GOLDEN VALLEY DEVELOPMENT INC.

Consolidated Financial Statements

(A Development Stage Company)

For the 12 Months Ended Dec 31, 2014 and Dec 31, 2015

(Unaudited)

GOLDEN VALLEY DEVELOPMENT, INC.
CONSOLIDATED STATEMENT OF POSITION
(Unaudited)

	Dec 31, 2015	Dec 31, 2014
ASSETS		
Current Assets		
Cash	1,052,867	204,000
Accounts Receivable	13,814,008	-
Prepaid Expenses	6,843,956	-
Amortized Prepaid Expense	-	-
Other Receivables	1,097,639	2,437,000
Inventory	11,007,570	1,649,000
Other Current Assets		574,000
Total Current Assets	**33,816,040**	**4,864,000**
Non-Current Assets		
Deferred Assets	-	-
Due from Shareholders	-	-
Long-Term Equity Investments	833,333	-
Property, Plant, & Equipment	22,927,250	-
Less Accumulated Depreciation	5,902,003	-
Intangible Assets	1,507,641	-
Deferred Long Term Asset Charges	-	1,880,000
Total Non-Current Assets	**19,366,222**	**1,880,000**
TOTAL ASSETS	**53,182,261**	**6,744,000**
LIABILITIES & EQUITY		
Liabilities		
Current Liabilities		
Accounts Payable	3,395,769	1,909,000
Note Payable	796,544	-
Accrued Interest	-	-
Accrued Payroll	132,822	-
Payroll Liabilities add	-	-
Unearned Revenue	3,232,960	-
Derivative Liabilities	-	-
Other Payables	30,093,851	-
Short-Term Borrowing	10,000,000	1,585,000
Tax Payable	670	-
Other Current Liabilities	-	97,000
Total Current Liabilities	**47,652,615**	**3,591,000**
Non-Current Liabilities		
Long Term Debt	-	20,000
Convertible Notes Payable	-	-
Deferred Liabilities	-	3,167,000
LT Convertible Notes Payable	-	-
Other Long-Term Liabilities	-	553,000
Other Long-Term Payables	-	-

Minority Interest	-	-96,000
Total Non-Current Liabilities	-	**3,645,000**
Total Liabilities	**47,652,615**	**7,236,000**
Equity		
Additional Paid-In Capital	16,933,334	412,000
Advanced Receive	-	-
Capital Stock; $.00001 par; unlimited shares authorized, 45,109,325 shares issued and outstanding	-	-
Preferred Stock Series A; $.00001 par; 5,000,000 shares authorized, 2,010,000 shares issued and outstanding	-	1,000
Preferred Stock Series B; $.00001 par; 60,000,000 shares authorized, 503 shares issued and outstanding	-	-
Preferred Stock Series C; $.00001 par; 3,000,000 shares authorized, 2,475,939 shares issued and outstanding	-	-
Preferred Stock Series D; $.00001 par; 105,000,000 shares authorized, 52,593,727 shares issued and outstanding	-	-
Preferred Stock Series H; $.00001 par; 30,000 shares authorized, 2,405 shares issued and outstanding	-	-
Current Liabilities	-	-
Non-Controlling	-	-
Retained Earnings	-11,403,687	-905,000
Net Income	-	-
Total Equity	**5,529,647**	**-492,000**
TOTAL LIABILITIES & EQUITY	**53,182,261**	**6,744,000**

GOLDEN VALLEY DEVELOPMENT, INC.
CONSOLIDATED STATEMENT OF OPERATIONS
(Unaudited)

	Dec 31, 2015	Dec 31, 2014
Sales	6,986,986	9,931,000
Cost of Goods Sold	6,243,513	8,953,000
Business Tax and Surcharges	18	-
Sales Related Expenses	47,030	-
Gross Profit	**696,425**	**978,000**
Expense		
Administrative Expenses	3,960,724	1,288,000
Financial Expenses	60,197	-
Payroll Expenses	-	-
Other Expenses	11,000	-
Professional Fees	-	-
Total Expense	**4,031,921**	**1,288,000**
Net Ordinary Income	**-3,335,496**	**-311,000**
Other Income and Losses	113,041	-49,000
Income Tax	-	57,000
Net Income (Loss)	**-3,222,455**	**-417,000**
Attributable to Minority Interest	-653,000	-97,000
Comprehensive Net Income	**-2,569,455**	**-320,000**

GOLDEN VALLEY DEVELOPMENT, INC.
CONSOLIDATED CASH FLOW STATEMENT
(Unaudited)

	Dec 31, 2015	Dec 31, 2014
Net Profit	**-2,569,455**	**-320,000**
Adjustments to reconcile net loss to cash used in operating activities:		
Cash Flows from Operating Activities:		
Changes in Account Receivable	-4,782,670	2,349,000
Changes in Prepaid Expenses	-	-
Changes in Amortized Prepaid Expense	-	-
Inventory	9,598,000	1,649,000
Tax Payable	-	-
Account Payable	-	-
Accrued Payroll	-	-
Derivative Liabilities	1,676,616	-
Changes in Liabilities	-	-113,081,000
Changes in Other Operating Activities	-4,733,000	2,454,000
Net Cash Used by Operating Activities	**-810,509**	**-119,852,000**
Cash Flows from Investing activities:		
Investments	11,087,406	-
Other Cash Flow from Investing Activities	-5,091,703	-
Net Cash Used by Investing Activities	**-5,995,703**	**-**
Cash Flows from Financing Activities:		
Accrued Interest	-846,254	-
Proceeds from Issuance of Stock	6,186,000	119,540,000
Advanced Receive	4,862,333	-
Other Long-Term Payables	-	507,000
Others	-2,547,000	5,000
Net Cash from Financing Activities	**7,655,079**	**120,052,000**
Net Increase (Decrease) in Cash	**848,867**	**200,000**
Cash at Beginning of Period	**204,000**	**4,000**
Cash at End of Period	**1,052,867**	**204,000**

GOLDEN VALLEY DEVELOPMENT, INC.
Notes to Unaudited Consolidated Financial Statements

NOTE 1 – NATURE OF BUSINESS AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Nature of Business - Golden Valley Development, Inc. ("Golden Valley" or "GVD") was incorporated in Nevada on July 26, 2004, and re-domiciled to the state of Wyoming on October 8, 2010. Since inception in 2004, Golden Valley's business plan has been that of an agriculture broker for farm and ranch products and equipment. In November of 2010, control of Golden Valley changed, and with the change in control, the focus of the business shifted to include the marketing, manufacture and distribution of patented and patentable products, beginning with its first two patented products, "Percuguard" and "Cutstop", which are intended to be used in the health care and hospitality services industries, respectively.

Consolidation Policy - On November 17, 2010, we purchased 100% of the stock of Media Sports Productions, Inc. and Digit-Pro. On March 26, 2014, the Company entered into an agreement whereby eWaste Exchange Inc. (eWaste) purchased 80% of GVDI's common stock in exchange for 80% of eWaste's common stock. These consolidated financial statements include the financial information of these subsidiaries. All significant intercompany accounts and transactions have been eliminated.

Use of Estimates - In preparing financial statements, management makes estimates and assumptions that affect the reported amounts of assets and liabilities in the balance sheet and revenue and expenses in the statement of expenses. Actual results could differ from those estimates.

Cash and Cash Equivalents - For purposes of the statement of cash flows, Golden Valley considers all highly liquid investments purchased with an original maturity of three months or less to be cash equivalents.

Property and Equipment - Property and equipment is stated at cost and depreciated using the straight-line method over the estimated life of the assets of three years. The cost of normal maintenance and repairs is charged to expense as incurred and expenditures for major improvements are capitalized at cost. Gains or losses on the disposition of assets are reflected in the income statement at the time of disposal.

Revenue Recognition - Golden Valley recognizes revenue when persuasive evidence of an arrangement exists, services have been rendered, the sales price is fixed or determinable, and collectability is reasonably assured. Golden Valley performs as a broker without assuming the risks and rewards of ownership of the goods, therefore sales are reported on a net basis. After receiving an order, Golden Valley will locate and inspect the desired item. The item will be shipped directly to the customer from the supplier by Golden Valley or the customer can arrange for pickup at the supplier. The item must meet certain industry standards prior to customer acceptance. If the industry standards
are not met, the loss carries back to the supplier. If the item meets industry standards and the customer were to reject the item, the loss belongs to the customer. Golden Valley recognizes revenues at the time the customer accepts the item.

Income Taxes - Golden Valley recognizes deferred tax assets and liabilities based on differences between the financial reporting and tax basis of assets and liabilities using the enacted tax rates and laws that are expected to be in effect when the differences are expected to be recovered. Golden Valley provides a valuation allowance for deferred tax assets for which it does not consider realization of such assets to be more likely than not.

Basic and Diluted Net Loss Per Share - Basic and diluted net loss per share calculations are calculated on the basis of the weighted average number of common shares outstanding during the year. They include the dilutive effect of common stock equivalents in years with net income. Basic and diluted loss per share is the same due to the absence of common stock equivalents.

Fair Value of Financial Instruments - The carrying value of short-term financial instruments, including cash and cash equivalents, accrued expenses and short-term borrowings approximate fair value due to the relatively short period to maturity for these instruments. See Note 5 - Derivatives for additional information.

NOTE 2 - GOING CONCERN

As shown in the accompanying consolidated financial statements, GVDI had an accumulated deficit as of December 31, 2015. These conditions raise substantial doubt as to GVDI's ability to continue as a going concern. Management is trying to raise additional capital through sales of stock. The financial statements do not include any adjustments that might be necessary if GVDI is unable to continue as a going concern.

NOTE 3 – DEBT

A summary of the outstanding third party debt at is as follows:

	Interest rate	March 31, 2014
Note payable to Adavco	5%	$96,477
Note payable to FMCOCO	8%	$53,007
Note payable to Roger Ng	8%	$20,000
Convertible notes payable		$149,484

The Note payable to Adavco was due in August 2011 and the Note payable to FMCOCO was due in September 2007 and there is no set repayment schedule. Therefore, both notes are shown as current liabilities. The Note payable to Roger Ng is due on October 2015.

NOTE 4 - INCOME TAXES

Golden Valley uses the liability method, where deferred tax assets and liabilities are determined based on the expected future tax consequences of temporary differences between the carrying amounts of assets and liabilities for financial and income tax reporting purposes. During the years ended December 31, 2015 and 2014, Golden Valley incurred a net loss and, therefore has no tax liability. The net deferred tax asset generated by the loss carry-forward has been fully reserved. The cumulative net operating loss carry-forward is approximately $11,403,687 at December 31, 2015, and will completely expire in the year 2034.

At December 31, 2015, deferred tax assets consisted of the following:

Deferred tax assets

	March 31, 2015
Net operating losses	**$108,882**
Less: valuation allowance	($108,882)
Net deferred tax asset	-

NOTE 5 - COMMON AND PREFERRED STOCK

Shares of Series A Preferred Stock shall have no conversion rights. The holders of Series A Preferred Stock shall be entitled to receive dividends when, as and if declared by the Board of Directors, in its sole discretion by majority vote. Upon any liquidation, dissolution or winding up of the Corporation, whether voluntary or involuntary, holders of the Series A Preferred Stock shall receive such distributions as determined by majority vote of the Board of Directors.

Each share of Series B Preferred Stock may be convertible, at any time by the respective holder, into ten (10) shares of the Corporation's Common Stock, par value $0.00001 per share (the "Common Stock"). Holders of

Series B Preferred Stock shall not be entitled to receive dividends. Shares of Series B Preferred Stock shall have no liquidation, or other equity rights, nor any participation or other rights or preferences.

Each share of Series C Preferred Stock shall be convertible, at any time after January 1, 2015 and at the sole election of the holder, into 1,000 shares of Common Stock. Such conversion shall be deemed to be effective on the business day (the "Conversion Date") following the receipt by the Corporation of written notice of conversion from the holder of the Series C Preferred Stock, together with the holder's stock certificate or certificates evidencing the Series C Preferred Stock to be converted. The holders of Series C Preferred Stock shall be entitled to receive dividends when, as and if declared by the Board of Directors, in its sole discretion. Upon any liquidation, dissolution or winding up of the Corporation, whether voluntary or involuntary, holders of the Series C Preferred Stock shall receive such distributions as determined by majority vote of the Board of Directors.

Each share of Series D Preferred Stock is convertible, at any time and at the sole election of the holder, into 200,000 shares of Common Stock. The holders of Series D preferred stock are entitled to receive dividends when, and if declared by the Board of Directors, in its sole discretion. Upon any liquidation, dissolution or winding up of the Corporation, whether voluntary or involuntary, holders of the Series D Preferred Stock shall receive such distributions as determined by majority vote of the Board of Directors. A shareholder holding shares of Series D Preferred Stock may not convert more of their shares of Series D Preferred Stock than is equal, upon conversion, to the shareholder having a number of common shares having an aggregate worth more than nine and nine-tenth percent (9.9%) of the total issued and outstanding Common shares of the corporation.

Each share of Series H Preferred Stock shall be convertible, at any time after January 1, 2015 and at the sole election of the holder, into 1,000 shares of Common Stock. Such conversion shall be deemed to be effective on the business day (the "Conversion Date") following the receipt by the Corporation of written notice of conversion from the holder of the Series H Preferred Stock, together with the holder's stock certificate or certificates evidencing the Series H Preferred Stock to be converted. The holders of Series H Preferred Stock shall be entitled to receive dividends when, as and if declared by the Board of Directors, in its sole discretion. Shares of Series H Preferred Stock shall not have the right to receive any distribution from any liquidation, dissolution or winding up of the corporation.

During September 2014, GVDI authorized the following preferred stock classes. However, none are outstanding.

Series E	100,000,000
Series F	30,000,000
Series G	1,000,000
Series I	10,000,000
Series J	10,000,000
Series K	10,000,000
Series L	10,000,000
Series M	10,000,000
Series AA	100,000

NOTE 6 - MATERIAL AGREEMENTS

On November 16, 2010, both of GVDI's two wholly-owned subsidiaries entered into separate licensing agreements -regarding certain patents and trademarks - with Protospheric, Inc., an intellectual property holding corporation controlled by GVDI's Chairman and CEO Kevin Sorrels.

One licensing agreement, between Protospheric and GVDI subsidiary Media Sports Productions, Inc., grants to Media Sports a license to use the trademarked term "CutStop" as well as to develop, market and manufacture goods pursuant to certain patents (patent numbers D373,656; 5,450,626; and 6,807,681) having

to do with the “CutStop” finger guard product. In exchange for the license, Protospheric earns 10% royalties on gross sales of the CutStop product, and 50% royalties on any sub-licensing receipts, minus direct costs.

The second licensing agreement, between Protospheric and GVDI subsidiary Digit-Pro, grants to Digit Pro a license to use the trademarked term “PercuGuard” as well as to develop, market and manufacture goods pursuant to certain patents (patent numbers D373,656; 5,450,626; and 6,807,681) having to do with the "PercuGuard" sanitized industrial finger guard product. In exchange for the license, Protospheric earns 10% royalties on gross sales of the PercuGuard product, and 50% royalties on any sub-licensing receipts, minus direct costs.

Neither the licensing agreements, nor the underlying patent and trademark assets, have been appraised, and are therefore not included in the balance sheet.

NOTE 7 - MERGER

On March 26, 2014, GVDI entered into an agreement with eWaste Exchange, Inc. (a privately held company) whereby GVDI exchanged 96,822,047,000 of its common shares with Roger Ng in return for 55,200,000 shares of eWaste common shares. As a result, Roger Ng owns 80% of GVDI common stock and GVDI owns 80% of eWaste common stock.

NOTE 8 – SUBSEQUENT EVENTS

The Company has evaluated subsequent events through December 31, 2015, and has none to report.