INTEGRATED ENERGY SOLUTIONS, INC.

Formerly Amerilithium Corp.

Index to Unaudited Consolidated Financial Statements

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Integrated Energy Solutions, Inc.
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Consolidated Balance Sheets

	December 31, 2014 unaudited	December 31, 2013
ASSETS		
Current assets:		
Cash	$ 178,019	$ 1,583
Accounts receivables	990,150	-
Prepaid expenses and other current assets	17,535	-
Total current assets	1,185,704	1,583
Fixed assets		
Furniture and equipment, net	101,874	1,676
Total fixed assets	101,874	1,676
Other assets		
Intangible assets	105,013	-
Goodwill	101,724	-
Mining claims	-	108,428
Total other assets	206,737	108,428
Total assets	$ 1,494,315	$ 111,687
LIABILITIES		
Current liabilities:		
Accounts payable and accrued expenses	$ 298,322	$ 121,318
Derivative liability, current portion	733,818	-
Secured loan payable - current	833,950	-
Secured promissory notes	975,000	
Convertible notes payable, net of unamortized discount	228,898	332,943
Total current liabilities	3,069,988	454,261
Total liabilities	3,069,988	454,261
Redeemable Series B Convertible Preferred Stock, 9,500,000 shares authorized, 2,350,000 and 0 shares issued and outstnading at December 31, 2014 and 2013	70,500	-
STOCKHOLDERS' EQUITY		
Series A Preferred stock, $0.001 par value, 51 authorized and outstanding,	-	-
Common stock, $0.001 par value, 2,000,000,000 authorized, 1,632,182,304 and 305,059,226 shares issued and outstanding	1,632,183	305,059
Additional paid-in capital	11,804,435	11,214,318
Stock payable	95	95
Accumulated deficit	(15,082,886)	(11,862,047)
Total stockholders' equity	(1,646,173)	(342,574)
Total liabilities and stockholders' equity	$ 1,494,315	$ 111,687

The accompanying notes are an integral part of these statements.

Integrated Energy Solutions, Inc.
Formerly Amerilithium Corp.

Consolidated Statements of Operations

	Year ended December 31,	
	2014	**2013**
	unaudited	
Revenue	$ 383,688	$ -
Cost of revenue	(236,867)	-
Gross profit	146,821	-
General and administrative expenses	74,006	82,013
Exploration expenses	-	51,271
Impairment losses	108,428	5,070,452
Salaries	78,272	128,000
Professional fees	1,096,663	342,902
Total operating expenses	1,357,369	5,674,638
Loss from operations	(1,210,548)	(5,674,638)
Other income/(expense):		
Other Income	154,376	-
Loss on derivative	(1,394,613)	-
Interest expense	(770,054)	(374,817)
Total other expenses	(2,010,291)	(374,817)
Provision for taxes on income	-	-
Net loss	$ (3,220,839)	$ (6,049,455)
Weighted average number of shares outstanding-basic	636,611,375	182,334,446
Net loss per share - basic	$ (0.01)	$ (0.03)

The accompanying notes are an integral part of these statements.

Integrated Energy Solutions, Inc.
Formerly Amerilithium Corp.

Consolidated Statement of Stockholders' Equity

	Common Stock Shares	Common Stock Amount	Additional Paid-in Capital	Stock Payable	Accumulated Deficit	Total
Balance, December 31, 2012	**117,458,776**	**$ 117,459**	**$ 10,683,838**	**$ 14,100**	**$ (5,812,592)**	**$ 5,002,805**
Stock issued for purchase of mining claims						
Stock issued for financing agreemen	6,831,362	6,831	59,469			66,300
Stock issued for loan conversion	145,550,691	145,551	407,546			553,097
Stock issued for advisory services and Professional Service	35,218,397	35,218	63,465			98,683
Stock subscription				(14,005)		(14,005)
Net (loss)					(6,049,455)	(6,049,455)
Balance, December 31, 2013	**305,059,226**	**305,059**	**11,214,318**	**95**	**(11,862,047)**	**(342,575)**
Stock issued for loan conversion and discounts on loan modificatio	1,323,271,475	1,323,272	559,689	-	-	1,882,961
Stock issued for advisory services and Professional Service	3,851,603	3,852	30,428	-	-	34,280
Net (loss)	-	-	-	-	(3,220,839)	(3,220,839)
Balance, December 31, 2014 (Unaudited	**1,632,182,304**	**$ 1,632,183**	**$ 11,804,435**	**$ 95**	**$ (15,082,886)**	**$ (1,646,173)**

The accompanying notes are an integral part of these financial statements

Integrated Energy Solutions, Inc.
Formerly Amerilitium Corp.

Consilidated Statements of Cash Flows

	Year ended December 31,	
	December 31, 2014	**December 31, 2013**
	unaudited	
Cash flows from operating activities:		
Net loss	$ (3,220,839)	$ (6,049,455)
Adjustments to reconcile net loss to net cash used in operating activities:		
Common stock issued for services	-	
Shares issued for services	34,280	98,683
Shares issued for financing agreement and facilities fee	-	66,300
Shares issued for debt discount	-	12,598
Advisory fees issued in form of promissory notes	125,000	-
Interest expense	597,620	293,529
Gain on conversion of convertible notes	-	-
Loss on derivative	1,394,613	-
Amortization of loan fees	-	33,967
Impairment on properties	108,428	5,070,452
Depreciation and Amortization	2,920	1,151
Loss on abandonded assets	-	5,984
Change in current assets and liabilities:		
Prepaid deposits	(17,535)	1,200
Accounts payable and accrued expenses	(218,551)	78,827
Net cash flows used in operating activities	(1,194,064)	(386,764)
Cash flows from investing activities:		
Purchase of fixed assets	-	(1,898)
Net cash flows used in investing activities	-	(1,898)
Cash flows from financing activities:		
Net proceeds from issuance and repayments of convertible notes	520,500	175,000
Proceeds from issuance of promissory notes	850,000	-
Net cash flows from financing activities	1,370,500	175,000
Net cash flows	176,436	(213,662)
Cash - beginning of period	1,583	215,245
Cash - end of period	$ 178,019	$ 1,583
SUPPLEMENTAL DISCLOSURE OF CASH FLOWS FOR:		
Interest	$ -	$ -
Income taxes	$ -	$ -
Supplemental disclosure of non-cash financing and investing activities:		
Debt discount recorded on convertible debt accounted for as derivative liabilities	$ 1,222,165	$ -
Assignment of convertible note to new lender	$ 220,229	$ -
Stock issued to acquire assets	$ 81,693	$ -
Shares issued to settle interest expense	$ -	$ 50,733
Shares issued to settle convertible notes and debt discounts	$ 1,882,961	$ 647,337

The accompanying notes are an integral part of these statements.

Note 1 - Organization and summary of significant accounting policies:

Organization and nature of business – Integrated Energy Solutions, Inc. formerly Amerilithium Corp., ("We," or "the Company") is a Nevada corporation incorporated on February 2, 2004. The Company was primarily engaged in the acquisition and exploration of mining properties. More recently, through the below described asset acquisitions, the Company also specializes in the collection, treatment, and sale of waste oils and industrial grade glycols "antifreeze". Petroleum is the main by-product of industrial waste water treatment.

On September 26, 2014, the Financial Industry Regulatory Authority (FINRA) effected in the marketplace the change of the corporate name of Integrated Energy Solutions, Inc. (the "Company") from Amerilithium Corp. (the "Name Change"), and effective on such date, the Company trades under its new name, Integrated Energy Solutions, Inc. The Company filed an amendment to its Articles of Incorporation with the State of Nevada regarding the Name Change.

Recent Developments*:*

Patten Energy Enterprises, Inc. Share Exchange Agreement

On November 20, 2014, the Company entered into a Share Exchange Agreement (the "Patten Share Exchange") by and among the Company, Patten Energy Enterprises, Inc., a California corporation ("Patten Energy"), and Ezekial Patten, Jr. (the "Patten Shareholder"), pursuant to which the Company acquired all of the outstanding shares of Patten Energy (the "Patten Shares") from the Patten Shareholder in exchange for the right to receive 950,000 shares of Series B Convertible Preferred Stock of the Company upon the terms and subject to the conditions set forth in the Patten Share Exchange. As additional consideration, upon the Company entering into a credit facility in the amount of at least $700,000, the Company will allocate to Patten Energy certain funds for use as working capital.

Atlantic-Pacific, LLC Share Exchange Agreement

On November 20, 2014, the Company entered a certain Share Exchange Agreement (the "Atlantic-Pacific Share Exchange") by and among the Company, Atlantic-Pacific, LLC, an Indiana limited liability company ("Atlantic-Pacific"), and Robert Rosinski (the "Atlantic-Pacific Member"), pursuant to which the Company acquired all of the outstanding membership interests of Atlantic-Pacific (the "Atlantic-Pacific Shares") from the Atlantic-Pacific Member in exchange for the right to receive 950,000 shares of Series B Convertible Preferred Stock of the Company upon the terms and subject to the conditions set forth in the Atlantic-Pacific Share Exchange. As additional consideration, upon the Company entering into a credit facility in the amount of at least $700,000, the Company will allocate to Atlantic-Pacific certain funds for use as working capital.

Orbit Oil Asset Purchase Agreement

On November 20, 2014, the Company entered into an Asset Purchase Agreement (the "Orbit Oil Asset Purchase Agreement") by and among the Company, AP Lubes, Inc., a Delaware corporation and wholly-owned subsidiary of the Company ("AP Lubes"), and Orbit Oil, Inc., an Indiana corporation ("Orbit Oil"), pursuant to which AP Lubes purchased those certain assets of Orbit Oil on the terms and subject to the conditions set forth in the Orbit Oil Asset Purchase Agreement. As consideration, the Company issued to Orbit Oil, on behalf of AP Lubes, 450,000 shares of Series B Convertible Preferred Stock of the Company on the terms and subject to the conditions set forth in the Orbit Oil Asset Purchase Agreement. As further consideration, the Company issued to Orbit Oil, on behalf of AP Lubes, a 24-month promissory note in the aggregate principal amount of $50,000. In addition, upon the Company entering into a credit facility in the amount of at least $700,000, the Company will pay Orbit Oil a cash payment of $50,000.

Basis of presentation - The accompanying financial statements have been prepared in accordance with generally accepted accounting principles in the United States of America, and pursuant to the rules and regulations of the Securities and Exchange Commission (the "SEC") and reflect all adjustments, consisting of normal recurring

adjustments, which management believes are necessary to fairly present the financial position, results of operations and cash flows of the Company for the year ended December 31, 2014.

Use of estimates - The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amount of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Cash and cash equivalents - The Company maintains a cash balance in a non-interest-bearing account that currently does not exceed federally insured limits. For the purpose of the statements of cash flows, all highly liquid investments with an original maturity of three months or less are considered to be cash equivalents. There were no cash equivalents as of December 31, 2014 and 2013.

Property and Equipment - The Company values its investment in property and equipment at cost less accumulated depreciation. Depreciation is computed primarily by the straight line method over the estimated useful lives of the assets ranging from three to five years. For the year ended December 31, 2014 and 2013, the Company recognized $2,920 and $1,151 depreciation expense, respectively.

Mineral Property Acquisition and Exploration Costs - The Company is primarily engaged in the business of the acquisition, exploration, development, mining, and production of domestic strategic energy and mineral properties, with emphasis on lithium carbonate and additional strategic minerals. Mineral claim and other property acquisition costs are capitalized as incurred. Such costs are carried as an asset of the Company until it becomes apparent through exploration activities that the cost of such properties will not be realized through mining operations. Mineral exploration costs are expensed as incurred, and when it becomes apparent that a mineral property can be economically developed as a result of establishing proven or probable reserve, the exploration costs, along with mine development cost, are capitalized. The costs of acquiring mineral claims, capitalized exploration costs, and mine development costs are recognized for depletion and amortization purposes under the units-of-production method over the estimated life of the probable and proven reserves. If mineral properties, exploration, or mine development activities are subsequently abandoned or impaired, any capitalized costs are charged to operations in the current period.

The Company conducted an impairment analysis on the carrying value of its mining properties and the related lease acreage for the period ending December 31, 2014 and 2013 and determined that an impairment in the amount $108,427 and $5,070,452 was necessary. Key indicators were evaluated to determine that sufficient progress had been made over the last 12 months including maintaining the commitment of our geologist, significant progress in evaluating the properties program which is very complex and continued resources for financing for third parties.

Asset retirement obligations - The Company has adopted the provisions of FASB ASC 410-20 “Asset Retirement and Environmental Obligations," which requires the fair value of a liability for an asset retirement obligation to be recognized in the period in which it is incurred if a reasonable estimate of fair value can be made. The associated asset retirement costs are capitalized as part of the carrying amount of the related mining properties. As of December 31, 2014 and 2013, there have been no asset retirement obligations recorded.

Income Taxes - The Company accounts for its income taxes in accordance with Income Taxes Topic of the FASB ASC 740, which requires recognition of deferred tax assets and liabilities for future tax consequences attributable to differences between the financial statement carrying amounts of existing assets and liabilities and their respective tax bases and tax credit carry forwards. 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. The effect on deferred tax assets and liabilities of a change in tax rates is recognized in operations in the period that includes the enactment date.

Net loss per share calculation - Net loss per share is provided in accordance with FASB ASC 260-10, “Earnings per Share”. Basic net loss per common share ("EPS") is computed by dividing income available to common

stockholders by the weighted-average number of common shares outstanding for the period. Diluted earnings per share is computed by dividing net income by the weighted average shares outstanding, assuming all dilutive potential common shares were issued, unless doing so is anti-dilutive. The weighted-average number of common shares outstanding for computing basic EPS for the period ending December 31, 2014 and 2013 was 636,611,375 and 182,334,446, respectively.

Convertible Debentures:

Beneficial Conversion Features – If the conversion features of conventional convertible debt provides for a rate of conversion that is below market value, this feature is characterized as a beneficial conversion feature ("BCF"). A BCF is recorded as a debt discount pursuant to FASB ASC Topic 470-20 "Debt with Conversion and Other Options." In those circumstances, the convertible debt is recorded net of the discount related to the BCF and the Company amortizes the discount to interest expense over the life of the debt using the effective interest method.

Debt Discount – The Company determines of the convertible debenture should be accounted for as liability or equity under FASB ASC 480, Liabilities – Distinguishing Liabilities from Equity. FASB ASC 480, applies to certain contract involving a company's own equity, and requires that issuers classify the following freestanding financial instruments as liabilities. Mandatorily redeemable financial instruments, Obligations that require or may require repurchase of the issuer's equity shares by transferring assets (e.g., written put options and forward purchase contracts), and Certain obligations where at inception the monetary value of the obligation is based solely or predominantly on:

- A fixed monetary amount known at inception, for example, a payable settleable with a variable number of the issuer's equity shares with an issuance date fair value equal to a fixed dollar amount.
- Variations in something other than the fair value of the issuer's equity shares for example, a financial instrument indexed to the S&P 500 and settleable with a variable number of the issuer's equity shares, or
- Variations inversely related to changes in fair value of the issuer's equity shares, for example, a written put that could be net share settled.

Derivative Financial Instruments – as defined by FASB ASC 815, "Accounting for Derivative Financial Instruments and Hedging Activities", consist of financial instruments or other contracts that contain a notional amount and one or more underlying (e.g. interest rate, security price of other variable), require no initial net investment and permit net settlement. Derivative financial instruments may be free-standing or embedded in other financial instruments. Further, derivative financial instruments are initially, and subsequently, measured at fair value and recorded as liabilities or, in rare instances assets.

The Company does not use derivative financial instruments to hedge exposures to cash-flow, market or foreign-currency risks. However, the Company has issued financial instruments including senior convertible notes payable and freestanding stock purchase warrants with features that are either (i) not afforded equity classification, (ii) embody risks not clearly and closely related to host contracts, or (iii) may be net-cash settled by the counterparty. As required by FASB ASC 815, in certain circumstances, these instruments are required to be carried as derivative liabilities, at fair value, in our financial statements.

Fair value of financial instruments – The Company estimates the fair value of financial instruments using the available market information and valuation methods. Considerable judgment is required in estimating fair value. Accordingly, the estimates of fair value may not be indicative of the amounts the Company could realize in a current market exchange. As of December 31, 2014 and December 31, 2013, the carrying values of the Company's financial instruments approximated fair value due to the short-term nature and maturity of these instruments.

Determination of fair value – The Company's financial instruments consist of convertible notes payable and derivative liability. The Company believes all of the financial instruments' recorded values approximate their fair values because of their nature and respective durations.

The Company complies with the provisions of FASB ASC 820-10, "Fair Values Measurements and Disclosures." FASB ASC 820-10 relates to financial assets and financial liabilities. FASB ASC 820-10 defines fair value, establishes a framework for measuring fair value in accounting principles generally accepted in the Unites States of America (GAAP), and expands disclosures about fair value measurements. The provisions of this standard apply to other accounting pronouncements that require or permit fair value measurements and are to be applied prospectively with limited exceptions.

FASB ASC 820*-10 defines fair value 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. FASB ASC 820-10 establishes a fair value hierarchy that distinguishes between (1) market participant assumptions developed based on market data obtained from independent sources (observable inputs) and (2) an entity's own assumptions, about market participant assumptions, that are developed based on the best information available in the circumstances (unobservable inputs). The fair value hierarchy consist of three broad levels, which gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level) and the lowest priority to unobservable inputs (Level 3).

Stock Based Compensation - The Company recognizes stock-based compensation in accordance with ASC Topic 718 "Stock Compensation", which requires the measurement and recognition of compensation expense for all share-based payment awards made to employees and directors including employee stock options and employee stock purchases related to an Employee Stock Purchase Plan based on the estimated fair values.

For non-employee stock-based compensation, we have adopted ASC Topic 505 "Equity-Based Payments to Non-Employees", which requires stock-based compensation related to non-employees to be accounted for based on the fair value of the related stock or options or the fair value of the services on the grant date, whichever is more readily determinable in accordance with ASC Topic 718.

Carrying Value, Recoverability and Impairment of long-lived assets - The Company has adopted paragraph 360-10-35-17 of the FASB Accounting Standards Codification for its long-lived assets. The Company's long-lived assets, which include property and equipment, are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount of an asset may not be recoverable.

The Company assesses the recoverability of its long-lived assets by comparing the projected undiscounted net cash flows associated with the related long-lived asset or group of long-lived assets over their remaining estimated useful lives against their respective carrying amounts. Impairment, if any, is based on the excess of the carrying amount over the fair value of those assets. Fair value is generally determined using the asset's expected future discounted cash flows or market value, if readily determinable. If long-lived assets are determined to be recoverable, but the newly determined remaining estimated useful lives are shorter than originally estimated, the net book values of the long-lived assets are depreciated over the newly determined remaining estimated useful lives.

The Company considers the following to be some examples of important indicators that may trigger an impairment review: (i) significant under-performance or losses of assets relative to expected historical or projected future operating results; (ii) significant changes in the manner or use of assets or in the Company's overall strategy with respect to the manner or use of the acquired assets or changes in the Company's overall business strategy; (iii) significant negative industry or economic trends; (iv) increased competitive pressures; and (v) regulatory changes. The Company evaluates acquired assets for potential impairment indicators at least annually and more frequently upon the occurrence of such events.

The impairment charges, if any, are included in operating expenses in the accompanying statements of operations.

Recently Issued Accounting Pronouncements

In August 2014, the Financial Accounting Standards Board issued Accounting Standards Update 2014-15, Presentation of Financial Statements- Going Concern. The Update provides U.S. GAAP guidance on management's responsibility in evaluating whether there is substantial doubt about a company's ability to continue as a going concern and about related footnote disclosures. For each reporting period, management will be required to evaluate whether there are conditions or events that raise substantial doubt about a company's ability to continue as a going concern within one year from the date the financial statements are issued. This Accounting Standards Update is the final version of Proposed Accounting Standards Update 2013-300—Presentation of Financial Statements (Topic 205): Disclosure of Uncertainties about an Entity's Going Concern Presumption, which has been deleted. The amendments in this Update are effective for the annual period ending after December 15, 2016, and for annual periods and interim periods thereafter. The Company is currently evaluating the effects of ASU 2014-15 on the consolidated financial statements.

Note 2 - Going Concern:

The Company's financial statements are prepared using generally accepted accounting principles in the United States of America applicable to a going concern which contemplates the realization of assets and liquidation of liabilities in the normal course of business. The Company has not yet established an ongoing source of revenues sufficient to cover its operating costs to allow it to continue as a going concern. As of December 31, 2014, the Company had an accumulated deficit of $15,082,886. The ability of the Company to continue as a going concern is dependent on the Company obtaining adequate capital to fund operating losses until it becomes profitable. If the Company is unable to obtain adequate capital, it could be forced to cease operations.

In order to continue as a going concern, the Company will need, among other things, additional capital resources. The Company is contemplating conducting an offering of its debt or equity securities to obtain additional operating capital. The Company is dependent upon its ability, and will continue to attempt, to secure equity and/or debt financing. There are no assurances that the Company will be successful and without sufficient financing it would be unlikely for the Company to continue as a going concern.

The ability of the Company to continue as a going concern is dependent upon its ability to successfully accomplish the plans described in the preceding paragraph and eventually secure other sources of financing and attain profitable operations. These financial statements do not include any adjustments relating to the recoverability and classification of recorded asset amounts, or amounts and classification of liabilities that might result from this uncertainty.

Note 3 – Stockholder's Equity:

On October 10, 2014, The Company amended its articles of incorporation to increase authorized common shares from two billion (2,000,000,000) to four billion (4,000,000,000).

For the year ended December 31, 2014, we have issued common shares as follows:

On January 3, 2014, CareBourn Capital converted part of their convertible debentures. The Company issued 10,000,000 shares to reduce the note payable by $17,370.

On January 9, 2014, CareBourn Capital converted part of their convertible debentures. The Company issued 10,000,000 shares to reduce the note payable by $8,430.

On January 14, 2014, CareBourn Capital converted part of their convertible debentures. The Company issued 13,171,000 shares to reduce the note payable by $11,195.

On January 23, 2014, The Company issued 12,000,000 shares at $0.001440 to JMJ Financial to settle a previous conversion dated December 9, 2013.

On February 10, 2014, CareBourn Capital converted part of their convertible debentures. The Company issued 16,126,543 shares to reduce the note payable by $9,500.

On February 10, 2014, 2013, JMJ Financial converted part of their convertible debentures, for a total of 10,607,142 shares to reduce the note payable by $11,880.

On February 21, 2014, CareBourn Capital converted part of their convertible debentures. The Company issued 17,394,578 shares to reduce the note payable by $10,500.

On March 4, 2014, CareBourn Capital converted part of their convertible debentures. The Company issued 19,006,945 shares to reduce the note payable by $26,538.

On March 6, 2014, CareBourn Capital converted part of their convertible debentures. The Company issued 16,678,031 shares to reduce the note payable by $31,846.

On March 6, 2014 The Company issued 3,851,603 shares as payment for professional services. The Company recognized an expense of $34,279.

On March 11, 2014, CareBourn Capital converted part of their convertible debentures. The Company issued 525,979 shares to reduce interest on the note payable by $2,084.

On April 7, 2014, The Company amended its articles of incorporation to increase authorized common shares from 500,000,000 to 1,000,000,000.

On May 20, 2014, LG Capital Funding LLC converted part of their convertible debentures. The Company issued 5,434,782 shares to reduce interest on the note payable by $1,250.

On June 3, 2014, LG Capital Funding LLC converted part of their convertible debentures. The Company issued 19,597,728 shares to reduce interest on the note payable by $4,000.

On June 16, 2014, LG Capital Funding LLC converted part of their convertible debentures. The Company issued 21,922,127 shares to reduce interest on the note payable by $3,700.

On June 17, 2014, GEL Properties, LLC converted part of their convertible debentures. The Company issued 11,764,706 shares to reduce interest on the note payable by $2,000.

On June 26, 2014, GEL Properties LLC converted part of their convertible debentures. The Company issued 21,818,182 shares to reduce interest on the note payable by $2,400.

On July 8, 2014, LG Capital converted part of their convertible debentures. The Company issued 23,783,300 shares of common stock and reduced their note payable by $2,350.

On July 17, 2014, LG Capital converted part of their convertible debentures. The Company issued 21,729,158 shares of common stock and reduced their note payable by $1,500.

On July 21, 2014, The Company amended its articles of incorporation to increase authorized common shares from 1,000,000,000 to 2,000,000,000.

On July 28, 2014, LG Capital converted part of their convertible debentures. The Company issued

22,869,863 shares of common stock and reduced their note payable by $1,575.

On August 1, 2014, LG Capital part of their convertible debentures. The Company issued converted 26,886,183 shares of common stock and reduced their note payable by $1,850.

On August 8, 2014, LG Capital converted part of their convertible debentures. The Company issued 28,382,230 shares of common stock and reduced their note payable by $1,950.

On August 14, 2014, LG Capital converted part of their convertible debentures. The Company issued 28,874,657 shares of common stock and reduced their note payable by $1,700.

On September 15, 2014, GEL Properties LLC converted part of their convertible debentures. The Company issued 22,727,273 shares to reduce interest on the note payable by $1,250.

On September 30, 2014, LG Capital converted part of their convertible debentures. The Company issued 33,647,857 shares of common stock and reduced their note payable by $16,487.

On October 2, 2014, GEL Properties LLC converted part of their convertible debentures. The Company issued 16,666,667 shares to reduce interest on the note payable by $7,000.

On October 20, 2014, LG Capital converted part of their convertible debentures. The Company issued 35,253,857 shares of common stock and reduced their note payable by $7,403.

On October 23, 2014, LG Capital converted part of their convertible debentures. The Company issued 38,200,000 shares of common stock and reduced their note payable by $6,685.

On October 27, 2014, CareBourne Capital converted part of their convertible debentures. The Company issued 30,000,000 shares to reduce interest on the note payable by $8,250.

On October 27, 2014, LG Capital converted part of their convertible debentures. The Company issued 36,717,600 shares of common stock and reduced their note payable by $6,426.

On October 28, 2014, JMJ Financial converted 38,000,000 shares of common stock and reduced their note payable by $9,120.

On October 30, 2014, GEL Properties LLC converted part of their convertible debentures. The Company issued 25,000,000 shares to reduce interest on the note payable by $2,625.

On November 4, 2014, LG Capital converted part of their convertible debentures. The Company issued 38,559,428 shares of common stock and reduced their note payable by $2,699.

On November 4, 2014, GEL Properties LLC converted part of their convertible debentures. The Company issued 46,600,000 shares to reduce interest on the note payable by $3,262.

On November 7, 2014, LG Capital converted part of their convertible debentures. The Company issued 40,809,714 shares of common stock and reduced their note payable by $2,857.

On November 11, 2014, JMJ Financial converted part of their convertible debentures. The Company issued 52,800,000 shares to reduce interest on the note payable by $6,336.

On November 12, 2014, GEL Properties LLC converted part of their convertible debentures. The Company issued 55,500,000 shares to reduce interest on the note payable by $3,885.

On November 14, 2014, LG Capital converted part of their convertible debentures. The Company issued 54,977,285 shares of common stock and reduced their note payable by $3,848.

On November 20, 2014, JMJ Financial converted part of their convertible debentures. The Company issued 110,200,000 shares to reduce interest on the note payable by $6,612.

On November 20, 2014, GEL Properties LLC converted part of their convertible debentures. The Company issued 60,714,286 shares to reduce interest on the note payable by $4,250.

On November 20, 2014, LG Capital converted part of their convertible debentures. The Company issued 60,123,809 shares of common stock and reduced their note payable by $4,167.

On November 25, 2014, LG Capital converted part of their convertible debentures. The Company issued 63,458,285 shares of common stock and reduced their note payable by $2,221.

On December 15, 2014, LG Capital converted part of their convertible debentures. The Company issued 79,282,285 shares of common stock and reduced their note payable by $2,775.

For the year ended December 31, 2013, we have issued common shares as follows:

On January 8, 2013, JMJ Financial converted part of their convertible debentures. The Company issued 5,000,000 shares to reduce the note payable by $35,000.

On January 30, 2013, TCA Global Credit Master Fund converted part of their convertible debentures. The Company issued 5,000,000 shares to reduce the note payable by $52,632.

On February 1, 2013, The Company issued 2,331,362 shares valued at $37,500 for a commitment fee with TCA Global Credit Master Fund. The Company recorded this issuance as interest expense.

On February 6, 2013, JMJ Financial converted part of their convertible debentures. The Company issued 4,084,524 shares to reduce the note payable by $34,310.

On February 27, 2013, JMJ Financial converted part of their convertible debentures. The Company issued 4,500,000 shares to reduce the note payable by $33,750.

On March 19, 2013, JMJ Financial converted part of their convertible debentures. The Company issued 5,000,000 shares to reduce the note payable by $37,500.

On March 25, 2013, the Company issued 750,000 shares of stock as part of the consultancy agreement. The amount will be granted every six months at its current trading price. The value of these shares have been recorded as professional fees expense at time of grant. The Company recorded an expense of $13,000.

On April 25, 2013, JMJ Financial converted part of their convertible debentures. The Company issued 4,500,000 shares to reduce the note payable by $36,000.

On May 13, 2013, The Company issued 1,550,000 shares valued at $15,500 for a commitment fee with TCA Global Credit Master Fund. The Company recorded this issuance as interest expense.

On May 23, 2013, JMJ Financial converted part of their convertible debentures. The Company issued 5,000,000 shares to reduce the note payable by $29,500.

On June 24, 2013, TCA Global Credit Master Fund converted part of their convertible debentures. The Company recorded $27,789 in stock payable to reduce the note payable by $27,789.

On June 25, 2013, JMJ Financial converted part of their convertible debentures. The Company issued 6,000,000 shares to reduce the note payable by $22,200.

On July 2, 2013, The Company issued 6,000,000 shares at $0.0044 to TCA Global Credit Master Fund to settle a previous conversion dated June 24, 2013.

On July 24, 2013, JMJ Financial converted part of their convertible debentures. The Company issued 6,300,000 shares to reduce the note payable by $23,310.

On August 12, 2013, TCA Global Credit Master Fund converted part of their convertible debentures. The Company issued 8,500,000 shares to reduce the note payable by $52,789.

On August 14, 2013, JMJ Financial converted part of their convertible debentures. The Company issued 8,800,000 shares to reduce the note payable by $32,560.

On August 16, 2013, the Company issued 320,000 shares of stock as part of the consultancy agreement. The amount will be granted every six months at its current trading price. These shares have been offset against the stock subscription.

On August 29, 2013, The Company issued 9,648,397 shares to Lucosky Brookman for legal services. The Company recorded legal expenses of $31,840.

On September 11, 2013, JMJ Financial converted part of their convertible debentures. The Company issued 9,000,000 shares to reduce the note payable by $18,900.

On September 13, 2013, TCA Global Credit Master Fund converted part of their convertible debentures. The Company issued 4,457,453 shares to reduce the note payable by $13,607.

On September 13, 2013, TCA Global Credit Master Fund converted part of their convertible debentures. The Company issued 4,000,000 shares to reduce the note payable by $12,211.

On October 2, 2013, JMJ Financial converted part of their convertible debentures. The Company issued 8,000,000 shares to reduce the note payable by $10,240.

On October 9, 2013, TCA Global Credit Master Fund converted part of their convertible debentures. The Company issued 10,597,464 shares to reduce the note payable by $20,135.18.

On October 18, 2013, TCA converted an amount on their note. The Company was going to issue 11,490,142 and reduced the note by $22,980. However, this issuance has been postponed by TCA.

On October 23, 2013, JMJ Financial converted part of their convertible debentures. The Company issued 8,581,250 shares to reduce the note payable by $10,984.

On November 21, 2013, the Company issued 12,000,000 shares to Seth Brookman for outstanding legal fee in the amount of $32,683.25.

On November 21, 2013, the Company issued 7,500,000 to Robert Allender for outstanding consulting services in the amount of $15,000.

On November 21, 2013, the Company issued 5,000,000 shares to Robert Craig for outstanding consulting services in the amount of $10,000.

On December 9, 2013, 2013, JMJ Financial converted part of their convertible debentures. The Company recorded $17,280 in stock payable to reduce the note payable by $17,280.

On December 17, 2013, Carebourn Capital converted part of their convertible debentures. The Company issued 13,000,000 shares to reduce the note payable by $14,300.

On December 23, 2013, Carebourn Capital converted part of their convertible debentures. The Company issued 10,000,000 shares to reduce the note payable by $9,900.

Note 4 – Preferred Stock:

On November 20, 2014, Integrated Energy filed a certificate of designations, preferences and rights (the "Certificate of Designation") with the Secretary of State of the State of Nevada pursuant to which the Corporation set forth the designation, powers, rights, privileges, preferences and restrictions of the Company's Series B Convertible Preferred Stock (the "Series B Convertible Preferred Stock"). Among other things, each one (1) share of the Series B Convertible Preferred Stock shall have voting rights equal to one hundred (100) votes of Common Stock. Upon the Company's completion of a corporate restructuring, as shall be determined by the Board of Directors in its sole discretion, each one (1) share of Series B Convertible Preferred Stock shall be converted into that certain amount of the Common Stock that each holder of Series B Convertible Preferred Stock will hold, after giving effect to such conversion, 0.00001% of the issued and outstanding Common Stock for each share of Series B Convertible Preferred Stock. As part of the November 2014 Asset Acquisitions, the Company issued 2,350,000 shares of Series B Preferred Stock.

On June 20, 2013, The Company authorized a Series A preferred stock offering. The Company was authorized and issued 51 shares with a par value of $0.001. Initially, these shares will not accrue or receive dividends and will have no liquidation rights. These shares shall rank senior to the Corporation's common stock and any other class or series of capital stock. Each one (1) share shall have voting rights equal to (x) 0.019607 multiplied by the total issued and outstanding shares of Common Stock eligible to vote at the time of the respective vote (the "Numerator"), divided by (y) 0.49, minus (z) the Numerator. For purposes of illustration only, if the total issued and outstanding shares of Common Stock eligible to vote at the time of the respective vote is 5,000,000, the voting rights of one share of the Series A Preferred shall be equal to 102,036 (0.019607 x 5,000,000) / 0.49) – (0.019607 x 5,000,000) = 102,036).

So long as any shares of Series A Preferred are outstanding, the Corporation shall not, without first obtaining the unanimous written consent of the holders of Series A Preferred, (i) alter or change the rights, preferences or privileges of the Series A Preferred so as to affect adversely the holders of Series A Preferred or (ii) create Pari Passu Shares or Senior Shares.

Note 5 - Warrants:

For the period ending March 31, 2014, the Company had 83,333 warrants that were exercisable and outstanding. These warrants expired and were not exercised. There are no outstanding warrants as of December 31, 2014.

Note 6 - Employment and Consulting Agreements:

On January 28, 2014, the Company entered into consulting agreements with Mr. Worrall and Mr. Remo. Mr. Worrall's agreement calls for monthly payments of $8,500 for six months. The Company has the ability to pay this with cash or stock. Mr. Remo's contract calls for $5,000 per month up to $20,000 total.

On January 28, 2014, the Company entered into an agreement with Mr. Worrall for back pay and expenses. The Company has agreed to pay Mr. Worrall back pay of $25,000 plus his personal laptop computer.

Note 7 - Mining Rights:

In September 2008, the Company purchased the Kodiak Lode Mining Claim for $7,500. The mining claim is in the Sunset Mining District in the extreme southern portion of the State of Nevada. The claim is on 20.66 acres and includes gold, silver, copper and lead. The full mining claim was recorded as a period expense.

On March 2, 2010, the Company entered into an agreement to purchase 100% net revenue in assets of Power Mining Ventures, Inc. The purchase was funded by restricted common stock shares. The total purchase price was $2,280,000.

On March 12, 2010, the Company entered into an agreement to purchase 78 mining claims comprising of nearly 6,000 acres with GeoXplor Corporation. The total purchase price was $1,678,000.

On March 22, 2010, the Company entered into an agreement to purchase 100% net revenue in assets of Power Mining Ventures, Inc located in southwestern Australia. The purchase was funded by restricted common shares and cash. The total purchase price was $2,340,000.

On April 26, 2010, the Company entered into an agreement to purchase from Nevada Alaska Mining Company, Inc., the Clayton Deep and Full Monty properties situated in Nevada, USA, and comprising 138 claims. The purchase was funded by restricted common stock and cash. The total purchase price was $813,000.

On September 23, 2011, the Company entered into an agreement to purchase from Nevada Alaska Mining Company, Inc., an extension to its Clayton Deep property situated in Nevada, USA, comprising 17 claims. The purchase was funded by restricted common stock and cash. The total purchase price was $42,000.

On September 23, 2011, the Company entered into an agreement to purchase from Robert Craig and Barbara Anne Craig the Jackson Wash property situated in Nevada, USA, comprising 66 claims. The purchase was funded by restricted common stock. The total purchase price was $72,000.

For the years ended December 31, 2014 and 2013, the Company determined that an impairment loss should be recorded against the mining rights and properties. The Company has determined that the amount of the impairment to be $108,428 and $5,070,452, respectively.

Note 8 - Convertible Notes:

The Company had the following notes payable outstanding as of September 30, 2014 and December 31, 2013:

	December 31, 2014	December 31, 2013
Promissory note payable dated January 30, 2012 due to TCA Global	$ -	$ 84,514
Promissory note payable dated June 29, 2012 due to JMJ	-	11,812
Promissory note payable dated June 13, 2013 due to Carebourn Capital	-	45,782
Promissory note payable dated August 9, 2013 for professional fees	-	211,058
Promissory note payable dated March 11, 2014 due to LG Capital Funding, LLC	50,000	-
Promissory note payable dated April 23, 2014 due to JMJ	61,266	-

Promissory note payable dated April 25, 2014 due to Carebourn Capital	87,256	-
Promissory note payable dated May 8, 2014 due to LG Capital Funding, LLC	94,500	-
Promissory note payable dated May 14, 2014 due to LG Capital Funding, LLC	119,813	-
Promissory note payable dated May 14, 2014 due to ADAR Bays LLC	31,500	-
Promissory note payable dated August 14, 2014 due to Beaufort Capital Partners LLC	40,000	-
Promissory note payable dated November 20, 2014 due to LG Capital Capital LLC	89,500	-
	573,835	353,166
Less: Debt discount	(344,937)	(20,223)
Total note payable	228,898	332,942
Derivative liability, current portion	$ 733,818	$ -

Note 9 – Secured Promissory Notes:

Effective December 10, 2014, the Company closed a Credit Agreement (the "Credit Agreement") by and among the Company, as borrower, Patten Energy Enterprises, Inc., AP Lubes, Inc. and Atlantic-Pacific, LLC as joint and several guarantors (such guarantors, collectively, the "Subsidiaries" and together with the Company, the "Borrowers") and TCA Global Credit Master Fund, LP, a Cayman Islands limited partnership, as lender ("TCA"). Pursuant to the Credit Agreement, TCA agreed to loan the Company up to a maximum of $3 million for working capital and general operating expenses. An initial amount of $800,000 was funded by TCA at the closing of the Credit Agreement. Any increase in the amount extended to the Borrowers shall be at the discretion of TCA.

The amounts borrowed pursuant to the Credit Agreement are evidenced by a Revolving Note (the "Revolving Note") and the repayment of the Revolving Note is secured by a first position security interest in substantially all of the Company's assets in favor of TCA, as evidenced by a Security Agreement by and between the Company and TCA (the "Company Security Agreement") and a first position security interest in substantially all of the Subsidiaries' assets in favor of TCA, as evidenced by a Security Agreement by and among the Subsidiaries and TCA (the "Subsidiaries Security Agreement" and, together with the Company Security Agreement, the "Security Agreements"). The Revolving Note is in the original principal amount of $800,000, is due and payable, along with interest thereon, on June 10, 2015, and bears interest at the rate of 11% per annum, increasing to 18% upon the occurrence of an event of default, in addition to a monthly collections fee payable to TCA under the Credit Agreement. TCA will collect in reserve an amount which is held in a lock box account equal to 20% of the revolving loan commitment on such date, which will be further reduced pro-rata as amounts of principal and interest are paid. The loan is currently in default.

TCA may convert all or any portion of the outstanding principal, accrued and unpaid interest, and any other sums due and payable under the Revolving Note into shares of the Company's common stock at a conversion price equal to 85% of the lowest daily volume weighted average price of the Company's common stock during the five trading days immediately prior to such applicable conversion date, in each case subject to TCA not being able to beneficially own more than 4.99% of our outstanding common stock upon any conversion.

As further consideration for TCA entering into and structuring the Credit Agreement, the Company shall pay to TCA an advisory fee by issuing to TCA three promissory notes each in the amount of $41,666.67 (the "Advisory Fee Notes"). The Company recorded the total of $125,000 as a promissory note. The loan is currently in default.

As additional security, the Company pledged its ownership interests in the Subsidiaries, pursuant to a Stock Pledge and Escrow Agreement entered into as of December 10, 2014 (the "Pledge Agreement").

In addition, the Company has a $50,000 note with a third party. The note is due on demand.

Note 10 – Secured Loan Payable:

On December 31, 2014, the Company, through it's ownership of Patten Energy, entered into a Second Forbearance Agreement, Amendment to Settlement Agreement and Release. On November 25, 2014, the borrower and the Company acknowledge the unpaid balance under the initial Settlement Agreement of $812,250. The balance as of December 31, 2015, is $833,950, which includes accrued interest.

The Lender agreed to forbear from exercising any or all of their rights to January 6, 2015, subject to the continued payment of $7,500 by the Company. As of the date of this filing, the Company is in compliance.

Note 11 – Share Exchange Agreement:

Patten Energy Enterprises, Inc. Share Exchange Agreement

On November 20, 2014, the Company entered into a Share Exchange Agreement (the "Patten Share Exchange") by and among the Company, Patten Energy Enterprises, Inc., a California corporation ("Patten Energy"), and Ezekial Patten, Jr. (the "Patten Shareholder"), pursuant to which the Company acquired all of the outstanding shares of Patten Energy (the "Patten Shares") from the Patten Shareholder in exchange for the right to receive 950,000 shares of Series B Convertible Preferred Stock of the Company upon the terms and subject to the conditions set forth in the Patten Share Exchange. As additional consideration, upon the Company entering into a credit facility in the amount of at least $700,000, the Company will allocate to Patten Energy certain funds for use as working capital. The Company recored the acquisition as a business combination and recognized goodwill of $101,724.

Atlantic-Pacific, LLC Share Exchange Agreement

On November 20, 2014, the Company entered a certain Share Exchange Agreement (the "Atlantic-Pacific Share Exchange") by and among the Company, Atlantic-Pacific, LLC, an Indiana limited liability company ("Atlantic-Pacific"), and Robert Rosinski (the "Atlantic-Pacific Member"), pursuant to which the Company acquired all of the outstanding membership interests of Atlantic-Pacific (the "Atlantic-Pacific Shares") from the Atlantic-Pacific Member in exchange for the right to receive 950,000 shares of Series B Convertible Preferred Stock of the Company upon the terms and subject to the conditions set forth in the Atlantic-Pacific Share Exchange. As additional consideration, upon the Company entering into a credit facility in the amount of at least $700,000, the Company will allocate to Atlantic-Pacific certain funds for use as working capital.

Orbit Oil Asset Purchase Agreement

On November 20, 2014, the Company entered into an Asset Purchase Agreement (the "Orbit Oil Asset Purchase Agreement") by and among the Company, AP Lubes, Inc., a Delaware corporation and wholly-owned subsidiary of the Company ("AP Lubes"), and Orbit Oil, Inc., an Indiana corporation ("Orbit Oil"), pursuant to which AP Lubes purchased those certain assets of Orbit Oil on the terms and subject to the conditions set forth in the Orbit Oil Asset Purchase Agreement. As consideration, the Company issued to Orbit Oil, on behalf of AP Lubes, 450,000 shares of Series B Convertible Preferred Stock of the Company on the terms and subject to the conditions set forth in the Orbit Oil Asset Purchase Agreement. As further consideration, the Company issued to Orbit Oil, on behalf of AP Lubes, a 24-month promissory note in the aggregate principal amount of $50,000. In addition, upon the Company

entering into a credit facility in the amount of at least $700,000, the Company will pay Orbit Oil a cash payment of $50,000.

Note 12 – Subsequent Events:

From January 1, 2015 through October 30, 2015, the Company issued 437,925,661 shares of the Company's common stock for the conversion of convertible notes of the Company.