UMBRA APPLIED TECHNOLOGIES GROUP, INC.

FINANCIAL STATEMENTS

(A Development Stage Company)

December 31, 2015
Year End Financial Statements
(Unaudited)

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Umbra Applied Technologies Group, Inc.
(A Development Stage Company)
Balance Sheets
(Unaudited)

	Year Ended December 31, 2015	Year Ended December 31, 2014 (restated)
ASSETS		
Current Assets		
Cash	$ 8,250	$ 31,117
Accounts Receivable	10,500	10,500
Securities	200,000	700,000
Total Current Assets	218,750	741,617
Property, Plant and Equipment		
Equipment	2,831,800	2,831,800
Less: Accumulated depreciation	(141,948)	(69,724)
Total Property, Plant and Equipment	2,689,852	2,762,076
Other Assets		
R& D products	390,000	12,000
Leasehold improvements, net	152,500	22,500
Oil Lease, net of depletion	743,523	778,015
Total other assets	1,286,023	812,515
Goodwill	4,896,800	4,896,800
Total Assets	$ 9,091,425	$ 9,571,008
LIABILITIES AND SHAREHOLDERS' DEFICIT		
Current		
Accounts Payable	$ 419,367	84,210
Short Term debt	50,055	50,055
Total Current Liabilities	469,422	134,265
Total Liabilities	$ 469,422	134,265
STOCKHOLDERS' EQUITY		
Authorized: 200,000,000 common Issued and outstanding, $0.001 par value December 31, 2015 and December 31, 2014-38,447,832 and 32,447,832 common shares, respectively	38,448	32,263
Preferred shares, Series A $0.001 par value 5,000,000 Authorized and outstanding December 31, 2015 and December 31, 2014	5,000	5,000
Preferred shares, Series B, $0.001 par value 8,000,000 Authorized 5,428,682 outstanding December 31,2015 and December 31, 2014	5,429	5,429
Additional paid-in capital -	20,439,802	20,145,987
Deficit Accumulated During the Developmental Stage	(11,866,676)	(10,751,936)
Total Stockholders' Equity	8,622,003	9,436,743
Total Liabilities and Stockholders'Equity	$ 9,091,425	$ 9,571,008

The accompanying notes are an integral part of these Financial Statements

Umbra Applied Technologies Group, Inc.
(A Development Stage Company)
Statements of Operations
(Unaudited)

	Year Ended December 31, 2015	Year Ended December 31, 2014 (restated)
Revenue		
Income	$ 315,500	$ 149,850
Less: cost of goods sold	(34,538)	(13,697)
Gross Profit	280,962	136,153
Expenses		
Professional Fees	14,000	634,323
Public company expenses	10,000	6,817
Consulting	974,206	3,738,198
Wages	80,000	39,332
Office	155,809	9,457
Rent	36,971	39,884
General and admin	18,000	159,079
Depreciation	72,224	72,224
Total Expenses	1,361,210	4,699,394
Net Loss from Operations	(1,080,248)	(4,563,241)
Other Income and Expenses		
Depletion allowance	(34,492)	(12,485)
Loss on conversion of debt	-0-	(4,204,232)
Loss on sale of assets	-0-	(109,750)
Loss on securities	-0-	(700,000)
Interest expense	-0-	(15,000)
Total other income and expenses	(34,492)	(5,041,967)
Loss For The Period	$ (1,114,740)	$ (9,605,208)

The accompanying notes are an integral part of these Financial Statements

Umbra Applied Technologies Group, Inc.
(A Development Stage Company)
Statements of Cash Flows
(Unaudited)

	Year Ended Dec 31, 2015	Year Ended Dec 31, 2014
Cash Flows From Operating Activities		
Net Income (Loss)	$ (1,114,740)	$ (9,605,208)
Adjustments To Reconcile Net Loss To Net Cash Provided by Operations		
Depreciation	72,224	72,224
Unrecognized loss on securities	-0-	700,000
Loss on sale of Assets	-0-	4,204,232
Depletion	34,492	12,485
Stock issued for services	250,000	4,367,415
(Increase) in accounts receivable	-0-	(10,500)
(Increase) in inventory	-0-	358,000
Increase (decrease) in Accrued Liabilities and Payables	335,157	(500,236)
Net Cash Provided (Used) by Operating Activities	(422,867)	(401,588)
Cash Flows From Investing Activities		
Leasehold improvements	(100,000)	(25,000)
Sale of securities	500,000	
Purchase equipment	-0-	(17,600)
Net Cash Provided (Used) by Investing Activities	400,000	(42,600)
Cash Flows From Financing Activities		
Proceeds from sale of stock	-0-	300,000
Cash Received from issuance of stock	-0-	50,055
Net Cash Provided (Used) by Financing Activities	-0-	350,055
Increase (Decrease) in Cash from Continuing Operations	(22,867)	(94,133)
Cash and Cash Equivalents at Beginning of Period	$ 31,117	$ 125,250
Cash and Cash Equivalents at End of Period	$ 8,250	$ 31,117
Supplemental Information		
Cash Paid For:		
Interest	-0-	-0-
Income Taxes	-0-	-0-
None Cash Item-Leasehold and R&D	50,000	

The accompanying notes are an integral part of these Financial Statements

NOTE 1 - BASIS OF PRESENTATION AND DESCRIPTION OF BUSINESS

a) Basis of Presentation

The information presented in the accompanying financial statements for the year ended December 31, 2015 and December 31, 2014, are unaudited and includes all adjustments, which are, in the opinion of the management of Umbra Applied Technologies Group, Inc. (the "Company"), necessary to present fairly the financial position, results of operations and cash flows in the periods presented.

b) Reclassifications

Certain reclassifications have been made to the prior years' financial statements to conform to the current year presentation. On the Assets we have reclassified Inventory into R&D products. These reclassifications had no effect on previously reported results of operations or retained earnings.

c) Development Stage Activities

The Company is in the development stage and has not yet realized any revenues from its planned operations. Based upon the Company's business plan, it is a development stage enterprise.

d) Organization

Umbra Applied Technologies Group, Inc. (the "Company") was incorporated on January 4, 2008 with the name "Utah Kaolin Products, Inc." On November 6, 2009 the Company changed its name to "Green Processing Technologies, Inc." In December 2013 the Company changed its name to "Umbra Applied Technologies Group, Inc. (hereinafter "UATG-Delaware"). We own 70 percent of the equity of Alberta Province, Canadian company called "KeyEco Tech, Inc." through which we propose to develop our technologies for various applications in Alberta Province but primarily for companies involved directly in the processing of mined oil sands and in the remediation of lakes polluted by the waste from oil sands mining operations.

The Company purchased Intrepid Innovations Corporation in October 2013 and has accounted for the transaction as a reverse acquisition.

NOTE 1 - BASIS OF PRESENTATION AND DESCRIPTION OF BUSINESS –continued

The Company entered into a purchase transaction to acquire Umbra Applied Technologies, Inc. in December 2013 that was approved by the Company's Board of Directors in January 2014. The Company has issued the shares required to complete its side of the transaction but has not received all of the consideration from Umbra Applied Technologies, Inc.'s shareholders as required in the purchase agreement. This transaction has been accounted for as a reverse acquisition.

NOTE 2 - SIGNIFICANT ACCOUNTING POLICIES

This summary of significant accounting policies is presented to assist in understanding the Company's financial statements. The financial statements and notes are representations of the Company's management who is responsible for their integrity and objectivity. These accounting policies conform to generally accepted accounting principles in the United States of America and have been consistently applied in the preparation of the financial statements. The financial statements are stated in United States of America dollars.

Organizational and Start-up Costs

Costs of start-up activities, including organizational costs, are expensed as incurred in accordance with ASC 720-15.

Income Taxes

The Company uses the asset and liability method of accounting of income taxes. Under the asset and liability method deferred tax assets and liabilities are recognized for the future tax consequences attributable to temporary differences between the financial statements carrying amounts of existing assets and liabilities and their respective tax bases. Deferred tax assets and liabilities are measured using enacted tax rates expected to apply to taxable income in the years in which those temporary differences are expected to be recovered or settled.

NOTE 2 - SIGNIFICANT ACCOUNTING POLICIES –continued

Basic and Fully-Diluted Loss Per Share

The basic loss per common share is computed by dividing net loss available to common stockholders by the weighted average number of common shares outstanding. Fully-Diluted loss per common share is computed similar to basic loss per common share except that the denominator is increased to include the number of additional common shares that would have been outstanding if the potential common shares had been issued and if the additional common shares were dilutive. At December 31, 2015 and December 31, 2014 the Company had no stock equivalents that were anti-dilutive and excluded in the earnings per share computation.

Estimated Fair Value of Financial Instruments

The carrying value of the Company's financial instruments, consisting of accounts payable and accrued liabilities approximate their fair value due to the short-term maturity of such instruments. 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 statements.

Basic and Fully-Diluted Loss Per Share

The basic loss per common share is computed by dividing net loss available to common stockholders by the weighted average number of common shares outstanding. Fully-Diluted loss per common share is computed similar to basic loss per common share except that the denominator is increased to include the number of additional common shares that would have been outstanding if the potential common shares had been issued and if the additional common shares were dilutive. At December 31, 2015 and December 31, 2014 the Company had no stock equivalents that were anti-dilutive and excluded in the earnings per share computation.

Revenue Recognition

The Company has had limited revenues to date. It is the Company's policy that product revenues (or service revenues) will be recognized when persuasive evidence of an arrangement exists, delivery has occurred (or service has been performed), the sales price is fixed and determinable and collectability is reasonably assured.

NOTE 2 - SIGNIFICANT ACCOUNTING POLICIES-continued

Concentrations

Financial instruments that potentially subject the Company to concentrations of credit risk consist principally of cash and cash equivalents. At December 31, 2015 and December 31, 2014, the Company had $8,250 and $31,117 respectively, in funds in deposits in a business bank account, which are not insured by agencies of the U.S. Government.

Currency

The functional currency of the Company is the United States Dollar.

Use of Estimates

The preparation of financial statements in accordance with generally accepted accounting principles in the United States of America require the use of estimates and assumptions that affect the reported amounts of assets and liabilities, disclosure of contingent assets and liabilities known to exist as of the date the financial statements are published, and the reported amounts of revenues and expenses during the reporting period. Uncertainties with respect to such estimates and assumptions are inherent in the preparation of the Company's financial statements; accordingly, it is possible that the actual results could differ from these estimates and assumptions and could have a material effect on the reported amounts of the Company's financial position and results of operations.

Cash and Cash Equivalents

The Company considers all highly liquid debt instruments with an original maturity of three months or less to be cash equivalents.

Recent Accounting Pronouncements

The Company management has reviewed recent accounting pronouncements issued through the date of the issuance of financial statements. In management's opinion, except for those pronouncements detailed below, no other pronouncements apply or will have a material effect on the Company's financial statements.

NOTE 2 - SIGNIFICANT ACCOUNTING POLICIES-continued

In May 2009, the FASB issued ASC 855 Subsequent Events, which establishes principles and requirements for subsequent events. In accordance with the provisions of ASC 855, the Company currently evaluates subsequent events through the date the financial statements are available to be issued.

NOTE 3 - BASIS OF PRESENTATION – GOING CONCERN

The accompanying financial statements have been prepared in conformity with generally accepted accounting principles ("GAAP") in the United States of America, which contemplates the Company's continuation as a going concern. However, the Company is entering into a new business operation and has losses to date of approximately $11,866,672. These matters raise substantial doubt about its ability to continue as a going concern. In view of these matters, realization of certain of the assets in the accompanying balance sheet is dependent upon its ability to meet its financing requirements, raise additional capital, and the success of its future operations. The Company acquired operating capital through equity offerings to the public and through the sale of notes to related parties, to fund its business plan. There is no assurance that the funds received will be sufficient to assure the Company's eventual profitability. Management believes that actions planned and presently being taken to revise it's operating and financial requirements provide the opportunity for it to continue as a going concern. The financial statements do not include any adjustments that might result from these uncertainties.

NOTE 4 - INCOME TAXES

The Company is subject to U.S. federal income taxes. It has had losses to date, and therefore, has paid no income tax. Deferred income taxes arise from temporary timing differences in the recognition of income and expenses for financial reporting and tax purposes. The Company's deferred tax assets consist entirely of the benefit from net operating loss ("NOL") carry-forwards. Its deferred tax assets are offset by a valuation allowance due to the uncertainty of the realization of the NOL carry-forwards. NOL carry-forwards may be further limited by a change in Company ownership and other provisions of the tax laws.

NOTE 5 – RELATED PARTY TRANSACTIONS

The officers and directors of the Company are involved in other business activities and they may, in the future, become involved in additional business ventures, which may also require their time and attention. If a specific business opportunity becomes available, such persons may face a conflict in selecting between the Company and their other business interests. The Company has not formulated a policy for the resolution of such conflicts.

In January 2014, the Company issued 3,000,000 Series B Preferred shares to Chuck Winters as part of the purchase transaction of Umbra Applied Technologies, Inc (see also note 6 Change of Control).

In July 2014, the Company issued 15,000,000 common shares to three related parties with a value of $5,300,000 for services and $3,000,000 for debt payment.

During 2015, the Company issued Alex Umbra, its president 5,000,000 common shares for compensation which was valued at $250,000.

NOTE 6- CHANGE OF CONTROL

In October 2013 through the purchase of Intrepid Innovations Corporation, Chuck Winters received 5,000,000 shares of Series A Preferred Stock. These shares include voting rights on an as converted basis of 20:1 which provided Mr. Winters with voting control of the Company at that time.

In January 2014 with the issuance of shares for the purchase of Umbra Applied Technologies, Inc the 5,000,000 shares received by Mr. Winters in the October 2013 transaction were returned and re-issued to Alex Umbra with the same provisions effecting a change of control to Mr. Umbra. The voting rights were subsequently modified to vote as if converted at 50:1.

NOTE 6- LITIGATION

None

NOTE 8- SUBSEQUENT EVENTS

The Company has reviewed subsequent events up to and including the issuance date of these statements, and determined that except for those events disclosed herein, no additional subsequent events have occurred.