**American Diversified Holdings Corporation**
**Balance Sheet**

| | For the Year Ended July 31, 2015 | For the Year Ended July 31, 2014 |
|---|---|---|
| **Assets** | | |
| Cash | $ 115 | $ 24 |
| Stock Receivable | 134,403 | 134,403 |
| **Total Assets** | $ 134,518 | $ 134,427 |
| **Liabilities and Shareholders' Deficiency** | | |
| Accounts Payable | $ - | $ 425 |
| Accrued director fees | 585,000 | 525,000 |
| Other current liabilities | 500 | |
| Loan payable to officers | 123,304 | 123,304 |
| Note payable to Officer | 18,080 | 169,669 |
| Note payable to Officer (2) | 627,779 | 585,607 |
| **Total Liabilities** | $ 1,354,663 | $ 1,404,005 |
| Preferred Stock, $.001 par value, 200,000 shares authorized; 100,000 shares issued and outstanding | $ 100 | $ 100 |
| Preferred Stock B, $.001 par value, 500,000 shares authorized; 0 shares issued and outstanding at July 31, 2015 and July 31, 2014, respectively | - | - |
| Common Stock, $.001 par value, 1,000,000,000 shares authorized and; 800,994,201 shares and 440,994,201 shares issued and outstanding at July 31, 2015 and July 31, 2014, respectively. | 800,993 | 440,993 |
| Additional paid in capital | 17,435,106 | 17,420,106 |
| Accumulated Deficit | (19,456,344) | (19,130,777) |
| **Total Shareholders' Deficiency** | $ (1,220,145) | $ (1,269,578) |
| Total Liabilities and Shareholders' Deficiency | $ 134,518 | $ 134,427 |

See accompanying notes

**American Diversified Holdings Corporation**
**Statement of Income**

| | For the Year Ended July 31, 2015 | For the Year Ended July 31, 2014 |
|---|---|---|
| **Revenue** | $ - | $ - |
| **Expenses** | | |
| Travel | $ 1,736 | $ 5,833 |
| Accounting | 775 | 975 |
| Director's Compensation | 60,000 | 60,000 |
| Consulting Fees | 200,696 | 440,596 |
| Legal Fees | - | 455 |
| General and administration | 13,225 | 26,481 |
| **Total Expenses** | $ 276,432 | $ 534,340 |
| **Loss from continuing operations** | $ (276,432) | $ (534,340) |
| **Other Income (Expenses)** | | |
| Interest expense | $ (49,135) | $ (93,402) |
| **Total Other income (Expenses)** | $ (49,135) | $ (93,402) |
| **Net Loss** | $ (325,567) | $ (627,742) |

See accompanying notes

**American Diversified Holdings Corporation**
**Statement of Stockholders' Equity**

| | Preferred Stock | | Common Stock | | Additional Paid-in Capital | Retained Earnings (Accumulated Deficit) | Total |
|---|---|---|---|---|---|---|---|
| | shares | amount | shares | amount | | | |
| Balance, July 31, 2012 | 100,000 | $ 100 | 673,922,929 | $ 673,992 | $ 16,277,107 | $ (18,075,982) | $ (1,124,783) |
| Common stock issued for services and accrued liabilities | - | - | 285,000,000 | 285,000 | (150,000) | - | 135,000 |
| Common stock issued | - | - | 20,000,000 | 20,000 | - | - | 20,000 |
| Preferred B Stock issued for debt | 500,000 | 500 | - | - | 499,500 | - | 500,000 |
| Net income/(loss) for the period | - | - | - | - | - | (172,328) | (172,328) |
| Balance, October 31, 2012 | 600,000 | $ 600 | 978,922,929 | $ 978,992 | $ 16,626,607 | $ (18,248,310) | $ (642,111) |
| Common stock issued for services and accrued liabilities | - | - | 175,000,000 | 175,000 | - | - | 175,000 |
| Common stock returned to Treasury | - | - | (300,000,000) | (300,000) | 300,000 | - | - |
| Net income/(loss) for the period | - | - | - | - | - | (203,163) | (203,163) |
| Balance, January 31, 2013 | 600,000 | $ 600 | 853,922,929 | $ 853,992 | $ 16,926,607 | $ (18,451,473) | $ (670,274) |
| Common stock issued for services and accrued liabilities | - | - | 140,000,000 | 140,000 | - | - | 140,000 |
| Net income/(loss) for the period | - | - | - | - | - | (166,217) | (166,217) |
| Balance, April 30, 2013 | 600,000 | $ 600 | 993,922,929 | $ 993,992 | $ 16,926,607 | $ (18,617,690) | $ (696,491) |
| Common stock issued for services and accrued liabilities | - | - | - | - | - | - | - |
| 1 for 1000 Reverse Split | - | - | (992,998,758) | (992,999) | 992,999 | - | - |
| Net income/(loss) for the period | - | - | - | - | - | 114,655 | 114,655 |
| Balance July 31, 2013 | 600,000 | $ 600 | 924,171 | $ 993 | $ 17,919,606 | $ (18,503,035) | $ (581,836) |

**Statement of Stockholders' Equity**

| | Preferred Stock | | Common Stock | | Additional Paid-in Capital | Retained Earnings (Accumulated Deficit) | Total |
|---|---|---|---|---|---|---|---|
| | shares | amount | shares | amount | | | |
| Common stock issued for services and accrued liabilities | - | - | - | - | - | - | - |
| Preferred B Stock issued for debt - Reversed (not issued) | (500,000) | (500) | - | - | (499,500) | - | (500,000) |
| Net income/(loss) for the period | - | - | - | - | - | (79,187) | (79,187) |
| Balance, October 31, 2013 | 100,000 | $ 100 | 924,171 | $ 993 | $ 17,420,106 | $ (18,582,222) | $ (1,161,023) |
| Common stock issued for services and accrued liabilities | - | - | 440,000,000 | 440,000 | - | - | 440,000 |
| Net income/(loss) for the period | - | - | - | - | - | (480,551) | (480,551) |
| Balance, January 31, 2014 | 100,000 | $ 100 | 440,924,171 | $ 440,993 | $ 17,420,106 | $ (19,062,773) | $ (1,201,574) |
| Common stock issued for services and accrued liabilities | - | - | - | - | - | - | - |
| Net income/(loss) for the period | - | - | - | - | - | (34,553) | (34,553) |
| Balance, April 30, 2014 | 100,000 | $ 100 | 440,924,171 | $ 440,993 | $ 17,420,106 | $ (19,097,326) | $ (1,236,127) |
| Common stock issued for services and accrued liabilities | - | - | - | - | - | - | - |
| Net income/(loss) for the period | - | - | - | - | - | (33,451) | (33,451) |
| Balance, July 31, 2014 | 100,000 | $ 100 | 440,924,171 | $ 440,993 | $ 17,420,106 | $ (19,130,777) | $ (1,269,578) |
| Common stock issued for services and accrued liabilities | - | - | - | - | - | - | - |
| Net income/(loss) for the period | - | - | - | - | - | (32,846) | (32,846) |

**Statement of Stockholders' Equity**

| | Preferred Stock | | Common Stock | | Additional Paid-in | Retained Earnings (Accumulated | |
|---|---|---|---|---|---|---|---|
| | shares | amount | shares | amount | Capital | Deficit) | Total |
| Balance, October 31, 2014 | 100,000 | $ 100 | 440,924,171 | $ 440,993 | $ 17,420,106 | $ (19,163,623) | $ (1,302,424) |
| Common stock issued for services and accrued liabilities | - | - | 5,000,000 | 5,000 | 15,000 | - | 20,000 |
| Net income/(loss) for the period | - | - | - | - | - | (51,691) | (51,691) |
| Balance, January 31, 2015 | 100,000 | $ 100 | 445,924,171 | $ 445,993 | $ 17,435,106 | $ (19,215,314) | $ (1,334,115) |
| Common stock issued for services and accrued liabilities | - | - | 60,000,000 | 60,000 | - | - | 60,000 |
| Common stock issued for debt reduction | | | 175,000,000 | 175,000 | | | 175,000 |
| Net income/(loss) for the period | - | - | - | - | - | (92,188) | (92,188) |
| Balance, April 30, 2015 | 100,000 | $ 100 | 680,924,171 | $ 680,993 | $ 17,435,106 | $ (19,307,502) | $ (1,191,303) |
| Common stock issued for services and accrued liabilities | - | - | 120,000,000 | 120,000 | - | - | 120,000 |
| Net income/(loss) for the period | - | - | - | - | - | (148,842) | (148,842) |
| Balance, July 31, 2015 | 100,000 | $ 100 | 800,924,171 | $ 800,993 | $ 17,435,106 | $ (19,456,344) | $ (1,220,145) |

See accompanying notes

**American Diversified Holdings Corporation**
**Statement of Cash Flows**

| | For the Year Ended July 31, 2015 | For the Year Ended July 31, 2014 |
|---|---|---|
| Cash flows from operating and activities of discontinued operation | | |
| Net loss | (325,567) | (627,742) |
| Adjustments to reconcile net loss to net cash (used in) provided by operating activities | | |
| Accounts Payable | (425) | (1,237) |
| Current Liabilities | 500 | - |
| Accrued Expenses | 60,000 | 60,000 |
| Note receivable | - | - |
| Note payable - Officer | (109,417) | 628,762 |
| Net cash (used) provided by operating activities | (374,909) | 59,783 |
| Cash flows from investing activities of discontinued operation | | |
| Purchase of property and equipment | - | - |
| Net cash used in investing activities | - | - |
| Cash flows from financing activities | | |
| Preferred Stock | - | (500) |
| Common Stock | 360,000 | 440,000 |
| Additional Paid-in-Capital | 15,000 | (499,500) |
| Repayments of long-term debt | - | - |
| Net cash provided by (used in) financing activities | 375,000 | (60,000) |
| Net (Decrease) increase in cash | 91 | (217) |
| Cash at beginning of period | 24 | 241 |
| Cash at end of period | 115 | 24 |
| Supplemental disclosure of cash flow information | | |
| Cash paid during the year for | | |
| Interest | - | 232 |

| | | |
|---|---|---|
| Income taxes | - | - |
| Schedule of Noncash Operating and Investing Transactions | | |
| Preferred stock issued for debt | - | - |
| Common stock issued for investment | 778,877,601 | 778,877,601 |
| Common stock issued for services and accrued liabilities | 1,740,085,556 | 1,380,085,556 |

See accompanying notes to condensed consolidated financial statements.