, are included as components of income tax expense and income taxes payable.

Basic Earning (Loss) Per Share

The Company computes net income (loss) per share in accordance with Accounting Standards Codification ("ASC") 260, "*Earnings per Share*". ASC 260 requires presentation of both basic and diluted earnings per share (EPS) on the face of the income statement. Basic EPS is computed by dividing net income (loss) available to common shareholders (numerator) by the weighted average number of shares outstanding (denominator) during the period. Diluted EPS gives effect to all dilutive potential common shares outstanding during the period using the treasury stock method and convertible preferred stock using the if-converted method. In computing diluted EPS, the average stock price for the period is used in determining the number of shares assumed to be purchased from the exercise of stock options or warrants. Diluted EPS excludes all dilutive potential shares if their effect is anti-dilutive. As at February 28, 2015, there are no dilutive potential common shares.

Principles of Consolidation

The consolidated financial statements include the accounts of the Company and its wholly-owned subsidiary and have been prepared in accordance with United States generally accepted accounting principles ("U.S. GAAP"). All intercompany accounts and transactions have been eliminated in consolidation.

Recently Issued Accounting Pronouncements

The Company has elected to early adopt Accounting Standards Update No. 2014-10, Development Stage Entities (Topic 915): Elimination of Certain Financial Reporting Requirements. The adoption of this ASU allows the Company to remove the inception to date information and all references to development stage.

Management believes no other recently issued accounting pronouncements will have no impact on the financial statements of the Company.

NOTE 2 – GOING CONCERN

The Company's financial statements are prepared using accounting principles generally accepted in the United States of America applicable to a going concern that contemplates the realization of assets and liquidation of

liabilities in the normal course of business. The Company has not established any source of revenue to cover its operating costs, and it does not have sufficient cash flow to maintain its operations. These factors raise substantial doubt about the Company's ability to continue as a going concern.

The Company expects to develop its business and thereby increase its revenue. However, the Company would require sufficient capital to be invested into the Company to acquire the properties to begin generating sufficient revenue to cover the monthly expenses of the Company. Until the Company is able to generate revenue, the Company would be required to raise capital through the sale of its stock or through debt financing. Management may raise additional capital through future public or private offerings of the Company's stock or through loans from private investors, although there can be no assurance that it will be able to obtain such financing. The Company's failure to do so could have a material and adverse effect upon it and its shareholders.

To this date the Company has relied on loans from related parties, mainly from its officers and directors, to finance its operations and growth. The Company expects to continue to fund the Company through debt and securities sales and issuances until the Company generates enough revenues through the operations. These transactions will initially be through related parties, such as the Company's officers and directors.

NOTE 3 – INCOME TAXES

We did not provide any current or deferred U.S. federal income tax provision or benefit for any of the periods presented because we have experienced operating losses since inception. When it is more likely than not that a tax asset cannot be realized through future income the Company must allow for this future tax benefit. We provided a full valuation allowance on the net deferred tax asset, consisting of net operating loss carry forwards, because management has determined that it is more likely than not that we will not earn income sufficient to realize the deferred tax assets during the carry forward period.

The Company has not taken a tax position that, if challenged, would have a material effect on the financial statements for the years ended February 2015 applicable under FASB ASC 740. We did not recognize any adjustment to the liability for uncertain tax position and therefore did not record any adjustment to the beginning balance of accumulated deficit on the balance sheet. All tax returns for the Company remain open.

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

Income tax provision at the federal statutory rate	35%
Effect on operating losses	(35%)
	-

Changes in the net deferred tax assets consist of the following:

	February 28, 2015
Net operating loss carry forward	$ 29,639

A reconciliation of income taxes computed at the statutory rate is as follows:

	February 28, 2015
Tax at statutory rate (35%)	$ 10,374
Increase in valuation allowance	(10,374)
Net deferred tax asset	$ -

The net federal operating loss carry forward will expire in 2027. This carry forward may be limited upon the consummation of a business combination under IRC Section 381.

NOTE 4 – RELATED PARTY TRANSACTIONS

On April 8, 2014, the Wade Billington Partners acquired 35,000,000 shares of Embarr Farms for $3,500. These shares were exchanged for 50,662 shares of Common Stock and 3,373,700 shares of Series F Super Voting Preferred Stock as part of the reverse merger. On June 5, 2014, the Company executed a reverse merger with Embarr Farms, Inc. On June 5, 2014, the Company entered into an Agreement whereby the Company acquired 100% of Embarr Farms, Inc, from WB Partners in exchange for 50,662 shares of Common Stock and 3,373,700 shares of Series F Super Voting Preferred Stock of the Company. As part of the reverse merger, WB Partners purchased majority control from David Cutler (who was the majority owner immediately prior to the reverse merger) and where issued 30,662 at the closing of the merger with the remaining 20,000 shares of common stock issued in February 2015. Immediately prior to the reverse merger, there were 41,733 common shares outstanding and 1,626,300 shares of Series F Super Voting Preferred shares outstanding and David Cutler and Mari Christie were the officers and directors. The Series F Super Voting Preferred has voting rights equal to 100 votes per share and may be converted in common stock at any time at a rate equal to 100 common shares for each 1 share of Series F Super Voting Preferred. WB Partners purchased the 1,626,300 shares of Series F Super Voting Preferred Stock that were outstanding from David Cutler. As part of this share purchase, Mr. Culter and Ms. Christie resigned and Mr. Wade become our CEO and Mr. Billington became our COO. The merger between the Company and Embarr Farms was finalized and closed contemporaneously with the share purchase. Embarr Farms was incorporated in the State of Nevada on April 8, 2014. Embarr Farms was the surviving Company and became a wholly owned subsidiary of the Company. The Company had no operations, assets or liabilities prior to the reverse merger. The historical consolidated financial statements include the operations of the accounting acquirer for all periods presented. In exchange for 100% ownership of Embarr Farms the Company issued 50,662 shares of Common Stock and 3,373,700 shares of Series F Super Voting Preferred Stock of the Company. Prior to the reverse merger, Embarr Farms, Inc. was owned by WB Partners. After the reverse merger, WB Partners owned 61% of the outstanding common stock (or 50,662,175 shares of Common Stock dividend by 92,394,722 shares of Common Stock outstanding and issued) and 100% of the Series F Super Voting Preferred Stock. This is calculated as follows:

Series F Super Voting Preferred Stock Outstanding:	5,000,000
Votes per shares & Common issued upon Conversion:	100
Total number of votes and Common Stock:	500,000,000
Common Stock outstanding:	92,395
Total votes and fully diluted common stock:	500,092,395
WB Partners voting power and fully diluted ownership:	99% (500,000,000 + 50,662 = 500,050,662 ÷ 500,092,395= 99%)

On February 17, 2015, the Company reversed the outstanding common stock by a ratio of 1,000 to 1. All share references are adjusted retroactively.

On February 28, 2015, Company's shareholders converted 1,000,000 shares of its Series F Preferred Stock into 100,000,000 shares of Common Stock. After the issuance, the Company has 100,092,395 Common shares outstanding and 4,000,000 shares of Series F Super Voting Preferred shares outstanding.

Preferred Stock Designation

The Company designated 5,000,000 shares of Series F Preferred Stock with a par value of $0.0001. The shares do not have dividends or liquidation preference. The shares have voting rights equal to 100 common shares per preferred share. The shares may convert into common shares at a rate equal to 100 common shares per preferred share. As of February 28, 2015, there are 4,000,000 shares issued and outstanding of the Series F. On February 28, 2015, the Company exchanged 1,000,000 shares of its Series F Preferred Stock held by WB Partners for 100,000,000 shares of

its Common Stock.

Related party note payable

In conjunction with the process of product development, the Company borrowed $25,000 on June 1, 2014 from its officer for partial reimburse for payment of expenses which were made on behalf of the Company of $27,000. The note is a non-interest bearing promissory note that is payable on December 31, 2018. The Company used 20% to impute interest on the non-interest bearing note and recorded a discount of $14,116. The discount is being amortized over the term of the note. The total debt discount at February 28, 2015 is $11,477.

NOTE 6 – SUBSEQUENT EVENTS

Management has reviewed material subsequent events from March 1, 2015 through the date of issuance of financial statements in accordance with FASB ASC 855 “Subsequent Events” and concluded that there are none.