

**EM ENERGY, INC**

**FINANCIAL STATEMENTS**

**AUGUST 31, 2016 AND 2015 (unaudited)**

**EM ENERGY, INC**  
**(A DEVELOPMENT STAGE COMPANY)**

**TABLE OF CONTENTS**

<b><u>Balance Sheets as of August 31, 2016 and 2015 (audited)</u></b>	<b>1</b>
<b><u>Statements of Operations for Three Months Ended August 31, 2016 and 2015 (audited)</u></b>	<b>2</b>
<b><u>Statements of Cash Flows for the Three Months Ended August 31, 2016 and 2015 (audited)</u></b>	<b>3</b>
<b><u>Notes to the Financial Statements</u></b>	<b>4 - 10</b>
<b><u>Accountant's Report</u></b>	<b>12</b>

**EM ENERGY, INC**  
**(A DEVELOPMENT STAGE COMPANY)**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**AS OF AUGUST 31, 2016 AND 2015**

**EM ENERGY, INC.**  
**BALANCE SHEETS**

ASSETS	31-Aug-16 (unaudited)	31-May-16 (unaudited)
<b>Total Assets</b>	\$ 0	\$ 0
<b>LIABILITIES AND EQUITY(DEFICIT)</b>		
<b>Current Liabilities</b>		
Accrued expenses	\$ 4,000	\$ 3,500
Notes payable – Stockholders	0	0
<b>Total Current Liabilities</b>	4,000	3,500
<b>Long-Term Liabilities</b>		
<b>Total Liabilities</b>	\$ 4,000	\$ 3,500
<b>EM Energy, Inc.("RZPK")Stockholders' Equity(Deficit)</b>		
Preferred stock, par value \$0.0001; 5,000,000 shares authorized; 0 issued and outstanding at 8/31/16 and 5/31/16.	0	0
Common stock, par value \$0.0001; 50,000,000 shares authorized; 13,944,338 shares issued and outstanding at 8/31/16 and 13,939,934 shares issued and outstanding 5/31/16.	1,394	1,394
Additional capital in excess of par	531,885	531,723
Accumulated deficit	(537,279)	(536,617)
<b>Total Equity(Deficit)</b>	(4,000)	(3,500)
<b>Total Liabilities and Equity(Deficit)</b>	\$ 0	\$ 0

*"See accompanying notes to financial statements."*

**EM ENERGY, INC**  
**(A DEVELOPMENT STAGE COMPANY)**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**AS OF AUGUST 31, 2016 AND 2015**

**STATEMENTS OF OPERATIONS**  
**FOR THE THE THREE MONTHS ENDED AUGUST 31, 2016 AND 2015**

	<b>For the Three Months Ended August 31 2016 (unaudited)</b>	<b>For the Three Months Ended August 31 2015 (unaudited)</b>
<b>REVENUES</b>	\$ 0	\$ 0
<b>OPERATING EXPENSES</b>		
Website expenses	0	0
Consultancy fees	0	0
Officer Wages	0	0
General and administrative expenses	162	10,642
Professional fees	500	500
<b>TOTAL OPERATING EXPENSES</b>	<u>662</u>	<u>11,142</u>
<b>NET LOSS FROM OPERATIONS BEFORE OTHER INCOME (EXPENSE)</b>	(662)	(11,142)
<b>OTHER INCOME (EXPENSE)</b>		
Interest expense	0	0
<b>NET INCOME (LOSS) BEFORE PROVISION FOR INCOME TAXES</b>	\$ (662)	\$ (11,142)
<b>PROVISION FOR INCOME TAXES</b>	<u>0</u>	<u>0</u>
<b>NET LOSS</b>	<u>\$ (662)</u>	<u>\$ (11,142)</u>
<b>NET LOSS PER SHARE: BASIC AND DILUTED</b>	<u>\$ (0.00)</u>	<u>\$ (0.00)</u>
<b>WEIGHTED AVERAGE NUMBER OF SHARES OUTSTANDING: BASIC AND DILUTED</b>	<u>13,941,402</u>	<u>14,974,320</u>

*"See accompanying notes to financial statements."*

**EM ENERGY, INC**  
**(A DEVELOPMENT STAGE COMPANY)**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**AS OF AUGUST 31, 2016 AND 2015**

**EM ENERGY, INC**  
**(A DEVELOPMENT STAGE COMPANY)**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**AS OF AUGUST 31, 2016 AND 2015**

**EM ENERGY, INC**  
**STATEMENTS OF CASH FLOWS**  
**FOR THE THE THREE MONTHS ENDED AUGUST 31, 2016 AND 2015**

	<b>For the Three Months Ended August 31 2015 (unaudited)</b>	<b>For the Three Months Ended August 31 2015 (unaudited)</b>
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Net loss for the period	\$ (662)	\$ (11,142)
Adjustments to reconcile net loss to net cash (used in) operating activities:		
Stock issued as compensation for services	0	0
Changes in assets and liabilities:		
(Increase)decrease in prepaid expenses	0	0
Increase (decrease) in accrued expenses	500	11,142
<b>CASH FLOWS USED IN OPERATING ACTIVITIES</b>	<b>(162)</b>	<b>0</b>
<b>CASH FLOWS PROVIDED(USED) BY INVESTING ACTIVITIES</b>	<b>0</b>	<b>0</b>
<b>CASH FLOWS PROVIDED BY FINANCING ACTIVITIES -2none</b>		
Proceeds from sale of common stock	0	0
Proceeds from notes payable	162	0
<b>CASH FLOWS PROVIDED(USED) BY FINANCING ACTIVITIES</b>	<b>162</b>	<b>0</b>
<b>NET INCREASE (DECREASE) IN CASH</b>	<b>0</b>	<b>0</b>
Cash, beginning of period	0	0
<b>Cash, end of period</b>	<b>\$ 0</b>	<b>\$ 0</b>
<b>SUPPLEMENTAL DISCLOSURE OF CASH FLOW INFORMATION:</b>		
Interest paid	\$ 0	\$ 0
Income taxes paid	\$ 0	\$ 0
<b>SUPPLEMENTAL DISCLOSURE OF NON CASH ACTIVITIES:</b>		
Common stock issued for services	\$ 0	\$ 0
Common stock exchanged for notes payable	\$ 162	\$ 0

*"See accompanying notes to financial statements."*

**EM ENERGY, INC**  
**(A DEVELOPMENT STAGE COMPANY)**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**AS OF AUGUST 31, 2016 AND 2015**

**NOTE 1 – ORGANIZATION AND NATURE OF BUSINESS**

The Company was originally incorporated in the State of Nevada on August 15, 2002 as Healthguard International Marketing Corp.(the Company). During 2002, Ryozanpaku International Ltd.'s (A Japanese Gaming Company) board of directors acquired voting control over Healthguard International Marketing Corp in a tax free exchange and renamed the Company Ryozanpaku International Inc. for the primary purpose of acquiring and developing gaming properties in northern California. The Company has never attained gaming licensing or gaming operations since its inception. The Company was later taken into receivership on June 21, 2011 by the shareholders to gain management control from Ryozanpaku International Ltd..

On September 20, 2011 the Company made a complete change of its board of directors along with a change in control of the Company by issuing a new control block of common shares. On October 24, 2011 the shareholders approved the name change to EM Energy, Inc. along with a 10 for 1 reverse split in the outstanding common stock of the Company and has refocused its operations from gaming towards opportunities in the energy field within the United States and other potential business plans of operation. The Company has continually been developing its business plans in the development stage as defined under Statement on Financial Accounting Standards No. 7, Development Stage Enterprises ("SFAS No.7") (ASC 915-10).

**NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

**Basis of Presentation**

The Company follows the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America and has adopted a year-end of May 31.

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America 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 amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Management further acknowledges that it is solely responsible for adopting sound accounting practices, establishing and maintaining a system of internal accounting control and preventing and detecting fraud. The Company's system of internal accounting control is designed to assure, among other items, that 1) recorded transactions are valid; 2) valid transactions are recorded; and 3) transactions are recorded in the proper period in a timely manner to produce financial statements which present fairly the financial condition, results of operations and cash flows of the Company for the respective periods being presented.

**Cash and cash equivalents**

For purposes of the statement of cash flows, the Company considers all highly liquid investments purchased with an original maturity of three months or less to be cash equivalents.

**Use of Estimates and Assumptions**

The preparation of financial statements in conformity with accounting principles generally accepted in the United States 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

**EM ENERGY, INC**  
**(A DEVELOPMENT STAGE COMPANY)**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**AS OF AUGUST 31, 2016 AND 2015**

**NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – (Continued)**

the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

**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 revenues and expenses in the statement of operations. Actual results could differ from those estimates.

**Revenue Recognition**

The Company recognizes revenue when products are fully delivered or services have been provided and collection is reasonably assured.

**Advertising Costs**

The Company's policy regarding advertising is to expense advertising when incurred. The Company incurred advertising expense of \$0 during the periods ended August 31, 2016 and 2015.

**Financial Instruments**

The carrying value of the Company's financial instruments approximates their fair value because of the short maturity of these instruments.

**Fair Value Measurements**

For certain financial instruments, including accounts receivable, accounts payable, accrued expenses, interest payable, advances payable and notes payable, the carrying amounts approximate fair value due to their relatively short maturities.

On January 1, 2008, the Company adopted ASC 820-10, "*Fair Value Measurements and Disclosures*." ASC 820-10 defines fair value, and establishes a three-level valuation hierarchy for disclosures of fair value measurement that enhances disclosure requirements for fair value measures. The carrying amounts reported in the consolidated balance sheets for receivables and current liabilities each qualify as financial instruments and are a reasonable estimate of their fair values because of the short period of time between the origination of such instruments and their expected realization and their current market rate of interest. The three levels of valuation hierarchy are defined as follows:

Level 1 inputs to the valuation methodology are quoted prices for identical assets or liabilities in active markets.

Level 2 inputs to the valuation methodology include quoted prices for similar assets and liabilities in active markets, and inputs that are observable for the asset or liability, either directly or indirectly, for substantially the full term of the financial instrument.

Level 3 inputs to the valuation methodology are unobservable and significant to the fair value measurement.

The Company did not identify any non-recurring assets and liabilities that are required to be presented in the balance sheets at fair value in accordance with ASC 815.

**EM ENERGY, INC**  
**(A DEVELOPMENT STAGE COMPANY)**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**AS OF AUGUST 31, 2016 AND 2015**

**NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – (Continued)**

In February 2007, the FASB issued ASC 825-10 “*Financial Instruments*.” ASC 825-10 permits entities to choose to measure many financial assets and financial liabilities at fair value. Unrealized gains and losses on items for which the fair value option has been elected are reported in earnings. ASC 825-10 is effective as of the beginning of an entity’s first fiscal year that begins after November 15, 2007. The Company has since adopted ASC 825-10.

The carrying amounts of cash and current liabilities approximate fair value due to the short maturity of these items. These fair value estimates are subjective in nature and involve uncertainties and matters of significant judgment, and, therefore, cannot be determined with precision. Changes in assumptions could significantly affect these estimates. The Company does not hold or issue financial instruments for trading purposes, nor does it utilize derivative instruments in the management of foreign exchange, commodity price, or interest rate market risks.

**Income taxes**

Deferred income taxes are provided using the liability method whereby deferred tax assets are recognized for deductible temporary differences and operating loss and tax credit carryforwards, and deferred tax liabilities are recognized for taxable temporary differences. Temporary differences are the differences between the reported amounts of assets and liabilities and their tax bases. Deferred tax assets are reduced by a valuation allowance when, in the opinion of management, it is more likely than not that some portion or all of the deferred tax assets will not be realized. Deferred tax assets and liabilities are adjusted for the effects of the changes in tax laws and rates of the date of enactment.

When tax returns are filed, it is highly certain that some positions taken would be sustained upon examination by the taxing authorities, while others are subject to uncertainty about the merits of the position taken or the amount of the position that would be ultimately sustained. The benefit of a tax position is recognized in the financial statements in the period during which, based on all available evidence, management believes it is more likely than not that the position will be sustained upon examination, including the resolution of appeals or litigation processes, if any. Tax positions taken are not offset or aggregated with other positions. Tax positions that meet the more-likely-than-not recognition threshold are measured as the largest amount of tax benefit that is more than 50 percent likely of being realized upon settlement with the applicable taxing authority. The portion of the benefits associated with tax positions taken that exceeds the amount measured as described above is reflected as a liability for unrecognized tax benefits in the accompanying balance sheets along with any associated interest and penalties that would be payable to the taxing authorities upon examination.

Applicable interest and penalties associated with unrecognized tax benefits are classified as additional income taxes in the statements of operations.

**Basic Net Income (Loss) Per Share**

The Company computes net income (loss) per share in accordance with ASC 260-10, “*Earnings Per Share*.” Basic income (loss) per share is calculated by dividing the Company’s net loss applicable to common shareholders by the weighted average number of common shares during the period. Diluted earnings per share is calculated by dividing the Company’s net income available to common shareholders by the diluted weighted average number of shares outstanding during the year. The diluted weighted average number of shares outstanding is the basic weighted number of shares adjusted for any potentially dilutive debt or equity. Common stock equivalents are not included in the computation of diluted earnings per share when the Company reports a loss because to do so would be ant dilutive. Thus, these equivalents are not included in the calculation of diluted loss per share, resulting in basic and diluted loss per share being equal.

**EM ENERGY, INC**  
**(A DEVELOPMENT STAGE COMPANY)**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**AS OF AUGUST 31, 2016 AND 2015**

**NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – (Continued)**

	<b>31-Aug-16</b>	<b>31-Aug-15</b>
(A) Net Loss	\$ (662)	\$ (11,142)
(B) Weighted Average Common Shares Outstanding - Basic	13,941,402	14,974,320
Basic income (loss) per share: (A)÷(B)	\$ (0.00)	\$ (0.00)
<b>Equivalents</b>		
Stock Options	0	0
Warrants	0	0
Convertible notes	0	0
Weighted Average Common Shares Outstanding - Diluted	13,941,402	14,974,320
Basic and diluted (loss) per share*:	\$ (0.00)	\$ (0.00)

\*Diluted loss per share does not include anti diluted equivalents

The Company incurred Net Loss of \$662 during the three months ended August 31, 2016 and based on the Weighted Average Number of Shares Outstanding of 13,941,402, the Basic and diluted (loss) per shares is \$(0.00) as per computation above. The Company also incurred Net Loss of \$11,142 during the three months ended August 31, 2015 and based on the Weighted Average Number of Shares Outstanding of 14,974,320 the Basic and diluted (loss) per shares is \$(0.01) as per computation above.

**Concentration of Credit Risk**

Financial instruments, which potentially subject the Company to concentrations of credit risk, consist of cash and cash equivalents. The Company places its cash with high quality financial institutions and at times may exceed the FDIC insurance limit

**Special purpose entities**

The Company does not have any off-balance sheet financing activities.

**Impairment or Disposal of Long-Lived Assets**

The Company follows ASC 360-10, "Property, Plant, and Equipment," which established a "primary asset" approach to determine the cash flow estimation period for a group of assets and liabilities that represents the unit of accounting for a long-lived asset to be held and used. Long-lived assets to be held and used are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount of an asset may not be recoverable. The carrying amount of a long-lived asset is not recoverable if it exceeds the sum of the undiscounted cash flows expected to result from the use and eventual disposition of the asset. Long-lived assets to be disposed of are reported at the lower of carrying amount or fair value less cost to sell. Through August 31, 2016, the Company had not experienced impairment losses on its long-lived assets.

**EM ENERGY, INC**  
**(A DEVELOPMENT STAGE COMPANY)**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**AS OF AUGUST 31, 2016 AND 2015**

**NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - (Continued)**

**Stock Based Compensation**

Effective January 1, 2006, the Company adopted the fair value recognition provisions of ASC 718 “*Compensation-Stock Compensation*,” using the modified-prospective transition method. Under this method, stock-based compensation expense is recognized in the consolidated financial statements for stock options granted, modified or settled after the adoption date. In accordance with ASC 718, the unamortized portion of options granted prior to the adoption date is recognized into earnings after adoption. Results for prior periods have not been restated, as provided for under the modified-prospective method.

Under ASC 718, stock-based compensation expense recognized is based on the value of the portion of share-based payment awards that are ultimately expected to vest during the period. Based on this, our stock-based compensation is reduced for estimated forfeitures at the time of grant and revised, if necessary, in subsequent periods if actual forfeitures differ from those estimates.

The fair value of each stock option is estimated on the date of grant using the Black-Scholes option pricing model. Assumptions used in the Black-Scholes models are based upon the following data: (1) The expected life of the option, estimated by considering the contractual term of the option, the vesting period of the option, the employees’ expected exercise behavior and the post-vesting employee turnover rate. (2) The expected stock price volatility of the underlying shares over the expected term of the option, based upon historical share price data. (3) The risk free interest rate, based on published U.S. Treasury Department interest rates for the expected terms of the underlying options. (4) Expected dividends, based on historical dividend data and expected future dividend activity. (5) The expected forfeiture rate, based on historical forfeiture activity and assumptions regarding future forfeitures based on the composition of current grantees.

In accordance with ASC 718, the benefits of tax deductions in excess of the compensation cost recognized for options exercised during the period are classified as financing cash inflows rather than operating cash inflows.

The Company did not grant any new employee options and no options were cancelled or exercised during the periods ended August 31, 2016 or 2015.

**Business segments**

ASC 280, “*Segment Reporting*” requires use of the “*management approach*” model for segment reporting. The management approach model is based on the way a company’s management organizes segments within the company for making operating decisions and assessing performance. The Company determined it has one operating segment as of August 31, 2016 and 2015.

**Dividends**

The Company has not adopted any policy regarding payment of dividends. No dividends have been paid during any of the periods shown.

**Recently issued accounting pronouncements**

The Company has implemented all other new accounting pronouncements that are in effect and that may impact its consolidated financial statements and does not believe that there are any other new accounting pronouncements that have been issued that might have a material impact on its financial position or results of operations.

**EM ENERGY, INC**  
**(A DEVELOPMENT STAGE COMPANY)**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**AS OF AUGUST 31, 2016 AND 2015**

**NOTE 3 – GOING CONCERN**

The financial statements have been prepared on a going concern basis which assumes the Company will be able to realize its assets and discharge its liabilities in the normal course of business for the foreseeable future. The Company has incurred losses since inception resulting in an accumulated deficits as of August 31, 2016 and further losses are anticipated in the development of its business raising substantial doubt about the Company's ability to continue as a going concern. The ability to continue as a going concern is dependent upon the Company generating profitable operations in the future and/or to obtain the necessary financing to meet its obligations and repay its liabilities arising from normal business operations when they come due. Management intends to finance operating costs over the next twelve months with loans from directors and or private placement of common stock.

**NOTE 4 – CONVERTIBLE NOTES PAYABLE SHAREHOLDER**

As of August 31, 2016 the company did not have any outstanding convertible notes payable. During the nine months the Company issued convertible notes which were both immediately converted into common stock as detailed in note 5 related party transactions. As of August 31, 2016 there were no convertible notes payables outstanding. Terms of the convertible notes include redemption by the holder within 30 days of written notice by the holder of the security to the Company. Interest is to be calculated at a simple yearly rate of 6%. The conversion rate is at \$0.25 per share. In the event of a confessed judgment, there is a 15% attorney fee for enforcement if required.

**NOTE 5 – RELATED PARTY TRANSACTIONS**

As of May 31, 2016 the related parties funded corporate expenses as noted in the convertible notes payable shareholders as described in footnote 4. During the year these notes were converted into 4,404 shares common stock to fund corporate expenses of \$162.

**NOTE 6 – COMMON STOCK**

The authorized capital of the Company is 50,000,000 common shares with a par value of \$0.0001 per share, and 5,000,000 preferred shares with a par value of \$0.0001 per share. As of August 31, 2016 there are 13,944,338 shares of our common stock outstanding and there are no preferred shares issued and any rights or obligations attached to preferred shares will be determined upon time of issuance.

**NOTE 7 – COMMITMENTS AND CONTINGENCIES**

The Company neither owns nor leases any real or personal property. An officer has provided office services without charge. There is no obligation for the officer to continue this arrangement. Such costs are immaterial to the financial statements and accordingly are not reflected herein. The officers and directors are involved in other business activities and most likely will become involved in other business activities in the future.

**EM ENERGY, INC**  
**(A DEVELOPMENT STAGE COMPANY)**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**AS OF AUGUST 31, 2016 AND 2015**

**NOTE 8 – INCOME TAXES**

August 31, 2016, the Company had net operating loss carry forwards of approximately \$537,279 that may be available to reduce future years' taxable income in varying amounts through 2032. In accordance with FASB ASC740 "Income Taxes", future tax benefits which may arise as a result of these losses have not been recognized in these financial statements, as their realization is determined not likely to occur and accordingly, the Company has recorded a valuation allowance for the deferred tax asset relating to these tax loss carry-forwards.

The provision for Federal income tax consists of the following:

	<u>31-Aug-16</u>	<u>31-Aug-15</u>
Refundable Federal income tax attributable to:		
Current Operations	\$ 0	\$ 0
Change: valuation allowance	0	0
Net provision for Federal income taxes	<u>\$ 0</u>	<u>\$ 0</u>

The cumulative tax effect at the expected rate of 34% of significant items comprising our net deferred tax amount is as follows:

	<u>31-Aug-16</u>	<u>31-Aug-15</u>
Deferred tax asset attributable to:		
Net operating loss carryover	\$ (537,279)	\$ (536,617)
NOL valuation	(188,048)	(187,816)
Less: valuation allowance	188,048	187,816
Net deferred tax asset	<u>\$ 0</u>	<u>\$ 0</u>

Due to the change in ownership provisions of Section 382 of the Internal Revenue Code and Tax Reform Act of 1986, net operating loss carry forwards of \$537,279 for Federal income tax reporting purposes are subject to annual limitations. Should a change in ownership occur net operating loss carry forwards may be limited as to use in future years.

**NOTE 9 – SETTLEMENT OF LAWSUIT**

In accordance with SFAS 165 (ASC 855-10) the Company has analyzed its operations subsequent to September 18, 2015 to the date these financial statements were submitted to the Securities and Exchange Commission and has noted the following subsequent events to disclose in these financial statements.

The Company has settled legal action and recaptured 1,136,000 common shares previously issued in exchange for an interest in a Japanese company whose continued operations or existence cannot be confirmed. There is no value recorded for this investment in these financial statements. These shares were voided and returned to the Company at our par value.

**NOTE 9 – SUBSEQUENT EVENTS**

The Company has determined there no reportable subsequent events at this time.

Scrudato & Co., PA  
7 Valley View Drive  
Califon, NJ 07830  
908-534-0008

Board of Directors and Stockholders  
EM Energy, Inc.

We have audited the accompanying balance sheet of EM Energy, Inc. ("the Company") as of May 31, 2016 and 2015, and the related statements of operations, stockholders' equity(deficit), and cash flows for the years ended. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with the standards of the Public Company Accounting Oversight Board (United States). Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. The Company is not required to have, nor were we engaged to perform, an audit of its internal controls over financial reporting. Our audit included consideration of internal control over financial reporting as a basis for designing audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control over financial reporting. Accordingly, we express no such opinion. An audit also includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements, assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion based on our audit, the financial statements referred to above present fairly, in all material respects, the financial position of EM Energy, Inc. as of May 31, 2016 and 2015, and the results of its operations, stockholders' equity(deficit), and its cash flows for the years then ended, in conformity with accounting principles generally accepted in the United States.

The accompanying financial statements have been prepared assuming that the Company will continue as a going concern. As discussed in Note 3, the Company has incurred significant losses since inception and has no working capital. These factors raise substantial doubt about the Company's ability to continue as a going concern. Management's plans in regard to these matters are also discussed in Note 3. The financial statements do not include any adjustments that might result from the outcome of this uncertainty.

/s/ Scrudato & Co., PA

Califon, New Jersey

November 15, 2016