EMPIRE DIVERSIFIED ENERGY INC.
ELECTRIC MOTO CORPORATION
FINANCIAL STATEMENTS
MARCH 31, 2015
(UNAUDITED)

NOTE 1 – BASIS OF PRESENTATION

The accompanying unaudited consolidated financial statements of Electric Moto Corporation (EMOT) are prepared in accordance with United States ("U.S.") generally accepted accounting principles ("GAAP").

A 900-1 Reverse split of the common stock of Electric Moto Corporation took place on December 22, 2014. In addition, the company name was changed to Empire Diversified Energy Inc. effective that same date. The accompanying unaudited consolidated financial statements reflect the financial condition of the company as of the end of the First Quarter of 2015.

NOTE 2. DESCRIPTION OF BUSINESS

Organization

The Company was incorporated on March 7, 2000, in the State of Nevada under the name Dorado Capital Ventures, Inc., (Dorado). Dorado was classified as a blank check company until April 8, 2004, at which date it completed an asset purchase agreement with a sole proprietorship in the state of Oregon doing business as Electric Moto Corporation. This sole proprietorship merged with a public company (f/k/a Panther Mountain Water Park) in November of 2007. The surviving entity was the public company, which changed its name to ElectricMoto Corporation (EMOT)(the "Company") contemporaneous with the merger.. The Company was engaged in the design, manufacture and sale of electric-powered vehicles.

As of 12/22/14, the name of the Company was changed to Empire Diversified Energy Inc. Our principal executive office is located at 241 W. Main St., Frankfort, Kentucky, 40601. Our telephone number is 606-767-9309.

Our company website is www.EmpireDiversifiedEnergy.com. Contents of web site not incorporated here.

Our fiscal year ends on December 31st.

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NOTE 3 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Cash and Cash Equivalents

The Company considers all highly liquid debt instruments with original maturities of three months or less to be cash equivalents. As of December 31, 2014, the Company had no cash equivalents.

Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

Revenue Recognition

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

Revenue is recognized at the time the product is delivered and title passes. Provision for sales returns will be estimated based on the Company's historical return experience. Revenue is presented net of returns.

Loss Per Share

Basic and diluted net loss per share is computed by dividing consolidated net loss by the weighted-average number of common shares outstanding during the period. The Company's potentially dilutive shares, which include outstanding stock options, convertible debt and warrants, have not been included in the computation of diluted net loss per share for all periods presented as the result would be anti-dilutive. Such potentially dilutive shares are excluded when the effect would be to reduce a net loss per share.

Income Taxes

The Company uses the asset and liability method of accounting for income taxes. Deferred tax assets and liabilities are recognized for the estimated future tax consequences attributable to differences between the financial statement carrying amounts of existing assets and liabilities and their respective tax bases. Deferred tax assets and liabilities are measured using enacted tax rates expected to apply to taxable income in the years in which those temporary differences are expected to be recovered or settled. To the extent a deferred tax asset cannot be recognized under the preceding criteria, allowances are established.

Equity Securities

Holders of shares of common stock shall be entitled to cast one vote for each common share held at all stockholder's meetings for all purposes, including the election of directors. The common stock does not have cumulative voting rights.

No holder of shares of stock of any class shall be entitled as a matter of right to subscribe for or purchase or receive any part of any new or additional issue of shares of stock of any class, or of securities convertible into shares of stock of any class, whether now hereafter authorized or whether issued for money, for consideration other than money, or by way of dividend.

Fair Value of Financial Instruments

The Company adopted the Financial Accounting Standards Board Fair Value Measurements, as it applies to its financial statements. This standard defines fair value, outlines a framework for measuring fair value, and details the required disclosures about fair value measurements.

Fair value is defined as the price that would be received to sell an asset, or paid to transfer a liability, in an orderly transaction between market participants at the measurement date in the principal or most advantageous market. The standard establishes a hierarchy in determining the fair value of an asset or liability. The fair value hierarchy has three levels of inputs, both observable and unobservable. The standard requires the utilization of the lowest possible level of input to determine fair value. Level 1 inputs include quoted market prices in an active market for identical assets or liabilities. Level 2 inputs are market data, other than Level 1, that are observable either directly or indirectly. Level 2 inputs include quoted market prices for similar assets or liabilities, quoted market prices in an inactive market, and other observable information that can be corroborated by market data. Level 3 inputs are unobservable and corroborated by little or no market data.

Stock-Based Compensation

The Company accounts for stock-based compensation which requires the measurement and recognition of compensation expense for all stock-based awards made to employees and directors based on estimated fair values on the grant date. The Company estimates the fair value of stock-based awards on the date of grant using the Black-Scholes-Merton option pricing model (the "Black-Scholes model"). The value of the portion of the award that is ultimately expected to vest is recognized as expense over the requisite service periods using the straight-line method.

We estimate forfeitures at the time of grant and revise our estimate in subsequent periods if actual forfeitures differ from those estimates.

The Company accounts for stock-based compensation awards and warrants granted to non-employees by determining the fair value of the warrants or stock-based compensation awards granted as either the fair value of the consideration received or the fair value of the equity instruments issued, whichever is more reliably measurable. If the fair value of equity instruments issued is used, it is measured using the stock price and other measurement assumptions as of the earlier of either (1) the date at which commitment for performance by the counterparty to earn the equity instruments is reached, or (2) the date at which the counterparty's performance is complete.

Recent Accounting Pronouncements

FASB Accounting Standards Codification

(Accounting Standards Update ("ASU") 2009-01)

In June 2009, FASB approved the FASB Accounting Standards Codification ("the Codification") as the single source of authoritative nongovernmental GAAP. All existing accounting standard documents, such as FASB, American Institute of Certified Public Accountants, Emerging Issues Task Force and other related literature, excluding guidance from the Securities and Exchange Commission ("SEC"), have been superseded by the Codification. All other non-grandfathered, non-SEC accounting literature not included in the Codification has become non-authoritative. The Codification did not change GAAP, but instead introduced a new structure that combines all authoritative standards into a comprehensive, topically organized online database. The Codification is effective for interim or annual periods ending after March 15, 2009, and impacts the Company's financial statements as all future references to authoritative accounting literature will be referenced in accordance with the Codification. There have been no changes to the content of the Company's financial statements or disclosures as a result of implementing the Codification during the year ended December 31, 2010. As a result of the Company's implementation of the Codification during the year ended December 31, 2010, previous references to new accounting standards and literature are no longer applicable. In the current quarter financial statements, the Company will provide reference to both new and old guidance to assist in understanding the impacts of recently adopted accounting literature, particularly for guidance adopted since the beginning of the current fiscal year but prior to the Codification.

In June 2009, the FASB revised the authoritative guidance for consolidating variable interest entities, which changes how a company determines when an entity that is insufficiently capitalized or is not controlled through voting (or similar rights) should be consolidated. The determination of whether a company is required to consolidate an entity is based on, among other

things, an entity's purpose and design and a company's ability to direct the activities of the entity that most significantly impact the entity's economic performance. The Company is currently evaluating the impact the adoption of this guidance will have on its consolidated financial statements.

In January 2010, the FASB issued ASU 2010-06, "Improving Disclosures about Fair Value Measurements," which requires additional disclosures about transfers between Levels 1 and 2 of the fair value hierarchy and disclosures about purchases, sales, issuances and settlements in the roll forward of activity in Level 3 fair value measurements. This guidance was effective for the Company in the current quarter, except for the Level 3 activity disclosures, which are effective for fiscal years beginning after December 15, 2010. The adoption of this guidance, which is related to disclosure only, will not have a material impact on the Company's consolidated financial position, results of operations or cash flows.

Subsequent Events

(Included in Accounting Standards Codification ("ASC") 855 "Subsequent Events", previously SFAS No. 165 "Subsequent Events") SFAS No. 165 established general standards of accounting for and disclosure of events that occur after the balance sheet date, but before the financial statements are issued or available to be issued ("subsequent events"). An entity is required to disclose the date through which subsequent events have been evaluated and the basis for that date. For public entities, this is the date the financial statements are issued. SFAS No. 165 does not apply to subsequent events or transactions that are within the scope of other GAAP and did not result in significant changes in the subsequent events reported by the Company. SFAS No. 165 became effective for interim or annual periods ending after June 15, 2009 and did not impact the Company's financial statements. The Company evaluated for subsequent events through the issuance date of the Company's financial statements.

Non-controlling Interests

(Included in ASC 810 "Consolidation", previously SFAS No. 160 "Non-controlling Interests in Consolidated Financial Statements an amendment of ARB No. 51")

SFAS No. 160 changed the accounting and reporting for minority interests such that they will be re-characterized as non-controlling interests and classified as a component of equity. SFAS No. 160 became effective for fiscal years beginning after December 15, 2008 with early application prohibited. The Company implemented SFAS No. 160 at the start of fiscal 2009 and no longer records an intangible asset when the purchase price of a non-controlling interest exceeds the book value at the time of buyout. Any shortfall resulting from the early buyout of non-controlling interests will continue to be recognized as a benefit in partner investment expense up to the initial amount recognized at the time of buy-in. Additionally, operating losses can be allocated to non-controlling interests even when such allocation results in a deficit

balance (i.e., book value can go negative). Minority interest expense is no longer separately reported as a reduction to net income on the consolidated income statement, but is instead shown below net income under the heading "net income attributable to non-controlling interests." The adoption of SFAS No. 160 did not have any other material impact on the Company's financial statements.

NOTE 4. PATENTS

The Company has two patents for various designs of its electric motorized vehicles. Patents are initially measured based on their fair values.. Accumulated amortization for the three month period ended March 31, 2015 was $296.

NOTE 5. DEFICIENCY IN ASSETS

The par value is $.00001 per share and has been restated in the accompanying financial statements.

NOTE 6. INCOME TAXES

Due to the operating loss and the inability to recognize an income tax benefit there is no provision for current or deferred federal or state income taxes for the three month period ended March 31, 2015.

Deferred income taxes reflect the net tax effects of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amount used for federal and state income tax purposes.

The Company's total deferred tax asset, calculated using federal and state effective tax rates, as of December 31, 2013 is as follows:

Total Deferred Tax Asset	$0
Valuation Allowance	(0)
Net Deferred Tax Asset	-

The reconciliation of income taxes computed at the federal statutory income tax rate to total income taxes for the period from inception through December 31, 2013 is as follows:

	2013	
Income tax computed at the federal statutory rate	34	%
State income tax, net of federal tax benefit	0	%

Total	34	%
Valuation allowance	-34	%
Total deferred tax asset	0	%

Because of the Company's lack of earnings history, the deferred tax asset has been fully offset by a valuation allowance. The valuation allowance has increased by approximately $0 for the period ended September 30, 2014.

Prior to April 8, 2004, the operations of the Company were included in the personal tax return of the owner. Accumulated losses from the operations through that date amounted to $59,406 and have been reclassified as a reduction of the accumulated deficit and additional paid-in capital.

As of September 30, 2014, the Company has a net operating loss carry-forward of approximately $1,727,000. This loss will be available to offset future taxable income. If not used, this carryforward will expire in 2029. The deferred tax asset relating to the operating loss carryforward has been fully reserved at December 31, 2014.

NOTE 7. CONVERTIBLE DEBENTURES

Haveland Trading Corporation, a related party, paid expenses on behalf of the Company in exchange for convertible debentures. These convertible debentures were then sold to accredited investors by Haveland. The capital raised was used for the general corporate purpose of increasing shareholder value. Haveland Trading Corporation, (a New York State Corporation), executed a consulting agreement with the Company. As a result, Haveland Trading Corporation has received consideration for its services in the proposed conveyance of freely-traded public stock in EMOT. These shares were conveyed to purchasers of the Convertible Debentures, and capital raised was used by Haveland Trading Corporation for the benefit of the Company.

The terms under which these Debentures were issued are as follows:

1) Term of two years at 10% accruing interest per annum.

2) Accredited investor, at his/her sole discretion, may "roll over" the principal and accrued interest after two years at the then prevailing market conditions for comparable debt instruments.

3) Investor, at his/her sole discretion, may convert the principal and accrued interest after two years into the common stock of EMOT, at a 50% discount to the then prevailing value of the common stock of EMOT, as published in trade journals and/or online financial sites and/or daily financial newspapers and magazines. These shares may be eligible for registration, and may or may not bear a restrictive legend, depending upon several factors.

4) Investor, at his sole discretion, may convert the principal and accrued interest at any time during the two-year term of the Debenture, at a 25% discount to the then prevailing value of

the common stock of EMOT, as published in trade journals and/or online financial sites and/or daily financial newspapers and magazines. These shares may be eligible for registration, and may or may not bear a restrictive legend, depending upon several factors

5) At the origination of each Convertible Debenture, the Investor will receive 100,000 shares of the common stock of EMOT, and subject to the registration rules as determined by corporate counsel. These shares will be conferred as part of the compensation available to the investor for purchasing the Convertible Debenture in the Company. The shares will be entirely and irrevocably owned by the Investor, notwithstanding the amount of time that the Investor chooses to hold the Debenture before conversion into common stock of EMOT.

NOTE 8. GOING CONCERN

The Company's financial statements are presented on a going concern basis, which contemplates the realization of assets and satisfaction of liabilities in the normal course of business. The Company has experienced losses from operations during the year ended December 31, 2012 and December 31, 2013, amounting to $39.938 and $32,569 respectively and working capital and deficiency in assets of $233.687 and $230,155 at December 31, 2012 and December 31, 2013 respectively. 2014 has see no significant increase in access to working capital. The Chairman/CEO of MPIR, f/k/a EMOT, and non-affiliated "friends and family" have made sufficient capital available to the corporation to create more than nominal assets, and maintain more than nominal ongoing operations.

The Company's ability to continue as a going concern is contingent upon its ability to attain profitable operations by securing financing and implementing its business plan. In addition, the Company's ability to continue as a going concern must be considered in light of the problems, expenses and complications frequently encountered by entrance into established markets and the competitive environment in which the Company operates.

The financial statements do not include any adjustments to reflect the possible future effects on the recoverability and classification of assets or the amounts and classification of liabilities that may result from the possible inability of the Company to continue as a going concern.

Management has undertaken the reverse split of the Company's common stock in the expectation that a revised capital structure will make finding investment funds or potential merger candidates more easily accomplished.

NOTE 10. LEGAL PROCEEDINGS

On April 12, 2012, a judgment was filed in the Superior Court of Los Angeles against the Company from a plaintiff claiming monies owed in connection with a shareholder loan executed

in the amount of $50,000. Total due, according to the judgment, is approximately $80,000, which includes accruing interest, attorney's fees, and court costs.

It should be noted that the shareholder loan was made to the Company before the sole proprietorship known as Electric Moto Corporation (Oregon) merged with the public company. It should also be noted that current Management neither was apprised of, not benefitted from, the loan, and disputed its legitimacy in Court. For various reasons, the Court decision was rendered in favor of the plaintiff, and is thereby noted herein.

It should be further noted that the Company has arrived at an informal agreement with the holder of the judgment that both parties should work to their mutual benefit in discharging the debt, and removing the judgment. The judgment holder is the owner of a related business located in the United Kingdom, and has waived the enforcement of the judgment (although still maintaining the judgment in full force) in the long-term business interests of both his firm and the company f/k/a Electric Moto Corporation. The companies have maintained open communication, and continue to seek a mutually satisfactory partnership, merger, or alternative business accommodation.