QUARTERLY REPORT

Pursuant to Rule 15c2-(ll)(a)(5) For

FERNHILL BEVERAGE, INC.

Trading Symbol (FHBC)

For the Period Ending March 31, 2016

Dated October 12, 2016

FERNHILL BEVERAGE, INC.

QUARTERLY REPORT

All information contained in this Initial Information and Disclosure Statement has been compiled to fulfill the disclosure requirements of Rule 15c2-11(a)(5) promulgated under the Securities and Exchange Act of 1934, as amended. The enumerated captions contained herein correspond to the sequential format as set forth in the rule.

No dealer, salesman or any other person has been authorized to give any information or to make any representations not contained herein in connection with the Issuer. Any representations not contained herein must not be relied upon as having been made or authorized by the Issuer.

Delivery of this information does not imply that the information contained herein is correct as of any time subsequent to the date of this Issuer Quarterly Report.

Part A. General Company Information

1) Name of the issuer

FERNHILL BEVERAGE, INC.

2) Address of the issuer's principal executive offices

Company Headquarters

Fernhill Beverage, Inc.
3425 Circulo Adorno
Carlsbad, CA 92009

Office: (760) 753-6444

Email: info@fernhillbev.com

Website: http://www.fernhillbev.com

3) Security Information

Security Symbol:	FHBC	
CUSIP Number:	315218 10 7	
Par Value:	Common Stock	$0.0001 USD
	Preferred Stock	$0.0001 USD

Total Shares Outstanding.

The Company is authorized to issue: 580,000,000

shares.

Common Stock Authorized 500,000,000

Common Stock issued and outstanding: 85,245,271

Preferred Stock

Preferred Stock Authorized: 80,000,000

Series A Preferred Stock Authorized: 20,000,000

Series A Preferred Stock issued and outstanding: 20,000,000

Preferred Series A shares convert and vote 100:1

Series B Convertible Preferred Stock Authorized: 60,000,000

Series B Convertible Preferred Stock issued and outstanding: 18,008,889

Preferred Series B shares convert and vote 1:1

Transfer Agent

Signature Stock Transfer
2632 Coachlight Court
Plano, TX 75093

Phone: (972) 612-4120
Fax: (972) 612-4122
Email: signaturestocktransfer@msn.com

Website: http://www.signaturestocktransfer.com

Is the Transfer Agent registered under the Exchange Act? Yes

There are no restrictions on the transfer of any security.

There has not been any trading suspension order issued by the SEC in the last 12 months. List any restrictions on the transfer of

security: None

Describe any trading suspension orders issued by the SEC in the past 12 months.

None

List any stock split, stock dividend, recapitalization, merger, acquisition, spin-off, or reorganization currently anticipated or that occurred within the past 12 months:

See Merger and Spinoff events below in paragraph 4, Issuance History.

4) Issuance History

List below any events, in chronological order, that resulted in changes in total shares outstanding by the issuer in the past two fiscal years and any interim period. The list shall include all offerings of equity securities, including debt convertible into equity securities, whether private or public, and all shares or any other securities or options to acquire such securities issued for services, describing (1) the securities, (2) the persons or entities to whom such securities were issued and (3) the services provided by such persons or entities. The list shall indicate:

Holding Company Reorganization: Fernhill Beverage, Inc. was incorporated on August 27, 2015 as an Oklahoma corporation under the Oklahoma General Corporation Laws ("Oklahoma Act"). On the day of Fernhill Beverage, Inc.'s incorporation it became a Holding Company pursuant to Section 1081(g) of the Oklahoma Act under an Agreement and Plan of Merger ("Reorganization") with Cigars MFOV, Inc. (MFOV) and Cigars MFOV Merger Sub, Inc. ("Merger Corp.") dated the same date. Under the Agreement, MFOV merged into Merger Corp. and ceased to exist, wherein Merger Corp. became and is the survivor and successor under Section 1081(g) of the Oklahoma Act, having acquired all of MFOV's assets, rights and liabilities as the constituent or resulting corporation. Fernhill Beverage, Inc. became the parent and the Holding Company of Merger Corp. under the Reorganization which was in compliance with Section 1081(g) of the Oklahoma Act and Section 368(a)(l)(B) of the Internal Revenue Code of 1986, as amended.

Upon consummation of the Reorganization, each issued and outstanding equity of the former Cigars MFOV, Inc. was transmuted into and exchanged for an identical equity structure from Fernhill Beverage, Inc. (on a share-for-share basis) having the same designations, rights, powers and preferences, and qualifications, limitations and restrictions. Upon consummation, Fernhill Beverage, Inc., is the issuer since the former MFOV equity structure was transmuted pursuant to Section 1081(g) into current issued and outstanding equities of Fernhill Beverage, Inc. The Reorganization was exempt from the registration requirements of the Securities Act of 1933 ("Act") as there was no "offer" or "sale" as defined in Section 2(3) of the Act so as to invoke the requirements of Rule 145 also under the Act. Under the terms of the Agreement, the shareholders and equity holders of the former MFOV had no appraisal rights or rights to a shareholder vote and consequently no investment decision was made by the shareholders. Fernhill Beverage, Inc. as the issuer, was given a new CUSIP and tax identification number. Pursuant to Rule

144(d)(3)(ix) of the Act, the holding periods for the issued equities of Fernhill Beverage,

Inc. are the same and “tack” to the original holding periods of the equities transmuted from the former MFOV.

Change of Control/Share Exchange: On August 27, 2015, Fernhill Beverage, Inc. the “Holding Company” completed a Share Exchange Agreement with Fernhill Beverage, a Nevada corporation (Fernhill (NV)), a company with former and current operations. The Share Exchange was in compliance with Section 368(a)(l)(B) of the Internal Revenue Code of 1986, as amended and resulted in a change in control of Fernhill Beverage, Inc. Fernhill Beverage, Inc. is an operating business with ongoing operations since its date of incorporation on August 27, 2015. From the date of incorporation, Fernhill Beverage, Inc., has had ongoing operations and is therefore an “Issuer” that is not, and has never been a “Shell Company” or ever was a “Former Shell Company” as defined in Rule 144(i) of the Act.

Corporate Separation: On August 18, 2015, the Board of Directors determined in the best interest of MFOV to no longer own its subsidiary MFOV, Inc., and or “dba” Cigar Envi Cigar. The President executed a “Plan of Corporate Separation” between Cigars MFOV, Inc., an Oklahoma corporation, (hereinafter referred to as "MFOV") and MFOV, Inc. (“MFOV Texas”), “dba” Cigar Envi or Cigar Envi Wholesale formally WMDD, LLC, a Texas company, which returned and assigned all MFOV Shares back to the MFOV for cancelation. The former MFOV the MFOV Texas shares were returned to the former MFOV Texas Shareholders. As of August 27, 2015 MFOV Texas is no longer wholly owned subsidiary of Fernhill Beverage.

On January 14, 2015, The Board of Directors accepting resignations of James B. Frack as President, Chief Executive Officer, Chief Financial Officer Secretary and Sole Director appointing David J. Daniels as Chairman, President, COO, CFO, Treasurer and Director and Brian Skinner as CEO, Secretary and Director.

On August 17, 2015, The Board of Directors accepting resignations of David J. Daniels as Chairman and appointed Lawrence L. Twombly as Chairman.

On August 18, 2015, The Board of Directors accepting resignations of David J. Daniels as Director, President, COO, CFO, and Treasurer and Brian Skinner as director, CEO and Secretary, appointing Lawrence L. Twombly as Chairman, President, Chief Executive Officer, Chief Financial Officer, Chief Operating Officer, Treasurer, Secretary and Sole Director.

On August 27, 2015, The Board of Directors accepting resignations of Lawrence L. Twombly as President, Chief Executive Officer, Chief Financial Officer Secretary and Sole Director appointing Lawrence L. Twombly as Chairman, and Director, Robert Campbell as President, Chief Executive Officer and Chief Operating Officer and Douglas A. Homis as

Chief Financial Officer, Treasurer & Secretary and Director.

On October 8, 2015 the company issued 30,000,000 Shares to V Group, Inc., 25,000,000 Shares to Robert Campbell, 20,000,000 Shares to Douglas Homis, 5,000,000 to Ronald Fournier, 5,000,000 Shares to Sean Nichols, 5,000,000 Shares to Kenneth Sadowsky, 5,000,000 shares to Mark Hammill, 3,000,000 Shares to Joseph Bruni, and 2,000,000 Shares
to Arturo Cherney

Fernhill Beverage

Minutes of Special Meeting of Board of Directors
Of
Fernhill Beverage, Inc.

Purpose: To discuss the disbursing of Fernhill Beverage shares
Date: 08/28/2015

Time: 1:30 PM

Place: 3425 Circulo Adorno Carlsbad, Ca 92009

The following Directors were present, constituting a quorum:
Lawrence Twombly Chairman

Robert Campbell President

Douglas Homis Secretary

The Chairperson called the meeting to order. The only topic discussed was the compensation to consultants for work and efforts in the creation and growth of "Roadkill" for Fernhill Beverage.

Discussed: Persons who will be receiving compensation.
What the persons involved will be doing to aid Fernhill Beverage. How much compensation said persons will receive. In what form the compensation will be paid.

The Chairman, while receiving input from the President and Secretary, concluded that the discussion will be prioritized by category of services needed and person to fulfill those services.

1) Distribution: It is concluded that distribution services will initially be broken down into three (3) geographical regions.

Region 1: Southwest. (Southern California, Arizona, Nevada)

Region2: Northeast. (New England, New York State)

Region3: Southeast. (North Carolina, South Carolina, Georgia, Florida)

Persons enlisted for each geographical region:

Region 1: Sean Nichols

Region 2: Ronald Fournier

Region 3: Kenneth Sadowsky

The duties of each person in each region includes but not restricted to; securing distribution both on the wholesale and retail level. Work with the salespeople and distributors in each area. To be a liaison between the Company and the distributors.

2) Production: It is concluded that production will initially be contracted in Southern California.

Person enlisted to assist in production issues.

Joeseph Bruni

3) D e s i g n : It is concluded that all Graphics for products, Point of Sale, Web Design, etc. will be entrusted to a person with a history of graphics and product design.

Person enlisted to complete all graphic design tasks.

Mark Hammill

4) Raw Goods Procurement: It is concluded that raw material procurement Bottles, Labels, etc.) will be supervised by a person with knowledge of domestic and international
procurement.

Person enlisted to procure raw goods.

Arturo Cherney

Compensation: It is concluded that due to the limited monetary funds available to The Company, the Company will be compensating the above persons with Restricted Company Common Stock. It is also concluded that all persons discussed are experts in their field and will be valuable assets to the Company.
After discussion, it is concluded that the approved compensation breakdown is as follows:

All compensation is based on a total Corporate issuance of 118,000,000 Common Shares.

Sean Nichols	5,000,000 shares (4.24%)
Ronald Fournier	5,000,000 shares (4.24%)
Kenneth Sadowsky	5,000,000 shares (4.24%)
Mark Hammill	5,000,000 shares (4.24%)
Joseph Bruni	3,000,000 shares (2.54%)
Arturo Cherney	2,000,000 shares (1.70%)

Resolved: With the unanimous approval of the Board of Directors of Fernhill Beverage, Inc. the Company was given the authority to authorize the issuance of Fernhill Beverage shares to Sean Nichols, Ronald Fournier, Kenneth Sadowsky, Mark Hammill, Joseph Bruni, Arturo Cherney for services rendered.

Date of Record: With the unanimous approval of the Board of Directors of Fernhill Beverage, Inc. the Company was given authorization to approve official date of record to be 28th day of August, 2015 (08/28/2015).

After concluding the business at hand, the Chairperson asked the quorum if any other business was needed. It was determined that no other business was to be discussed at this Special Meeting.

The Chairperson adjourned the Special Meeting of the Board of Directors of Fernhill Beverage, Inc. at 4:30 PM August 28, 2015.

A. The nature of each offering (e.g., Securities Act Rule 504, intrastate, etc.); None
B. Any jurisdictions where the offering was registered or qualified; None

C. The number of shares offered; None

D. The number of shares sold; None

E. The price at which the shares were offered, and the amount actually paid to the issuer; None

F. The trading status of the shares; Restricted common shares

G. Whether the certificates or other documents that evidence the shares contain a legend (1) stating that the shares have not been registered under the Securities Act and (2) setting forth or referring to the restrictions on transferability and sale of the shares under the Securities Act.

On August 18, 2015, The Board of Directors, of the company Authorized, Accepted Irrevocable Stock Powers and directed the Cancellation of:

> David J. Daniels, 40,000,000, Restrictive Common Shares, and 40,000,000 "Series B Convertible Preferred Shares";
>
> Brian Skinner, 1,000,000, Restrictive Common Shares and 222,000 "Series B Convertible Preferred Shares";

Per the terms of Plan Of Corporate Separation between and among David J. Daniels and Brian Skinner, or their assignees, Cigars MFOV, Inc., an Oklahoma corporation and MFOV, Inc., "dba" Cigar Envi and or Cigar Envi Wholesale formally WMDD, LLC a Texas corporation.

On August 27, 2015, Fernhill Beverage, Inc. (OK) issued One Hundred Million (100,000,000) "restricted common" Shares of FERNHILL (OK) to Fernhill Beverage, Inc. (NV) Shareholders as identified.

On August 27, 2015, the company approved the cancelation of Cigars MFOV, Inc. Shares and Immediate Reissuance of Fernhill Beverage, Inc. Shares, to Lawrence L. Twombly, (18,008,889) "Fernhill Beverage, Inc., Series B Convertible Preferred Shares" and James B. Frack, (20,000,000) "Fernhill Beverage, Inc., Series A Preferred Shares".

On February 1, 2016, the company authorized and issued 1,200,000 common

shares pursuant to a Convertible Promissory Note dated July 23, 2013 for the conversion of $120.00 debt owed by the Company after receiving Notice of Conversion on December 17, 2015

On February 1, 2016, the company authorized and issued 1,000,000 common shares pursuant to a Convertible Promissory Note dated July 23, 2013 for the conversion of $100.00 debt owed by the Company after receiving Notice of Conversion on November 23, 2015

On February 1, 2016, the company authorized and issued 1,500,000 common shares pursuant to a Convertible Promissory Note dated July 23, 2013 for the conversion of $150.00 debt owed by the Company after receiving Notice of Conversion on December 17, 2015

On February 1, 2016, the company authorized and issued 5,500,000 common shares pursuant to a Convertible Promissory Note dated July 23, 2013 for the conversion of $550.00 debt owed by the Company after receiving Notice of Conversion on December 17, 2015

On February 1, 2016, the company authorized and issued 1,000,000 common shares pursuant to a Convertible Promissory Note dated July 23, 2013 for the conversion of $100.00 debt owed by the Company after receiving Notice of Conversion on December 7, 2015

On February 4, 2016, the company authorized and issued 1,000,000 common shares pursuant to a Convertible Promissory Note dated July 23, 2013 for the conversion of $100.00 debt owed by the Company after receiving Notice of Conversion on November 23, 2015

On February 25, 2016, the company authorized and issued 4,000,000 common shares pursuant to a Convertible Promissory Note dated July 23, 2013 for the conversion of $400.00 debt owed by the Company after receiving Notice of Conversion on February 1, 2016

5) Financial Statements

The Company's financial statements for the Annual Report will be filed on the OTC Markets website and the Quarterly Reports when due. The Balance Sheet, Statement of Operations (Income), Statement of Cash Flows and Notes to Financial Statements are attached hereto.

There are Eight (8) issued and outstanding Convertible Notes Totaling $149,767.83.00, accepted, confirmed, acknowledged as current debts and obligations of FERNHILL (OK), without reservations, including

1. Amended Note Dated July 23, 2013 issued to Greg Morris for Thousand US Dollars ($20,000.00), Consent of the Directors of the Company to amend the NOTE was granted to the holder on January 5, 2015, including the assignment thereof to La Jolla IPO, Inc. on January 5, 2015.
2. Note Dated January 15, 2015, issued to Liquid Management, Inc., for Fifty Thousand US Dollars ($50,000.00) (the “NOTE”) which is a direct obligation of

the Company. Consent of the Directors of the Company to amend the NOTE was granted to the holder on January 5, 2015.

3. Note Dated February 5, 2015 for $7,500.00 issued to La Jolla IPO, Inc.
4. Note dated February 20, 2015 for $7,500.00 issued to IBRE Incorporated
5. Note dated November 28, 2014 for $5,000.00 issued to Liquid Management, Inc.
6. Note dated December 31, 2014 for $5,500.00 issued to Liquid Management, Inc.
7. Note Dated January 27, 2016 for $4,267.83 issued to IBRE, Incorporated on January 27, 2016. Pay legal fees and OTC Markets reporting fees paid on behalf of the Company.
8. Note dated January 1, 2016 for $50,000 issued to IBRE Incorporated for Consulting Services.

6) Describe the Issuer's Business, Products and Services

Describe the issuer's business so a potential investor can clearly understand the company. In answering this item, please include the following:

A. Description of the issuer's business operations;

Fernhill Beverage, Inc. is a for-profit stock corporation registered in the State of Oklahoma with its headquarters located in Carlsbad, CA. Fernhill Beverage, Inc. is created to develop an innovative and quality driven beverage company. Fernhill Beverage, Inc. is dedicated to providing the very best in fun, exiting and healthy beverage products aimed at a youthful consumer base. Fernhill Beverage, Inc. is committed to taking advantage of a unique and readily available distribution base. Fernhill Beverage, Inc. is poised to design the next evolution in the youth and young adult beverage market.

Fernhill Beverage's mission is:

- To develop, create and market the best beverage products available to the consumer;
- To assemble a team of professionals with a proven track record of success both in and out of the beverage industry;
- To maximize revenues and profitability for its investors, shareholders and partners;

Fernhill Beverage Inc. located in Carlsbad, CA and is incorporated in Oklahoma for the purpose of developing, creating and marketing beverage products. Fernhill Beverage, Inc. will, upon commencement of operations, complete the manufacturing and marketing of its initial brand **Roadkill**. Fernhill Beverage, Inc. is committed to developing the brand **Roadkill** nationally through its independent distribution relationships.

Fernhill Beverage, Inc. has identified the largely overlooked and underserved child and pre-teen market segment within the multi-billion dollar beverage industry.

Most large beverage companies have chiefly ignored the youngest of the consumers. They feel there is more profit in getting the child market to purchase a more adult marketed product. For instance: Most convenience stores will stock juice box products for young kids and expect them to advance to a 20oz. soda or a 20oz. sports drink. Fernhill Beverage, Inc. is concentrating on capturing that transition market with fun products that appeal to youth and have ingredients that appeal to adults.

Fernhill's initial product offering **Roadkill**, is packaged in a very attractive 12oz. slim bottle that fits smaller hands perfectly. The label is bright and colorful. The label depicts cartoon animals that have lost a battle with vehicles. Fernhill Beverage, Inc. has been very careful to make sure the characters on the labels are still alive. They are just vivid enough for children to say "Cool" and for moms and dads to say "Gross". The product inside is very colorful and is designed to catch the attention of consumers immediately. **Roadkill** is initially offered in three exciting and fun flavors with others being developed and released as the market demands. The initial flavors are Green Apple (Green Gopher Guts), Blue Raspberry (Blue Raccoon Bits) Grape (Purple Possum Parts) with other flavors such as Fruit Punch (Red Fox in a Box) ready for production.

Fernhill Beverage, Inc. is also in the process of developing other products aimed at the teen and pre-adult market to add to the product lines and to take advantage of new and existing distribution channels.

Our products are intended to have exceptional quality, fit, function and style for the discriminatory customer and the youth consumer and will be manufactured in the United States.

Fernhill Beverage, Inc. has developed its "flagship" brand **Roadkill** to take advantage of the gap left in the "youth and pre-teen" group of the consumer beverage market. **Roadkill**'s initial launch will be in three extremely refreshing flavors:

- **Green Gopher Guts** (Sour Green Apple) - a slightly sour mix of apple flavors and is a bright green color. The product is vitamin packed and is sugar free.

- **Blue Raccoon Bits** (Blue Raspberry) – a smooth blend of raspberry flavors. The product is bright blue. The product is vitamin packed and is sugar free.
- **Purple Possum Parts** (Grape) – a mix of grape and other berry flavors. The product is a brilliant purple. The product is vitamin packed and sugar free.

Distribution and Marketing Methods of Products

In the beverage industry a new brand must be marketed to three distinct groups, (1) the distributors and their sales force, (2) the store's manager or owner, (3) and last, but no less important, the consumers. Fernhill Beverage, Inc. has composed an approach that is specific to each group.

In the incubation period of a new brand the initial launch with a distribution base is crucial. Fernhill Beverage, Inc. realizes that to insure the successful launch of a brand it must get the distributors and their sales force to push the desired product over another. This is best accomplished through incentives for the sales force. For example, a sales person might respond to a $10.00 bonus for every new retail account they open. They would also receive
$1.00 per case for every case they sell in a 60-day launch period. Other sales people may respond to a contest where the sales representative that opens the most new accounts over a 60-day launch period would receive a vacation package for two. It is important to work with the distributor's general manager and/or owner to design an incentive program that best fits their needs and the needs of the brand. Some distributors are comfortable with financial incentives while others are not. Fernhill Beverage, Inc. is poised and ready to support the distributors with various sales and promotional programs for the marketing of its "flagship" brand **Roadkill.** Fernhill Beverage, Inc. has created sales sheets to be used as tools for the distributors to educate and present vital information about the product to the retail store manager or owner. Universally, retail establishments try to maximize profit potential per cooler location. To help retailers in their endeavor, Fernhill Beverage, Inc. will introduce the brand **Roadkill** with a "buy 3 cases get 1 case free" program when they purchase all flavors. The free case would be offered on a co-op basis with Fernhill Beverage, Inc. and the distributor. This will improve the storeowner's profit margin by 25%. There is limited retail shelf space available.

To battle the dilemma of a lack of retail shelf space Fernhill Beverage, Inc. is prepared to offer proprietary suction cup racks where needed. Fernhill Beverage, Inc. intends to provide labels promoting the brand **Roadkill** on each of the suction cup racks.

Fernhill Beverage, Inc. will also have static cling labels available to advertise **Roadkill** on the cooler glass doors. As volume grows, Fernhill Beverage, Inc. is prepared to offer proprietary coolers to select retail locations. Fernhill Beverage, Inc. will again take advantage of its relationship with distributors to utilize shelf space in coolers that the distributors currently own and operate in various retail locations. Marketing within a major grocery chain is vastly different from marketing within a convenience store or "mom and pop" retail location. In many instances strategic plans such as end caps, positioning of the product at eye level on the shelf and displaying the product near checkout stands can be coordinated with the grocery general manager. This relatively simple strategy can be extremely effective and accomplished without the outlay of massive capital.

Fernhill Beverage, Inc. believes that the most successful strategy to market to the consumer starts with a grass roots campaign. Much like the phrase "all politics are local"

Fernhill Beverage, Inc. feels "all marketing is local".

Fernhill Beverage is capable of producing the product for roughly $.32 per unit in the early stages of production. That price will decrease to roughly $.26 to $.28 per unit with economies of scale. At this point, the full production cost of Roadkill is $.32 per unit or $7.68 per 24 packs case.

Currently, Roadkill is sold to the distributor for $.50 per unit or $12.00 per 24-pack case. This allows the Company to retain a $.18 per unit or $4.32 profit per case not including shipping.

The distributor then sells Roadkill to the retail location for $.75 per unit or $18.00 per case. This allows the distributor to retain $6.00 profit per case making it very attractive to them and allowing them to add it to their existing orders.

Roadkill is shipped to the distributor in a palletized format. Each pallet contains 72 cases with a revenue amount of $864.00. A full trailer contains 20 pallets with a revenue figure of $17,280.00.

Roadkill has a target retail price of $.99 to $1.19 depending on the market. Fernhill Beverage has found that the lower retail price will serve as an incentive to purchase the product.

Initial Forecast:

In the Company's first full year of operations, Fernhill expects to generate $250,000.00 to $400,000.00 in revenue primarily through the sale of **Roadkill** product.

The key to sustainable revenue and growth is directly tied to the number and quality of distributors offering the product to retail locations. Each distributor has a specific geographical area. Within that area they have a large amount of retail outlets they can potentially sell the product into.

Fernhill Beverage's goal is twofold:

1) Secure as many distributors as possible.

2) Have those distributors sell to their customers as many cases of **Roadkill** as possible.

After 12 months of operations, the Company has goal of a minimum 20 distributors should be met. These will be located in specific geographical locations selling a minimum of 500 cases of Roadkill per month. The minimum goal is 10,000 cases of Roadkill per month generating $120,000.00 per month and be on a pace to generate revenues exceeding $1,400,000.00 in that year.

Once the Company surpasses the $1,000,000.00 in revenue goal, growth can be accomplished quickly. With a cash flow exceeding $100,000.00 per month, the Company will have the capability of placing sales persons in specific regions of the Country to bring on new distributors and to help grow distribution within existing distributors.

The initial distribution is located in Southern California. Distribution is growing quickly in the Southwest from there. The second area of distribution is the Northeast. Distribution has started in late summer 2015 in New England and will be growing throughout 2015 and 2016.

Fernhill Beverage has targeted growth from Southern California, Arizona and Nevada up the West Coast into Oregon, Washington, Colorado, etc. The Company has also targeted New England, New York, the Mid-Atlantic States and down the East Coast. Once that distribution is saturated, Fernhill Beverage will concentrate on the gulf Coast and the Middle America states.

Fernhill Beverage, Inc. intends to initiate its grass roots campaign by promoting samples at youth sporting events, street fairs, and school events and utilizing sampling crews wherever possible. At the early stages of a product's introduction, it is imperative to get the product into the hand of as many potential consumers as possible.

Fernhill Beverage, Inc. believes once a kid has a Roadkill, that young person will be a Roadkill customer for years to come. The unique stand-alone packaging was designed to draw the consumer's attention to the product enticing them to hold it, buy it, taste it and buy it again. Initially, Fernhill Beverage, Inc. intends to keep all advertising local to the markets it is currently distributed in, to ensure the advertising message reaches a

consumer that can readily purchase the product.

When the product has a strong national distribution base Fernhill Beverage, Inc. will allocate funds to a national promotion program.

A. Date and State (or Jurisdiction) of Incorporation:

   Fernhill Beverage, Inc. was incorporated on August 27, 2015 as an Oklahoma corporation under the Oklahoma General Corporation Laws ("Oklahoma Act").

B. The issuer's primary and secondary SIC Codes; 5960- Beverage Products

C. the issuer's fiscal year end date; 31ST DAY OF DECEMBER

D. principal products or services, and their markets; Beverage Products for Youth

7) Describe the Issuer's Facilities

The goal of this section is to provide a potential investor with a clear understanding of all assets, properties or facilities owned, used or leased by the issuer.

The Issuer's primary address is 3425 Circulo Adorno, Carlsbad, CA 92009. The Issuer rents this facility for the purpose of coordinating the day-to-day operations.

If the issuer leases any assets, properties or facilities, clearly describe them as above and the terms of their leases.

Production of products is conducted on a contract bottling and packing basis. Primary co-packing is currently conducted in Ramona, California with plans to contract facilities on the East Coast.

A) Officers, Directors, and Control Persons

Lawrence L. (Buzz) Twombly, Chairman, and Director

Robert Campbell, President, Chief Executive Officer and Chief Operating Officer

Mr. Campbell is a career Entrepreneur. He has been a successful sales advocate for over a decade. Mr. Campbell is very active in many communities including helping the disabled and wounded worriers through a national sled hockey program.

Douglas A. Homis, Chief Financial Officer, Treasurer Secretary and Director

Mr. Homis is a retired naval combat veteran. Mr. Homis proudly served in the Middle East and was deployed with Special Forces units

globally.

B. Legal/Disciplinary History. Please identify whether any of the foregoing persons have, in the last five years, been the subject of:

1. A conviction in a criminal proceeding or named as a defendant in a pending criminal proceeding (excluding traffic violations and other minor offenses); No

2. The entry of an order, judgment, or decree, not subsequently reversed, suspended or vacated, by a court of competent jurisdiction that permanently or temporarily enjoined, barred, suspended or otherwise limited such person's involvement in any type of business, securities, commodities, or banking activities; No

3. A finding or judgment by a court of competent jurisdiction (in a civil action), the Securities and Exchange Commission, the Commodity Futures Trading Commission, or a state securities regulator of a violation of federal or state securities or commodities law, which finding or judgment has not been reversed, suspended, or vacated; or No

4. The entry of an order by a self-regulatory organization that permanently or temporarily barred suspended or otherwise limited such person's involvement in any type of business or securities activities. No

C. Beneficial Shareholders. Provide a list of the name, address and shareholdings or the percentage of shares owned by all persons beneficially owning more than (10%) of any class of the issuer's equity securities.

If any of the beneficial shareholders are corporate shareholders, provide the name and address of the person(s) owning or controlling such corporate shareholders and the resident agents of the corporate shareholders

	Common Shares Directly Owned	***% of Ownership***
V Group, Inc. 3425 Circilo Adorno Carlsbad, CA 92009	30,000,000	***29.99%***
Robert Campbell 4478 Utah St, #7 San Diego, CA 92116	25,000,000	***24.99%***
Douglas Homis 4530 Robbins St San Diego, CA 92122	20,000,000	***20.00%***

	Series A Preferred Shares Owned	*% of Ownership*
James B. Frack 2625 Butterfield Road Suite 228-S, Oak Brook, IL 60523	20,000,000	***100.00%***
	Series B Preferred Shares Owned	***% of Ownership***
Lawrence L. Twombly 3425 Circilo Adorno Carlsbad, CA 92009	18,008,889	***30.01%***

8) Third Party Providers

Please provide the name, address, telephone number, and email address of each of the following outside providers that advise your company on matters relating to operations, business development and disclosure:

Legal Counsel
Randall J. Lanham
LANHAM & LANHAM, LLC
28562 Oso Parkway, Unit D Rancho
Santa Margarita, CA 92688 Tel. 949-
933-1964 email:

Other Advisor: Any other advisor(s) that assisted, advised, prepared or provided information with respect to this disclosure statement.

NONE

9) Issuer Certification

The issuer shall include certifications by the President, Chief Executive Officer and Chief Operating Officer of the issuer (or any other persons with different titles, but having the same responsibilities).

The certifications shall follow the format

below:

I, Robert Campbell certify that:

a. I have reviewed this Annual Information and Disclosure Statement of Fernhill Beverage, Inc. for Annual period ending December 31, 2015;

b. Based on my knowledge, this disclosure statement does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this disclosure statement; and

c. Based on my knowledge, the financial statements, and other financial information included or incorporated by reference in this disclosure statement, fairly present in all material respects the financial condition, results of operations and cash flows of the issuer as of, and for, the periods presented in this disclosure statement.

Robert Campbell, President, Chief Executive Officer and Chief Operating Officer (Digital Signatures should appear as "/s/ [OFFICER NAME]")

/s/Robert Campbell, president, CEO & COO

Fernhill Beverage, Inc.
Balance Sheet
As of March 31, 2016

	Mar 31, 16
ASSETS	
Current Assets	
Checking/Savings	
Chase Bank Cash	44,616.76
Total Checking/Savings	44,616.76
Accounts Receivable	
Accounts Receivable	27,594.00
Total Accounts Receivable	27,594.00
Total Current Assets	72,210.76
Other Assets	
Prepaid CoPack	3,775.00
Road Kill Bottles	5,465.50
Road Kill Ingredients	4,782.50
Road Kill Inventory	98.00
Road Kill Labels	2,616.50
Total Other Assets	16,737.50
TOTAL ASSETS	88,948.26
LIABILITIES & EQUITY	
Current Liabilities	
Accounts Payable & Accrued Liabilities	
Note Payable Officer	
Note Payable	
Consulting Liabilities	50,000
Other Current Liabilities	
Total Current Liabilities	50,000
Long Term Liabilities	
Convertible Promissory Notes *See Notes to Financial Statements pg.27	149,767.83
Total Liabilities	149,767.83
Equity	
Paid In Capital IBRE	11,767.83
Paid In Capital Liquid	5,000.00
Paid in Capital V Group	12,500.00
Retained Earnings	86,531.26
Net Income	-26,850.83
Total Equity	88,948.26
TOTAL LIABILITIES & EQUITY	88,948.26

Fernhill Beverage, Inc.
Statement of Operations Unaudited
January through March 2016

	Jan - Mar 16
Ordinary	
Income/Expense	
Income	
Sales Income Road Kill	80,226.00
Total Income	80,226.00
Cost of Goods Sold	
COS Road Kill	66,528.00
Freight	3,640.00
Sales Promotion	4,012.00
Total COGS	74,180.00
Gross Profit	6,046.00
Expense	
Art Work Design	225.00
Corporation Fee	8,380.00
Legal Fees	12,500.00
Consulting Service	50,000
Liability Insurance	400.00
Meals and Entertainment	424.00
Promotional Product Giveaway	420.00
Trade Show	3,500.00
Transfer Agent Fee	4,267.83
Travel	2,780.00
Total Expense	82,896.83
Net Ordinary Income	-26,850.83
Net Income	-26,850.83

Fernhill Beverage, Inc.
Statement of Cash Flows Unaudited
January through March 2016

	Jan - Mar 16
OPERATING ACTIVITIES	
Net Income	-26,850.83
Adjustments to reconcile Net Income to net cash provided by operations:	
Accounts Receivable	-9,144.00
Net cash provided by Operating Activities	-35,994.83
INVESTING ACTIVITIES	
Road Kill Inventory	66,948.00
Net cash provided by Investing Activities	66,948.00
FINANCING ACTIVITIES	
Paid In Capital IBRE	11,767.83
Net cash provided by Financing Activities	11,767.83
Net cash increase for period	42,721.00
Cash at beginning of period	1,895.76
Cash at end of period	44,616.76

*Financial Statements

FERNHILL BEVERAGE, INC.

NOTES TO FINANCIAL STATEMENTS

There are Eight (8) issued and outstanding Convertible Notes Totaling $149,767.83, accepted, confirmed, acknowledged as current debts and obligations of FERNHILL (OK), without reservations, including

1. Amended Note Dated July 23, 2013 issued to Greg Morris for Thousand US Dollars ($20,000.00), Consent of the Directors of the Company to amend the NOTE was granted to the holder on January 5, 2015, including the assignment thereof to La Jolla IPO, Inc. on January 5, 2015.
2. Note Dated January 15, 2015, issued to Liquid Management, Inc., for Fifty Thousand US Dollars ($50,000.00) (the "NOTE") which is a direct obligation of the Company. Consent of the Directors of the Company to amend the NOTE was granted to the holder on January 5, 2015.
3. Note Dated February 5, 2015 for $7,500.00 issued to La Jolla IPO, Inc.
4. Note dated February 20, 2015 for $7,500.00 issued to IBRE Incorporated.
5. Note dated November 28, 2014 for $5,000.00 issued to Liquid Management, Inc.
6. Note dated December 31, 2014 for $5,500.00 issued to Liquid Management, Inc.
7. Note dated January 27, 2016 for $4,267.83 issued to IBRE Incorporated
8. Note dated January 1, 2016 for $50,000 issued to IBRE Incorporated for Consulting Services