CANNA CONSUMER GOODS, INC.

QUARTERLY REPORT
For the Period Ending June 30, 2015

August 14, 2015

CANNA CONSUMER GOODS, INC.
(Exact name of issuer as specified in its charter)

40 Easthampton B
West Palm Beach, FL 33417
(Address of principal executive offices)

(888) 310-7855
(Issuer's telephone number)

The number of shares outstanding of each of the Issuer's classes of common equity, as of the date of this Quarterly Report, are as follows:

TRADING SYMBOL: CBMJ	CUSIP: 13765C 10 1
TAX ID NUMBER: 45-0457114	SHAREHOLDERS OF RECORD: 93

CLASS OF SECURITIES QUOTED:	Common Stock	$.001 par value
NUMBER OF SHARES OUTSTANDING:	142,469,055	common
	1,000	preferred

PART A GENERAL COMPANY INFORMATION

Item 1. Name of the issuer and its predecessor (if any).

The name of the issuer is Canna Consumer Goods Inc. ("Canna" or "Company"), formerly Canna Brands Inc., Crownbutte Wind Power, Inc., and ProMana Solutions, Inc.

Item 2. Address of the issuer's principal executive offices.

The address of Canna's principal executive offices and other pertinent information is as follows:

Canna Consumer Goods Inc.
40 Easthampton B
West Palm Beach, Florida 33417
Phone No.: (888) 310-7855

There is no IR Contact available for Canna.

PART B SHARE STRUCTURE

Item 3. Security Information.

Trading Symbol:	CBMJ
Exact title and class of securities outstanding:	Common Stock
CUSIP:	13765C 10 1
Par or Stated Value:	$0.001 par value
Total Shares Authorized:	500,000,000 as of August 14, 2015
Total Shares Outstanding:	142,469,055 as of August 14, 2015

Trading Symbol:	None
Exact title and class of securities outstanding:	Preferred Stock
CUSIP:	None
Par or Stated Value:	$0.001 par value
Total Shares Authorized:	25,000,000 as of August 14, 2015
Total Shares Outstanding:	1,000 shares of Series 2014A as of August 14, 2015

The name and address of Canna's transfer agent is:

Worldwide Stock Transfer, LLC
433 Hackensack Avenue, Level L
Hackensack, NJ 07601
Telephone no.: (201) 820-2008
FAX no.: (201) 820-2010

Canna's transfer agent is registered under the Securities Exchange Act of 1934, as amended, and the SEC is its regulatory authority.

List any restrictions on the transfer of security:

As of August 14, 2015, Canna has a total of 109,289,074 shares which contain restrictive legends which thereby restrict transfer of such shares except as permitted by Rule 144 of the Securities Act of 1934, as amended.

Describe any trading suspension order issued by the SEC in the past 12 months:

NONE

List any stock split, stock dividend, recapitalization, merger, acquisition, spin-off or reorganization, either currently anticipated or that occurred within the past 12 months.

On July 14, 2014, the Company entered into, and on July 15, 2014 consummated, an Agreement and Plan of Reorganization (the "Agreement") with Canna & Canna Inc., a Washington corporation formed on June 16, 2014. Pursuant to the Agreement, the Company acquired all of the 12,425,000 issued and outstanding shares of Canna & Canna, Inc.'s common stock pursuant to a Type B reorganization under Section 369(a)(1)(B) of the Internal Revenue Code of 1986, as amended, and the regulations promulgated thereunder. In exchange for all of the issued and outstanding shares of Cana & Cana, Inc.'s common stock, the Company issued the two shareholders of Canna & Canna, Inc. an aggregate of 62,125,000 restricted shares of the Company's common stock and 500 restricted shares of the Company's Series 2014A preferred stock.

Canna & Canna Inc., currently a wholly owned subsidiary of the Company, develops, promotes, markets and sells turnkey branded consumer goods for infusion and ultimate distribution by licensed cannabis operations in the states of Washington and Oregon where, for persons 21 years and over, the recreational use of marijuana is legal for state law purposes only.

Item 4. Issuance History.

The following provides a list, in chronological order, of events resulting in changes in the total shares outstanding by the Company during the past two fiscal years and any interim period: inclucing debt convertible into equity securities and any other securities or options to acquire such securities:

On November 20, 2013, Canna executed and delivered two (2) separate $5,000 Convertible Promissory Notes, to two (2) persons; one being its CEO and director and the other being a director. One Convertible Note was funded on November 20, 2013 and the other was funded on February 3, 2014. The Convertible Notes were not registered under the Securities Act in reliance upon an exemption from registration provided by Section 4(a)(2) of the Securities Act, which exempts transactions by an issuer not involving any public offering.

Each of the subject Convertible Notes bears interest at 5% per annum and has a maturity date of November 20, 2014 (or 12 months from date of funding) at which time all principal and

accrued interest shall be due and payable in full. Prepayment is permitted without any penalty. Each Convertible Note is convertible by the holder, at his election, into shares of the Company's common stock at an exercise price of $.0025 per share. In accordance with the terms of each Convertible Note, the holder may not convert any amount of the Convertible Note if, after giving effect to such conversion, the investor would beneficially own greater than 4.99% of the outstanding shares of the Company's common stock.

On March 26, 2014, Canna executed and delivered two (2) separate $2,500 Convertible Promissory Notes to two persons; one being its CEO and director and the other being a director. One Convertible Note was funded on March 26, 2014 and the other was funded on April 14, 2014. The Convertible Notes were not registered under the Securities Act in reliance upon an exemption from registration provided by Section 4(a)(2) of the Securities Act, which exempts transactions by an issuer not involving any public offering.

Each of the subject Convertible Notes bears interest at 5% per annum and has a maturity date of March 26, 2015 (12 months from date of funding) at which time all principal and accrued interest shall be due and payable in full. Prepayment is permitted without any penalty. Each Convertible Note is convertible by the holder, at his election, into shares of the Company's common stock at an exercise price of $.0025 per share. In accordance with the terms of each Convertible Note, the holder may not convert any amount of the Convertible Note if, after giving effect to such conversion, the investor would beneficially own greater than 4.99% of the outstanding shares of the Company's common stock.

On May 27, 2014, Canna executed and delivered two (2) separate $2,500 Convertible Promissory Notes to two (2) persons; one being its CEO and director and the other being a director. The Convertible Notes were not registered under the Securities Act in reliance upon an exemption from registration provided by Section 4(a)(2) of the Securities Act, which exempts transactions by an issuer not involving any public offering.

Each of the subject Convertible Notes bears interest at 5% per annum and has a maturity date of May 27, 2015 (12 months from date of funding) at which time all principal and accrued interest shall be due and payable in full. Prepayment is permitted without any penalty. Each Convertible Note is convertible by the holder, at his election, into shares of the Company's common stock at an exercise price of $.0025 per share. In accordance with the terms of each Convertible Note, the holder may not convert any amount of the Convertible Note if, after giving effect to such conversion, the investor would beneficially own greater than 4.99% of the outstanding shares of the Company's common stock.

Between June 19, 2014 and June 25, 2014, Canna executed and delivered two (2) separate $2,000 Convertible Promissory Notes to two (2) persons; one being its CEO and director and the other being a director. The Convertible Notes were not registered under the Securities Act in reliance upon an exemption from registration provided by Section 4(a)(2) of the Securities Act, which exempts transactions by an issuer not involving any public offering.

Each of the subject Convertible Note bears interest at 5% per annum and has a maturity date which is 12 months after the date of the subject Convertible Note at which time all principal

and accrued interest shall be due and payable in full. Prepayment is permitted without any penalty. Each Convertible Note is convertible by the holder, at his election, into shares of the Company's common stock at an exercise price of $.0025 per share. In accordance with the terms of each Convertible Note, the holder may not convert any amount of the Convertible Note if, after giving effect to such conversion, the investor would beneficially own greater than 4.99% of the outstanding shares of the Company's common stock.

On July 14, 2014, pursuant to agreement to correct ambiguous terms and provisions and to replace the lost or misplaced original $100,000 promissory note dated March 29, 2010, Canna executed and delivered an Amended and Restated $100,000 Convertible Note payable to the original note holder. The amended and restated convertible note was not registered under the Securities Act in reliance upon an exemption from registration provided by Section 3(a)(9) of the Securities Act.

The Amended and Restated $100,000 Convertible Note bears interest at 12% per annum and has a new maturity date of December 31, 2015. Prepayment is permitted without any penalty. The subject note is convertible by the holder, at the holder's election, into shares of the Company's common stock at an exercise price of $.004 per share. In accordance with the terms of the subject note, the holder may not convert any amount if, after giving effect to such conversion, the holder would beneficially own greater than 4.99% of the outstanding shares of the Company's common stock.

On July 14, 2014, Canna authorized the issuance of 11,875,000 restricted shares of its common stock and 250 restricted shares of its Series 2014A preferred stock to two persons; one being its CEO and director and the other being a director. These shares were issued to each person in satisfaction of $55,000 in accrued compensation due to each person by Canna as of September 30, 2014. All of the subject shares were issued in August, 2014. The subject shares were not registered under the Securities Act in reliance upon an exemption from registration provided by Rule 506(b) and Sections 4(a)(2) and 4(a)(5) of the Securities Act.

On July 15, 2014, Canna authorized the issuance of an aggregate of 62,125,000 restricted shares of its common stock and an aggregate of 500 restricted shares of its Series 2014 preferred stock to the two shareholders of Canna & Canna, Inc. pursuant to the terms of the Agreement as described in Item 3 above. In exchange, Canna received all of the issued and outstanding shares of Canna & Canna, Inc., which is currently a wholly-owned subsidiary. All of the subject shares were issued in August, 2014. The subject shares were not registered under the Securities Act in reliance upon an exemption from registration provided by Rule 506(b) and Sections 4(a)(2) and 4(a)(5) of the Securities Act.

On July 16, 2014, Canna filed its Certificate of Designation with the Nevada Secretary of State pursuant to which the rights, preferences and limitations were established and set forth for 1,000 shares of preferred stock, designated as the Series 2014A Preferred Stock. Thereafter, Canna issued 250 shares of its Series 2014A Preferred Stock to each of four (4) persons; two consisting of entities (one owned and controlled by our CEO and director and the other owned and controlled by a director) and the other two being the prior shareholders of Canna & Canna, Inc., each of whom exchanged all of their respective shares in Canna & Canna, Inc. for shares of Canna's shares as described above.

Between July 17, 2014 and July 24, 2014, Canna executed and delivered five (5) separate Convertible Promissory Notes aggregating a total principal amount of $75,000. A $25,000 Convertible Note was issued and delivered to a private investor. Four (4) separate $12,500 Convertible Promissory Note were issued and delivered to four (4) investors; one being its CEO and director, another being a director and the remaining two being private investors. The Convertible Notes were not registered under the Securities Act in reliance upon an exemption from registration provided by Rule 506(b) and Sections 4(a)(2) and 4(a)(5) of the Securities Act.

Each of the subject Convertible Notes bears interest at 5% per annum and has a maturity date of July 17, 2015 at which time all principal and accrued interest shall be due and payable in full. Prepayment is permitted without any penalty. Each Convertible Note is convertible by the holder, at his election, into shares of the Company's common stock at an exercise price of $.0004 per share. In accordance with the terms of each Convertible Note, the holder may not convert any amount of the Convertible Note if, after giving effect to such conversion, the investor would beneficially own greater than 4.99% of the outstanding shares of the Company's common stock.

On July 17, 2014, Canna authorized the issuance of 2,400,000 restricted shares of its common stock to a person who will act as management consultant and advisor to Canna's wholly owned subsidiary, Canna & Canna, Inc. The subject shares vest in equal amounts (100,000 shares) monthly over a 24 month period provided that, during the vesting period, the person does not voluntarily cease to act as, or otherwise be terminated for any reason as, a management consultant and advisor. All of the subject shares were issued and placed in an escrow account for release in monthly amounts of 100,000 shares as vesting occurs. The consultant resigned in January 2015 and a total of 600,000 shares have vested and been released from escrow to the consultant. The remaining 1,800,000 shares were canceled in February 2015. The subject shares were not registered under the Securities Act in reliance upon an exemption from registration provided by Rule 506(b) and Sections 4(a)(2) and 4(a)(5) of the Securities Act.

Between September 10, 2014 and September 29, 2014, Canna executed and delivered five (5) separate Convertible Promissory Notes aggregating a total principal amount of $30,000. Two (2) $5,000 Convertible Notes were issued and delivered to a private investor. Two (2) separate $5,000 Convertible Promissory Notes were issued and delivered to the Company's CEO and director and to another director. The final $10,000 Convertible Promissory Note was issued and delivered to the Company's CEO and director. The Convertible Notes were not registered under the Securities Act in reliance upon an exemption from registration provided by Rule 506(b) and Sections 4(a)(2) and 4(a)(5) of the Securities Act.

Each of the subject Convertible Notes bears interest at 5% per annum and has a maturity date in September 2015 at which time all principal and accrued interest shall be due and payable in full. Prepayment is permitted without any penalty. Each Convertible Note is convertible by the holder, at his election, into shares of the Company's common stock at an exercise price of $.0125 per share. In accordance with the terms of each Convertible Note, the holder may not convert any amount of the Convertible Note if, after giving effect to such conversion, the investor would beneficially own greater than 4.99% of the outstanding shares of the Company's common stock.

Between September 29, 2014 and October 22, 2014, Canna executed and delivered eight (8) separate Convertible Promissory Notes aggregating a total principal amount of $62,500. One (1) $15,000 Convertible Note, three (3) $10,000 Convertible Notes and three (3) $5,000 Convertible Notes were issued and delivered to five (5) private investors. One (1) $2,500 Convertible Promissory Note was issued and delivered to one of the Company's directors. The Convertible Notes were not registered under the Securities Act in reliance upon an exemption from registration provided by Rule 506(b) and Sections 4(a)(2) and 4(a)(5) of the Securities Act.

Each of the subject Convertible Notes bears interest at 5% per annum and has a 12 month maturity date ending in September or October 2015 at which time all principal and accrued interest shall be due and payable in full. Prepayment is permitted without any penalty. Each Convertible Note is convertible by the holder, at his election, into shares of the Company's common stock at an exercise price of $.0175 per share. In accordance with the terms of each Convertible Note, the holder may not convert any amount of the Convertible Note if, after giving effect to such conversion, the investor would beneficially own greater than 4.99% of the outstanding shares of the Company's common stock.

During October 2014, an entity converted $18,750 due under the Amended and Restated $100,000 Convertible Note issued on July 14, 2014 into 4,687,500 shares of Canna's common stock at $.004 per share. The conversion was in accordance with the terms of the Amended and Restated $100,000 Convertible Note which permits the holder to convert amounts due under the note into shares of Canna's common stock at an exercise price of $.004 per share. The fair market value of the stock was $281,250 or $.06 per share on the date of conversion which resulted in Canna recording a loss on conversion of debt of $262,500. All of the subject shares were issued in October, 2014.

During October 2014, another entity converted $6,250 due under the Amended and Restated $100,000 Convertible Note issued on July 14, 2014 into 1,562,500 shares of Canna's common stock at $.004 per share. The conversion was in accordance with the terms of the Amended and Restated $100,000 Convertible Note which permits the holder to convert amounts due under the note into shares of Canna's common stock at an exercise price of $.004 per share. The fair market value of the stock was $93,730 or $.06 per share on the date of conversion which resulted in Canna recording a loss on conversion of debt of $87,500. All of the subject shares were issued in October, 2014.

During November 2014, the Company entered into a sponsorship agreement with a corporation resulting in the issuance of 800,000 restricted shares of the Company common stock. These shares were valued at $0.06 per share or $48,000. All of the subject shares have been issued as of the date of this Quarterly Report. The shares were not registered under the Securities Act in reliance upon the exemption from registration provided by Section 4(a)(2) of the Securities Act

Between January 23, 2015 and January 28, 2015, the Company executed and delivered three (3) separate Convertible Promissory Notes aggregating a total principal amount of $15,000. Three (3) $5,000 Convertible Notes were issued and delivered to three (3) private investors. The Convertible Notes were not registered under the Securities Act in reliance upon an exemption from registration provided by Rule 506(b) and Sections 4(a)(2) and 4(a)(5) of the Securities Act.

Each of the subject Convertible Notes bears interest at 5% per annum and have maturity dates in January 2016 at which time all principal and accrued interest shall be due and payable in full. Prepayment is permitted without any penalty. Each Convertible Note is convertible by the holder, at his election, into shares of the Company's common stock at an exercise price of $.0125 per share. In accordance with the terms of each Convertible Note, the holder may not convert any amount of the Convertible Note if, after giving effect to such conversion, the investor would beneficially own greater than 4.99% of the outstanding shares of the Company's common stock.

During January 2015, each of three entities converted $10,000 ($30,000 aggregate amount) due under the Amended and Restated $100,000 Convertible Note issued on July 14, 2014 into a total of 7,500,000 shares of Canna's common stock at $.004 per share. The conversion was in accordance with the terms of the Amended and Restated $100,000 Convertible Note which permits the holder to convert amounts due under the note into shares of Canna's common stock at an exercise price of $.004 per share. The fair market value of the stock was $232,500 or $.031 per share on the date of conversion which resulted in Canna recording a loss on conversion of debt of $202,500. All of the subject shares were issued in January, 2015.

During February 2015, an entity converted $3,333 due under the Amended and Restated $100,000 Convertible Note issued on July 14, 2014 into 833,250 shares of Canna's common stock at $.004 per share. The conversion was in accordance with the terms of the Amended and Restated $100,000 Convertible Note which permits the holder to convert amounts due under the note into shares of Canna's common stock at an exercise price of $.004 per share. The fair market value of the stock was $33,330 or $.04 per share on the date of conversion which resulted in Canna recording a loss on conversion of debt of $29,997. All of the subject shares were issued in January, 2015. .

During February 2015, another entity converted $10,000 due under the Amended and Restated $100,000 Convertible Note issued on July 14, 2014 into 2,500,000 shares of Canna's common stock at $.004 per share. The conversion was in accordance with the terms of the Amended and Restated $100,000 Convertible Note which permits the holder to convert amounts due under the note into shares of Canna's common stock at an exercise price of $.004 per share. The fair market value of the stock was $112,250 or $.0449 per share on the date of conversion which resulted in Canna recording a loss on conversion of debt of $102,250. All of the subject shares were issued in February, 2015. .

On March 19, 2015, Canna executed and delivered two (2) separate $5,000 Convertible Promissory Note to two (2) private investors. The Convertible Notes were not registered under the Securities Act in reliance upon an exemption from registration provided by Section 4(a)(2) of the Securities Act, which exempts transactions by an issuer not involving any public offering.

Each of the subject Convertible Note bears interest at 5% per annum and has a maturity date which is 12 months after the date of the subject Convertible Note at which time all principal and accrued interest shall be due and payable in full. Prepayment is permitted without any penalty. Each Convertible Note is convertible by the holder, at his election, into shares of the Company's common stock at an exercise price of $.0125 per share. In accordance with the terms of each Convertible Note, the holder may not convert any amount of the Convertible Note if, after giving effect to such conversion, the investor would beneficially own greater than 4.99% of the outstanding shares of the Company's common stock.

On April 14, 2015, Canna executed and delivered two (2) separate $5,000 Convertible Promissory Note to two (2) private investors. The Convertible Notes were not registered under the Securities Act in reliance upon an exemption from registration provided by Section 4(a)(2) of the Securities Act, which exempts transactions by an issuer not involving any public offering.

Each of the subject Convertible Note bears interest at 5% per annum and has a maturity date which is 12 months after the date of the subject Convertible Note at which time all principal and accrued interest shall be due and payable in full. Prepayment is permitted without any penalty. Each Convertible Note is convertible by the holder, at his election, into shares of the Company's common stock at an exercise price of $.005 per share. In accordance with the terms of each Convertible Note, the holder may not convert any amount of the Convertible Note if, after giving effect to such conversion, the investor would beneficially own greater than 4.99% of the outstanding shares of the Company's common stock.

Item 5. Financial Statements.

Financial information for the quarter ended June 30, 2015 and 2014 are attached hereto as Exhibit A, and such financial information is incorporated herein by this reference.

PART C BUSINESS INFORMATION

Item 6. Describe the Issuer's Business, Products and Services.

A. Description of the Issuer's Business Operations.

Current Operations

On July 14, 2014, the Company entered into, and on July 15, 2014 consummated, an Agreement and Plan of Reorganization as further described in Item 3 above whereby Canna & Canna Inc. became a wholly-owned subsidiary. Currently, the Company, through its wholly-owned subsidiary, is engaged in efforts to develop, promote and market turnkey branded consumer goods for infusion and distribution by licensed cannabis processors and producers, dispensaries and retail outlets for medical and recreational use in the state of Washington where, as of July, 2014, for persons 21 years and older, the medical and recreational use and consumption of marijuana is legal for state law purposes only. Similar business activities will be pursued by the Company in the state of Oregon where, in July, 2015, medical use and recreational use and consumption of marijuana are legal for state law purposes only. However, these state laws have no effect on federal laws which classify marijuana as a "controlled substance" which thereby makes it illegal to produce, sell or possess marijuana under federal law. Federal law also makes it illegal to transport or ship marijuana across state lines.

The Company's business plan is to focus on our subsidiary's efforts to develop, promote, market and sell turnkey branded consumer good for infusion and ultimate distribution by licensed cannabis operations for medical and recreational use in the states of Washington and Oregon, while pursuing and completing final efforts which will transfer, terminate and otherwise liquidate our prior business of developing wind power generation facilities which should be completed by end of June 2015, perhaps later. We sell branding and intellectual property solutions to licensed marijuana processors, producers, retail outlets and dispensary owners. We do not sell marijuana infused products. In the period from October through December, 2014, we focused our efforts on businesses that support the medical marijuana industry in the state of Washington.

During the fourth quarter, the Company entered into a marketing and branding agreement with Washington based Nana's Secret Soda. This agreement was subsequently terminated in the first quarter of 2015.

Canna has not been, at any time, a "shell company" as that term is defined in Rule 12b-2 of the Exchange Act

Nacel Energy Corporation and Financing Activities.

In January 2011, Nacel Energy Corporation ("Nacel") acquired a total of 10,500,000 shares of Canna's common stock, which then represented approximately 30% of our outstanding common stock.

In addition to acquiring its Canna stock ownership, Nacel also acquired the ownership of warrants issued by Canna which provides it with the right to purchase up to a total of 7,500,000 shares of Canna's common stock at exercise prices which vary from $0.02 per share up to $0.0225 per share. The warrant rights will not terminate until December 8, 2015 with respect to warrants for 4,000,000 shares and will not terminate until May 31, 2016 with respect to the warrants for the remaining 3,500,000 shares. As of June 30, 2015, Nacel had not exercised any of the foregoing warrants.

Since becoming a shareholder, Nacel has advanced to Canna, from time to time, an aggregate amount of approximately $475,000 in general operating capital, with such advances being used for the development of Canna's then pipeline of wind power projects and to assist Canna in developing and obtaining financing for its 200 MW Gascoyne II wind power generation project located on 1733 acres between the towns of Bowman and Hettinger, North Dakota. Included were funds advanced directly to Midwest Independent System Operator (MISO) to complete a Feasibility Study required to connect the Gascoyne II wind power project to the electric grid. However, since it was not able to finance the Gascoyne II project, Canna ceased and terminated any further efforts in January, 2012 related to the development of the Gascoyne II wind project. Thereafter, Canna requested the return of deposits with MISO (Midwest Independent System Operator). As a result of the return of MISO deposits, Canna made various payments to Nacel to repay and reduce the aggregate advances made by Nacel. As of June 30, 2015, Nacel was owed approximately $364,000 from Canna.

Management's Discussion and Analysis or Plan of Operation.

A. Plan of Operation. We have had limited revenues since our inception, and, accordingly, have incurred losses from our operations. For the six months ended June 30, 2015, we incurred net loss of $586,296. We have an accumulated deficit since inception of $(7,639,811). We had $1,797 licensing revenues during the three months ended June 30, 2015. With the decision not to pursue further efforts to develop our wind projects, we have shifted our focus to develop, promote, market and sell turnkey branded consumer goods for infusion and distribution by licensed cannabis processors and producers, dispensaries and retail outlets in the states of Washington and Oregon where, for persons 21 years and over, the recreational use and consumption of marijuana is, or will be, legal for state law purposes only. However, these state laws have no effect on federal laws which classify marijuana as a "controlled substance" which thereby makes it illegal to produce, sell or possess marijuana under federal law. Federal law also makes it illegal to transport or ship marijuana across state lines. There are no assurances that we will be able to realize our business plan.

For the foreseeable future, our operating plan is dependent upon both the ability to conserve existing cash resources and the ability to obtain additional capital through equity financing and/or debt financing in an effort to provide the necessary funds and cash flow to meet our obligations on a timely basis and to operate our new business in an efficient and economical manner. In the event that we are unable to conserve existing cash resources and/or obtain the additional and necessary capital, we may have to cease or significantly curtail our operations. This could materially impact our ability to continue as a going concern for a reasonable period of time.

Liquidity and Capital Resources

The accompanying financial statements have been prepared on a going concern basis, which contemplates the realization of assets and satisfaction of liabilities in the normal course of business. Since our inception, we have had limited revenues, and, accordingly, have incurred losses from our operations. At June 30, 2015, we have an accumulated deficit since inception of $(7,639,811). We had no revenues during 2014, but did achieve nominal revenues in the second quarter of 2015. These factors, among others, indicate that we might be unable to continue as a going concern for a reasonable period of time.

As of June 30, 2015, we had cash of $93 and working capital deficit of $(1,122,826). This compares to cash of $6,257 and a working capital deficit of $(997,166) at December 31, 2014.

Based on commitments arising from our consulting agreements and other general and administrative expenses, we anticipate that operating expenses during each succeeding quarter through December 31, 2015 will be, at a minimum, approximately $25,000. Based on the foregoing, we will not have sufficient cash resources to finance our operations except for several months unless we are able to raise additional equity financing and/or debt financing in the immediate future. We have commenced, and will continue to pursue, efforts to raise additional equity financing and/or debt financing from a variety of sources and means. There are no assurances that we will be able to obtain any additional financing and/or equity and, even if obtained, that such financing will be in a sufficient amount to be able to continue operations for a sufficient period until our turnkey branded consumer product operations, as being marketed, promoted and sold to licensed cannabis operations in Oregon and Washington, can generate sufficient revenues to be profitable.

B. Management's Discussion and Analysis of Financial Condition and Results of Operations.

Results of Operations for the three months ended June 30, 2015 compared to the three months ended June 30, 2014:

Overview. We had nominal revenues of $1,764 for licensing fees in three months ended June 30, 2015. There was a net loss of $150,591 for the three months ended June 30, 2015, compared to net income of 12,569 for the three months ended June 30, 2014. The increase of $163,160 is attributable to the factors discussed below.

Revenues. We had nominal revenues of $1,764 for licensing fees from our operations for the three months ended June 30, 2015 compared to no revenues for the three months ended June 30, 2014. As previously noted, the Company's current business plan is to focus on our subsidiary's efforts to develop, promote, market and sell turnkey branded consumer good for infusion and ultimate distribution by licensed cannabis operations in the states of Washington and Oregon, while completing final efforts which will terminate and otherwise liquidate our prior business of developing wind power generation facilities. The extent to which, and the amount of, revenues which may be generated from our subsidiary's business activities is unknown.

Expenses. Our operating expenses were $97,521 and $24,644 for the three months ended June 30, 2015 and 2014, respectively. The increase of $72,877 was principally attributable to an approximate $42,000 increase in professional fees and stock based compensation related to developing our new Cannabis business, an approximate $37,000 increase in amortization of intangible assets and offset by an approximate $6,000 decrease in other general and administrative expenses.

Other Income (Expense). Our total other income (expense) was ($54,834) for the three months ended June 30, 2015, compare to total other income (expense) of $37,213 for the three months ended June 30, 2014. The increase of $92,047 was attributable to a $48,759 increase in interest expense on new loans compared to the three months ended March 31, 2014, and a gain of $43,288 on derivative financial instruments during the three months ended March 31, 2014.

Results of Operations for the six months ended June 30, 2015 compared to the six months ended June 30, 2014:

Overview. We had nominal revenues of $1,764 for licensing fees in the six months ended June 30, 2015. There was a net loss of $586,926 and 145,853 for the six months ended June 30, 2015 and 2014, respectively. The increase of $441,037 is attributable to the factors discussed below.

Revenues. We had nominal revenues of $1,764 for licensing fees from our operations for the six months ended June 30, 2015 compared to no revenues for the six months ended June 30, 2014. As previously noted, the Company's current business plan is to focus on our subsidiary's efforts to develop, promote, market and sell turnkey branded consumer good for infusion and ultimate distribution by licensed cannabis operations in the states of Washington and Oregon, while completing final efforts which will terminate and otherwise liquidate our prior business of developing wind power generation facilities. The extent to which, and the amount of, revenues which may be generated from our subsidiary's business activities is unknown.

Expenses. Our operating expenses were $144,406 and $42,578 for the six months ended June 30, 2015 and 2014, respectively. The increase of $101,828 was principally attributable to an approximate $75,000 increase in professional fees and stock based compensation related to developing our new Cannabis business, an approximate $37,000 increase in amortization of intangible assets and offset by an approximate $10,000 decrease in other general and administrative expenses.

Other Income (Expense). Our total other expense was $444,284 and 103,275 for the six months ended June 30, 2015 and 2014, respectively. The increase of $341,009 was attributable to a $334,747 loss on conversion of debt, a $97,473 increase in interest expense on new loans compared to the six months ended March 31, 2014, and offset by a loss of $91,211 on derivative financial instruments during the six months ended March 31, 2014.

Capital Structure and Resources

We had total assets of $239,264 as of June 30, 2015, which consisted of cash of $93, property and equipment (net of accumulated depreciation) of $12,950, intangible assets of $115,964 from the Cana and Cana, Inc. acquisition and goodwill of $110,257 from the Cana and Cana, Inc. acquisition.

We had total liabilities of $1,122,919 as of June 30, 2015 consisting of accounts payable of $247,988, accrued expenses of $185,819, shareholder loans payable of $136,667, advances due to shareholder of $364,052 and convertible notes payable for $188,393 (net of debt discount). For further information and details on convertible notes which have been issued, see Note 5 (Convertible Notes Payable) to the financial statements attached hereto as Exhibit A and information set forth in Item 4 above.

At June 30, 2015, we had total stockholders' deficiency of $883,655. We have had net losses since inception and had an accumulated deficit of $(7,639,811) at June 30, 2015.

We had net cash used in operating activities of $41,164 for the six months ended June 30, 2015. Net cash of $35,000 was provided by financing activities for the six months ended June 30, 2015 as provided by loans from individuals.

B. ***Off-Balance Sheet Arrangements***.

We have no material off-balance sheet transactions, arrangements or obligations.

C. ***Date and State (or Jurisdiction) of Incorporation.***

Canna is a Nevada corporation that was originally formed on March 9, 2004, under the name ProMana Solutions, Inc. Thereafter, on July 2, 2008, ProMana amended its Articles of Incorporation and our name was changed to Crownbutte Wind Power, Inc. Thereafter, effective September 22, 2014 Crownbutte Wind Power, Inc. amended its' Articles of Incorporation and our name was changed to Canna Brands Inc. Thereafter, effective June 10, 2015 Canna Brands Inc. amended its' Articles of Incorporation and our name was changed to Canna Consumer Goods Inc.

D. ***Issuer's Primary and Secondary SIC Codes.***

Canna's primary SIC Code is 8900 – Miscellaneous Services and its secondary SIC Code is 4911 – Electric Services.

E. ***Issuer's fiscal year end date.***

Canna's fiscal year end is at December 31st of each year.

F. ***Principal Products or Services, and Their Markets***.

Current Status

As disclosed in Item 6A above, Canna will, through its wholly-owned subsidiary, develop, promote, market and sell turnkey branded consumer goods for infusion and distribution by licensed cannabis processors and producers, dispensaries and retail outlets for medical and recreational use in the states of Washington and Oregon where, for persons 21 years and over, the recreational use and consumption of marijuana is now legal for state law purposes only. However, these state laws have no effect on federal laws which classify marijuana as a "controlled substance" which thereby makes it illegal to produce, sell or possess marijuana under federal law. Canna will pursue these efforts while completing final efforts which will terminate and otherwise liquidate our prior business of developing wind power generation facilities which should be completed by the end of 2015, perhaps later.

Canna intends to sell branding and intellectual property solutions to licensed marijuana processors, producers, retail outlets and dispensary owners. Canna does not sell marijuana infused products. In the period of October through December, 2014, we focused our efforts on businesses that support the medical marijuana industry in the state of Washington.

Item 7. Describe the Issuer's Facilities.

Properties

As of June 30, 2015 or earlier, all of our option agreements with landowners applicable to properties on which wind energy projects were to be constructed and operated had expired or had been terminated. Thus, we have not made any lease payments to landowners for a substantial period of time.

Description of Corporate Offices

Since approximately March 2011, Canna's corporate offices (approx. 300 square feet) have been located at 40 Easthampton B, West Palm Beach, FL 3341. This office space is provided, on a month-to-month basis, by our CEO at no charge.

We believe that our current facilities are adequate for our operations as currently conducted and if additional facilities are required, that we could obtain them at commercially reasonable prices.

PART D MANAGEMENT STRUCTURE AND FINANCIAL INFORMATION

Item 8. Officers, Directors and Control Persons.

A. Name of Officers, Directors and Control Persons. The names of each of the Company's executive officers, directors and control persons (control persons are beneficial owners of more than five percent (5%) of any class of the Company's equity securities) as of the date of this Quarterly Report are as follows:

Name	Age	Position
Mark Schaftlein	57	Chief Executive Officer, Chief Financial Officer and Director
Pam Pennoyer	53	Shareholder (owning approx. 22.1% of Company's outstanding common shares and 25% of the Series 2014A Preferred Shares)
Ronald Henthorn		Shareholder (owning approx. 22.1% of Company's outstanding common shares and 25% of the Series 2014A Preferred Shares)
Capital Consulting, Inc.		Shareholder (owning approx. 8.4% of Company's outstanding common shares and 25% of the Series 2014 Preferred Shares). This is a Corporation controlled by Mark Schaftlein, CEO and Director.
RYOX Corporation		Shareholder (owning approx. 8.4% of Company's outstanding common shares and 25% of the Series 2014A Preferred Shares) This is a Corporation controlled by Murray Fleming, former Director.
Nacel Energy Corporation	--	Shareholder (owning approx. 7.5% of Company's outstanding common shares).

B. Legal/Disciplinary History. At no time in the last five years, has any officer or member of the board of directors, or any control person, been the subject of any of the following:

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

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

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

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

C. Beneficial Shareholders. The following table sets forth certain information regarding the beneficial ownership of our common stock as of June 30, 2015, by each person who, to our knowledge, owns more than 10% of any class of our common stock. Unless otherwise indicated in the footnotes to the following tables, each person named in the table has sole voting and investment power, except to the extent such power may be shared with a spouse.

Name and Address of Beneficial Owner	**Amount and Nature of Beneficial Ownership**	**Percent of Class** [+]
Pam Pennoyer 20024 106th SE Kent, WA 98031	31,062,500	21.8 %
Ronald Henthorn 4511 Lake Washington Blvd. NE, Suite 3 Kirkland, WA 98033	31,062,500	21.8 %

[+] Based on 142,469,055 shares of common stock issued and outstanding as of August 14,, 2015.

The following table sets forth certain information regarding the beneficial ownership of our 2014A preferred stock as of August 14, 2015, by each person who, to our knowledge, owns more than 10% of any class of our preferred stock. Unless otherwise indicated in the footnotes to the following tables, each person named in the table has sole voting and investment power, except to the extent such power may be shared with a spouse.

Name and Address of Beneficial Owner	**Amount and Nature of Beneficial Ownership**	**Percent of Class** [+]
Pam Pennoyer 20024 106th SE Kent, WA 98031	250	25.0%
Ronald Henthorn 4511 Lake Washington Blvd. NE, Suite 3 Kirkland, WA 98033	250	25.0%

Capital Consulting, Inc.(1) 335 E. Linton Blvd. B14, Box 2085 Delray Beach, FL 33483	250	25.0%
RYOX Corporation(2) 1574 Gulf Road, #135 Point Roberts, WA 98281	250	25.0%

[*] Based on 1,000 shares of Series 2014A preferred stock issued and outstanding as of August 14, 2015.

(1) This entity is solely owned and controlled by Mark Schaftlein, being an officer and director of the Company.
(2) This entity is solely owned and controlled by Murray Fleming, being a former director of the Company.

Item 9. Third Party Providers

1. Counsel: Patrick J. Russell, Esq.
Allen & Vellone, P.C.
1600 Stout Street, Suite 1100
Denver, Colorado 80202
Phone no.: (303) 534-4499

2. Accountant: Rick Basse, CPA
Rick Basse Consulting, PLLC
244 Majestic Oak Drive
New Braunfels, Texas 78132
Phone no.: (210) 347-0374

Auditor: None

3. Investor Relations Consultant: None

4. Other Advisors: None

Item 10. Issuer's Certifications.

I, Mark Schaftlein, certify that:

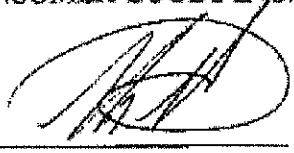
1. I have reviewed this Quarterly Report of Canna Consumer Goods Inc.

2. Based on my knowledge, this disclosure statement does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this disclosure statement; and

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

Dated the 14th day of August, 2015.

CANNA CONSUMER GOODS INC.



By_____
Mark Schaftlein, Chief Executive Officer and
Chief Financial Officer

Exhibit A

CANNA CONSUMER GOODS, INC.
40 Easthampton B
West Palm Beach, FL 33417

Financial Statements and Notes
For the Three and Six months ended June 30, 2015 and 2014

CANNA CONSUMER GOODS, INC.

Consolidated Balance Sheets (Unaudited)

	June 30, 2015	December 31, 2014
Assets		
Current assets:		
Cash	$ 93	$ 6,257
Total current assets	93	6,257
Other assets		
Investment in Canna and Canna Inc.	0	-
Property and equipment, net of a accumulated depreciation of $33,327 and $31,009	12,950	15,267
Intangible Assets	115,964	152,500
Goodwill	110,257	110,257
Total other assets	239,171	278,024
Total Assets	$ 239,264	$ 284,281
Liabilities and Stockholders' Deficiency		
Current liabilities:		
Accounts payable	$ 247,988	$ 225,698
Accrued expenses	185,819	157,777
Stockholders loans payable	136,667	180,000
Due to stockholder	364,052	364,052
Convertible notes, net of discount of $38,107 and $115,604	188,393	75,896
Total current liabilities	1,122,919	1,003,423
Commitments and contingencies		
Stockholders' Deficiency:		
Preferred stock, $0.001 par value; 25,000,000 shares authorized, 1,000 Series 2014A Preferred stock shares issued and outstanding as of June 30, 2015 and December 31, 2014	1	1
Common stock, $0.001 par value, 500,000,000 shares authorized 142,469,055 and 133,435,805 issued and outstanding as of June 30, 2015 and December 31, 2014, respectively	142,469	133,436
Additional paid-in capital	6,633,686	6,263,639
Deferred Compensation	(20,000)	(63,333)
Accumulated deficit	(7,639,811)	(7,052,885)
Equity accumulated during development stage	-	-
Total stockholders' deficiency	(883,655)	(719,142)
Total Liabilities and Stockholders' Deficiency	$ 239,264	$ 284,281

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

CANNA CONSUMER GOODS, INC.

Consolidated Statements of Operations (unaudited)
For the three and six months ended June 30, 2015 and 2014

	For the Three Months Ended		For the Six Months Ended	
	June 30, 2015	June 30, 2014	June 30, 2015	June 30, 2014
Revenue	$ 1,764	$ -	$ 1,764	-
Cost of Revenue	-	-	-	-
Gross margin	1,764	-	1,764	-
Operating expenses:				
General and administrative expenses	$ 59,826	$ 23,485	$ 105,552	$ 40,260
Depreciation and amortization expense	37,695	1,159	38,854	2,318
Total operating expenses	97,521	24,644	144,406	42,578
Net operating loss	(95,757)	(24,644)	(142,642)	(42,578)
Other income (expense):				
Interest expense	(54,834)	(6,075)	(109,537)	(12,064)
Loss on conversion of debt	-	-	(334,747)	-
Gain (loss) on derivative financial instruments	-	43,288	-	(91,211)
Total Other income (expense)	(54,834)	37,213	(444,284)	(103,275)
Net Income (loss)	$ (150,591)	$ 12,569	$ (586,926)	$ (145,853)
Basic & diluted income (loss) per share	$ (0.001)	$ 0.000	$ (0.004)	$ (0.004)
Diluted income per share	$ N/A	$ 0.000	$ N/A	$ N/A
Weighted average number of common shares outstanding - basic & diluted	142,469,055	38,110,805	141,166,309	38,110,805
Weighted average number of common shares outstanding - diluted	N/A	63,620,805	N/A	N/A

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

CANNA CONSUMER GOODS, INC.

Statements of Cash Flow (Unaudited)
For the six months ended June 30, 2015 and 2014

	For the Six Months Ended June 30, 2015	For the Six Months Ended June 30, 2014
Cash flows from operating activities:		
Net loss	$ (586,926)	$ (145,853)
Adjustments to reconcile net loss to net cash used in operating activities:		
Depreciation expense	38,853	2,318
Stock issued for services	25,333	-
Non-cash interest	109,537	12,062
Derivative gain (loss)	-	91,211
Loss on conversion of debt	334,747	-
Changes in operating assets and liabilities:		
Accounts payable	22,290	(174)
Accrued expenses and other current liabilities	15,002	30,002
Net cash used in operating activities	(41,164)	(10,434)
Cash flows from financing activities		
Payments on shareholders loans	-	(8,100)
Proceeds from convertible notes payable	35,000	19,000
Net cash provided (used) by financing activities	35,000	10,900
Net increase in cash	(6,164)	466
Cash - beginning of the year	6,257	3,380
Cash - end of the year	$ 93	$ 3,846
Supplemental disclosures:		
Interest paid	$ -	$ -
Supplemental disclosure for non-cash financing activities:		
Discount on Notes Payable	$ 19,000	$ -
Conversion of notes payable to common stock	$ 378,080	$ -

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

NOTE 1 – ORGANIZATION AND BASIS OF PRESENTATION BASIS

Nature of organization & business

i) Organization

Crownbutte Wind Power LLC ("Crownbutte ND") was founded on May 11, 1999 with the strategy of addressing the requirements of regional utility companies to satisfy increasing renewable energy demands. Crownbutte ND was formed as a limited liability company (LLC) in the State of North Dakota and elected to be taxed as an S corporation effective January 1, 2001. On March 11, 2008, Crownbutte ND no longer met the requirements to be treated as an S corporation. As a result, effective March 11, 2008, Crownbutte ND has been taxed like a C corporation. On May 19, 2008, Crownbutte ND filed with the Secretary of State of North Dakota to convert from an LLC to a C corporation becoming "Crownbutte Wind Power, Inc." On July 2, 2008, Crownbutte ND became a wholly owned subsidiary of Crownbutte Wind Power, Inc. ., a Nevada corporation, formerly ProMana Solutions, Inc. as described below. Thereafter, having obtained shareholder approval, Crownbutte Wind Power, Inc. filed a Certificate of Amendment, effective on September 22, 2014, which changed its name to "Canna Brands, Inc." Thereafter, having obtained shareholder approval, Canna Brands, Inc. filed a Certificate of Amendment, effective on June 10, 2015, which changed its name to "Canna Consumer Goods, Inc." ("Canna" or the "Company").

In cooperation with a local utility, Crownbutte ND, developed and constructed the first utility-scale wind facility in either of the Dakotas in 2001, consisting of two turbines near Chamberlain, South Dakota.

ProMana Solutions, Inc. (or "ProMana")

ProMana was incorporated in the State of Nevada on March 9, 2004, under the name ProMana Solutions, Inc. ProMana's business was to provide web-based, fully integrated solutions for managing payroll, benefits, human resource management and business processing outsourcing to small and medium sized businesses. Following the merger described below, ProMana is no longer in that web services business. On July 2, 2008, ProMana amended its Articles of Incorporation to change its name to Crownbutte Wind Power, Inc.

Merger

On July 2, 2008, pursuant to a Merger Agreement entered into on the same date, Crownbutte Acquisition Sub Inc., a North Dakota corporation formed on June 6, 2008, and a wholly owned subsidiary ("Acquisition Sub"), merged with and into Crownbutte ND, with Crownbutte ND being the surviving corporation (the "Merger"). As a result of the Merger, Crownbutte ND became a wholly-owned subsidiary of Crownbutte Wind Power, Inc.

Pursuant to the Merger, ProMana ceased operating as a provider of web-based, fully integrated solutions for managing payroll, benefits, human resource management and business processing outsourcing, and acquired the business of Crownbutte ND to develop wind parks from green field to operation and has continued Crownbutte ND's business operations as a publicly-traded company. See "Split-Off Agreement" below.

At the closing of the Merger, each share of Crownbutte ND's common stock issued and outstanding immediately prior to the closing of the Merger was converted into one share of the Company's common stock. As a result, an aggregate of 18,100,000 shares of common stock were issued to the holders of Crownbutte ND's common stock, 17,000,000 of which were issued to the original members of Crownbutte Wind Power LLC and 1,100,000 to investors in Crownbutte ND who purchased shares in a private placement prior to the merger. In addition, warrants to purchase an aggregate of 10,600,000 shares of Crownbutte ND's outstanding at the time of the Merger became warrants to purchase an equivalent number of shares of the Company's common stock.

Split-Off Agreement

Upon the closing of the Merger, under the terms of a Split-Off Agreement, ProMana transferred all of its pre-Merger operating assets and liabilities to its wholly-owned subsidiary, ProMana Technologies, Inc., a New Jersey corporation ("ProMana NJ"). Simultaneously, pursuant to the Split-Off Agreement, ProMana transferred all of the outstanding shares of capital stock of ProMana NJ to two stockholders prior to the Merger (the "Split-Off"), in consideration of and in exchange for (i) the surrender and cancellation of an aggregate of 144,702 shares of the common stock and warrants to purchase 19,062 shares of common stock held by those stockholders and (ii) certain representations, covenants and indemnities.

NOTE 1 – ORGANIZATION AND BASIS OF PRESENTATION BASIS (Cont.)

For accounting purposes, the Merger was treated as a recapitalization of the Company. Crownbutte ND formerly Crownbutte Wind Power LLC is considered the acquirer for accounting purposes, and the Company's historical financial statements before the Merger have been replaced with the historical financial statements of Crownbutte ND before the Merger in all subsequent filings with the Securities and Exchange Commission (the "SEC").

As used herein, unless the context otherwise requires, the "Company" and "Crownbutte" refer to Crownbutte ND for periods prior to the merger and to Crownbutte Wind Power, Inc., , a Nevada corporation, formerly ProMana Solutions, Inc., and its wholly-owned subsidiary, Crownbutte ND, for periods after the Merger and prior to July 2, 2014.

Shareholders Approve Name Change and Increase Authorized Shares of Common Stock

On September 19, 2014, the shareholders of Crownbutte approved of a name change and approved an increase in the number of authorized common stock from 200,000,000 shares to 500,000,000 shares. Thereafter, Crownbutte Wind Power, Inc. filed a Certificate of Amendment, effective on September 22, 2014, changing its name to "Canna Brands, Inc." and increasing its authorized common stock from 200,000,000 shares to 500,000,000 shares.

On June 3, 2015, the shareholders of the Company approved of a name change. Thereafter, Canna Brands, Inc. filed a Certificate of Amendment, effective on June 10, 2015, changing its name to "Canna Consumer Goods, Inc." (the "Company" or "Canna").

ii) Business

In mid-2011, the Company concentrated its efforts on developing the Gascoyne I Wind Park located in North Dakota which required that it obtain necessary construction financing and negotiate and enter into a wind turbine supply agreement. After approximately 8 months in pursuing such efforts, the Company was not able to finance the project.

Based on the foregoing, as of January 31, 2012, the Company ceased and terminated any further efforts related to the development of the Gascoyne I Wind Park and thereafter proceeded to request the return of its deposits with MISO (Midwest Independent System Operator) totaling $213,000. These deposits were returned to the Company during the period from March, 2012 through June, 2012. These deposits were utilized by the Company to repay its outstanding indebtedness.

Due to unfavorable financing conditions, inability to finance, lack of success in connection with the Gascoyne I Wind Park and general uncertainty and lack of commercial progress throughout the wind energy industry, the Company has determined that it will cease further efforts to develop, by itself, its various wind projects. Thus, the Company has been pursuing an orderly transfer, termination and liquidation of its various wind project assets.

The Company currently anticipates that its efforts to terminate and otherwise liquidate its investment in various wind projects will be completed by the end of 2015, perhaps later.

As of June 30, 2015, the Company had limited rights or interests, if any, in its original 10 separate wind projects anticipated to have approximately 638 MW, or more (0 MW currently in operation), of total potential generating capacity.

On July 14, 2014, the Company entered into an Agreement and Plan of Reorganization (the "Agreement") with Canna & Canna Inc., a Washington corporation which was consummated on July 15, 2014. As a result, the Company acquired all of the 12,425,000 issued and outstanding shares of Canna & Canna, Inc. in exchange for issuing 62,125,000 restricted shares of the Company's common stock and 500 restricted shares of the Company's Series 2014A preferred stock. Canna & Canna Inc. became a wholly owned subsidiary of the Company. Additionally, on September 22, 2014, the Company changed its name to Canna Brands Inc. reflecting its new business plan and changed its CUSIP and ticker symbol. On June 10, 2015, the Company changed its name to Canna Consumer Goods, Inc. The Company plans to provide turnkey branded consumer goods for infusion and distribution by licensed cannabis processors and producers, dispensaries and retail outlets for medical and recreational use in the States of Washington and Oregon where the medical and recreational use and consumption of marijuana, by persons 21 years or older, is legal for state law purposes only. We sell branding and intellectual property solutions to licensed processors, producers, retail outlets and dispensary owners. We do not sell marijuana infused products. In the period of October through December, we focused our efforts on businesses that support the medical marijuana industry in Washington State.

NOTE 1 – ORGANIZATION AND BASIS OF PRESENTATION BASIS (Cont.)

During the fourth quarter of 2014, the company entered into a marketing and branding agreement with Washington based Nana's Secret Soda. That agreement was subsequently terminated in the first quarter of 2015.

Effective July 16, 2014, the Company filed a Certificate of Designation which established the rights, preferences and other provisions applicable to 1,000 shares of Series 2014A, $.001 par value, preferred stock.

During August 2014, the Company amended its Bylaws to increase the numbers Board of Directors from two to three members and appointed Alison Baird to the board of directors. Effective September 22, 2014, the Company filed a Certificate of Amendment to its Articles of Incorporation which increased the number of authorized shares of common stock from 200,000,000 shares to 500,000,000 shares.

On January 15, 2015, the Company amended its Bylaws to decrease the numbers Board of Directors from three to one member and accept the resignation of Alison Baird from the board of directors. Murray Fleming had previously resigned from the Board of Directors.

On June 8, 2015, the board appointed Giselle Serrano as the Company's Secretary. A position held by Murray Fleming who previously resigned.

Basis of Presentation

The financial statements of the Company have been prepared in accordance with generally accepted accounting principles in the United States of America.

Use of Estimates

In preparing financial statements, management makes estimates and assumptions that affect the reported amounts of assets and liabilities in the balance sheet and revenue and expenses in the statement of expenses. Actual results could differ from those estimates.

Cash and Cash Equivalents

For purposes of the statement of cash flows, the Company considers all highly liquid investments purchased with an original maturity of three months or less to be cash equivalents.

Concentrations of Risk

Cash and cash equivalents deposited with financial institutions are insured by the Federal Deposit Insurance Corporation ("FDIC"). The Company did not hold cash in excess of FDIC insurance coverage at a financial institution as of June 30, 2015 and December 31, 2015.

Property and equipment

Property and equipment is recorded at cost and depreciated on the straight-line method over the estimated useful lives. Expenditures for normal repairs and maintenance are charged to expense as incurred. The cost and related accumulated depreciation of assets sold or otherwise disposed of are removed from the accounts, and any gain or loss is included in operations.

Valuation of Long-Lived and Intangible Assets

We assess the impairment of long-lived and intangible assets periodically, or at least annually, and whenever events or changes in circumstances indicate that the carrying value may not be recoverable. Factors considered important, which could trigger an impairment review, include the following: significant underperformance relative to historical or projected future cash flows; significant changes in the manner of use of the assets or the strategy of the overall business; and significant negative industry trends. When management determines that the carrying value of long-lived and intangible assets may not be recoverable, impairment is measured as the excess of the assets' carrying value over the estimated fair value. No impairment losses were recorded in 2015 or 2014. Management is not aware of any impairment changes that may currently be required; however, we cannot predict the occurrence of events that might adversely affect the reported values in the future.

NOTE 1 – ORGANIZATION AND BASIS OF PRESENTATION BASIS (Cont.)

Derivative Financial Instruments

The Company does not use derivative instruments to hedge exposures to cash flow, market, or foreign currency risks. The Company evaluates all of its financial instruments to determine if such instruments are derivatives or contain features that qualify as embedded derivatives. For derivative financial instruments that are accounted for as liabilities, the derivative instrument is initially recorded at its fair value and is then re-valued at each reporting date, with changes in the fair value reported as charges or credits to income. For option-based derivative financial instruments, The Company uses the Black-Scholes option-pricing model to value the derivative instruments at inception and subsequent valuation dates. The classification of derivative instruments, including whether such instruments should be recorded as liabilities or as equity, is re-assessed at the end of each reporting period. Derivative instrument liabilities are classified in the balance sheet as current or non-current based on whether or not net-cash settlement of the derivative instrument could be required within 12 months of the balance sheet date.

Fair Value Measurements

In September 2006, the FASB issued ASC 820 (previously SFAS 157) which defines fair value, establishes a framework for measuring fair value, and expands disclosures about fair value measurements. The provisions of ASC 820 were effective January 1, 2008.

As defined in ASC 820, fair value is 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 (exit price). The Company utilizes market data or assumptions that market participants would use in pricing the asset or liability, including assumptions about risk and the risks inherent in the inputs to the valuation technique. These inputs can be readily observable, market corroborated, or generally unobservable. The Company classifies fair value balances based on the observations of those inputs. ASC 820 establishes a fair value hierarchy that prioritizes the inputs used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (level 1 measurement) and the lowest priority to unobservable inputs (level 3 measurement).

The three levels of the fair value hierarchy defined by ASC 820 are as follows:

Level 1 – Quoted prices are available in active markets for identical assets or liabilities as of the reporting date. Active markets are those in which transactions for the asset or liability occur in sufficient frequency and volume to provide pricing information on an ongoing basis. Level 1 primarily consists of financial instruments such as exchange-traded derivatives, marketable securities and listed equities.

Level 2 – Pricing inputs are other than quoted prices in active markets included in level 1, which are either directly or indirectly observable as of the reported date. Level 2 includes those financial instruments that are valued using models or other valuation methodologies. These models are primarily industry-standard models that consider various assumptions, including quoted forward prices for commodities, time value, volatility factors, and current market and contractual prices for the underlying instruments, as well as other relevant economic measures. Substantially all of these assumptions are observable in the marketplace throughout the full term of the instrument, can be derived from observable data or are supported by observable levels at which transactions are executed in the marketplace. Instruments in this category generally include non-exchange-traded derivatives such as commodity swaps, interest rate swaps, options and collars.

Level 3 – Pricing inputs include significant inputs that are generally less observable from objective sources. These inputs may be used with internally developed methodologies that result in management's best estimate of fair value.

Income taxes

The Company was organized as a limited liability company for the year ended December 31, 2007 and the Company's members elected to be taxed as an S corporation. An S corporation is not a taxpaying entity for federal and state income tax purposes; thus, no income tax expenses have been recorded in the financial statements. It is the responsibility of the members to report their proportionate share of the Company's income or loss on the members' individual income tax returns.

Since March 11, 2008, the Company is being taxed as a C corporation. A short year S corporation tax return and a short year C corporation tax return were filed. Income tax liability is $0 at June 30, 2015 and December 31, 2014.

NOTE 1 – ORGANIZATION AND BASIS OF PRESENTATION BASIS (Cont.)

The Company has adopted the provisions of FASB ASC Topic 740, "Income Taxes" ("ASC 740"). As required under ASC 740, the Company accounts for income taxes using an asset and liability approach, which requires the recognition of deferred tax assets and liabilities for the expected future tax consequences of temporary differences between the financial statements and tax bases of assets and liabilities at the applicable tax rates. A valuation allowance is utilized when it is more likely than not, that some portion of, or all of the deferred tax assets will not be realized. Deferred tax assets and liabilities are adjusted for the effects of changes in tax laws and rates on the date of enactment.

ASC 740 prescribes a recognition threshold and measurement attribute for the financial statement recognition and measurement of a tax position taken or expected to be taken in a tax return. Under ASC 740, the Company recognizes tax benefits only for tax positions that are more likely than not to be sustained upon examination by tax authorities. The amount recognized is measured as the largest amount of benefit that is greater than 50 percent likely to be realized upon settlement. A liability for "unrecognized tax benefits" is recorded for any tax benefits claimed in our tax returns that do not meet these recognition and measurement standards.

Basic and diluted net income per share

In calculating earnings per share, there were no adjustments to net earnings to arrive at earnings for any periods presented. The reconciliation of the denominators of the earnings per share calculations is as follows:

	Three Months Ended June 30,	
	2015	2014
Weighted average shares outstanding for basic earnings per share	142,469,055	38,110,805
Weighted average shares outstanding for diluted earnings per share	N/A	25,510,000
Total	142,469,055	63,620,805

	Six Months Ended June 30,	
	2015	2014
Weighted average shares outstanding for basic earnings per share	141,166,309	38,110,805
Weighted average shares outstanding for diluted earnings per share	N/A	N/A
Total	141,166,309	38,110,805

The Company computes income per share in accordance with ASC 260, ''Earnings per Share'' which requires presentation of both basic and diluted earnings per share on the face of the statement of operations. Basic income per share is computed by dividing net income available to common shareholders by the weighted average number of outstanding common shares during the period. Diluted income per share gives effect to all dilutive potential common shares outstanding during the period including stock options and warrants using the treasury method. At June 30, 2015, the total shares issuable upon conversion of convertible notes payable would be approximately 49,100,000 shares of the Company's common stock.

The warrants to purchase shares of common stock that were outstanding for the three months ended June 30, 2015, were not included in the computation of diluted earnings per share because the effect would have been anti-dilutive are as follows:

	Three Months Ended June 30,	
	2015	2014
Weighted average anti-dilutive warrants outstanding	19,371,319	N/A

The warrants to purchase shares of common stock that were outstanding for the six months ended June 30, 2015 and 2014, were not included in the computation of diluted earnings per share because the effect would have been anti-dilutive are as follows:

NOTE 1 – ORGANIZATION AND BASIS OF PRESENTATION BASIS (Cont.)

	Six Months Ended June 30,	
	2015	2014
Weighted average anti-dilutive warrants outstanding	22,423,702	25,837,544

Stock Compensation

The Company follows Financial Accounting Standard No. 123R (ASC 718), "Share-Based Payment" as interpreted by SEC Staff Accounting Bulletin No. 107 for financial accounting and reporting standards for stock-based employee compensation plans. It defines a fair value based method of accounting for an employee stock option or similar equity instrument.

The Company uses the Black-Scholes option valuation model for estimating the fair value of traded options. This option valuation model requires the input of highly subjective assumptions including the expected stock price volatility. No were no options outstanding for the six months ended June 30, 2015 and 2014.

The Company recorded stock-based compensation of $12,000 and -0- for the three months ended June 30, 2015 and 2014, respectively, and $25,333 and -0- for the six months ended June 30, 2015 and 2014, respectively.

NOTE 2 – ACQUISITION

On July 14, 2014, the Company entered into an Agreement and Plan of Reorganization whereby Canna & Canna Inc. became a wholly-owned subsidiary. As of July 14, 2014, Canna & Canna, Inc. had no operating activity. Currently, the Company will, through its wholly-owned subsidiary, develop, promote and market turnkey branded consumer goods for infusion and distribution by licensed cannabis processors and producers, dispensaries and retail outlets in the states of Washington and Oregon where, for persons 21 years and older, the recreational use and consumption of marijuana is legal for state law purposes only. However, these state laws have no effect on federal laws which classify marijuana as a "controlled substance" which thereby makes it illegal to produce, sell or possess marijuana under federal law.

The Company entered into a Type B reorganization under Section 3689(a)(1)(B) of the Internal Revenue Code of 1986, as amended, and the regulations promulgated thereunder, whereby the Company acquired all the 12,425,000 issued and outstanding shares of the Canna & Canna, Inc. by issuing 62,125,000 restricted shares of the Company's common stock and 500 restricted shares of the Company's Series 2014A preferred stock. The 62,125,000 restricted shares were valued at $248,500 or $.004 per share and the 500 restricted shares of the Company's Series 2014A preferred stock were valued at $15,000 or $30 per share for an aggregate purchase price of $263,500.

The purchase price has been allocated to the net assets acquired upon their estimated fair values as follows:

Cash	$ 743
Intangible assets:	
Domain Names	52,500
Other	100,000
Goodwill	110,257
Total	$ 263,500

NOTE 3 - INTANGIBLES

Intangibles consist of domain names and other items of $152,500 and goodwill of $110,257 acquired in the purchase of the assets of Canna and Canna Inc. The fair value of the domain names and other items was calculated using the net present value of the projected gross profit to be generated by the customer list over the next 48 months beginning in January 2015 with annual amortization of $38,125.

Goodwill was determined based on the purchase price paid over the assets acquired and has an indefinite life which will be tested for impairment annually.

NOTE 4 - GOING CONCERN

The accompanying consolidated financial statements have been prepared on a going concern basis, which contemplates the realization of assets and satisfaction of liabilities in the normal course of business. The Company has incurred material recurring losses from operations. The Company has not generated revenues since inception and has generated losses totaling $7,639,811 since inception. In addition, the Company is experiencing a continuing operating cash flow deficiency. These factors, among others, raise substantial doubt about the Company's ability to continue as a going concern.

The Company is relying on investor funding to maintain operations. The Company will continue to pursue additional equity financing and/or debt financing while managing cash flow in an effort to provide funds and cash flow to meet its obligations on a timely basis and to complete the final efforts which will terminate and otherwise liquidate our prior business of developing wind power generation facilities and develop the Canna and Canna, Inc. business which uniquely positions the Company in the emerging and fast growing marijuana consumer goods industry.

The consolidated financial statements do not contain any adjustments to reflect the possible future effects on the classification of assets or the amounts and classification of liability that may result should the Company be unable to continue as a going concern.

NOTE 5 – ACCRUED EXPENSES

Accrued expenses consist of the following:

		June 30, 2015		December 31, 2014
Accrued Payroll	$	37,500	$	22,500
Credit Cards Payable		30,071		30,071
Accrued Interest		118,248		105,206
	$	185,819	$	157,777

NOTE 5 – CONVERTIBLE NOTES PAYABLE

On May 23, 2011, the Company executed and delivered, pursuant to a private placement with a single institutional investor, its $330,000 Convertible Promissory Note (the "Convertible Note") in exchange for the investor's execution and delivery of a $300,000 Secured & Collateralized Promissory Note (the "Secured Note") to the Company. The lender is not entitled to the $30,000 of additional principal under the Convertible Note until all amounts under the Secured Note have been received by the Company. If the Company receives the full $300,000 under the Secured Note, additional principal of $30,000 will become due to the lender and available for conversion.

The original principal amount of the Convertible Note is $330,000, and the Convertible Note provides for a 6% one-time interest charge. The Convertible Note has a maturity date of three (3) years from May 23, 2011 at which time all principal and accrued interest shall be due and payable in full. Prepayment is not permitted unless approved by the holder in writing. However, the Convertible Note is payable on demand by the holder in an amount not to exceed the cash amount paid under the Secured Note.

The Convertible Note is convertible by the holder, at its election; at any time provided that the designated amount to be converted into shares of the Company's common stock has been discharged by payment of an equal or greater amount on the Secured Note. The subject conversion amount is converted into shares of Company's common stock based on a conversion price of seventy-five percent (75%) of the lowest trade price in the 30 trading days prior to the conversion.

In accordance with the terms of the Convertible Note, the investor may not convert any amount of the Convertible Note if after giving effect to such conversion the investor would beneficially own greater than 4.9% of the outstanding shares of the Company's common stock.

The Secured Note is a full recourse obligation of the investor to repay the original principal amount of $300,000 and the 6.6% one-time interest charge as provided for therein. The Secured Note has a maturity date of three (3) years from May 23, 2011 at which time all principal and accrued interest shall be due and payable in full. Prepayment is permitted at any time in the form of cash, other payment as mutually agreed upon, surrender of the Convertible Note, or surrender of the collateral or security which secures repayment of amounts due under the Secured Note. The Secured Note provides that the investor will plan to make, without obligation, monthly payments of $25,000 beginning 210 days from execution of the Secured Note subject to conversions being honored as set forth under the Convertible Note and Rule 144 being available to remove restrictive legend from shares obtained in conversions such that the shares are freely tradable. During the May 2011, the investor made a $25,000 prepayment against the subject indebtedness.

NOTE 5 – CONVERTIBLE NOTES PAYABLE (Cont.)

The embedded conversion option does not contain an explicit limit on the number of shares to be issued upon conversion. Due to this provision, the embedded conversion option qualifies for derivative accounting under ASC 815-15, Derivatives and Hedging (See Note 8 below). This fair value in conjunction with the fair value of the warrants issued with the new note resulted in a full discount to the note payable at the modification date. On July 11, 2014, the Company executed a Settlement Agreement and Release which settles the May 23, 2011 $330,000 Convertible Promissory Note from an investor and related $300,000 Secured & Collateralized Promissory Note to the Company for $31,000 including accrued interest. The Company transferred the related derivative liability to additional paid-in-capital on the accompanying balance sheet.

On November 20, 2013, the Company issued a $5,000 convertible promissory note to our CEO and director. The loan bears interest at 3% and has a maturity date of November 20, 2014. In addition, at any time, the Company's CEO may convert the note into shares of the Company's common stock at an exercise price of $.0025 per share. After the due date, the interest rate on the convertible note increases to 15%. The Company calculated the fair value of the beneficial conversion feature as the difference between the conversion price and the fair market value of the Company's common stock into on the date of issuance. The fair value of the conversion option in connection with the note on the date of issuance aggregated $5,000, and was recorded as debt discount. The debt discount is amortized through the term of the note. The unpaid balance including accrued interest was $5,544 and $5,169 at June 30, 2015 and December 31, 2014, respectively. The Company is not compliant with the repayment terms of the note.

On November 20, 2013, the Company issued a $5,000 convertible promissory note to a former director. The loan bears interest at 3% and has a maturity date of November 20, 2014. In addition, at any time, the Company's director may convert the note into shares of the Company's common stock at an exercise price of $.0025 per share. After the due date, the interest rate on the convertible note increases to 15%. The note funded on February 3, 2014. The Company calculated the fair value of the beneficial conversion feature as the difference between the conversion price and the fair market value of the Company's common stock into on the date of issuance. The fair value of the conversion option in connection with the note on the date of issuance aggregated $1,200, and was recorded as debt discount. The debt discount is amortized through the term of the note. The unpaid balance including accrued interest was $5,463 and $5,463 at June 30, 2015 and December 31, 2014, respectively. The Company is not compliant with the repayment terms of the note.

On March 26, 2014, the Company issued a $2,500 convertible promissory note to our CEO and director. The loan bears interest at 5% and has a maturity date of March 26, 2015. In addition, at any time, the Company's CEO may convert the note into shares of the Company's common stock at an exercise price of $.0025 per share. After the due date, the interest rate on the convertible note increases to 15%. The Company calculated the fair value of the beneficial conversion feature as the difference between the conversion price and the fair market value of the Company's common stock into on the date of issuance. The fair value of the conversion option in connection with the note on the date of issuance aggregated $2,500, and was recorded as debt discount. The debt discount is amortized through the term of the note. The unpaid balance including accrued interest was $2,719 and $2,594 at June 30, 2015 and December 31, 2014, respectively. The Company is not compliant with the repayment terms of the note.

On March 26, 2014, the Company issued a $2,500 convertible promissory note to a former director. The loan bears interest at 5% and has a maturity date of March 26, 2015. In addition, at any time, the Company's director may convert the note into shares of the Company's common stock at an exercise price of $.0025 per share. After the due date, the interest rate on the convertible note increases to 15%. The Company calculated the fair value of the beneficial conversion feature as the difference between the conversion price and the fair market value of the Company's common stock into on the date of issuance. The fair value of the conversion option in connection with the note on the date of issuance aggregated $2,500, and was recorded as debt discount. The debt discount is amortized through the term of the note. The unpaid balance including accrued interest was $2,704 and $2,589 at June 30, 2015 and December 31, 2014, respectively. The Company is not compliant with the repayment terms of the note.

On May 27, 2014, the Company issued a $2,500 convertible promissory note to our CEO and director. The loan bears interest at 5% and has a maturity date of May 27, 2015. In addition, at any time, the Company's CEO may convert the note into shares of the Company's common stock at an exercise price of $.0025 per share. After the due date, the interest rate on the convertible note increases to 15%. The note funded on April 14, 2014. The Company calculated the fair value of the beneficial conversion feature as the difference between the conversion price and the fair market value of the Company's common stock into on the date of issuance. The fair value of the conversion option in connection with the note on the date of issuance aggregated $2,500, and was recorded as debt discount. The debt discount is amortized through the term of the note. The unpaid balance including accrued interest was $2,656 and $2,573 June 30, 2015 and December 31, 2014, respectively. The Company is not compliant with the repayment terms of the note.

NOTE 5 – CONVERTIBLE NOTES PAYABLE (Cont.)

On May 27, 2014, the Company issued a $2,500 convertible promissory note to a former director. The loan bears interest at 5% and has a maturity date of May 27, 2015. In addition, at any time, the Company's director may convert the note into shares of the Company's common stock at an exercise price of $.0025 per share. After the due date, the interest rate on the convertible note increases to 15%.

The Company calculated the fair value of the beneficial conversion feature as the difference between the conversion price and the fair market value of the Company's common stock into on the date of issuance. The fair value of the conversion option in connection with the note on the date of issuance aggregated $2,500, and was recorded as debt discount. The debt discount is amortized through the term of the note. The unpaid balance including accrued interest was $2,656 and $2,573 at June 30, 2015 and December 31, 2014, respectively. June 30, 2015 and December 31, 2014, respectively. The Company is not compliant with the repayment terms of the note.

On June 19, 2014, the Company issued a $2,000 convertible promissory note to a former director. The loan bears interest at 5% and has a maturity date of June 19, 2015. In addition, at any time, the Company's director may convert the note into shares of the Company's common stock at an exercise price of $.0025 per share. After the due date, the interest rate on the convertible note increases to 15%. The Company calculated the fair value of the beneficial conversion feature as the difference between the conversion price and the fair market value of the Company's common stock into on the date of issuance. The fair value of the conversion option in connection with the note on the date of issuance aggregated $2,000, and was recorded as debt discount. The debt discount is amortized through the term of the note. The unpaid balance including accrued interest was $2,112 and $2,054 at June 30, 2015 and December 31, 2014, respectively. The Company is not compliant with the repayment terms of the note.

On June 25, 2014, the Company issued a $2,000 convertible promissory note to our CEO and director. The loan bears interest at 5% and has a maturity date of June 25, 2015. In addition, at any time, the Company's CEO may convert the note into shares of the Company's common stock at an exercise price of $.0025 per share. After the due date, the interest rate on the convertible note increases to 15%. The Company calculated the fair value of the beneficial conversion feature as the difference between the conversion price and the fair market value of the Company's common stock into on the date of issuance. The fair value of the conversion option in connection with the note on the date of issuance aggregated $2,000, and was recorded as debt discount. The debt discount is amortized through the term of the note. The unpaid balance including accrued interest was $2,100 and $2,050 at June 30, 2015 and December 31, 2014, respectively. The Company is not compliant with the repayment terms of the note.

On July 16, 2014, the Company issued a $12,500 convertible promissory note to our CEO and director. The loan bears interest at 5% and has a maturity date of July 16, 2015. In addition, at any time, the Company's CEO may convert the note into shares of the Company's common stock at an exercise price of $.004 per share. After the due date, the interest rate on the convertible note increases to 15%. The Company calculated the fair value of the beneficial conversion feature as the difference between the conversion price and the fair market value of the Company's common stock into on the date of issuance. The fair value of the conversion option in connection with the note on the date of issuance aggregated $12,500, and was recorded as debt discount. The debt discount is amortized through the term of the note. The unpaid balance including accrued interest was $13,099 and $12,786 at June 30, 2015 and December 31, 2014, respectively. The Company is not compliant with the repayment terms of the note.

On July 18, 2014, the Company issued a $12,500 convertible promissory note to a former director. The loan bears interest at 5% and has a maturity date of July 16, 2015. In addition, at any time, the Company's director may convert the note into shares of the Company's common stock at an exercise price of $.004 per share. After the due date, the interest rate on the convertible note increases to 15%. The Company calculated the fair value of the beneficial conversion feature as the difference between the conversion price and the fair market value of the Company's common stock into on the date of issuance. The fair value of the conversion option in connection with the note on the date of issuance aggregated $12,500, and was recorded as debt discount. The debt discount is amortized through the term of the note. The unpaid balance including accrued interest was $13,099 and $12,786 at June 30, 2015 and December 31, 2014, respectively. The Company is not compliant with the repayment terms of the note.

On July 16, 2014, the Company issued a $25,000 convertible promissory note to an individual. The loan bears interest at 5% and has a maturity date of July 16, 2015. In addition, at any time, the individual may convert the note into shares of the Company's common stock at an exercise price of $.004 per share. After the due date, the interest rate on the convertible note increases to 15%. The Company calculated the fair value of the beneficial conversion feature as the difference between the conversion price and the fair market value of the Company's common stock into on the date of issuance. The fair value of the conversion option in connection with the note on the date of issuance aggregated $25,000, and was recorded as debt discount. The debt discount is amortized through the term of the note. The unpaid balance including accrued interest was $26,198 and $25,573 at June 30, 2015 and December 31, 2014, respectively. The Company is not compliant with the repayment terms of the note.

NOTE 6 – CONVERTIBLE NOTES PAYABLE (Cont.)

On July 21, 2014, the Company issued a $12,500 convertible promissory note to an individual. The loan bears interest at 5% and has a maturity date of July 21, 2015. In addition, at any time, the individual may convert the note into shares of the Company's common stock at an exercise price of $.004 per share. After the due date, the interest rate on the convertible note increases to 15%. The Company calculated the fair value of the beneficial conversion feature as the difference between the conversion price and the fair market value of the Company's common stock into on the date of issuance. The fair value of the conversion option in connection with the note on the date of issuance aggregated $12,500, and was recorded as debt discount. The debt discount is amortized through the term of the note. The unpaid balance including accrued interest was $13,099 and $12,786 at June 30, 2015 and December 31, 2014, respectively. The Company is not compliant with the repayment terms of the note.

On July 21, 2014, the Company issued a $12,500 convertible promissory note to an individual. The loan bears interest at 5% and has a maturity date of July 21, 2015. In addition, at any time, the individual may convert the note into shares of the Company's common stock at an exercise price of $.004 per share. After the due date, the interest rate on the convertible note increases to 15%. The Company calculated the fair value of the beneficial conversion feature as the difference between the conversion price and the fair market value of the Company's common stock into on the date of issuance. The fair value of the conversion option in connection with the note on the date of issuance aggregated $12,500, and was recorded as debt discount. The debt discount is amortized through the term of the note. The unpaid balance including accrued interest was $13,099 and $12,786 at June 30, 2015 and December 31, 2014, respectively. The Company is not compliant with the repayment terms of the note.

On September 10, 2014, the Company issued a $5,000 convertible promissory note to our CEO and director. The loan bears interest at 5% and has a maturity date of September 10, 2015. In addition, at any time, the Company's CEO may convert the note into shares of the Company's common stock at an exercise price of $.0125 per share. After the due date, the interest rate on the convertible note increases to 15%. The Company calculated the fair value of the beneficial conversion feature as the difference between the conversion price and the fair market value of the Company's common stock into on the date of issuance. The fair value of the conversion option in connection with the note on the date of issuance aggregated $5,000, and was recorded as debt discount. The debt discount is amortized through the term of the note. The unpaid balance including accrued interest was $5,198 and $5,073 at June 30, 2015 and December 31, 2014, respectively.

On September 10, 2014, the Company issued a $5,000 convertible promissory note to a former director. The loan bears interest at 5% and has a maturity date of September 10, 2015. In addition, at any time, the Company's director may convert the note into shares of the Company's common stock at an exercise price of $.0125 per share. After the due date, the interest rate on the convertible note increases to 15%. The Company calculated the fair value of the beneficial conversion feature as the difference between the conversion price and the fair market value of the Company's common stock into on the date of issuance. The fair value of the conversion option in connection with the note on the date of issuance aggregated $5,000, and was recorded as debt discount. The debt discount is amortized through the term of the note. The unpaid balance including accrued interest was $5,198 and $5,073 at June 30, 2015 and December 31, 2014, respectively.

On September 10, 2014, the Company issued a $5,000 convertible promissory note to an individual. The loan bears interest at 5% and has a maturity date of September 10, 2015. In addition, at any time, the individual may convert the note into shares of the Company's common stock at an exercise price of $.0125 per share. After the due date, the interest rate on the convertible note increases to 15%. The Company calculated the fair value of the beneficial conversion feature as the difference between the conversion price and the fair market value of the Company's common stock into on the date of issuance. The fair value of the conversion option in connection with the note on the date of issuance aggregated $5,000, and was recorded as debt discount. The debt discount is amortized through the term of the note. The unpaid balance including accrued interest was $5,198 and $5,073 at June 30, 2015 and December 31, 2014, respectively.

On September 12, 2014, the Company issued a $5,000 convertible promissory note to an individual. The loan bears interest at 5% and has a maturity date of September 12, 2015. In addition, at any time, the individual may convert the note into shares of the Company's common stock at an exercise price of $.0125 per share. After the due date, the interest rate on the convertible note increases to 15%. The Company calculated the fair value of the beneficial conversion feature as the difference between the conversion price and the fair market value of the Company's common stock into on the date of issuance. The fair value of the conversion option in connection with the note on the date of issuance aggregated $5,000, and was recorded as debt discount. The debt discount is amortized through the term of the note. The unpaid balance including accrued interest was $5,198 and $5,073 at June 30, 2015 and December 31, 2014, respectively.

NOTE 6 – CONVERTIBLE NOTES PAYABLE (cont.)

On September 29, 2014, the Company issued a $10,000 convertible promissory note to our CEO and director. The loan bears interest at 5% and has a maturity date of September 29, 2015. In addition, at any time, the Company's CEO may convert the note into shares of the Company's common stock at an exercise price of $.0125 per share. After the due date, the interest rate on the convertible note increases to 15%. The Company calculated the fair value of the beneficial conversion feature as the difference between the conversion price and the fair market value of the Company's common stock into on the date of issuance. The fair value of the conversion option in connection with the note on the date of issuance aggregated $10,000, and was recorded as debt discount. The debt discount is amortized through the term of the note. The unpaid balance including accrued interest was $10,375 and $10,125 at June 30, 2015 and December 31, 2014, respectively.

On September 29, 2014, the Company issued a $10,000 convertible promissory note to an individual. The loan bears interest at 5% and has a maturity date of September 29, 2015. In addition, at any time, the individual may convert the note into shares of the Company's common stock at an exercise price of $.0175 per share. After the due date, the interest rate on the convertible note increases to 15%. The Company calculated the fair value of the beneficial conversion feature as the difference between the conversion price and the fair market value of the Company's common stock into on the date of issuance. The fair value of the conversion option in connection with the note on the date of issuance aggregated $10,000, and was recorded as debt discount. The debt discount is amortized through the term of the note. The unpaid balance including accrued interest was $10,375 and $10,125 at June 30, 2015 and December 31, 2014, respectively.

On September 30, 2014, the Company issued a $10,000 convertible promissory note to an individual. The loan bears interest at 5% and has a maturity date of September 30, 2015. In addition, at any time, the individual may convert the note into shares of the Company's common stock at an exercise price of $.0175 per share. After the due date, the interest rate on the convertible note increases to 15%. The Company calculated the fair value of the beneficial conversion feature as the difference between the conversion price and the fair market value of the Company's common stock into on the date of issuance. The fair value of the conversion option in connection with the note on the date of issuance aggregated $10,000, and was recorded as debt discount. The debt discount is amortized through the term of the note. The unpaid balance including accrued interest was $10,375 and $10,125 at June 30, 2015 and December 31, 2014, respectively.

On October 2, 2014, the Company issued a $15,000 convertible promissory note to an individual. The loan bears interest at 5% and has a maturity date of October 2, 2015. In addition, at any time, the individual may convert the note into shares of the Company's common stock at an exercise price of $.0175 per share. After the due date, the interest rate on the convertible note increases to 15%. The Company calculated the fair value of the beneficial conversion feature as the difference between the conversion price and the fair market value of the Company's common stock into on the date of issuance. The fair value of the conversion option in connection with the note on the date of issuance aggregated $15,000, and was recorded as debt discount. The debt discount is amortized through the term of the note. The unpaid balance including accrued interest was $15,563 and $15,188 at June 30, 2015 and December 31, 2014, respectively.

On October 3, 2014, the Company issued a $2,500 convertible promissory note to a former director. The loan bears interest at 5% and has a maturity date of October 3, 2015. In addition, at any time, the individual may convert the note into shares of the Company's common stock at an exercise price of $.0175 per share. After the due date, the interest rate on the convertible note increases to 15%. The Company calculated the fair value of the beneficial conversion feature as the difference between the conversion price and the fair market value of the Company's common stock into on the date of issuance. The fair value of the conversion option in connection with the note on the date of issuance aggregated $2,500, and was recorded as debt discount. The debt discount is amortized through the term of the note. The unpaid balance including accrued interest was $2,594 and $2,531 at June 30, 2015 and December 31, 2014, respectively.

On October 9, 2014, the Company issued a $5,000 convertible promissory note to an individual. The loan bears interest at 5% and has a maturity date of October 9, 2015. In addition, at any time, the individual may convert the note into shares of the Company's common stock at an exercise price of $.0175 per share. After the due date, the interest rate on the convertible note increases to 15%. The Company calculated the fair value of the beneficial conversion feature as the difference between the conversion price and the fair market value of the Company's common stock into on the date of issuance. The fair value of the conversion option in connection with the note on the date of issuance aggregated $5,000, and was recorded as debt discount. The debt discount is amortized through the term of the note. The unpaid balance including accrued interest was $5,177 and $5,052 at June 30, 2015 and December 31, 2014, respectively.

NOTE 6 – CONVERTIBLE NOTES PAYABLE (cont.)

On October 14, 2014, the Company issued a $5,000 convertible promissory note to an individual. The loan bears interest at 5% and has a maturity date of October 14, 2015. In addition, at any time, the individual may convert the note into shares of the Company's common stock at an exercise price of $.0175 per share. After the due date, the interest rate on the convertible note increases to 15%. The Company calculated the fair value of the beneficial conversion feature as the difference between the conversion price and the fair market value of the Company's common stock into on the date of issuance. The fair value of the conversion option in connection with the note on the date of issuance aggregated $5,000, and was recorded as debt discount. The debt discount is amortized through the term of the note. The unpaid balance including accrued interest was $5,177 and $5,052 at June 30, 2015 and December 31, 2014, respectively.

On October 14, 2014, the Company issued a $10,000 convertible promissory note to an individual. The loan bears interest at 5% and has a maturity date of October 14, 2015. In addition, at any time, the individual may convert the note into shares of the Company's common stock at an exercise price of $.0175 per share. After the due date, the interest rate on the convertible note increases to 15%. The Company calculated the fair value of the beneficial conversion feature as the difference between the conversion price and the fair market value of the Company's common stock into on the date of issuance. The fair value of the conversion option in connection with the note on the date of issuance aggregated $10,000, and was recorded as debt discount. The debt discount is amortized through the term of the note. The unpaid balance including accrued interest was $10,354 and $10,104 at June 30, 2015 and December 31, 2014, respectively.

On October 22, 2014, the Company issued a $5,000 convertible promissory note to an individual. The loan bears interest at 5% and has a maturity date of October 22, 2015. In addition, at any time, the individual may convert the note into shares of the Company's common stock at an exercise price of $.0175 per share. After the due date, the interest rate on the convertible note increases to 15%. The Company calculated the fair value of the beneficial conversion feature as the difference between the conversion price and the fair market value of the Company's common stock into on the date of issuance. The fair value of the conversion option in connection with the note on the date of issuance aggregated $5,000, and was recorded as debt discount. The debt discount is amortized through the term of the note. The unpaid balance including accrued interest was $5,177 and $5,052 at June 30, 2015 and December 31, 2014, respectively.

On January 23, 2015, the Company issued a $5,000 convertible promissory note to an individual. The loan bears interest at 5% and has a maturity date of January 23, 2016. In addition, at any time, the individual may convert the note into shares of the Company's common stock at an exercise price of $.0125 per share. After the due date, the interest rate on the convertible note increases to 15%. The Company calculated the fair value of the beneficial conversion feature as the difference between the conversion price and the fair market value of the Company's common stock into on the date of issuance. The fair value of the conversion option in connection with the note on the date of issuance aggregated $5,000, and was recorded as debt discount. The debt discount is amortized through the term of the note. The unpaid balance including accrued interest was $5,115 at June 30, 2015.

On January 26, 2015, the Company issued a $5,000 convertible promissory note to an individual. The loan bears interest at 5% and has a maturity date of January 26, 2016. In addition, at any time, the individual may convert the note into shares of the Company's common stock at an exercise price of $.0125 per share. After the due date, the interest rate on the convertible note increases to 15%. The Company calculated the fair value of the beneficial conversion feature as the difference between the conversion price and the fair market value of the Company's common stock into on the date of issuance. The fair value of the conversion option in connection with the note on the date of issuance aggregated $5,000, and was recorded as debt discount. The debt discount is amortized through the term of the note. The unpaid balance including accrued interest was $5,104 at June 30, 2015.

On January 28, 2015, the Company issued a $5,000 convertible promissory note to an individual. The loan bears interest at 5% and has a maturity date of January 28, 2016. In addition, at any time, the individual may convert the note into shares of the Company's common stock at an exercise price of $.0125 per share. After the due date, the interest rate on the convertible note increases to 15%. The Company calculated the fair value of the beneficial conversion feature as the difference between the conversion price and the fair market value of the Company's common stock into on the date of issuance. The fair value of the conversion option in connection with the note on the date of issuance aggregated $5,000, and was recorded as debt discount. The debt discount is amortized through the term of the note. The unpaid balance including accrued interest was $5,104 at June 30, 2015.

On March 19, 2015, the Company issued a $5,000 convertible promissory note to an individual. The loan bears interest at 5% and has a maturity date of March 19, 2016. In addition, at any time, the individual may convert the note into shares of the Company's common stock at an exercise price of $.0125 per share. After the due date, the interest rate on the convertible note increases to 15%. The Company calculated the fair value of the beneficial conversion feature as the difference between the conversion price and the fair market value of the Company's common stock into on the date of issuance. The fair value of the conversion option in connection with the note on the date of issuance aggregated $0. The unpaid balance including accrued interest was $5,073 at June 30, 2015.

NOTE 6 – CONVERTIBLE NOTES PAYABLE (cont.)

On March 19, 2015, the Company issued a $5,000 convertible promissory note to an individual. The loan bears interest at 5% and has a maturity date of March 19, 2016. In addition, at any time, the individual may convert the note into shares of the Company's common stock at an exercise price of $.0125 per share. After the due date, the interest rate on the convertible note increases to 15%. The Company calculated the fair value of the beneficial conversion feature as the difference between the conversion price and the fair market value of the Company's common stock into on the date of issuance. The fair value of the conversion option in connection with the note on the date of issuance aggregated $0. The unpaid balance including accrued interest was $5,073 at June 30, 2015.

On April 22, 2015, the Company issued a $5,000 convertible promissory note to an individual. The loan bears interest at 5% and has a maturity date of April 22, 2016. In addition, at any time, the individual may convert the note into shares of the Company's common stock at an exercise price of $.005 per share. After the due date, the interest rate on the convertible note increases to 15%. The Company calculated the fair value of the beneficial conversion feature as the difference between the conversion price and the fair market value of the Company's common stock into on the date of issuance. The fair value of the conversion option in connection with the note on the date of issuance aggregated $2,000, and was recorded as debt discount. The debt discount is amortized through the term of the note. The unpaid balance including accrued interest was $5,052 at June 30, 2015.

On April 29, 2015, the Company issued a $5,000 convertible promissory note to an individual. The loan bears interest at 5% and has a maturity date of April 29, 2016. In addition, at any time, the individual may convert the note into shares of the Company's common stock at an exercise price of $.005 per share. After the due date, the interest rate on the convertible note increases to 15%. The Company calculated the fair value of the beneficial conversion feature as the difference between the conversion price and the fair market value of the Company's common stock into on the date of issuance. The fair value of the conversion option in connection with the note on the date of issuance aggregated $2,000, and was recorded as debt discount. The debt discount is amortized through the term of the note. The unpaid balance including accrued interest was $5,042 at June 30, 2015.

As of June 30, 2015, the total short-term loans - convertible amounted to $236,068 which includes $9,568 of accrued interest. The conversion price of the notes were fixed and determinable on the date of issuance and as such in accordance with ASC Topic 815 "*Derivatives and Hedging*" ("ASC 815"), the embedded conversion options of the note were not considered derivative liabilities. The beneficial conversion features of certain convertible notes are at a price below fair market value. The Company recorded interest expense on the debt discount of $48,314 and $3,195 for the three months ended June 30, 2015 and 2014, respectively, and $96,497 and $4,645 for the six months ended June 30, 2015 and 2014, respectively, in the accompanying statement of operations.

NOTE 7 – EQUITY TRANSACTIONS

The Company was established with two classes of stock, common stock – 500,000,000 shares authorized at a par value of $0.001 and preferred stock 25,000,000 shares authorized at a par value of $0.001.

On July 14, 2014, the Company converted the unpaid consulting fees for two related party consultants to restricted shares of the Company's common and preferred stock. The unpaid compensation for each consultant was $55,000 and each consultant will receive 11,875,000 shares of common stock valued at $47,500 or $.004 per share. In-addition, the Company issued 500 restricted shares of the Company's Series 2014A preferred stock valued at $15,000 or $30 per share.

On July 16, 2014, the Company acknowledged and agreed to a one year consulting agreement which provided management advisory service to the Company's wholly-owned subsidiary. The consultant will be compensated at $4,000 per month and 2,400,000 restricted shares of the Company's common stock. The consultant shall vest the restricted shares at 100,000 shares for each full month of service. The shares were valued at $24,000 or $.01 per share. The consultant resigned in January 2015 and 1,800,000 shares were cancelled. The cancelled shares were valued at $18,000 or $0.01 per share.

On October 7, 2014, an individual converted $18,750 due under the Amended and Restated $100,000 Convertible Note issued on July 14, 2014 into 4,687,500 shares of the Company's common stock at $.004 per share. The conversion was in accordance with the terms of the Amended and Restated $100,000 Convertible Note which permits the holder to convert amounts due under the note into shares of the Company's common stock at an exercise price of $.004 per share. The fair market value of the stock was $281,250 or $.06 per share on the date of conversion which resulted in the Company recording a loss on conversion of debt of $262,500.

NOTE 7 – EQUITY TRANSACTIONS (cont.)

On October 7, 2014, an individual converted $6,250 due under the Amended and Restated $100,000 Convertible Note issued on July 14, 2014 into 1,562,500 shares of the Company's common stock at $.004 per share. The conversion was in accordance with the terms of the Amended and Restated $100,000 Convertible Note which permits the holder to convert amounts due under the note into shares of the Company's common stock at an exercise price of $.004 per share. The fair market value of the stock was $93,730 or $.06 per share on the date of conversion which resulted in the Company recording a loss on conversion of debt of $87,500.

On November 26, 2014, the Company entered into a one year sponsorship agreement with a corporation for 800,000 restricted shares of the Company common stock. The shares were valued at $0.06 per share or $48,000.

On January 13 2015, three individuals converted $10,000 due under the Amended and Restated $100,000 Convertible Note issued on July 14, 2014 for an aggregate of $30,000 into 7,500,000 unregistered shares of the Company's common stock at $.004 per share. The conversion was in accordance with the terms of the Amended and Restated $100,000 Convertible Note which permits the holder to convert amounts due under the note into shares of the Company's common stock at an exercise price of $.004 per share. The fair market value of the stock was $232,500 or $.031 per share on the date of conversion which resulted in the Company recording a loss on conversion of debt of $202,500.

On February 5, 2015, an individual converted $3,333 due under the Amended and Restated $100,000 Convertible Note issued on July 14, 2014 into 833,250 unregistered shares of the Company's common stock at $.004 per share. The conversion was in accordance with the terms of the Amended and Restated $100,000 Convertible Note which permits the holder to convert amounts due under the note into shares of the Company's common stock at an exercise price of $.004 per share. The fair market value of the stock was $33,330 or $.04 per share on the date of conversion which resulted in the Company recording a loss on conversion of debt of $29,997.

On February 18, 2015, an individual converted $10,000 due under the Amended and Restated $100,000 Convertible Note issued on July 14, 2014 into 2,500,000 unregistered shares of the Company's common stock at $.004 per share. The conversion was in accordance with the terms of the Amended and Restated $100,000 Convertible Note which permits the holder to convert amounts due under the note into shares of the Company's common stock at an exercise price of $.004 per share. The fair market value of the stock was $112,250 or $.0449 per share on the date of conversion which resulted in the Company recording a loss on conversion of debt of $102,250.

NOTE 8 – WARRANTS

During the six months ended June 30, 2015 and 2014, the Company did not issued any warrants.

A reconciliation of warrant activity is as follows:

	Warrants	Weighted-Average Exercise Price	Weighted Average Remaining Contract Life (Years)	Aggregate Intrinsic Value
Balance at January 1, 2014	26,624,282	$ 0.134	1.15	$ -
Granted	-	-	-	-
Exercised	-	-	-	-
Expired	1,114,282	2.00	-	-
Balance at December 31, 2014	25,510,000	$ 0.053	0.82	$ -
Granted	-	-	-	-
Exercised	-	-	-	-
Expired	9,010,000	0.11	-	-
Balance at June 30, 2015	16,500,000	$ 0.022	0.73	$ -

NOTE 9 – RELATED PARTY TRANSACTIONS

During the year ended December 31, 2011, the Company borrowed funds from a stockholder totaling $475,959 to assist with daily operations. On May 31, 2011, the Company agreed to allow $111,687 of these advances to be convertible into shares of the Company stock at $0.0225 per share. As a result of the addition of a conversion option, the modification qualifies for debt extinguishment accounting under ASC 470-50 "Debtor's Accounting for a Modification or Exchange of Debt Instruments". The fair value of the conversion option exceeded the carrying value of the convertible advances resulting in a full discount to the note. As the advances are due on demand, the entire discount of $111,687 was amortized to interest expense during year ended December 31, 2011. The unpaid balance was $364,052 at June 30, 2015 and December 31, 2014.

On March 29, 2010 the Company borrowed $100,000 from a stockholder. Terms of the loan is $100,000 payable on June 7, 2010. The Company issued 200,000 shares of common stock in lieu of interest. The loan was not repaid upon maturity, therefore are in default. They now bear an interest rate of 12%. The unpaid balance including accrued interest was $157,074 and $151,156 at June 30, 2015 and December 31, 2014, respectively.

On March 29, 2010 the Company borrowed $100,000 from a stockholder. Terms of the loan is $100,000 payable on June 7, 2010. The Company issued 200,000 shares of common stock in lieu of interest. The loan was not repaid upon maturity, therefore are in default. They now bear an interest rate of 12%. On July 14, 2014, the Company issued an amended and restated $100,000 promissory note payable to one its stockholders which consolidated, amended and restated the terms of the original $100,000 promissory note dated March 29, 2010 payable to the stockholder. The amended and restated note bears interest at 12% and has a new maturity date of December 31, 2015. In addition, at any time, the holder of the subject note may convert the note into shares of the Company's common stock at an exercise price of $.004 per share. After the due date, the interest rate on the amended note increases to 15%. During October 2014, $25,000 principle was converted into 6,250,000 unregistered shares of the Company's company stock at $.004 per share. The fair market value of the stock was $375,000 or $.06 per share on the date of conversion which resulted in the Company recording a loss on conversion of debt of $350,000 which is included in the accompanying statements of operations. During January and February 2015, $43,333 principle was converted into 10,833,250 unregistered shares of the Company's company stock at $.004 per share. The fair market value of the stock was $378,080 or $.035 per share on the dates of conversion which resulted in the Company recording a loss on conversion of debt of $334,747 which is included in the accompanying statements of operations. The unpaid balance including accrued interest was $83,166 and $139,321 at June 30, 2015 and December 31, 2014, respectively.

On May 21, 2010 the Company borrowed $5,000 from StarInvest Group, Inc., one of the Company's stockholders. Terms of the loan are non-interest bearing and payable upon demand. The principal balance as of June 30, 2015 and December 31, 2014 is $5,000.

NOTE 10 – SUBSEQUENT EVENTS

None