

# Allied Energy Corporation

## *Quarterly Report*

### *for the period June 30, 2017*

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**ITEM 1      NAME OF ISSUER AND ITS PREDECESSORS (if any):**

Allied Energy Corporation: January 2006 to present  
Formerly: Sounds 24-7 Inc. until January 2006  
Formerly: Midamerica Oil & Gas, Inc. until January 2004  
Formerly: Virtual Games, Inc. until August 2002  
Formerly: Imagin Net, Inc. until April 1999  
Formerly: Healthy Choice Corp. (THE) until October 1998  
Incorporated as Sterling Harvest Ltd.: May 1994 to February 1998

**ITEM 2      ADDRESS OF THE ISSUER'S PRINCIPAL EXECUTIVE OFFICES:**

2658 Del Mar Heights Rd. #401  
Del Mar, CA 92014  
Phone: 858-876-0633  
[www.alliedenergycorporation.com](http://www.alliedenergycorporation.com)

**ITEM 3      SECURITY INFORMATION:**

As of June 30, 2017:

Trading symbol: AGYP  
Common stock – 300,000,000 shares authorized, par value \$0.001 and 26,715,458 shares issued and outstanding  
Cusip number: 019151208

Preferred Stock – 5,000,000 shares authorized, par value \$0.001 and no shares issued and outstanding.

**Transfer Agent**

Pacific Stock Transfer  
6725 Via Austi Parkway  
Suite 300  
Las Vegas, NV 89119  
This transfer Agent is registered under the Exchange Act.

#### **ITEM 4      ISSUANCE HISTORY**

During the year ended December 31, 2016 and 2015, the Company issued no shares of capital stock.

During the six months ended June 30, 2017, the Company issued no shares of capital stock.

**ITEM 5      FINANCIAL STATEMENTS**

**ALLIED ENERGY CORPORATION**

**Financial Statements  
June 30, 2017**

# ALLIED ENERGY CORPORATION

## Balance Sheet (Unaudited)

	June 30, 2017	December 31, 2016
<b>Assets:</b>		
<b>Current Assets:</b>		
Cash and cash equivalents	\$ 9,596	\$ 6,030
<b>Total Current Assets</b>	<u>9,596</u>	<u>6,030</u>
<b>Total Assets</b>	<u>\$ 9,596</u>	<u>\$ 6,030</u>
<b>Liabilities:</b>		
<b>Current Liabilities:</b>		
Convertible notes payable	\$ 1,088,740	\$ 978,780
Credit cards	679	3,180
<b>Total Current Liabilities</b>	<u>1,089,419</u>	<u>981,960</u>
<b>Total Liabilities</b>	<u>\$ 1,089,419</u>	<u>\$ 981,960</u>
<b>Stockholders' Deficit:</b>		
Preferred stock par value \$0.001 authorized 5,000,000 shares, 0 shares issued and outstanding at June 30, 2017 and December 31, 2016, respectively	\$ -	\$ -
Common stock par value \$0.001 authorized 300,000,000 shares, 26,715,458 and 26,715,458 shares issued and outstanding at June 30, 2017 and December 31, 2016 respectively	26,715	26,715
Additional paid in capital	807,192	807,192
Accumulated deficit	<u>(1,913,730)</u>	<u>(1,809,837)</u>
<b>Total Stockholders' Deficit</b>	<u>(1,079,823)</u>	<u>(975,930)</u>
<b>Total Liabilities and Stockholders' Deficit</b>	<u>\$ 9,596</u>	<u>\$ 6,030</u>

The accompanying notes are an integral part of these financial statements.

**ALLIED ENERGY CORPORATION**

Statement Of Operations (Unaudited)

	For the Three Months Ended June 30,		For the Six Months Ended June 30,	
	2017	2016	2017	2016
Revenues	\$ -	\$ -	\$ -	\$ -
Costs of services	-	-	-	-
Gross margin	-	-	-	-
<b>Operating Expenses:</b>				
Salaries and wages	28,000	30,000	64,000	34,000
Payroll expense	8,870	6,459	8,996	41,299
Bank charges	307	259	657	656
Professional fees	-	-	-	10
General and administrative	10,602	12,230	27,915	25,490
Product cost	-	33,437	-	35,046
Consulting fee	-	4,265	2,325	6,015
<b>Total Operating Expenses</b>	<b>47,779</b>	<b>86,650</b>	<b>103,893</b>	<b>142,516</b>
<b>Operating Loss</b>	<b>(47,779)</b>	<b>(86,650)</b>	<b>(103,893)</b>	<b>(142,516)</b>
<b>Other Income/Expense:</b>				
Other income	-	-	-	-
<b>Total Other Income/Expense</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Net Loss Before Taxes</b>	<b>(47,779)</b>	<b>(86,650)</b>	<b>(103,893)</b>	<b>(142,516)</b>
Income tax	-	-	-	-
<b>Net Loss</b>	<b>(47,779)</b>	<b>(86,650)</b>	<b>(103,893)</b>	<b>(142,516)</b>
Gain (Loss) per share, Basic & Diluted	(0.00)	(0.00)	(0.00)	(0.01)
Weighted average shares outstanding	26,715,458	26,715,458	26,715,458	26,715,458

The accompanying notes are an integral part of these financial statements.

**ALLIED ENERGY CORPORATION**  
Statements of Stockholder's Deficit (Unaudited)

	Common Shares	Common Stock	Preferred Shares Series A	Preferred Stock Series A	Additional Paid in Capital	Accumulated Deficit	Total
<b>Balance December 31, 2015</b>	<b><u>26,715,458</u></b>	<b><u>\$ 26,715</u></b>	<b><u>-</u></b>	<b><u>\$ -</u></b>	<b><u>\$ 807,192</u></b>	<b><u>\$ (1,559,847)</u></b>	<b><u>\$ (725,940)</u></b>
Net loss for the period ended December 31, 2016	-	-	-	-	-	(249,990)	(249,990)
<b>Balance December 31, 2016</b>	<b><u>26,715,458</u></b>	<b><u>26,715</u></b>	<b><u>-</u></b>	<b><u>-</u></b>	<b><u>807,192</u></b>	<b><u>(1,809,837)</u></b>	<b><u>(975,930)</u></b>
Net loss for the six months ended June 30, 2017	-	-	-	-	-	(103,893)	(103,893)
<b>Balance June 30, 2017</b>	<b><u>26,715,458</u></b>	<b><u>26,715</u></b>	<b><u>-</u></b>	<b><u>-</u></b>	<b><u>807,192</u></b>	<b><u>(1,913,730)</u></b>	<b><u>(1,079,823)</u></b>

The accompanying notes are an integral part of these financial statements.

# ALLIED ENERGY CORPORATION

## Statement of Cash Flows (Unaudited)

	For the six months ended June 30,	
	2017	2016
<b>CASH FLOW FROM OPERATING ACTIVITIES:</b>		
Net Loss for the period	\$ (103,893)	\$ (142,516)
<b>Adjustments to Reconcile Net Loss to Net Cash Used by Operating Activities:</b>		
<b>Changes in Operating Assets and Liabilities:</b>		
Increase (decrease) in accrued salaries and wages	-	34,000
Increase (decrease) in credit cards	(2,501)	196
<b>Net Cash Used in Operating Activities</b>	<b>(78,394)</b>	<b>(108,320)</b>
<b>CASH FLOW FROM FINANCING ACTIVITIES:</b>		
Proceeds from convertible note payable	109,960	105,538
<b>Net Cash Provided by Financing Activities</b>	<b>109,960</b>	<b>105,538</b>
<b>Net Increase (Decrease) in Cash</b>	<b>3,566</b>	<b>(2,782)</b>
<b>Cash at Beginning of Period</b>	<b>6,030</b>	<b>9,831</b>
<b>Cash at End of Period</b>	<b>\$ 9,596</b>	<b>\$ 7,049</b>
<b><u>SUPPLEMENTAL DISCLOSURE OF CASH FLOW INFORMATION:</u></b>		
Cash paid during the year for:		
Interest	\$ -	\$ -
Franchise and income taxes	\$ -	\$ -
<b><u>NON-CASH FINANCING AND INVESTING ACTIVITIES:</u></b>		
Convertible note issued	\$ 64,000	\$ -

The accompanying notes are an integral part of these financial statements.

**ALLIED ENERGY CORPORATION**  
**NOTES TO FINANCIAL STATEMENTS**  
**June 30, 2017**  
**(Unaudited)**

**NOTE 1 - ORGANIZATION AND OPERATIONS**

Allied Energy Corporation was originally incorporated in the State of Nevada on May 5, 1994 as Sterling Harvest, Ltd. In January 2006, the Company changed its name to Allied Energy Corporation its current name. Allied Energy Corporation is engaged in the world wide marketing and sales of Proprietary Brands of Organic fertilizers used by commercial producers of fruits, vegetables, nuts and grains.

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

**Accounting Principles**

The Company's accounting and reporting policies conform to generally accepted accounting principles in the United States.

**Revenue Recognition**

The Company recognizes revenue in accordance with FASB ASC Subtopic 605, Revenue Recognition. Under FASB ASC Subtopic 605, revenue is recognized at the point of passage to the customer of title and risk of loss, there is persuasive evidence of an arrangement, the sales price is determinable, and collection of the resulting receivable is reasonably assured. The Company generally recognizes revenue at the time of delivery of goods. Sales are reflected net of sales taxes, discounts and returns.

**Cash and Cash Equivalents**

Cash equivalents consist of highly liquid investments with maturities of three months or less when purchased. Cash and cash equivalents are on deposit with financial institutions without any restrictions. At June 30, 2017 and December 31, 2016, cash equivalents amounted to \$0.

**Fair Value of Financial Instruments**

The Company's financial instruments comprise cash, accounts receivable – related party, accounts payable and accrued liabilities, notes payable and advances. The carrying value of Company's short-term instruments approximates fair value, unless otherwise noted, due to the short-term maturity of these instruments. In management's opinion, the fair value of notes payable is approximate to carrying value as the interest rates and other features of these instruments approximate those obtainable for similar instruments in the current market. Unless otherwise noted, it is management's opinion that the Company is not exposed to significant interest, currency or credit risks in respect of these financial instruments.

**Income Taxes**

The Company follows FASB ASC Subtopic 740, Income Taxes, for recording the provision for income taxes. Deferred tax assets and liabilities are computed based upon the difference between the financial statement and income tax basis of assets and liabilities using the enacted marginal tax rate applicable when the related asset or liability is expected to be realized or settled.



Deferred income tax expenses or benefits are based on the changes in the asset or liability each period. If available evidence suggests that it is more likely than not that some portion or all of the deferred tax assets will not be realized, a valuation allowance is required to reduce the deferred tax assets to the amount that is more likely than not to be realized. Future changes in such valuation allowance are included in the provision for deferred income taxes in the period of change.

### **Stock-based Compensation**

The Company follows FASB ASC Subtopic 718, Stock Compensation, for accounting for stock-based compensation. The guidance requires that new, modified and unvested share-based payment transactions with employees, such as grants of stock options and restricted stock, be recognized in the consolidated financial statements based on their fair value at the grant date and recognized as compensation expense over their vesting periods. The Company also follows the guidance for equity instruments issued to consultants.

### **Basic Loss Per Share**

FASB ASC Subtopic 260, Earnings Per Share, provides for the calculation of "Basic" and "Diluted" earnings per share. Basic earnings per share is computed by dividing net loss available to common shareholders by the weighted average number of common shares outstanding for the period. All potentially dilutive securities have been excluded from the computations since they would be antidilutive. However, these dilutive securities could potentially dilute earnings per share in the future.

### **Recent Accounting Pronouncements**

There have been no recent accounting pronouncements or changes in accounting pronouncements that impacted the second quarter of fiscal 2017, or which are expected to impact future periods that were not already adopted and disclosed in prior periods.

### **NOTE 3 – GOING CONCERN**

The accompanying financial statements have been prepared assuming that the Company will continue as a going concern, which contemplates continuity of operations, realization of assets, and liquidation of liabilities in the normal course of business.

As reflected in the accompanying financial statements, the Company had an accumulated deficit at June 30, 2017 of \$1,885,730 and its liabilities exceeded its assets. These factors among others raise substantial doubt about the Company's ability to continue as a going concern.

While the Company is attempting to commence operations and generate revenues, the Company's cash position may not be significant enough to support the Company's daily operations. Management intends to raise additional funds by way of a public or private offering. Management believes that the actions presently being taken to further implement its business plan and generate revenues provide the opportunity for the Company to continue as a going concern. While the Company believes in the viability of its strategy to generate revenues and in its ability to raise additional funds, there can be no assurances to that effect. The ability of the Company to continue as a going concern is dependent upon the Company's ability to further implement its business plan and generate revenues.

The financial statements do not include any adjustments that might be necessary if the Company is unable to continue as a going concern.

#### **NOTE 4 – CONVERTIBLE NOTE PAYABLE**

During the three months ended June 30, 2016, the Company received \$56,538 from third parties towards convertible note payable. These notes are unsecured, bears no interest and convertible into common shares at the market rate.

During the three months ended September 30, 2016, the Company received \$19,390 from third parties towards convertible note payable. These notes are unsecured, bears no interest and convertible into common shares at the market rate.

On September 30, 2016, the Company issued \$63,000 convertible notes payable to George Monteith towards his accrued salaries and wages. These notes are unsecured, bears no interest and convertible into common or preferred shares at the market rate.

During the three months ended December 31, 2016, the Company received \$20,590 from third parties towards convertible note payable. These notes are unsecured, bears no interest and convertible into common shares at the market rate.

On December 31, 2016, the Company issued \$36,000 convertible notes payable to George Monteith towards his accrued salaries and wages. These notes are unsecured, bears no interest and convertible into common or preferred shares at the market rate.

During the three months ended March 31, 2017, the Company received \$18,070 from third parties towards convertible note payable. These notes are unsecured, bears no interest and convertible into common shares at the market rate.

On March 31, 2017, the Company issued \$36,000 convertible notes payable to George Monteith towards his accrued salaries and wages. These notes are unsecured, bears no interest and convertible into common or preferred shares at the market rate.

During the three months ended June 30, 2017, the Company received \$27,890 from third parties towards convertible note payable. These notes are unsecured, bears no interest and convertible into common shares at the market rate.

On June 30, 2017, the Company issued \$28,000 convertible notes payable to George Monteith towards his accrued salaries and wages. These notes are unsecured, bears no interest and convertible into common or preferred shares at the market rate.

As of June 30, 2017, there was \$1,088,740 in convertible notes outstanding.

## **NOTE 5 – STOCKHOLDERS’ DEFICIT**

### *Shares authorized*

The Company is authorized to issue 300,000,000 shares of common stock with a par value of \$0.001 per share, and 5,000,000 shares of preferred stock with the same par value.

### *Common Stock Issued*

During the six months ended June 30, 2017 and 2016, the Company issued no shares of common stock.

As of June 30, 2017, 26,715,458 common shares are outstanding

## **NOTE 6 – SUBSEQUENT EVENTS**

The Company has evaluated all events that occurred after the balance sheet date through the date when the financial statements were issued to determine if they must be reported. The Management of the Company determined that there were no reportable subsequent events to be disclosed.

**ITEM 6      DESCRIBE THE ISSUER'S BUSINESS, PRODUCTS AND SERVICES**

Description of the issuer's business operations:

On May 5, 2013 Allied Energy Corporation entered into a Joint Development Agreement and a World Wide Licensing Agreement with Natural Mining International, Inc., for the development, sale and distribution of organic fertilizers, currently marked under the name BBWG, Building a Better World Green and Organic Green Products. These fertilizer products are used in commercial agriculture for the production of organic fruits, vegetables, nuts and grains. Current high growth markets for the sale of these products include the United States, Canada, Mexico, Brazil and China.

Date and State (or Jurisdiction) of Incorporation: May 5, 1994 – Nevada

The issuer's primary and secondary SIC Codes: 700

The issuer's fiscal year end date: 12/31

**ITEM 7      DESCRIBE THE ISSUER'S FACILITIES**

The Company has no facilities to list.

**ITEM 8      OFFICERS, DIRECTORS AND CONTROL PERSONS**

Full Name: George Monteith

Title: Chief Executive Officer, Chief Financial Officer, Treasurer, Secretary and member of the Board of Directors

Business Address: 2658 Del Mar Heights Rd. #401, Del Mar, CA 92014

Compensation: Annual salary \$144,000.

Ownership: 5,600,000 shares of common stock

Biography – Mr. Monteith has over 30 years' experience in executive authority and management responsibilities with resource based companies. Having provided geological services to the resource industry for the past 37 years Mr. Monteith has worked on mining and oil and gas projects around the globe, including Canada, United States, Africa, South America and Asia. Mr. Monteith attended Haileybury School of Mines from 1972 to 1973, Brock University in 1976, York University including courses in Economics and Management from 1975 to 1977 and the University of Toronto including courses in Economic Geology at Master Level from 1977 to 1978. Mr. Monteith served as a staff Geologist for the Geological Survey of Canada from 1976 to 1977. From 1978 to 1981 he served as President and Director of Coronation Gold, Inc., on OTC Toronto based company involved in gold exploration in the High Arctic as well as oil and gas exploration in Texas and Oklahoma. Mr. Monteith served as a director of Lava Cap Resources Limited, a TSE listed issued from 1979 to 1983. Mr. Monteith served as President and Chief Executive Officer of American DME Inc. in Rockwell, Texas from 1995 to 2005.

Mr. Monteith currently serves as a member of the Board of Directors and Chief Executive Officer of Canagco Mining Corp., a Toronto based Silver Exploration and Development Company working in the Cobalt Mining Camp of North Eastern Ontario. As announced May 8, 2014, Canagco Mining Corp. is in process of completing a share exchange arrangement with TSX listed Kerr Mines.

In addition, Mr. Monteith has worked as a consultant to the resource industry for many clients including Willingdon Resources – Toronto, John Pol Explorations – Toronto, Watts Mining and Consulting – Toronto, Caviar Minerals – Toronto, Blackstone Minerals – Toronto and Lenora Explorations – Timmins Ontario.

Full Name: Morgan Scudi

Title: Member of the Board of Directors

Business Address: 5440 Morehouse Drive, Suite 4400, San Diego, CA 92121

Compensation: None

Ownership: 3,200,000 shares of common stock

Biography – Morgan J.C. Scudi, received his BS and MS from the University of Tennessee and his JD from The American University in Washington, D.C. He has extensive management experience as the head of several startup companies. He is also managing partner of Scudi & Ayers, LLP.

Full Name: Gordon H. Johnson

Title: Member of the Board of Directors

Business Address: 2658 Del Mar Heights Rd. #401, Del Mar, CA 92014

Compensation: None

Ownership: 0 shares of common stock

Biography - Mr. Johnson was reared in the oil and gas business, as his father was a drilling contractor and oil producer for over 50 years. Additionally, his grandfather and two uncles were practicing petroleum engineers. After leaving the University of Texas in September, 1965 he was employed by two major and two large independent oil companies, receiving experience in Texas, New Mexico, Oklahoma, Montana, North Dakota, and Louisiana. In 1972 he joined the ranks of the independent oil operators. He has since served as President of several companies, one of which held a fully subscribed underwriting for \$6,000,000 in 1981 and was traded on NASDAQ. During his career he has been responsible for generating geological prospects, acquisition of oil and gas leases and producing properties, generation of drilling funds, supervision of the drilling and completion of numerous oil and gas wells, and coordination of several mergers. Mr. Johnson's present company concentrates in acquiring existing wells for remediation and re-completion as well as generating development drilling prospects.

The following table sets forth, as of July 28, 2017, information about the beneficial ownership of our capital stock with respect to each person known by Allied Energy Corporation to own beneficially more than 5% of the outstanding capital stock, each director and officer, and all directors and officers as a group.

Name and Address	Number of Shares Beneficially Owned	Class	Percentage of Class <sup>(1)</sup>
George Monteith Chief Executive Officer, Chief Financial Officer, Treasurer, Secretary and member of the Board of Directors	5,600,000	Common	21%
Morgan Scudi Member of the Board of Directors	3,200,000	Common	12%
Gordon H. Johnson Member of the Board of Directors	0	Common	*

\*Denotes less than 1%

- 1) The above percentages are based on 26,715,458 shares of common stock outstanding as of July 28, 2017.

## ITEM 9 THIRD PARTY PROVIDERS:

1. Counsel  
Scudi & Ayers, LLP  
5440 Morehouse Dr.  
Suite 4400  
San Diego, CA 92121
2. Accountant or Auditor  
Financials prepared by Management
3. Investor Relations Consultant  
None

4. Any other advisor(s) that assisted, advised, prepared or provided information with respect to this disclosure statement - the information shall include the telephone number and email address of each advisor.

None

## **ITEM 10    ISSUER CERTIFICATION**

I, George Monteith, certify that:

1. I have reviewed this quarterly report of Allied Energy Corporation;
2. 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
3. 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.

Date: July 28, 2017

/s/ George Monteith

George Monteith

Chief Executive Officer and Chief Financial Officer