

2016

First Quarter for the Fiscal Year Ended June 30, 2016

Financial Statements and Footnotes for the Quarter Ended September 30, 2015
As prescribed by OTC Pink® Basic Disclosure Guidelines



Rocky Mountain High Brands, Incorporated (RMHB)
A Nevada Corporation Listed on the Pink OTC Market

Rocky Mountain High Brands, Inc.
Balance Sheet
As of September 30, 2015
(Unaudited)

Current Assets	
Cash	\$36,812
Accounts Receivable	\$301,971
Inventory	\$879,680
Other Current Assets	\$58,529
Total Current Assets	\$1,276,992
Fixed Assets	
	\$29,501
Other Assets	
Brand Development	\$104,960
Investment In Chill Texas	\$15,000
Trade Mark	\$6,601
Total Other Assets	\$126,561
TOTAL ASSETS	\$1,433,053
Liabilities and Equity	
Liabilities	
Accounts Payable	\$28,347
Convertible Notes Payable	\$1,240,759
Deferred Revenue	\$650,000
Other Current Liabilities	\$174,767
Total Current Liabilities	\$2,093,873
Total Liabilities	\$2,093,873
Equity	
Common Stock - 419,856,154 outstanding at September 30, 2015; \$.001 par value 610,000,000 authorized	\$419,856
Additional Paid In Capital	\$1,729,133
Retained Earnings (Deficit)	(\$2,541,283)
Net Income (Loss)	(\$268,526)
Total Equity	(\$660,820)
Total Liabilities And Equity	\$1,433,053

See notes to unaudited financial statements.

Rocky Mountain High Brands, Inc
Profit and Loss
(Unaudited)

Three Months
Ending
September 30, 2015

Revenue	\$246,619
Cost of Goods Sold	\$135,707
Gross Profit	<u>\$110,912</u>
Expenses	
Advertising	\$46,821
Marketing	\$42,931
Consulting	\$44,530
Travel	\$3,270
Administrative	\$241,884
Total Operating Expenses	<u>\$379,438</u>
Net Income (Loss)	<u>(\$268,526)</u>

See notes to unaudited financial statements.

Rocky Mountain High Brands, Inc
Statement of Cash Flows
July - September, 2015
(Unaudited)

OPERATING ACTIVITIES

Net Income	(\$268,526)
Adjustments to reconcile Net Income to Net Cash provided by operations:	
Trade Accounts Receivable	(\$74,929)
Inventory	(\$338,680)
Deferred Revenue	\$650,000
Other Adjustments	(\$487,879)
Net cash provided by operating activities	(\$251,489)

INVESTING ACTIVITIES

Trade Mark THCZ	(\$1,618)
Net cash provided by investing activities	(\$1,618)

FINANCING ACTIVITIES

Additional Paid In Capital	\$199,250
Net cash provided by financing activities	\$199,250
Net cash increase for period	(\$53,857)

See notes to unaudited financial statements.

Rocky Mountain High Brands, Inc.
Notes to Unaudited Financial Statements
First Quarter for the Fiscal Year Ended June 30, 2016

1. General

Rocky Mountain High Brands, Inc. (RMHB or the Company) is a publicly-traded company that has developed a lineup of five “hemp-infused” beverages, wine-based products, and beer and liquor products (the wine, beer and liquor products have been formulated, but are not ready for market.) RMHB is also developing of a lineup of products containing Cannabinoids (CBD).

2. Basis of Presentation

The accompanying unaudited financial statements have been presented on the basis of its ability to become a going concern. While the company expects to successfully execute its plan, its ability to satisfy its obligations when due is dependent upon arranging adequate debt and/or equity financing until sufficient profitability and cash flow from operations can be achieved.

3. Deferred Revenue

In June 2015, the Company entered into an exclusive manufacture and supply agreement with Rodney Peterson or his designee, Rocky Mountain High Canada (RMHC) for distribution rights to Rocky Mountain High Brands in Canada. Under the agreement, RMHC was required to pay the Company \$500,000 before June 30, 2015 and submit an additional \$150,000 prior to the production run for the 1,000,000 cans of product covered under the agreement. The Company received the \$500,000 prior to September 30, 2015 and anticipates receiving the additional \$150,000 by November 30, 2015.

Once the Company has received the final payment of \$150,000 and has met its obligations under the agreement to produce and ship the 1,000,000 cans to RMHC, the Deferred Revenue will be recognized as Revenue on the Profit & Loss Statement.

4. Notes Payable

On August 29, 2015, the Company paid off a \$197,734 note payable and accrued interest to one of its debtholders.

Rocky Mountain High Brands, Inc.
Notes to Unaudited Financial Statements
First Quarter for the Fiscal Year Ended June 30, 2016
(Continued)

5. Subsequent Events

A. Series C Preferred Shares and Convertible Note Exchange

As of June 30, 2015, one of Company's debtholders held a convertible note in the amount of \$1,065,623. This balance was included in outstanding principal on notes payable, which represented principal, accrued interest and other fees related to the note. On November 11, 2015, the balance of the same note was \$1,107,607.

The Company amended its Articles of Incorporation as of November 13, 2015 to create a Series C Preferred Shares, which are 12% interest bearing, cumulative, exchangeable, non-voting, convertible Preferred Stock of the Company.

As of November 16, 2015, the debtholder agreed to a dollar for dollar exchange for same number of Preferred C Shares. Each Series C Preferred Share can be converted to 50 Shares of Common Stock. The exchange will reduce Liabilities and increase the Equity.

B. June 30, 2015 Year-End Audit

The transactions described above in 4 (A.) have delayed the issuance of the June 30, 2015 Year-End Audit report because it represents a material subsequent event that will need to be reviewed by the auditors and properly disclosed in the Notes to the June 30, 2015 Audited Financial Statements.

C. Cash and Notes Payable

In October 2015, the Company entered into a \$500,000 note payable at 12% simple interest for a one year period. As of November 16, 2015, the Company has \$526,526 in its bank operating account.

D. Name Change

On Oct 23, 2015, Totally Hemp Crazy, Inc. updated its name to Rocky Mountain High Brands, Inc. Rocky Mountain High common shares trade on OTC Markets Pink Sheets under the ticker: RMHB.