# VID3G INC.
# (Formerly U.S. Mine Makers, Inc.)

## FINANCIAL STATEMENTS

## YEAR ENDED JUNE 30, 2015

**(Unaudited)**

# NOTICE TO READER

The accompanying financial statements for U.S. Mine Makers, Inc. (the "Company") for the years ended June 30, 2015 and 2014 have been prepared by management in accordance with accounting principles generally accepted in the United States. These financial statements, which are the responsibility of management, are unaudited and have not been reviewed by auditors. Management believes the unaudited financial statements are free of material misstatement and present fairly, in all material respects, the financial position of the Company as at June 30, 2015 and 2014 and the results of its operations, its cash flows and changes in stockholders' equity for each of the years then ended.

*/s/"Roy Bosa"*
Roy Bosa
Director, CEO and CFO

**VID3G INC.**
**(Formerly U.S. Mine Makers, Inc.)**

**BALANCE SHEETS**
**(Unaudited)**

| | June 30, 2015 | June 30, 2014 (Amended-Note 3) |
|---|---|---|
| ASSETS | | |
| Current assets | | |
| Cash | $ 1,064 | $ 2,229 |
| Prepaid Expenses | 5000 | 10,000 |
| Total current assets | 6,064 | 12,229 |
| Intangible asset (Note 3) | 6,000 | 6,000 |
| Total assets | $ 12,064 | $ 18,229 |
| LIABILITIES AND STOCKHOLDERS' DEFICIT | | |
| Current liabilities | | |
| Accounts payable and accrued liabilities | $ 7,303 | $ 5,216 |
| Due to shareholders (Note 4) | - | 133,756 |
| Due to related parties (Note 5) | 208,215 | 153,713 |
| Convertible notes payable (Note 6) | 128,859 | 4,810 |
| Loan payable (Note 7) | 159,700 | - |
| Total current liabilities | 504,077 | 297,496 |
| Total Liabilities | 504,077 | 297,496 |
| STOCKHOLDERS' DEFICIT: | | |
| Preferred stock, $0.0001 par value, 20,000,000 shares authorized, none issued and outstanding | - | - |
| Common stock, $0.0001 par value, 300,000,000 shares authorized and 222,304,018 shares issued and outstanding as at June 30, 2015 and 172,404,018 as at June 30, 2014. | 22,230 | 17,240 |
| Additional paid-in capital | 8,749,774 | 8,749,774 |
| Deficit accumulated during the exploration stage | (9,264,016) | (9,046,280) |
| Total stockholders' equity | (492,012) | (279,267) |
| TOTAL LIABILITIES AND STOCKHOLDERS' DEFICIT | $ 12,064 | $ 18,229 |

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

**VID3G INC.**
**(Formerly U.S. Mine Makers, Inc.)**

**STATEMENTS OF OPERATIONS**
**(Unaudited)**

| | Year Ended June 30, 2015 | Year Ended June 30, 2014 |
|---|---|---|
| Operating expenses: | | |
| Research and development | $ 118,100 | $ 90,281 |
| Management fees | 84,000 | 66,000 |
| General and administrative | 15,309 | 16,704 |
| Professional fees | 11,150 | 6,200 |
| Consulting fees | 5,000 | 8,045 |
| Investor awareness | 5,000 | 58,500 |
| Foreign exchange (gain) loss | (22,011) | (41) |
| Operating loss | (216,548) | (245,689) |
| Interest | (1,188) | (324) |
| Net loss | $ (217,736) | (246,013) |
| Net loss per share: | | |
| Basic and diluted | $ (0.00) | $ (0.00) |
| Weighted average shares outstanding: | | |
| Basic and diluted | 189,061,552 | 158,958,402 |

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**VID3G INC.**
**(Formerly U.S. Mine Makers, Inc.)**

**STATEMENT OF STOCKHOLDERS' DEFICIT**
**(Unaudited)**

| | Common Stock | | Additional Paid-in Capital | Deficit Accumulated during the Exploration Stage | Total Stockholders' Equity (Deficit) |
|---|---|---|---|---|---|
| | Shares | Amount | | | |
| | | $ | $ | $ | $ |
| Balance, June 30, 2013 | 59,604,018 | 5,960 | 8,749,774 | (8,799,038) | (43,304) |
| Common shares issued for asset acquisition | 60,000,000 | 6,000 | – | – | 6,000 |
| Common shares issued for debt conversion | 52,800,000 | 5,280 | – | – | 5,280 |
| Net loss | – | – | – | (247,242) | (247,242) |
| Balance, June 30, 2014 | 172,404,018 | 17,240 | 8,749,774 | (9,046,280) | (279,266) |
| Common shares issued for debt conversion | 49,900,000 | 4,990 | – | – | 4,990 |
| Net loss | – | – | – | (217,736) | (217,736) |
| **Balance, June 30, 2015** | **222,304,018** | **22,230** | **8,749,774** | **(9,264,016)** | **(492,012)** |

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

**VID3G INC.**
**(Formerly U.S. Mine Makers, Inc.)**

**STATEMENTS OF CASH FLOWS**
**(Unaudited)**

| | Year Ended June 30, 2015 | Year Ended June 30, 2014 |
|---|---|---|
| **CASH FLOWS FROM OPERATINGACTIVITIES:** | | |
| Net loss | $ (217,736) | $ (246,013) |
| Adjustments to reconcile net loss to net cash used in operating activities: | | |
| Net change in: | | |
| Prepaid expenses | 5,000 | 10,000 |
| Account payable and Accrued interest | 7,076 | 922 |
| **NET CASH USED IN OPERATING ACTIVITIES** | (205,660) | (255,091) |
| | | |
| **CASH FLOWS FROM FINANCING ACTIVITIES:** | | |
| Due to shareholders | (133,756) | |
| Due to related parties | 54,502 | 128,253 |
| Convertible notes payable | 124,049 | |
| Loans payable | 159,700 | 129,039 |
| **NET CASH PROVIDED BY FINANCING ACTIVITIES** | 204,495 | 257,292 |
| | | |
| **NET CHANGE IN CASH** | (1,165) | 2,201 |
| Cash, beginning of period | 2,229 | 25 |
| Cash, end of period | $ 1,064 | $ 2,226 |
| | | |
| **SUPPLEMENTAL DISCLOSURES** | | |
| Cash paid for interest expense | $ 2,000 | $ - |
| Cash paid for income tax | $ | $ - |
| | | |
| **NONE-CASH TRANSACTIONS** | | |
| Shares issued for services rendered | $ | - |
| Shares issued for debt conversion | $ 49,900,000 | $ 52,800,000 |

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**VID3G INC.**
**(Formerly U.S. Mine Makers, Inc.)**

**NOTES TO FINANCIAL STATEMENTS**
**June 30, 2015**
**(Unaudited)**

## NOTE 1 - BASIS OF PRESENTATION

The accompanying unaudited annual financial statements of Vid3G Inc. (formerly U.S. Mine Makers, Inc. the "Company") have been prepared in accordance with accounting principles generally accepted in the United States of America. In the opinion of management, all adjustments, consisting of normal recurring adjustments, necessary for a fair presentation of the financial position and the results of operations for the years ended June 30, 2015 and June 30, 2014 presented have been reflected herein.

Effective August 15, 2013, the Company changed its business from acquisition and exploration of mineral properties to development of mobile application technologies. The Company received approval from FINRA effective February 12, 2014, for the name change to Vid3G Inc., to better reflect the Company's current business.

## NOTE 2 – GOING CONCERN AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

These financial statements have been prepared in accordance with United States generally accepted accounting principles, on a going concern basis, which contemplates the realization of assets and the satisfaction of liabilities and commitments in the normal course of business. The Company has not started income generating operations. Losses are anticipated in the development of its business and there can be no assurance that the Company will be able to achieve or maintain profitability. These factors raise substantial doubt concerning the Company's ability to continue as a going concern.

The continuing operations of the Company and the recoverability of the carrying value of assets is dependent upon the ability of the Company to obtain necessary financing to fund its working capital requirements, and upon future profitable operations. The accompanying financial statements do not include any adjustments relative to the recoverability and classification of asset carrying amounts or the amount and classification of liabilities that might result from the outcome of this uncertainty.

There can be no assurance that capital will be available as necessary to meet the Company's working capital requirements or, if the capital is available, that it will be on terms acceptable to the Company. The issuances of additional equity securities by the Company may result in dilution in the equity interests of its current stockholders. Obtaining commercial loans, assuming those loans would be available, will increase the Company's liabilities and future cash commitments. If the Company is unable to obtain financing in the amounts and on terms deemed acceptable, the business and future success may be adversely affected.

### Impairment of Long-Lived Assets

The Company reviews long-lived assets for indicators of impairment whenever events or changes in circumstances indicate that the carrying value may not be recoverable. If the review indicates that the carrying amount of the asset may not be recoverable, the potential impairment is measured based on a projected discounted cash flow method using a discount rate that is considered to be commensurate with the risk inherent in the Company's current business model. For purposes of recognition and measurement of an impairment loss, a long-lived asset is grouped with other assets at the lowest level for which identifiable cash flows are largely independent of the cash flows of other assets.

Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles in the United States requires the management to make estimates and assumptions that affect the reported amount of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amount of revenue and expenses during the period. Actual results may differ from those estimates.

Basic Loss per Share

Basic loss per share has been calculated based on the weighted average number of shares of common stock outstanding during the period.

Income Taxes

The asset and liability approach is used to account for income taxes by recognizing deferred tax assets and liabilities for the expected future tax consequences of temporary differences between the carrying amounts and the tax basis of assets and liabilities. The Company records a valuation allowance to reduce the deferred tax assets to the amount that is more likely than not to be realized.

Financial Instruments

The Company's financial instruments consist of cash, accounts payable and due to related party. Unless otherwise noted, it is management's opinion that the Company is not exposed to significant interest, currency or credit risks arising from these financial instruments. Because of the short maturity of such assets and liabilities the fair value of these financial instruments approximate their carrying values, unless otherwise noted.

Fair value of financial instruments

The Financial Accounting Standards Board issued Accounting Standards Codification 820, "Fair Value Measurements and Disclosures", the Company is permitted to elect to measure financial instruments and certain other items at fair value, with the change in fair value recorded in earnings. The Company elected not to measure any eligible items using the fair value option. Consistent with the Fair Value Measurement Topic of the FASB ASC, the Company implemented guidelines relating to the disclosure of our methodology for periodic measurement of our assets and liabilities recorded at fair market value.

Fair value is defined as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. A three-tier fair value hierarchy prioritizes the inputs used in measuring fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (level 1 measurements) and the lowest priority to unobservable inputs (level 3 measurements). These tiers include:

- Level 1, defined as observable inputs such as quoted prices for identical instruments in active markets;

- Level 2, defined as inputs other than quoted prices in active markets that are either directly or indirectly observable such as quoted prices for similar instruments in active markets or quoted prices for identical or similar instruments in markets that are not active; and

- Level 3, defined as unobservable inputs in which little or no market data exists, therefore requiring an entity to develop its own assumptions, such as valuations derived from valuation techniques in which one more significant inputs or significant value drivers are unobservable.

The carrying amounts of accounts payable and amounts due to related parties approximate their fair values due to the immediate or short-term maturities of these financial instruments. The Company has no level 2 or 3 liabilities.

Newly Adopted Accounting Pronouncements

The Company does not expect the adoption of recently issued accounting pronouncements to have a significant impact on our results of operation, financial position or cash flow.

Reclassifications

Certain comparative figures have been reclassified to conform to the current year's presentation.

## NOTE 3 – INTANGIBLE ASSET

Effective August 15, 2013, by way of an asset purchase agreement, the Company acquired the right, title and interest to 27 Vid3G mobile application patents from Leexoo Technology Ltd/Vid3G LLC ("Leexoo"), a LLC formed in the state of Nevada. As consideration for the purchase, the Company issued 60,000,000 shares of the Company's restricted common stock to the owners of Leexoo.

The Company initially valued the 60,000,000 shares issued to the owners of Leexoo at $1,000,000 based on a discounted closing trading price of the Company's common shares on August 15, 2013.

During the ongoing audit of the Company's financial statements, the Company has determined that the appropriate valuation of these 60,000,000 shares issued for the asset acquisition is $6,000 based on the par value of the Company's common stock. The financial statements for the year ended June 30, 2014 have been amended accordingly.

## NOTE 4 – DUE TO SHAREHOLDERS

At June 30, 2015 the Company had $Nil (June 30, 2014 - $133,756) owed to shareholders for cash advances and expenses paid on behalf of the Company. Amounts due to shareholders as at June 30, 2014 were unsecured, non-interest bearing and payable upon demand.

On May 5, 2015 and May 15, 2015 the amounts payable to shareholders were satisfied with the issuance of two convertible promissory notes (the "Notes") as follows.

| Date Debt Incurred | Amount | Rate of Interest | Conversion Price | Date of Convertible Promissory Note |
|---|---|---|---|---|
| March 31, 2014 | $72,690 | 6% | $0.001 | May 5, 2015 |
| April 30, 2014 | $56,349 | 6% | $0.001 | May 15, 2015 |

In accordance with the terms of the Notes, each of Note holders shall not convert any portion of the Notes to the extent that after giving effect to such conversion, the holder together with the holder's affiliates would beneficially own in excess of 4.99% of the issued and outstanding shares of the Company's Common Stock.

## NOTE 5 – DUE TO RELATED PARTIES

At June 30, 2015 the Company had $ 208,215 (June 30, 2014 - $153,713) owed to officers for management fees and expenses paid on behalf of the Company. These amounts due to related parties are unsecured, non-interest bearing and payable upon demand.

NOTE 6 – CONVERTIBLE NOTES PAYABLE

During October, 2009 the Company issued a promissory note in the amount of $11,040 in satisfaction of an outstanding debt for services. The promissory note was unsecured, payable upon demand and bears simple annual interest rate of 6%. Effective September 28, 2012, the note was in default and the terms of the promissory note were amended whereby the holder of the promissory note had the right to convert the full or part of the principal amount of $11,040 into common stock of the Company at $0.0001 per share.

On May 5, 2015 and May 15, 2015 the amounts payable to shareholders were satisfied with the issuance of two convertible promissory notes (the "Notes") as follows.

| Date Debt Incurred | Amount | Rate of Interest | Conversion Price | Date of Convertible Promissory Note |
|---|---|---|---|---|
| March 31, 2014 | $72,690 | 6% | $0.001 | May 5, 2015 |
| April 30, 2014 | $56,349 | 6% | $0.001 | May 15, 2015 |

In accordance with the terms of the Notes, each of Note holders shall not convert any portion of the Notes to the extent that after giving effect to such conversion, the holder together with the holder's affiliates would beneficially own in excess of 4.99% of the issued and outstanding shares of the Company's Common Stock.

During the year ended June 30, 2015, the company settled $4,990 (2014 - $5,280) of notes payable with the issuance of 49,900,000 (2014 - 52,800,000) shares of the Company's common stock.

NOTE 7 – LOAN PAYABLE

On July 17, 2014 the Company entered into a Proposed Acquisition Agreement (the "Agreement") with a private Canadian company (the "Purchaser") to enable the Purchaser to commence due diligence on the potential purchase of 100% of the Vid3G technology for a purchase price of approximately CAD $2,200,000. In conjunction with the Agreement, the Purchaser advanced the Company an interest-free loan in the amount of CAD$200,000, currently valued at USD $159,700, secured against the Company's technology assets.
Upon satisfactory due diligence by the Purchaser, and upon execution of a Definitive Agreement, the consideration will include forgiveness of the entire loan of CAD$200,000 and the issuance of 2,000,000 common shares of a Canadian Public Company, each share with a market value not lower than CAD$1.00. The Definitive Agreement was expected to be executed before December 31, 2014. However, the due diligence is currently ongoing and not completed.

NOTE 8 – COMMON STOCK

Effective August 15, 2013 the Company entered into and closed an asset purchase agreement acquiring the right, title and interest to 27 Vid3G mobile application patents from Leexoo Technology Ltd/Vid3G LLC ("Leexo") with the issuance of 60,000,000 shares of the Company's common stock valued at $6,000. See NOTE 3.

During the year ended June 30, 2014, the Company issued 52,800,000 shares of the Company's common stock to settle $5,280 of the note payable at $0.0001 per share.

During the year ended June 30, 2015, the Company issued 49,900,000 shares of the Company's common stock to settle $4,990 of the notes payable.

NOTE 9 – RELATED PARTY TRANSACTIONS

During the year ended June 30, 2015, the Company incurred management fees of $60,000 (2014 - $60,000) to the CEO, which was outstanding at June 30, 2015.

During the year ended June 30, 2015, the Company incurred management fees of $24,000 (2014 - $Nil) to the Vice President of Operations, which was outstanding at June 30, 2015.

Related party transactions incurred in the normal course of operations are measured at agreed to amounts, which is the amount of consideration established and agreed to by the parties.