

AMERICAN GREEN INC

INTERIM FINANCIAL STATEMENTS

(UNAUDITED)

For the Nine Months Ended

March 31, 2015 and 2014

AMERICAN GREEN INC.
UNAUDITED CONSOLIDATED BALANCE SHEET
AT MARCH 31, 2015

ASSETS

CURRENT ASSETS:		
Cash	$	254,084
Receivables		64,651
Inventory		358,377
Total current assets		677,112
OTHER ASSETS:		
Furniture, fixtures		49,762
Less accumulated depreciation		(10,000)
Equipment		349,029
Investments		480,000
Project costs		300,000
Patents		74,042
Security deposits		18,462
Deferred costs - Note 5		3,450,000
Total assets	$	5,388,407

LIABILITIES

CURRENT		
Accounts payable and accrued expenses	$	702,379
Loans from shareholders		1,881,284
Debentures payable and accrued interest		4,638,208
Total current liabilities		7,221,871
LONG TERM		
Acquisition Debt		762,966
Total Liabilities		7,984,837

STOCKHOLDERS' DEFICIT

Preferred stock Series B		65,000
Common stock		4,435,137
Additional paid-in capital		16,646,830
Accumulated (deficit)		(23,743,397)
Total stockholders' deficit		(2,596,430)
Total liabilities and stockholders' deficit	$	5,388,407

See accompanying notes to these unaudited consolidated financial statements.

AMERICAN GREEN INC.
CONSOLIDATED STATEMENTS OF OPERATIONS
UNAUDITED

	For the three months ended March 31,		For the nine months ended March 31,	
	2015	**2014**	**2015**	**2014**
REVENUE				
Revenue	$ 257,208	$ 68,939	$ 560,991	$ 216,499
Cost of sales	(106,667)	(52,363)	(285,646)	(116,219)
Gross profit	150,541	16,576	275,345	100,280
OPERATING EXPENSES				
General and administrative	$ 53,188	$ 44,027	$ 239,011	$ 154,175
Sales & marketing	59,904	16,478	518,880	43,595
Staff consultants	242,148	186,970	658,269	487,834
Outside consultants	56,101		231,324	
Legal & accounting	52,540	47,468	186,787	117,110
Officer compensation	15,000	30,000	78,000	97,500
Director compensation	33,000		83,000	
Travel	16,773	11,834	86,924	12,484
Shareholder communication	17,702	6,215	27,943	13,679
Rent & utilities	36,875	9,788	70,806	28,416
Interest expense	91,734	14,607	233,946	62,000
Depreciation & amortization	1,250	75,917	7,917	123,586
	676,215	443,304	2,422,807	1,140,379
(Loss) from operations	(525,674)	(426,728)	(2,147,462)	(1,040,099)
Acquisition (costs)	(184,667)	-	(1,204,805)	-
Write down of intellectual property	(529,168)	-	(747,360)	-
Interest income	-	-	73	-
Net (loss)	$ (1,239,509)	$ (426,728)	$ (4,099,554)	$ (1,040,099)

See accompanying notes to these unaudited consolidated financial statements.

AMERICAN GREEN INC.
CONSOLIDATED STATEMENTS OF CHANGES IN STOCKHOLDERS' DEFICIT
UNAUDITED PART 1 of 2

	Preferred Shares	Amount	Common Shares	Amount
Balance at June 30, 2012	13,000,000	$65,000	909,829,319	$909,830
Shares issued to loans from shareholder			43,538,244	43,538
Shares issued for debt			6,865,530	6,865
Shares issued for debentures prin & accrued intr			1,658,130,097	1,658,130
Shares issued for services			2,152,120	2,152
Net (loss) for the year ended Jun 30, 2013				
Balance at June 30, 2013	13,000,000	$65,000	2,620,515,310	2,620,515
Shares issued to loans from shareholder			14,471,743	14,471
Shares issued for debt			2,832,552	2,833
Shares issued for acquisitions			171,342,846	171,342
Shares issued for debentures prin & accrued intr			1,060,312,045	1,060,312
Shares issued for services			20,900,295	20,900
Shares issued for vending designs			5,000,000	5,000
Net (loss) for the year ended Jun 30, 2014				
Balance at June 30, 2014	13,000,000	65,000	3,895,374,791	3,895,373
Shares issued for debt			118,366,240	118,366
Shares issued for acquisitions			89,003,234	89,003
Shares issued for debentures prin & accrued intr			450,294,491	450,294
Shares returned for debenture debt			(216,842,686)	(216,843)
Shares issued for services			98,944,145	98,944
Net (loss) for the 9 months ended Mar. 31, 2015				
Balance at Mar. 31, 2015	13,000,000	$65,000	4,435,140,215	$4,435,137

See accompanying notes to these unaudited consolidated financial statements.

AMERICAN GREEN INC.
CONSOLIDATED STATEMENTS OF CHANGES IN STOCKHOLDERS' DEFICIT
UNAUDITED PART 2 of 2

	Paid-In Capital	Accumulated (Deficit)	Total
Balance at June 30, 2012	$13,287,912	($16,873,385)	($2,610,643)
Shares issued to loans from shareholder	39,045		82,583
Shares issued for debt	8,135		15,000
Shares issued for debentures prin & accrued intr	(749,714)		908,416
Shares issued for services	14,514		16,666
Net (loss) for the year ended Jun 30, 2013		(765,583)	(765,583)
Balance at June 30, 2013	12,599,892	(17,638,968)	(2,353,561)
Shares issued to loans from shareholder	56,164		70,635
Shares issued for debt	7,167		10,000
Shares issued for acquisitions	290,325		461,667
Shares issued for debentures prin & accrued intr	(477,140)		583,172
Shares issued for services	65,850		86,750
Shares issued for vending designs	145,000		150,000
Net (loss) for the year ended Jun 30, 2014		(2,004,875)	(2,004,875)
Balance at June 30, 2014	12,687,258	(19,643,843)	(2,996,212)
Shares issued for debt	412,911		531,277
Shares issued for acquisitions	2,322,664		2,411,667
Shares issued for debentures prin & accrued intr	531,101		981,395
Shares returned for debenture debt	91,840		(125,003)
Shares issued for services	601,056		700,000
Net (loss) for the 9 months ended Mar. 31, 2015		(4,099,554)	(4,099,554)
Balance at Mar. 31, 2015	$16,646,830	($23,743,397)	($2,596,430)

See accompanying notes to these unaudited consolidated financial statements.

AMERICAN GREEN INC.
CONSOLIDATED STATEMENTS OF CASH FLOWS
UNAUDITED PART 1 of 2

	For the three months ended March 31,		For the nine months ended March 31,	
OPERATING ACTIVITIES	**2015**	**2014**	**2015**	**2014**
Net (loss) for the period	$ -1,239,509	$ -426,728	$ -4,099,554	$ -1,040,099
Adjustments to reconcile net loss to net cash (used in) provided by operating activities:				
Shares issued - debt and services	235,000	0	700,000	10,000
Shares issued - loans to shareholders				70,635
Shares issued - debentures & interest	877,625	203,993	981,395	570,576
Write off acquisition costs	184,667	0	1,204,805	0
Write down intellectual property	529,168	0	747,360	0
Depreciation & amortization	1,250	75,917	3,750	123,586
Changes in assets and liabilities				
(Incr)/decr - accounts receivable	-5,891	0	-56,751	0
(Incr)/decr - Inventory	-194,389	-5,099	-199,081	-15,207
(Incr)/decr - furniture & equipment	-33	0	-34,762	0
(Incr)/decr - Deferred costs	25,000	0	50,000	0
Incr/(decr) in accounts payable	41,393	-104,999	211,965	-206,243
Incr/(decr) in debentures payable	-689,851	226,266	-256,321	367,209
Incr/(decr) in accrued interest	35,627	-31,954	143,763	-25,778
Incr/(decr) - loans from shareholders	-106,000	123,000	-384,357	293,365
Net cash (used in) provided by operating activities	-305,943	60,396	-987,788	148,044
INVESTING ACTIVITIES				
Investment in machine technology	-101,846	-17,025	-349,029	-59,026
Reduction in acquisition debt	-205,000	-15,652	-661,739	-62,187
Acquisition cash payments to OG Tea	0	0	-100,000	0
Investment in projects	0	0	-300,000	0
Net cash (used in) provided by investing activities	-306,846	-32,677	-1,410,768	-121,213
FINANCING ACTIVITIES				
Issuance of debentures for cash	803,000	0	2,450,177	0
Net cash (used in) provided by financing activities	803,000	0	2,450,177	0
INCREASE (DECREASE) IN CASH	190,211	27,719	51,621	26,831
CASH, BEGINNING OF PERIOD	63,873	2,665	202,463	3,553
CASH, END OF PERIOD	$ 254,084	$ 30,384	$ 254,084	$ 30,384

See accompanying notes to these unaudited consolidated financial statements.

AMERICAN GREEN INC.
CONSOLIDATED STATEMENTS OF CASH FLOWS
UNAUDITED PART 2 of 2

	For the three months ended March 31,		For the nine months ended March 31,	
	2015	**2014**	**2015**	**2014**
NON CASH TRANSACTIONS IN COMMON SHARES				
132,853,958 shares - OneBode acquisition	$ 0	$ 0	$ 2,083,333	$ 0
148,894,633 shares OneBode acquisition	$ 0	$ 333,333	$ 0	$ 333,333
37,739,546 shares for Yo Corporation	$ 328,334	$ 0	$ 328,334	$ 0
22,448,213 shares for Yo Corporation	$ 0	$ 45,000	$ 0	$ 45,000
5,000,000 shares for vending designs	$ 0	$ 150,000	$ 0	$ 150,000

See accompanying notes to these unaudited consolidated financial statements.

AMERICAN GREEN INC.
Notes to Unaudited Consolidated Financial Statements
For the nine months ended March 31, 2015 and 2014
(Unaudited)

NOTE 1. THE COMPANY AND ITS SIGNIFICANT ACCOUNTING POLICIES

The Company

The Company was incorporated on November 12, 1998 in Nevada as Ti-Mail Inc. During the year 2000 it changed its name to Desert Winds Entertainment, Inc. and then during 2000 to SunnComm, Inc., during 2002 to SunnComm Technologies, Inc., and during 2004 to SunnComm International Inc. On June 14, 2007 the Company changed its name from SunnComm Technologies Inc. to The Amergence Group, Inc. On March 8, 2011 the Company changed its name to Altitude Organic Corporation. On January 6, 2012, the Company changed its name to Tranzbyte Corporation and on May 9, 2014 changed its name to American Green Inc.

The Company is developing retailing, branding, and commercial cultivating strategies in conjunction with licensed medical marijuana retail dispensaries. While the Company is no longer associated with the Altitude Organic Medicine outlets in Colorado, it has spent the last year developing an "automated dispensary" that will offer the company's proprietary products to qualified adults in the US and around the world.

The Company is engaged in developing an advanced automated dispensary (Project 21) designed for use by adult customers around the world. Once rolled out, the automated dispensaries will be part of company’s proprietary Zazzz Network.

The unaudited financial statements included herein were prepared from the records of the Company in accordance with Generally Accepted Accounting Principles. These financial statements reflect all adjustments that are, in the opinion of management, necessary to provide a fair statement of the results of operations and financial position for the periods presented. Significant adjustments may be required upon the financial statements being audited to be in conformity with Generally Accepted Accounting Principles.

Acquisitions

OG Tea

On September 10, 2014, the company acquired OG Tea, Inc. that sells its own proprietary blend of microbial nutrients primarily designed for the cannabis growing industry to accelerate plant growth. The cost of acquiring all of the outstanding shares of OG Tea is $100,000 of cash, $1,500,000 of the Company’s common shares based on the trailing thirty (30) day average strike price as of the Effective Date and the assumption of its liabilities of approximately $321,000. In the event that Seller’s net revenues exceed $1,000,000 during the twelve months following the Effective Date, then Buyer shall pay a performance bonus of $400,000 for that year. As of March 31, 2015 the Company had paid the entire cash part of the acquisition and no common shares toward the acquisition.

American Green Universe

On July 1, 2014, the Company acquired Green Universe Inc. that is a Hydroponic retail store in Sonoma, California. The Company paid $70,000 in cash and owes 10,000,000 common shares for 100% ownership. The Company acquired an additional $50,000 of inventory in subsequent purchases.

Yo Corporation

On October 30, 2013 the Company issued 22,448,213 shares of common stock valued at $45,000 as a partial purchase to shareholders of YO Corporation. The final payment of 37,739,546 common shares was issued on March 9, 2015 for the remaining outstanding common shares of Yo Corporation. The Company expensed the entire acquisition cost of $373,334 Yo Corporation because of the undetermined amount of costs needed to get the Master Card accepted by vendors.

Going Concern

The Company operates in an industry that is subject to rapid change. The Company's operations will be subject to significant risk and uncertainties including financial, operational, technological, regulatory and other risks, including the potential risk of business failure.

The ability of the Company to continue as a going concern is dependent on the successful execution of Management's plans, which include sales of its products, further implementation of its business plan and continuing to raise funds through debt or equity financings. The Company will likely need to rely upon debt or equity financing in order to ensure the continuing existence of the business.

The accompanying unaudited financial statements have been prepared on a going concern basis, which contemplates the realization of assets and the satisfaction of liabilities in the normal course of business.

Principles of Consolidation

The Company's consolidated financial statements include the assets, liabilities and operating results of the Company and its wholly owned subsidiaries.

Use of Estimates

The unaudited financial statements included herein were prepared from the records of the Company in accordance with Generally Accepted Accounting Principles. These financial statements reflect all adjustments that are, in the opinion of management, necessary to provide a fair statement of the results of operations and financial position.

Cash & Cash Equivalents

The company's policy is to consider cash and cash equivalents to consist of checking accounts, money market accounts or certificates of deposit having maturity dates of 180 days or less.

Inventory

Inventory is valued on an average cost basis and reviewed quarterly for impairment.

Financial Instruments

Financial instruments consist primarily of cash, security deposits and obligations under accounts payable and accrued expenses. The carrying amounts of cash, accounts receivable, security deposits, accounts payable and accrued expenses approximate fair value because of the short-term maturity of those instruments.

Revenue Recognition

Revenue is recognized when inventory has been shipped irrespective of whether cash had been collected for the sale.

Income Taxes

The Company records its federal and statement income tax liability as it is incurred. The company has accumulated net operating losses and does not have any outstanding income tax liabilities.

NOTE 2. INVESTMENTS

At May 24, 2010, the company entered into a Joint Venture Production Agreement with PanPacific International Limited, "PanPacific", whereby it would receive 50% of the profits in three scheduled concerts with internationally known artists to be performed in Hong Kong, and other agreed-upon joint enterprises, for 60 million restricted common shares valued at $2,400,000. On August 9, 2010, PanPacific and the company formed a Nevada corporation and named it PanPacific International, Inc., "Pan International". PanPacific contributed it business operation allowing Tranzbyte to establish a presence and capabilities in Hong Kong, Macao, and China mainland enabling the company to consider future joint ventures to be identified and its advertising network for 75% ownership and the company

received 25% for its prior capital investment of 60 million common shares. During December 2010, the company issued a restricted stock dividend to its shareholders comprised of 80% of its holdings, which was 20% of Pan International's total outstanding common shares. The company reduced its investment in Pan International by 80% to 480,000 shares for the dividend.

The company owns 10 million shares of Pan International representing 5% of Pan International's total outstanding common shares with a cost basis of $480,000.

NOTE 3. PROJECT COSTS

The Company is working on the development of technology or acquisition of products to primarily support the medical marijuana industry.

NOTE 4: PATENTS

On August 6, 2014, the Company acquired the patent rights to technology supporting the Zazz Vending Machine. The patents will start being amortized when the Zazz machine is placed in service.

NOTE 5: DEFERRED COSTS

OneBode Companies

On July 7, 2014 the Company announced that it sold OneBode Holdings LLC and OneBode Ventures LLC for $3,500,000 to the Healthy Home Company. The Agreement provides for Healthy Home to pay a minimum of $10,000 a month until the remaining balance of the sale price is due during July 2016. Healthy Home has the option to return the rights to the OneBode products at anytime prior to July 2016 and will pay an additional $500,000 for the rights in the event it meets certain sale benchmarks until July 2016.

American Green Inc. completed the acquisition of the OneBode companies during September 2014. At March 31, 2015, the receivable from Healthy Home was $3,450,000 and the remaining assumed acquisition debt to be paid was about $763,000. Deferred costs of $3,450,000 will be expensed as payments from Healthy Home occur. All costs in excess of the deferred cost amount have been expensed. In the event that Healthy Home returns the rights to the OneBode products to the Company, then the remaining deferred cost balance will be reviewed for impairment.

NOTE 6. DEBENTURES PAYABLE

Retired Debentures

On December 15, 2006, the Company originally issued a debenture payable to a Holder for $150,942 in cash advances. The debenture accrues interest at 10% per annum and can convert into the company's common stock at 50% of the lowest closing bid price 360 trading days before the conversion date. The Holder is restricted from any conversions that would result in the Holder owning over 9.9% of the outstanding common shares of the Company after the conversion. At June 30, 2012, the Company owed $7,707 in principal and $28,529 in accrued interest. During the year quarter ended September 30, 2012, the Company issued 45,000,000 common shares valued at $11,486 paying off the principal and reducing the accrued interest by $3,779. During the quarter ended December 31, 2012, the Company issued 45,000,000 common shares valued at $24,925 that paid off all the accrued interest on the debenture resulting in the debenture being paid off and retired by the Company. On January 26, 2015 the 45,000,000 common shares that had been issued were returned to the Company and the debenture was increased by $24,925. No gain or loss was recorded on the transaction. On February 9, 2015 the Holder converted the $24,925 of principal for 7,121,429 common shares resulting in the entire principal and accrued interest being paid off.

During the quarter ended September 30, 2011 a lender advanced the company $7,500 that was converted into a debenture at December 31, 2011. The debenture accrues interest at 10% per annum and will convert into the company's common stock at 50% of the lowest closing bid price 360 trading days before the conversion date. The Holder is restricted from any conversions that would result in the Holder owning over 9.9% of the outstanding common shares of the Company after the conversion. During the quarters ended September 30, 2012 and December 31, 2012, interest accrued on the debenture was $188 and $188, respectively. During the quarter ended March 31, 2013 the debenture accrued $187 in interest and $188 for the quarter ended June 30, 2013. At June 30, 2013 the Holder was

owed $7,500 in principal and $1,489 in accrued interest. During the quarter ended September 30, 2013, the Company issued 16,514,816 common shares to the Holder resulting in the entire principal and accrued interest being paid off.

On December 31, 2011 the Company issued a debenture to a Holder for $26,444 for cash advances to the Company during the quarter ended December 31, 2011. The Holder is restricted from any conversions that would result in the Holder owning over 9.9% of the outstanding common shares of the Company after the conversion. The debenture will accrue interest at 10% per annum and will convert into the company's common stock at 50% of the lowest closing bid price 360 trading days before the conversion date. During the quarter ended September 30, 2013, interest accrued on the debenture of $661. At September 30, 2013, the principal balance was $26,444 and the accrued interest was $4,627. The Company paid off the debenture during the quarter ended December 31, 2013 by issuing 48,080,000 common shares for $26,444 of principal and 8,812,727 common shares for $4,847 of accrued interest through the end of the same quarter.

On March 31, 2008, the company originally issued a debenture payable to a creditor for $205,000 of unpaid compensation. The debenture accrues interest at 10% per annum and can convert into the company's common stock at 50% of the lowest closing bid price 360 trading days before the conversion date. The Holder is restricted from any conversions that would result in the Holder owning over 9.9% of the outstanding common shares of the Company after the conversion. At June 30, 2012 the Company owed $11,015 in principal and $2,022 in accrued interest. During the quarter ended September 30, 2012 the debenture accrued $275 in interest. During the quarter ended March 31, 2013 the debenture accrued $276 in interest. At March 31, 2013, the Company owed the Holder $11,015 in principal and $2,848 in accrued interest. During the quarter ended December 31, 2013 the debenture accrued $261 in interest. At December 31, 2013 the Company owed the Holder $10,425 in principal and $782 in accrued interest. The Company paid off the debenture during the quarter ended March 31, 2014 by issuing 18,954,545 common shares for $10,425 of principal and 1,501,818 common shares for $826 of accrued interest through the end of the same quarter.

On December 31, 2009, the company originally issued a debenture payable to a creditor for $278,184 of unpaid compensation. The debenture accrues interest at 10% per annum and can convert into the company's common stock at 50% of the lowest closing bid price 360 trading days before the conversion date. The Holder is restricted from any conversions that would result in the Holder owning over 9.9% of the outstanding common shares of the Company after the conversion. At June 30, 2012, the Company owed the Holder $73,184 in principal and $23,511 in accrued interest. During the quarter ended September 30, 2012, the Company issued 45,000,000 common shares valued at $24,750 reducing the principal by $14,032 and accrued interest $10,718. During the quarter ended December 31, 2012 the Company issued a total of 120,000,000 common shares under two separate demands notices valued at a total of $66,000. During the quarter ended March 31, 2013 the debenture accrued $189 in interest. During the quarter ended September 30, 2013, the debenture accrued $189 of interest. During the quarter ended December 31, 2013 the debenture accrued $189 of interest and at December 31, 2013 the Company owed the debenture holder $7,570 of principal and $944 of accrued interest. The Company paid off the debenture during the quarter ended March 31, 2014 by issuing 13,763,636 common shares for $7,570 of principal and 1,945,455 common shares for $1,070 of accrued interest through the end of the same quarter.

On June 29, 2012, the Company issued a $500,000 convertible debenture to a former president of the Company in exchange for his release of a $268,000 secured note that had a lien on the Company's inventory and any and all of its' assets of any kind or nature including assets held by its subsidiaries as of February 11, 2011. The value of the Debenture was determined based upon a discount to the book value of the Company's intellectual property and assets. The Holder is restricted from any conversions that would result in the Holder owning over 9.9% of the outstanding common shares of the Company after the conversion. The debenture accrues interest at 10% per annum and will convert into the company's common stock at 50% of the lowest closing bid price 360 trading days before the conversion date. During the quarter ended March 31, 2012 the Company issued a total of 475,000,000 common shares under four separate demand notices reducing the principal by $261,250. Accrued interest expense during the quarter ended March 31, 2013 was $2,662. During the quarters ended September 30, 2013 and December 31, 2013, the debenture accrued $675 of interest during each respective quarter. At December 31, 2013, the principal balance was $27,000 and the accrued interest was $29,036. The Company paid off the debenture during the quarter ended March 31, 2014 by issuing 49,090,909 common shares for $27,000 of principal and 50,909,091 common shares for $28,000 of accrued interest through the end of the same quarter. During October 2014 $11,000 was added back to the debenture resulting from shares that were cancelled from a prior issuance. During November 2014 the debenture was paid off by the issuance of 20,000,000 common shares to the Holder. On January 26, 2015, 58,000,000 common shares were returned to the Company for $31,900 that was the value they were originally converted at on February 7, 2013. On February 9, 2015, the Holder converted the total outstanding principal of $31,900 for 9,114,286 common shares of the Company.

On November 30, 2012, the Company reduced its loans from shareholders by $210,000 by issuing a debenture to a consulting corporation for its services for the same amount from January 1, 2011 through December 31 2011. The debenture accrues interest at 10% per annum and will convert into the company's common stock at 50% of the lowest closing bid price 360 trading days before the conversion date. The Holder is restricted from any conversions that would result in the Holder owning over 9.9% of the outstanding common shares of the Company after the conversion. Accrued interest expense during the quarter ended March 31, 2013 was $5,250. During the quarter ended June 30, 2013, the Holder converted $84,820 of principal and $11,430 of accrued interest for 175,000,000 resulting in the outstanding principal being $125,180 at the end June 30, 2013. During the quarter ended September 30, 2013, the Holder converted $110,000 of principal for 210,379,957 common shares resulting in the outstanding principal being $15,180 at September 30, 2013. The debenture accrued $379 of interest during the quarter ended December 31, 2013 resulting in an outstanding principal balance of $15,180 and $379 of accrued interest at the end of the quarter. The Company paid off the debenture during the quarter ended March 31, 2014 by issuing 27,600,000 common shares for $15,180 of principal and 689,091 common shares for $379 of accrued interest through the end of the same quarter. On January 26, 2015 the Holder returned 12,500,000 common shares for $6,875 that was the value they were originally converted at on May 20, 2013. No gain or loss was recorded on the transaction. On February 9, 2015 the Holder converted the remaining $6,875 of principal for 1,964,286 common shares resulting in the debenture being paid off.

On November 30, 2012, the Company reduced its loans from shareholders by $165,000 by issuing a $165,000 convertible debenture to a former president of the Company for his services from January 1, 2010 thru January 31, 2011. The debenture accrues interest at 10% per annum and will convert into the company's common stock at 50% of the lowest closing bid price 360 trading days before the conversion date. The Holder is restricted from any conversions that would result in the Holder owning over 9.9% of the outstanding common shares of the Company after the conversion. Accrued interest expense during the quarter ended March 31, 2013 was $4,125 and $4,125 for the quarter ended June 30, 2013 resulting in the Company owing $165,000 in principal and $9,625 in accrued interest at June 30, 2013. During the quarter ended September 30, 2013, the debenture accrued $4,125 in interest resulting in the Company owing 165,000 in principal and $13,750 in accrued interest. During the quarter ended December 31, 2013, the Holder converted into 218,107,273 common shares reducing the principal by $119,959 and 25,000,000 common shares for $13,750 of accrued interest. Interest of $2,626 accrued during the quarter resulting the principal balance being $45,041 and accrued interest being $2,626 at December 31, 2013. The Company paid off the debenture during the quarter ended March 31, 2014 by issuing 81,892,727 common shares for $45,041 of principal and 4,774,546 common shares for $2,626 of accrued interest through the end of the same quarter.

On June 30, 2013, the Company reduced its loans from shareholders by $59,167 by issuing a $59,167 convertible debenture to a consultant of the Company for expenses paid from January 1, 2012 thru June 30, 2012. The debenture accrues interest at 10% per annum and will convert into the company's common stock at 50% of the lowest closing bid price 360 trading days before the conversion date. The terms of the conversion are the same as the terms of conversion in the grid note for each advance. The Holder is restricted from any conversions that would result in the Holder owning over 9.9% of the outstanding common shares of the Company after the conversion. During the quarters ended September 30, 2013, December 31, 2013 and March 31, 2014 the debenture accrued $1,479 of interest in each respective quarter. At March 31, 2014, the debenture had $59,167 of principal and $4,438 of accrued interest outstanding. During the quarter ended June 30, 2014, the Company paid off the principal and accrued interest on the Debenture with cash.

On September 30, 2011, the company reduced its accounts payable by $270,000 by issuing a debenture to the company's former president for the same amount for unpaid compensation from July 1, 2008 through December 31 2009. The debenture accrues interest at 10% per annum and will convert into the company's common stock at 50% of the lowest closing bid price 360 trading days before the conversion date. The Holder is restricted from any conversions that would result in the Holder owning over 9.9% of the outstanding common shares of the Company after the conversion. During the quarter ended September 30, 2012, the Company issued 120,213,500 common shares valued at $78,275 reducing the principal by $72,650 and accrued interest $5,625. During the quarter ended December 31, 2012 the Company issued 85,000,000 shares reducing the principal by $46,750 and accrued interest expense during the quarter was $3713. During the quarter ended March 31, 2013 the Company issued 150,000,000 shares to the Holder reducing the principal by $53,450 and accrued interest by $29,050. During the same quarter $3,000 of interest accrued on the debenture. During the quarter ended September 30, 2013, the debenture accrued $2,254 of interest. At September 30, 2013 the Company owed the Holder $90,150 in principal and $7,507 in accrued interest. During the quarter ended December 31, 2013 the Holder converted $33,743 of principal into 61,350,909 common shares and $7,507 of accrued interest expense into 13,649,091 of common shares. During the quarter ending March 31, 2014, the Company retired $22,000 of debenture principal for the issuance of 40,000,000 common shares and

$3,590 of accrued interest for 6,527,273 common shares. At September 30, 2014 the Company owed the Holder $34,407 in principal and $2,846 accrued interest. A total of $1,200 of interest accrued during the quarter resulting in the principal of $34,407 and $4,046 of accrued interest at December 31, 2014. On January 29, 2015, 40,000,000 common shares were returned to the Company resulting in increasing the debenture principal to $56,407. No gain or loss was recorded on the return of the shares. On February 12, 2015, the Holder converted the outstanding principal of $56,407 and accrued interest of $4,046 for 17,272,286 common shares resulting in the entire debenture being paid off.

On November 30, 2012, the Company reduced its loans from shareholders by $120,000 by issuing a $120,000 convertible debenture to a financial consultant of the Company for his services from January 1, 2011 thru December 31, 2011. The debenture accrues interest at 10% per annum and will convert into the company's common stock at 50% of the lowest closing bid price 360 trading days before the conversion date. The Holder is restricted from any conversions that would result in the Holder owning over 9.9% of the outstanding common shares of the Company after the conversion. Accrued interest expense during the quarter ended September 30, 2013 resulted in the Company owing $120,000 in principal and $10,000 in accrued interest. During the quarter ended December 31, 2013, the Holder converted into 56,818,182 common shares reducing the principal by $31,250 and 18,181,818 common shares for $10,000 of accrued interest. Interest of $2,609 accrued during the quarter resulting the principal balance being $88,750 and accrued interest being $2,609 at December 31, 2013. During the quarter ending March 31, 2014, the Company retired $24,891 of debenture principal for the issuance of 45,256,364 common shares and $2,609 of accrued interest for 4,743,636 common shares. At March 31, 2014 the Company owed the Holder $63,859 in principal and $1,596 of accrued interest. During the quarter ended June 30, 2014, the Company retired $11,000 of principal and $1,596 of accrued interest. During the quarter ended September 30, 2014, the Company retired $22,859 of principal. At September 30, 2014 the Company owed the Holder $30,000 in principal and $2,075 of accrued interest. During the quarter ended December 31, 2014 the Company retired $14,000 of principal and $2,075 of accrued interest for the conversion of 29,227,273 common shares. At December 31, 2014 the Company owed the Holder $16,000 of principal and $213 of accrued interest. On January 9, 2015 the Company paid off the remaining $16,000 of principal and $213 of accrued interest by issuing 4,839,701 common shares to the Holder.

On November 15, 2013, the Company issued a debenture for $22,400 for cash advances in the same amount on the same date for cash advances to one of its subsidiaries for it's operation. The debenture accrues interest at 10% per annum and will convert into the company's common stock at 50% of the lowest closing bid price 12 months before the conversion date. The terms of the conversion are the same as the terms of conversion in the note for each advance. The Holder is restricted from any conversions that would result in the Holder owning over 9.9% of the outstanding common shares of the Company after the conversion. From October 1, 2013 through June 30, 2014 the debenture accrued $560 of interest in each respective quarter. At December 31, 2014, the debenture had $22,400 of principal and $1,680 of accrued interest outstanding. On January 9, 2015 the Company paid off the remaining $22,400 of principal and $1,680 of accrued interest by issuing 7,188,060 common shares to the Holder.

On October 1, 2013, the Company issued a $10,000 convertible debenture for a $10,000 cash advance on September 16, 2013 to one of its subsidiaries for it's operation. The debenture accrues interest at 10% per annum and will convert into the company's common stock at 50% of the lowest closing bid price 12 months before the conversion date. The terms of the conversion are the same as the terms of conversion in the note for each advance. The Holder is restricted from any conversions that would result in the Holder owning over 9.9% of the outstanding common shares of the Company after the conversion. From October 1, 2013 through June 30, 2014 the debenture accrued $250 of interest in each respective quarter. At December 31, 2014, the debenture had $10,000 of principal and $1,250 of accrued interest outstanding. On January 9, 2015 the Company paid off the remaining $10,000 of principal and $1,250 of accrued interest by issuing 3,558,209 common shares to the Holder.

On June 30, 2013, the Company reduced its loans from shareholders by $240,000 by issuing a $240,000 convertible debenture to a financial consultant of the Company for his services from July 1, 2012 thru June 30, 2013. The debenture accrues interest at 10% per annum and will convert into the company's common stock at 50% of the lowest closing bid price 360 trading days before the conversion date. The terms of the conversion are the same as the consultant's terms of conversion for the shares earned during each quarter in which the services were rendered. The Holder is restricted from any conversions that would result in the Holder owning over 9.9% of the outstanding common shares of the Company after the conversion. During the quarters ended September 30, 2013, December 31, 2013 and March 31, 2014 the debenture accrued $6,000 of interest in each respective quarter. During the quarter ended September 30, 2014, the Company retired $3,500 of principal and $24,000 of accrued interest. At September 30, 2014 the Company owed the Holder $236,500 in principal and $5,906 of accrued interest. During the quarter ended December 31, 2014 the Company retired $27,094 of principal and $5,906 of accrued interest for the conversion of 60,000,000 common shares. At December 31, 2014 the Company owed the Holder $209,406 of principal and $4,750

of accrued interest. On January 14, 2015 the Company paid off the remaining $209,406 of principal and $4,750 of accrued interest by issuing 61,187,429 common shares to the Holder.

On October 1, 2013, the Company reduced its accounts payable by $217,293 by issuing a convertible debenture in the same amount to the Company for expenses paid on behalf of Tranzbyte from July 1, 2013 thru September 30, 2013. The debenture accrues interest at 10% per annum and will convert into the company's common stock at 50% of the lowest closing bid price 12 months before the conversion date. The terms of the conversion are the same as the terms of conversion in the note for each advance. The Holder is restricted from any conversions that would result in the Holder owning over 9.9% of the outstanding common shares of the Company after the conversion. From October 1, 2013 through December 31, 2014 the debenture accrued $5,432 of interest in each respective quarter. At December 31, 2014, the debenture had $217,293 of principal and $27,160 of accrued interest outstanding. On January 14, 2015 the Company paid off the remaining $217,293 of principal and $27,160 of accrued interest by issuing 69,843,714 common shares to the Holder.

On December 30, 2013, the Company issued a debenture for $220,144 for cash advances in the same amount for expenses paid on behalf of the Company from October 1, 2013 thru December 30, 2013. The debenture accrues interest at 10% per annum and will convert into the company's common stock at 50% of the lowest closing bid price 12 months before the conversion date. The terms of the conversion are the same as the terms of conversion in the note for each advance. The Holder is restricted from any conversions that would result in the Holder owning over 9.9% of the outstanding common shares of the Company after the conversion. The debenture accrued $5,504 of interest in each quarter March 31, 2014. At December 31, 2014, the debenture had $220,144 of principal and $16,152 of accrued interest outstanding. On January 14, 2015 the Company paid off the remaining $220,144 of principal and $16,512 of accrued interest by issuing 67,616,000 common shares to the Holder.

Outstanding Debentures

On December 31, 2010, the Company issued a debenture payable for $162,706 for cash advances during the 2010 calendar year. The debenture accrues interest at 10% per annum and can convert into the company's common stock at 50% of the lowest closing bid price 360 trading days before the conversion date. The Holder is restricted from any conversions that would result in the Holder owning over 9.9% of the outstanding common shares of the Company after the conversion. During the quarter ended September 30, 2012, the Company issued 6,666,667 common shares valued at $6,667 reducing the principal by $1,092 and accrued interest $5,575. At September 30, 2012, the Company owed the Holder $4,324 in principal and $7,816 in accrued interest. During the quarter ended June 30, 2013, the Holder converted $590 of principal and $2,848 of accrued interest for 6,250,000 common shares of the Company. During the quarter ended December 31, 2013 the debenture accrued $108 in accrued interest resulting in the Company owing $4,324 in principal and $8,462 in accrued interest at December 31, 2013. The Company paid off the debenture during the quarter ended March 31, 2014 by issuing 7,861,818 common shares for $4,324 of principal and 15,385,455 common shares for $8,462 of accrued interest through the end of the same quarter. On January 29, 2015, 28,800,000 common shares were returned to the Company that had been originally issued from a conversion of this debenture on April 27, 2012. The amount of the debenture was increased by $28,800 representing the amount of the reduction of the debenture at the time of its conversion on April 27, 2012. No gain or loss was recognized by the Company in the transaction.

On March 31, 2014, the Company issued a debenture for $164,015 for expenses paid on behalf of the Company during the quarter ended March 31, 2014. The debenture accrues interest at 10% per annum and will convert into the company's common stock at 50% of the lowest closing bid price 12 months before the conversion date. The terms of the conversion are the same as the terms of conversion in the note for each advance. The Holder is restricted from any conversions that would result in the Holder owning over 9.9% of the outstanding common shares of the Company after the conversion. Since April 1, 2014 the Debenture has accrued $4,100 of interest each quarter. At March 31, 2015, the debenture had $164,015 of principal and $16,401 of accrued interest outstanding.

On March 31, 2014, the Company issued a debenture for $220,000 for expenses paid on behalf of the Company during the quarter ended March 31, 2014. The debenture accrues interest at 10% per annum and will convert into the company's common stock at 50% of the lowest closing bid price 12 months before the conversion date. The terms of the conversion are the same as the terms of conversion in the note for each advance. The Holder is restricted from any conversions that would result in the Holder owning over 9.9% of the outstanding common shares of the Company after the conversion. Since April 1, 2014 the Debenture has accrued $5,500 of interest during each quarter. At March 31, 2015, the debenture had $220,000 of principal and $22,000 of accrued interest outstanding.

On April 24, 2014 the Company issued a debenture for $500,000 for cash in the same amount on the same date. The debenture accrues interest at 10% per annum and will convert into the company's common stock at 50% of the lowest closing bid price 12 months before the conversion date. The Holder is restricted from any conversions that would result in the Holder owning over 9.9% of the outstanding common shares of the Company after the conversion. Interest expense during the quarter ended September 30, 2014 was $12,500. Since July 1, 2014 the Debenture has accrued $15,500 of interest during each quarter. At March 31, 2015, the debenture had $500,000 of principal and $37,500 of accrued interest outstanding.

Also on April 24, 2014 the Company issued a debenture for $310,000 for cash advanced to Company from April 3, 2014 to April 23, 2014. The debenture accrues interest at 10% per annum and will convert into the company's common stock at 50% of the lowest closing bid price 12 months before the conversion date. The Holder is restricted from any conversions that would result in the Holder owning over 9.9% of the outstanding common shares of the Company after the conversion. Since July 1, 2014 the Debenture has accrued $7,750 of interest during each quarter. At March 31, 2015, the debenture had $310,000 of principal and $7,750 of accrued interest outstanding.

On June 23, 2014 the Company issued a debenture for $250,000 for cash in the same amount on the same date. The debenture accrues interest at 10% per annum and will convert into the company's common stock at 50% of the lowest closing bid price 12 months before the conversion date. The Holder is restricted from any conversions that would result in the Holder owning over 9.9% of the outstanding common shares of the Company after the conversion. Interest expense during the quarter ended September 30, 2014 was $6,250. Since July 1, 2014 the Debenture has accrued $6,250 of interest during each quarter. At March 31, 2015, the debenture had $250,000 of principal and $18,750 of accrued interest outstanding.

On August 16, 2014 the Company issued a debenture for $100,000 for cash in the same amount on the same date. The debenture accrues interest at 10% per annum and will convert into the company's common stock at 50% of the lowest closing bid price 12 months before the conversion date. The Holder is restricted from any conversions that would result in the Holder owning over 9.9% of the outstanding common shares of the Company after the conversion. Accrued interest during the quarter ended December 31, 2014 was $2,500. At March 31, 2015, the Debenture had $100,000 of principal and $5,000 of accrued interest outstanding.

On September 30, 2014 the Company issued a debenture for $550,000 for cash advances during the quarter. The debenture accrues interest at 10% per annum and will convert into the company's common stock at 50% of the lowest closing bid price 12 months before the conversion date. The Holder is restricted from any conversions that would result in the Holder owning over 9.9% of the outstanding common shares of the Company after the conversion. Accrued interest during the quarter ended December 31, 2014 was $13,750. At March 31, 2015, the Debenture had $550,000 of principal and $27,500 of accrued interest outstanding.

On September 30, 2014 the Company issued a debenture for $127,177 for expenses paid on behalf of the Company during the quarter. The debenture accrues interest at 10% per annum and will convert into the company's common stock at 50% of the lowest closing bid price 12 months before the conversion date. The Holder is restricted from any conversions that would result in the Holder owning over 9.9% of the outstanding common shares of the Company after the conversion. Accrued interest during the quarter ended December 31, 2014 was $3,179. At March 31, 2015, the Debenture had $127,177 of principal and $6,359 of accrued interest outstanding.

On September 30, 2014 the Company issued a debenture for $210,000 for services in the same amount on the same rendered from January 1, 2012 through December 31, 2013. The debenture accrues interest at 10% per annum and will convert into the company's common stock at 50% of the lowest closing bid price 12 months before the conversion date. The Holder is restricted from any conversions that would result in the Holder owning over 9.9% of the outstanding common shares of the Company after the conversion. Accrued interest during the quarter ended December 31, 2014 was $5,210. At March 31, 2015, the Debenture had $210,000 of principal and $10,500 of accrued interest outstanding.

On September 30, 2014 the Company issued a debenture for $300,000 for services in the same amount on the same rendered from July 1, 2013 through June 30, 2014. The debenture accrues interest at 10% per annum and will convert into the company's common stock at 50% of the lowest closing bid price 12 months before the conversion date. The Holder is restricted from any conversions that would result in the Holder owning over 9.9% of the outstanding common shares of the Company after the conversion. Accrued interest during the quarter ended March 31, 2015 was $7,500. At December 31, 2014, the Debenture had $300,000 of principal and $15,000 of accrued interest outstanding.

On October 30, 2014 the Company issued a debenture for $300,000 for three cash advances during October 2014. The debenture accrues interest at 10% per annum and will convert into the company's common stock at 50% of the lowest closing bid price 12 months before the conversion date. The Holder is restricted from any conversions that would result in the Holder owning over 9.9% of the outstanding common shares of the Company after the conversion.. At March 31, 2015, the Debenture had $100,000 of principal and $2,500 of accrued interest outstanding.

On October 30, 2014 the Company issued a debenture for $170,000 for two cash advances during November 2014. The debenture accrues interest at 10% per annum and will convert into the company's common stock at 50% of the lowest closing bid price 12 months before the conversion date. The Holder is restricted from any conversions that would result in the Holder owning over 9.9% of the outstanding common shares of the Company after the conversion. At March 31, 2015, the Debenture had $170,000 of principal and $4,250 of accrued interest outstanding.

On December 1, 2014 the Company issued a debenture for $125,000 for two cash advances during the quarter ended December 31, 2014. The debenture accrues interest at 10% per annum and will convert into the company's common stock at 50% of the lowest closing bid price 12 months before the conversion date. The Holder is restricted from any conversions that would result in the Holder owning over 9.9% of the outstanding common shares of the Company after the conversion. At March 31, 2015, the Debenture had $100,000 of principal and $3,125 of accrued interest outstanding.

On December 19, 2014 the Company issued a debenture for $275,000 for five cash advances during the December 2014. The debenture accrues interest at 10% per annum and will convert into the company's common stock at 50% of the lowest closing bid price 12 months before the conversion date. The Holder is restricted from any conversions that would result in the Holder owning over 9.9% of the outstanding common shares of the Company after the conversion. At March 31, 2015, the Debenture had $275,000 of principal and $6,875 of accrued interest outstanding.

On January 9, 2015 the Company issued a debenture for $100,000 for a cash advance. The debenture accrues interest at 10% per annum and will convert into the company's common stock at 50% of the lowest closing bid price 12 months before the conversion date. The Holder is restricted from any conversions that would result in the Holder owning over 9.9% of the outstanding common shares of the Company after the conversion. At March 31, 2015, the Debenture had $100,000 of principal and $1,667 of accrued interest outstanding.

On January 30, 2015 the Company issued a debenture for $175,000 for three cash advances during the January 2015. The debenture accrues interest at 10% per annum and will convert into the company's common stock at 50% of the lowest closing bid price 12 months before the conversion date. The Holder is restricted from any conversions that would result in the Holder owning over 9.9% of the outstanding common shares of the Company after the conversion. At March 31, 2015, the Debenture had $175,000 of principal and $2,916 of accrued interest outstanding.

On February 2, 2015 the Company issued a debenture for $20,000 for a cash advance. The debenture accrues interest at 10% per annum and will convert into the company's common stock at 50% of the lowest closing bid price 12 months before the conversion date. The Holder is restricted from any conversions that would result in the Holder owning over 9.9% of the outstanding common shares of the Company after the conversion. At March 31, 2015, the Debenture had $20,000 of principal and $333 of accrued interest outstanding.

On February 24, 2015 the Company issued a debenture for $155,000 for two cash advances during February 2015. The debenture accrues interest at 10% per annum and will convert into the company's common stock at 50% of the lowest closing bid price 12 months before the conversion date. The Holder is restricted from any conversions that would result in the Holder owning over 9.9% of the outstanding common shares of the Company after the conversion. At March 31, 2015, the Debenture had $155,000 of principal and $1,292 of accrued interest outstanding.

On March 31, 2015 the Company issued a debenture for $353,000 for four cash advances during March 2015. The debenture accrues interest at 10% per annum and will convert into the company's common stock at 50% of the lowest closing bid price 12 months before the conversion date. The Holder is restricted from any conversions that would result in the Holder owning over 9.9% of the outstanding common shares of the Company after the conversion. At March 31, 2015, the Debenture had $353,000 of principal and no accrued interest outstanding.

NOTE 7: LOANS FROM SHAREHOLDERS

Amounts owed to directors, officers or other consultants for services that are also shareholders are accrued as loans from shareholders.

NOTE 8. STOCKHOLDERS EQUITY

Preferred Stock

On January 20, 2012, David Gwyther obtained 6,500,000 Preferred Series B shares from the prior owner. The Preferred Series B shares held by the Company's Chairman, David Gwyther have voting control of the Company with 1,000 votes for each preferred share held. Each Preferred B share can convert into 20 shares of common stock.

At March 31, 2015 the Company had authorized 30,000,000 preferred shares with 6,500,000 preferred shares outstanding at $.01 par and can issue shares of preferred stock in such classes and with such preferences as may be determined by the board of directors or the bylaws of the Company.

Common Stock

On June 14, 2007 the Company consolidated its authorized and outstanding common shares at a 1 for 1,000 ratio. After the stock consolidation the Company had authorized 870,000 common shares at a par value of $.001.

On May 29, 2012, the Company increased its authorized common shares to 1,350,000,000 at a par value of $.001.

On December 14, 2012, the Company increased its authorized common shares to 1,995,000,000 at a par value of $.001.

On January 17, 2013, the Company increased its authorized common shares to 2,750,000,000 at a par value of $.001.

On August 30, 2013, the Company increased its authorized common shares to 3,750,000,000 at a par value of $.001.

On January 9, 2014 the Company increased its authorized common shares to 4,750,000.

On July 21, 2011, the company issued 5,000,000 common shares under a debenture that converted $9,436 of principal and $2,314 of accrued interest. On August 29, 2011, the Holder of a debenture converted $27,883 of principal and $5,867 of accrued interest for 9,000,000 common shares of the company.

On October 7, 2011, the Holder of two debentures was issued 20,844,616 common shares valued at $68,445 resulting in one of the debentures being paid in full and the other debenture being reduced by $32,362 of principal and $2,606 of accrued interest.

During the quarter ended December 31, 2011 the Holder of a debenture was issued 53,215,384 shares of common stock resulting from three separate conversions valued at $60,666 of principal and $59,534 of accrued interest.

On January 20, 2012, the Company issued 36,627,648 to the Company's president for services rendered from February 1, 2011 thru January 20, 2012 valued at $85,277 and then resigned as the president. In addition 500,000 shares were issued to a consultant valued at $1,400.

On February 1, 2012, the Holder of a debenture was issued 25,000,000 common shares valued at $25,000 resulting in the debenture being reduced by $20,071 of principal and $4,929 of accrued interest. In addition 1,000,000 shares were issued to an individual valued at $15,000 for accrued legal fees.

During the quarter ended June 30, 2012, a total of 206,414,686 common shares were issued in settlement of $265,191 of principal and $1,008 of accrued interest on three outstanding debentures of the Company.

During the quarter ended September 30, 2012, a total of 220,238,267 common shares were issued in settlement of $115,553 of principal and accrued interest on four debentures of the Company. The Company also issued 5,797,978 common shares valued at $43,333 to reduce loans from shareholders.

During the quarter ended December 31, 2012, a total of 635,000,000 common shares were issued in settlement of $310,082 of principal and $39,343 of accrued interest on four outstanding debentures of the Company resulting in one of the debentures being paid in full.

During the quarter ended March 31, 2013, the Company reduced loans from shareholders by $39,250 by issuing 14,034,333 common shares for $15,000 of accrued debt for past legal services and 20,347,833 common shares to the Company's President for unpaid services of $24,250. The number of common shares that were earned by the Company's President from October 2011 through January 2012 was 8,633,818 and the common shares earned from October 2012 through December 2012 were 11,714,015.

During the quarter ended March 31, 2013 the Company paid down $314,700 of debentures payable along with accrued interest on the debentures of $29,050 under five separate conversion notices with the issuance of 625,000,000 common shares.

Also during the quarter ended March 31, 2013, the Company paid down $15,000 of accrued debt to two consultants with the issuance of 6,865,530 common shares and paid the same two consultants $16,666 for services with 2,152,120 common shares.

During the quarter ended June 30, 2013 the Company paid down $85,410 of debentures payable along with accrued interest on the debentures of $14,278 under three separate conversion notices totaling the issuance of 181,250,000 common shares.

During the quarter ended September 30, 2013, the Company issued 14,471,743 restricted common shares to its directors for services valued at $70,635, 216,514,545 common shares to retire $117,500 in outstanding debenture debt and accrued interest and 2,832,552 restricted common shares valued at $10,000 for consulting services.

During the quarter ended December 31, 2013 the Company paid down $211,396 of debentures payable along with accrued interest on the debentures of $36,104 under four separate conversions totaling the issuance of 450,000,000 common shares.

On October 30, 2013, the Company issued its first traunch of restricted common shares totaling 171,342,846 to the shareholders of three companies it agreed to purchase. See footnote 1 "Acquisitions".

During the quarter ended March 31, 2014, the Company issued 370,895,682 common shares to retire $203,993 of debenture debt and accrued interest to various debenture holders.

During the quarter ended June 30, 2014, the Company issued 1,365,671 common shares for past services rendered by its past Chief Operating Officer, 2,000,000 shares to its current President as part of his employment agreement and 17,534,624 common shares for service rendered during 2013 by a director. The Company also issued 22,901,818 common shares to a debenture holder in payment of $11,000 of principal and $1,596 of accrued interest.

During the quarter ended September 30, 2014, the Company issued 91,561,818 common shares to retire $50,359 of principal and accrued interest on two debentures (see note 5 for details). It also issued 31,361,763 common shares to officers for past services rendered valued at $90,750 and 7,784,070 common shares to consultants valued at $23,000.

During the quarter ended December 31, 2014, the Company issued 202,853,958 common shares for the final payment to the members of OneBode Holdings LLC and OneBode Ventures LLC in order to obtain all of their outstanding membership units. Also during the quarter there was 10,000,000 common shares issued to staff consultants as bonuses and 109,227,273 common shares issued to three debenture holders to reduce their debenture debt and accrued interest $60,075.

During the quarter ended March 31, 2015, the Company issued 37,739,546 common shares for the final payment to the shareholders of Yo It's Me, Inc. in order to obtain all of the outstanding shares of Yo. Also during the quarter there was 5,000,000 common shares issued to a consultant and 11,574,282 common shares to directors and officers for their 2014 services that were unpaid. In addition there were 249,505,400 common shares issued to five debenture holders that reduced their debenture principal by $815,350 and accrued interest $55,611. During January 2015 there

were 216,842,686 common shares returned by certain Debenture Holders valued at $125,003 in exchange for increasing their respective debenture debt by the same amount which was when the shares were originally issued.

At March 31, 2015, the Company had 4,750,000,000 authorized common shares and 4,435,140,215 common shares issued and outstanding. See note 6 for details.

NOTE 9. STAFF CONSULTANTS

The Company has ten staff consultants that work full-time on behalf of the Company. Each consultant has at least 15 years of experience in his or her respective field of expertise. Areas of expertise covered by the ten consultants are:

1. Building and designing computer networks that will interface with the dispensing machine.
2. Supervising logistics of operations involving client orders and the shipping of the product to the customer.
3. Water chemistry analytical products for use by laboratories and hydroponics.
4. Programming and web designs with interfacing capability.
5. Business development, acquisitions and marketing strategies.
6. Sales
7. Public relations media
8. Social media and marketing