<u>Disclosure Statement Pursuant to the Pink Basic Disclosure Guidelines</u>

Allied Energy Corporation

A Nevada Corporation

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Carrollton, Texas 75011-7498
Phone: 858-876-0633
Website: www.alliedenergycorporation.com
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SIC Code: 700

Quarterly Report
For the Period Ending: June 30, 2019
(the "Reporting Period")

As of June 30, 2019, the number of shares outstanding of our Common Stock was:

51,815,458

As of March 31, 2019, the number of shares outstanding of our Common Stock was:

51,815,458

Indicate by check mark whether the company is a shell company (as defined in Rule 405 of the Securities Act of 1933 and Rule 12b-2 of the Exchange Act of 1934):

Yes: ☐ No: ☒

Indicate by check mark whether the company's shell status has changed since the previous reporting period:

Yes: ☐ No: ☒

Indicate by check mark whether a Change in Control of the company has occurred over this reporting period:

Yes: ☐ No: ☒

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

In answering this item, please also provide any names used by predecessor entities in the past five years and the dates of the name changes.

N/A

Date and state (or jurisdiction) of incorporation (also describe any changes to incorporation since inception, if applicable) **May 5, 1994 – Nevada**

Name changes:
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

Please also include the issuer's current standing in its state of incorporation (e.g. active, default, inactive): **Active**

Has the issuer or any of its predecessors ever been in bankruptcy, receivership, or any similar proceeding in the past five years?

Yes: ☐ No: ☒

ITEM 2 SECURITY INFORMATION

As of June 30, 2019:

Trading symbol: **AGYP**
Exact title and class of securities outstanding – **Common Stock**
CUSIP: **019151208**
Par or stated value: **$0.001**
Total shares authorized: **300,000,000 shares** as of date: **June 30, 2019**
Total shares outstanding: **51,815,458** shares as of **June 30, 2019**
Number of shares in the Public Float: **47,815,458** as of **June 30, 2019**

<u>Additional Classes</u>:
Trading symbol: **None**
Exact title and class of securities outstanding: **Series A Preferred Stock**
CUSIP: **019151 307**
Par or stated value: **$0.001**
Total shares authorized: **10,000 shares** as of date: **June 30, 2019**
Total shares outstanding: **1 share** as of **June 30, 2019**

Transfer Agent:

Name: VStock Transfer LLC
Phone: 212-828-8436
Email: info@Vstocktransfer.com

Is the Transfer Agent registered under the Exchange Act? ☑Yes ☐ No

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 either currently anticipated or that occurred within the past 12 months: None.

ITEM 3 ISSUANCE HISTORY

The goal of this section is to provide disclosure with respect to each event that resulted in any direct changes to the total shares outstanding of any class of the issuer's securities **in the past two completed fiscal years and any subsequent interim period**.

Disclosure under this item shall include, in chronological order, all offerings and issuances of 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. Using the tabular format below, please describe these events.

A. Changes to the Number of Outstanding Shares

Check this box to indicate there were no changes to the number of outstanding shares within the past two completed fiscal years and any subsequent periods: ☐

Number of Shares outstanding as of January 1, 2017	Opening Balance: Common: 26,715,458 Preferred: Series A - None		*Right-click the rows below and select "Insert" to add rows as needed.						
Date of Transaction	**Transaction type (e.g. new issuance, cancellation, shares returned to treasury)**	**Number of Shares Issued (or cancelled)**	**Class of Securities**	**Value of shares issued ($/per share) at Issuance**	**Were the shares issued at a discount to market price at the time of issuance? (Yes/No)**	**Individual/ Entity Shares were issued to (entities must have individual with voting / investment control disclosed).**	**Reason for share issuance (e.g. for cash or debt conversion) OR Nature of Services Provided (if applicable)**	**Restricted or Unrestricted as of this filing?**	**Exemption or Registration Type?**
10/31/2017	New issuance	3,200,000	Common	.001	Yes	7350341 Canada Inc (Kada Mesli)	Debt conversion	Unrestricted	Sections 3[a] [9] and 4[a] [1]
11/12/2017	New issuance	3,200,000	Common	.001	Yes	2600721 Ontario, Inc. (Eric Schindermann)	Debt conversion	Unrestricted	Sections 3[a] [9] and 4[a] [1]
11/13/2017	New issuance	3,200,000	Common	.001	Yes	10431354 Canada, Inc. (Fahem Chalal)	Debt conversion	Unrestricted	Sections 3[a] [9] and 4[a] [1]
12/2/2017	New issuance	3,200,000	Common	.001	Yes	Ekor Group, Inc. (Eduard Kotler)	Debt conversion	Unrestricted	Sections 3[a] [9] and 4[a] [1]
1/23/2018	New issuance	4,900,000	Common	.001	Yes	Gemni Holdings, Inc. (Mehdi Quahtane)	Debt conversion	Unrestricted	Sections 3[a] [9] and 4[a] [1]
1/26/2018	New issuance	3,200,000	Common	.001	Yes	7350341 Canada, Inc. (Kada Mesli)	Debt conversion	Unrestricted	Sections 3[a] [9] and 4[a] [1]
1/26/2018	New issuance	4,200,000	Common	.001	Yes	2600721 Ontario, Inc. (Eric Schindermann)	Debt conversion	Unrestricted	Sections 3[a] [9] and 4[a] [1]
9/29/2018	New issuance	1	Series A Preferred	.001	No	George Monteith	Management services.	Restricted	Section 4A-2
Shares Outstanding on June 30, 2019:	Ending Balance: Common: 51,815,458 Preferred: Series A - 1								

B. Debt Securities, Including Promissory and Convertible Notes

Use the chart and additional space below to list and describe any issuance of promissory notes, convertible notes or convertible debentures **in the past two completed fiscal years and any subsequent interim period**.

Check this box if there are no outstanding promissory, convertible notes or debt arrangements: ☐

Date of Note Issuance	**Outstanding Balance ($)**	**Principal Amount at Issuance ($)**	**Interest Accrued ($)**	**Maturity Date**	**Conversion Terms (e.g. pricing mechanism for determining conversion of instrument to shares)**	**Name of Noteholder**	**Reason for Issuance (e.g. Loan, Services, etc.)**
1/17/2017	$1,310.00	$1,310.00	None	Due on demand	Convertible into common shares at the market rate.	Unified Trades Ltd	Loan
1/24/2017	$5,330.00	$5,330.00	None	Due on demand	Convertible into common shares at the market rate.	Unified Trades Ltd	Loan
2/1/2017	$2,700.00	$2,700.00	None	Due on demand	Convertible into common shares at the market rate.	Unified Trades Ltd	Loan
2/28/2017	$4,000.00	$4,000.00	None	Due on demand	Convertible into common shares at the market rate.	Unified Trades Ltd	Loan
3/7/2017	$3,400.00	$3,400.00	None	Due on demand	Convertible into common shares at the market rate.	Unified Trades Ltd	Loan
3/17/2017	$1,300.00	$1,300.00	None	Due on demand	Convertible into common shares at the market rate.	Unified Trades Ltd	Loan
3/31/2017	$36,000.00	$36,000.00	None	Due on demand	Convertible into common or preferred shares at the market rate	George Monteith	Accrued salary converted to note
4/4/2017	$2,925.00	$2,925.00	None	Due on demand	Convertible into common shares at the market rate.	Unified Trades Ltd	Loan
4/19/2017	$5,330.00	$5,330.00	None	Due on demand	Convertible into common shares at the market rate.	Unified Trades Ltd	Loan
5/8/2017	$925.00	$925.00	None	Due on demand	Convertible into common shares at the market rate.	Unified Trades Ltd	Loan
5/24/2017	$8,000.00	$8,000.00	None	Due on demand	Convertible into common shares at the market rate.	Unified Trades Ltd	Loan
5/30/2017	$5,400.00	$5,400.00	None	Due on demand	Convertible into common shares at the market rate.	Unified Trades Ltd	Loan
5/30/2017	$5,310.00	$5,310.00	None	Due on demand	Convertible into common shares at the market rate.	Stock Value Indonesia	Loan
6/30/2017	$28,000.00	$28,000.00	None	Due on demand	Convertible into common or preferred shares at the market rate	George Monteith	Accrued salary converted to note
7/7/2017	$5,310.00	$5,310.00	None	Due on demand	Convertible into common shares at the market rate.	Stock Value Indonesia	Loan
7/28/2017	$3,280.00	$3,280.00	None	Due on demand	Convertible into common shares at the market rate.	Stock Value Indonesia	Loan
8/10/2017	$5,280.00	$5,280.00	None	Due on demand	Convertible into common shares at the market rate.	Stock Value Indonesia	Loan
9/6/2017	$5,310.00	$5,310.00	None	Due on demand	Convertible into common shares at the market rate.	Stock Value Indonesia	Loan

9/30/2017	$36,000.00	$36,000.00	None	Due on demand	Convertible into common or preferred shares at the market rate	George Monteith	Accrued salary converted to note
10/102017	$2,550.00	$2,550.00	None	Due on demand	Convertible into common shares at the market rate.	Stock Value Indonesia	Loan
10/20/2017	$5,330.00	$5,330.00	None	Due on demand	Convertible into common shares at the market rate.	Stock Value Indonesia	Loan
11/6/2017	$6,629.19	$6,629.19	None	Due on demand	Convertible into common shares at the market rate.	Legion Financial Consultant	Loan
12/21/2017	$2,660.00	$2,660.00	None	Due on demand	Convertible into common shares at the market rate.	Stock Value Indonesia	Loan
12/22/2017	$6,310.00	$6,310.00	None	Due on demand	Convertible into common shares at the market rate.	Legion Financial Consultant	Loan
12/31/2017	$36,000.00	$36,000.00	None	Due on demand	Convertible into common or preferred shares at the market rate	George Monteith	Accrued salary converted to note
12/31/2017	$30,000.00	$30,000.00	None	Due on demand	Convertible into common or preferred shares at the market rate	Gordon Johnson	Accrued salary converted to note
1/24/2018	$3,000.00	$3,000.00	None	Due on demand	Convertible into common shares at the market rate.	Stock Value Indonesia	Loan
2/2/2018	$1,330.00	$1,330.00	None	Due on demand	Convertible into common shares at the market rate.	Sock Value Indonesia	Loan
2/6/2018	$7,419.62	$7,419.62	None	Due on demand	Convertible into common shares at the market rate.	Legion Financial Consultant	Loan
2/20/2018	$1,330.00	$1,330.00	None	Due on demand	Convertible into common shares at the market rate.	Stock Value Indonesia	Loan
3/8/2018	$1,330.00	$1,330.00	None	Due on demand	Convertible into common shares at the market rate.	Stock Value Indonesia	Loan
3/31/2018	$36,000.00	$36,000.00	None	Due on demand	Convertible into common or preferred shares at the market rate	George Monteith	Accrued salary converted to note
3/31/2018	$45,000.00	$45,000.00	None	Due on demand	Convertible into common or preferred shares at the market rate	Gordon Johnson	Accrued salary converted to note
4/3/2018	$1,330.00	$1,330.00	None	Due on demand	Convertible into common shares at the market rate.	Stock Value Indonesia	Loan
5/10/2018	$2,480.00	$2,480.00	None	Due on demand	Convertible into common shares at the market rate.	Legion Financial Consultant	Loan
5/18/2018	$1,330.00	$1,330.00	None	Due on demand	Convertible into common shares at the market rate.	Stock Value Indonesia	Loan
6/7/2018	$1,330.00	$1,330.00	None	Due on demand	Convertible into common shares at the market rate.	Stock Value Indonesia	Loan
6/30/2018	$36,000.00	$36,000.00	None	Due on demand	Convertible into common or preferred shares at the market rate	George Monteith	Accrued salary converted to note
6/30/2018	$45,000.00	$45,000.00	None	Due on demand	Convertible into common or preferred shares at the market rate	Gordon Johnson	Accrued salary converted to note
7/13/2018	$4,330.00	$4,330.00	None	Due on demand	Convertible into common shares at the market rate.	Stock Value Indonesia	Loan
7/31/2018	$1,330.00	$1,330.00	None	Due on demand	Convertible into common shares at the market rate.	Stock Value Indonesia	Loan

8/23/2018	$953.00	$953.00	None	Due on demand	Convertible into common shares at the market rate.	Stock Value Indonesia	Loan
9/5/2018	$1,330.00	$1,330.00	None	Due on demand	Convertible into common shares at the market rate.	Stock Value Indonesia	Loan
9/27/2018	$2,749.00	$2,749.00	None	Due on demand	Convertible into common shares at the market rate.	Stock Value Indonesia	Loan
9/30/2018	$36,000.00	$36,000.00	None	Due on demand	Convertible into common or preferred shares at the market rate	George Monteith	Accrued salary converted to note
9/30/2018	$45,000.00	$45,000.00	None	Due on demand	Convertible into common or preferred shares at the market rate	Gordon Johnson	Accrued salary converted to note
10/17/2018	$1,330.00	$1,330.00	None	Due on demand	Convertible into common shares at the market rate.	Stock Value Indonesia	Loan
11/13/2018	$1,900.00	$1,900.00	None	Due on demand	Convertible into common shares at the market rate.	Stock Value Indonesia	Loan
12/12/2018	$2,450.00	$2,450.00	None	Due on demand	Convertible into common shares at the market rate.	Stock Value Indonesia	Loan
12/31/2018	$36,000.00	$36,000.00	None	Due on demand	Convertible into common or preferred shares at the market rate	George Monteith	Accrued salary converted to note
12/31/2018	$45,000.00	$45,000.00	None	Due on demand	Convertible into common or preferred shares at the market rate	Gordon Johnson	Accrued salary converted to note
1/29/2019	$3,000.00	$3,000.00	None	Due on demand	Convertible into common shares at the market rate.	Stock Value Indonesia	Loan
2/6/2019	$3,000.00	$3,000.00	None	Due on demand	Convertible into common shares at the market rate.	Stock Value Indonesia	Loan
3/31/2019	$36,000.00	$36,000.00	None	Due on demand	Convertible into common or preferred shares at the market rate	George Monteith	Accrued salary converted to note
3/31/2019	$45,000.00	$45,000.00	None	Due on demand	Convertible into common or preferred shares at the market rate	Gordon Johnson	Accrued salary converted to note
4/23/2019	$4,450.00	$4,450.00	None	Due on demand	Convertible into common shares at the market rate.	Unified Trades Ltd	Loan
5/20/2019	$1,858.00	$1,858.00	None	Due on demand	Convertible into common shares at the market rate.	Stock Value Indonesia	Loan
5/31/2019	$2,648.00	$2,648.00	None	Due on demand	Convertible into common shares at the market rate.	Stock Value Indonesia	Loan
6/30/2019	$36,000.00	$36,000.00	None	Due on demand	Convertible into common or preferred shares at the market rate	George Monteith	Accrued salary converted to note
6/30/2019	$45,000.00	$45,000.00	None	Due on demand	Convertible into common or preferred shares at the market rate	Gordon Johnson	Accrued salary converted to note

ITEM 4 FINANCIAL STATEMENTS

A. The following financial statements were prepared in accordance with:

☒ U.S. GAAP
☐ IFRS

B. The financial statements for this reporting period were prepared by (name of individual):

Name:	Gordon Johnson
Title:	Chief Financial Officer
Relationship to Issuer:	Chief Financial Officer

ALLIED ENERGY CORPORATION
CONSOLIDATED BALANCE SHEET
(Unaudited)

	June 30, 2019	December 31, 2018
ASSETS		
Current Assets:		
Cash and cash equivalents	$ 2,386	$ 2,690
Total Current Assets	2,386	2,690
Total Assets	$ 2,386	$ 2,690
LIABILITIES AND STOCKHOLDERS' DEFICIT		
LIABILITIES		
Current Liabilities:		
Convertible notes payable	$ 1,752,745	$ 1,572,031
Credit cards	530	359
Total Current Liabilities	1,753,275	1,572,390
Total Liabilities	$ 1,753,275	$ 1,572,390
STOCKHOLDERS' DEFICIT		
Common stock, $0.001 par value, 300,000,000 shares authorized		
51,815,458 shares issued and outstanding as of June 30, 2019 and December 31, 2018, respectively	$ 51,815	$ 51,815
Series A preferred stock, $0.001 par value, 10,000 authorized		
1 share issued and outstanding as of June 30, 2019 and December 31, 2018, respectively	1	1
Additional paid-in capital	810,729	808,248
Accumulated deficit	(2,613,434)	(2,429,764)
Total Stockholders' Deficit	(1,750,889)	(1,569,700)
TOTAL LIABILITIES AND STOCKHOLDERS' DEFICIT	$ 2,386	$ 2,690

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

ALLIED ENERGY CORPORATION
CONSOLIDATED STATEMENTS OF OPERATIONS
(Unaudited)

	For the Three Months Ended June 30, 2019	For the Three Months Ended June 30, 2018	For the Six Months Ended June 30, 2019	For the Six Months Ended June 30, 2018
Revenues	$ —	$ —	$ —	$ —
Costs of services	—	—	—	—
Gross margin	—	—	—	—
Operating Expenses:				
Bank charges	120	221	240	632
Consulting fee	2,200	2,201	4,400	4,401
Salaries and wages	81,000	81,000	162,000	162,000
Stock-based compensation	1,248	—	2,481	—
Professional fees	—	—	3,000	480
General and administrative	7,138	6,734	11,549	26,027
Total Operating Expenses	91,706	90,156	183,670	193,540
Operating Loss	(91,706)	(90,156)	(183,670)	(193,540)
Other Income/Expense:				
Other income	—	—	—	—
Total Other Income/Expense	—	—	—	—
Net Loss Before Taxes	(91,706)	(90,156)	(183,670)	(193,540)
Income tax	—	—	—	—
Net Loss	**$** (91,706)	$ (90,156)	$ (183,670)	$ (193,540)
Gain (Loss) per share, Basic & Diluted	$ (0.00)	$ (0.00)	$ (0.00)	$ (0.00)
Weighted average shares outstanding	51,815,458	51,815,458	51,815,458	49,096,673

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

ALLIED ENERGY CORPORATION
CONSOLIDATED STATEMENTS OF CASH FLOWS
(Unaudited)

	For the Six Months Ended June 30, 2019		For the Six Months Ended June 30, 2018	
CASH FLOW FROM OPERATING ACTIVITIES:				
Net Loss for the period	$	(183,670)	$	(193,540)
Adjustments to Reconcile Net Loss to Net Cash Used by Operating Activities:				
Stock-based compensation		2,481		—
Issuance of stock for consulting expenses		—		1
Changes in Operating Assets and Liabilities:				
Increase (decrease) in credit cards		171		354
Net Cash Used in Operating Activities		(181,018)		(193,185)
CASH FLOW FROM FINANCING ACTIVITIES:				
Convertible note issued for settlement of accrued salary		162,000		162,000
Proceeds from convertible note payable		18,714		23,360
Net Cash Provided by Financing Activities		180,714		185,360
Net Increase (Decrease) in Cash		(304)		(7,825)
Cash at Beginning of the Period		2,690		11,888
Cash at End of the Period	$	2,386	$	4,063
SUPPLEMENTAL DISCLOSURE OF CASH FLOW INFORMATION:				
Cash paid during the period for:				
Interest	$	—	$	—
Franchise and income taxes	$	—	$	—
NON-CASH FINANCING AND INVESTING ACTIVITIES:				
Convertible note issued for settlement of accrued salary	$	162,000	$	162,000
Common stock issued for conversion of debt	$	—	$	12,300

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

ALLIED ENERGY CORPORATION
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
June 30, 2019
(Unaudited)

NOTE 1 – ORGANIZATION AND OPERATIONS

Allied Energy Corporation (the "Company") 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. The Company 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.

Through its wholly-owned subsidiary, Allied Oil & Gas, Inc., the Company engages in the oil and gas industry. Allied Oil & Gas, Inc. has contracted to acquire a one percent (1%) overriding royalty interest in eleven (11) oil and gas leases that have productive oil wells situated thereon. The transaction will be in exchange for shares of its common stock. Some of the interests being acquired are currently producing oil and gas that will generate revenue immediately. The remaining leases and wells are pending operations for workover and/or re-completion of the wells to restore production of oil and gas.

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, 2019 and December 31, 2018, cash equivalents amounted to$2,386 and $2,690.

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 accounts for stock-based compensation under the provisions of ASC 718 *Compensation- Stock Compensation*, which requires the measurement and recognition of compensation expense for all share-based payment awards made to employees and directors, including employee stock options, based on estimated fair values.

ASC 718 requires companies to estimate the fair value of share-based payment awards on the date of the grant using an option-pricing model. The value of the portion of the award that is ultimately expected to vest is recognized as expenses over the requisite service periods in the Company's statements of income.

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.

Principles of Consolidation

The accompanying consolidated financial statements include the accounts of the Company and its wholly-owned subsidiary Allied Oil & Gas, Inc. All significant intercompany transactions and balances have been eliminated.

Recent Accounting Pronouncements

There have been no recent accounting pronouncements or changes in accounting pronouncements that impacted the second quarter of fiscal 2019, or which are expected to impact future periods that were not already adopted and disclosed in prior periods.

NOTE 3 – GOING CONCERN

The accompanying consolidated 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 consolidated financial statements, the Company had an accumulated deficit at June 30, 2019 of $2,613,434 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 consolidated 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 NOTES PAYABLE

Convertible notes payable – George Monteith:

During the year ended December 31, 2018, the Company issued a $144,000 convertible note payable to George Monteith for settlement of accrued salaries and wages totaling $144,000. This note is unsecured, bears no interest and convertible into common or preferred shares at the market rate.

During the three months ended March 31, 2019, the Company issued $36,000 convertible notes payable to George Monteith towards his accrued salaries and wages totaling $36,000. This note is unsecured, bears no interest and convertible into common or preferred shares at the market rate.

During the three months ended June 30, 2019, the Company issued $36,000 convertible notes payable to George Monteith towards his accrued salaries and wages totaling $36,000. This note is unsecured, bears no interest and convertible into common or preferred shares at the market rate.

As of June 30, 2019, and December 31, 2018, there was $557,000 and $485,000 in convertible notes outstanding respectively.

Convertible notes payable – Gordon Johnson:

During the year ended December 31, 2018, the Company issued a $180,000 convertible note payable to Gordon Johnson for settlement of accrued salaries and wages totaling $180,000. This note is unsecured, bears no interest and convertible into common or preferred shares at the market rate.

During the three months ended March 31, 2019, the Company issued a $45,000 convertible note payable to Gordon Johnson for settlement of accrued salaries and wages totaling $45,000. This note is unsecured, bears no interest and convertible into common or preferred shares at the market rate.

During the three months ended June 30, 2019, the Company issued a $45,000 convertible note payable to Gordon Johnson for settlement of accrued salaries and wages totaling $45,000. This note is unsecured, bears no interest and convertible into common or preferred shares at the market rate.

As of June 30, 2019, and December 31, 2018, there was $300,000 and $210,000 in convertible notes outstanding respectively.

Convertible notes payable – Third parties:

During the year ended December 31, 2018, the Company received $39,732 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 March 31, 2019, the Company received $9,758 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 June 30, 2019, the Company received $8,956 from third parties towards convertible note payable. These notes are unsecured, bears no interest and convertible into common shares at the market rate.

As of June 30, 2019, and December 31, 2018, there was $895,745 and $877,031 in convertible notes outstanding respectively.

Convertible notes payable conversions:

During the three months ended March 31, 2018, the Company issued 12,300,000 shares of common stock for the conversion of notes payable totaling $12,300. (See Note 5)

As of June 30, 2019, and December 31, 2018, there was $1,752,745 and $1,572,031 in convertible notes outstanding, respectively.

NOTE 5 – STOCKHOLDERS' DEFICIT

Shares authorized

The Company is authorized to issue 300,000,000 shares of common stock, par value $0.001 and 5,000,000 preferred shares, par value $0.001.

During the year ended December 31, 2018, the Board of Directors of the Company authorized and approved to create a new class of voting preferred stock called Series A Preferred Stock, consisting of 10,000 shares authorized, par value $0.001 par value.

Common Stock Issued

During the year ended December 31, 2017, the Company issued 12,800,000 shares of common stock for the conversion of notes payable totaling $12,800.

During the three months ended March 31, 2018, the Company issued 12,300,000 shares of common stock for the conversion of notes payable totaling $12,300.

As of June 30, 2019, and December 31, 2018, 51,815,458 common shares were issued and outstanding, respectively.

Preferred Stock Issued

On April 1, 2018, the Company issued 1 share of Series A Preferred Stock to its Chief Executive Officer George Monteith. In connection with the issuance of Series A preferred shares, the Company recorded a nominal amount of stock-based compensation of $1 since the shares had no economic value, on the date of the issuance of such.

As of June 30, 2019, and December 31, 2018, 1 Series A preferred shares were issued and outstanding, respectively.

Stock Options

The following table summarizes common stock options activity:

	Options		Weighted Average Exercise Price
Outstanding, January 1, 2019	—	$	—
Granted	3,000,000		0.05
Exercised	—		—
Forfeited	—		—
Outstanding, June 30, 2019	3,000,000	$	0.05
Exercisable, June 30, 2019	3,000,000	$	0.05

On October 15, 2018, the Company entered into a "Stock Option Agreement" with George Monteith to grant an option to purchase up to one million (1,000,000) shares of the Company's $0.001 par value Common Stock at a purchase price of $0.05 per share. The Company has determined the fair market value of its common stock to be $0.005 per share. Optionee shall have the right to exercise this option at any time after three (3) years (the "Option Period") from grant date.

On October 15, 2018, the Company entered into a "Stock Option Agreement" with Morgan Scudi to grant an option to purchase up to one million (1,000,000) shares of the Company's $0.001 par value Common Stock at a purchase price of $0.05 per share. The Company has determined the fair market value of its common stock to be $0.005 per share. Optionee shall have the right to exercise this option at any time after three (3) years (the "Option Period") from grant date.

On October 15, 2018, the Company entered into a "Stock Option Agreement" with Texita Trust to grant an option to purchase up to one million (1,000,000) shares of the Company's $0.001 par value Common Stock at a purchase price of $0.05 per share. The Company has determined the fair market value of its common stock to be $0.005 per share. Optionee shall have the right to exercise this option at any time after three (3) years (the "Option Period") from grant date.

During the six month period ended June 30, 2019, the Company recognized stock-based compensation expense of $2,481. This amount is included in stock-based compensation expense in the accompanying statements of operations. Further stock-based compensation expense expected to be recognized for these options will be $2,520 in 2019, $5,001 in 2020 and $3,942 in 2021.

The weighted average remaining contractual life of options outstanding, as of June 30, 2019 was as follows:

Exercise prices	Number of options outstanding	Weighted Average remaining contractual life (years)
$ 0.05	3,000,000	2.29
	3,000,000	

The fair value of options granted during the three months ended June 30, 2019, were determined using the Black Scholes method with the following assumptions:

	Six Months ended June 30, 2019
Risk free interest rate	1.71%
Stock volatility factor	276%
Weighted average expected option life	2.29 years
Expected dividend yield	—

NOTE 6 – SUBSEQUENT EVENTS

The Company has evaluated all events that occurred after the balance sheet date through the date when the consolidated 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 5 - ISSUER'S BUSINESS, PRODUCTS AND SERVICES

A. Summarize the issuer's business operations:

Allied Energy Corporation (the "Company") 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. The Company 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.

B. Describe any subsidiaries, parents, or affiliated companies, if applicable, and a description of their business contact information for the business, officers, directors, managers or control persons. Subsidiary information may be included by reference: Through its wholly-owned subsidiary, Allied Oil & Gas, Inc., the Company engages in the oil and gas industry. Allied Oil & Gas, Inc. has contracted to acquire a one percent (1%) overriding royalty interest in eleven (11) oil and gas leases that have productive oil wells situated thereon. The transaction will be in exchange for shares of its common stock. Some of the interests being acquired are currently producing oil and gas that will generate revenue immediately. The remaining leases and wells are pending operations for workover and/or re-completion of the wells to restore production of oil and gas.

C. Describe the issuers' principal products or services, and their markets: 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. Through its wholly-owned subsidiary, Allied Oil & Gas, Inc., the Company engages in the oil and gas industry. Allied Oil & Gas, Inc. has contracted to acquire a one percent (1%) overriding royalty interest in eleven (11) oil and gas leases that have productive oil wells situated thereon. The transaction will be in exchange for shares of its common stock. Some of the interests being acquired are currently producing oil and gas that will generate revenue immediately. The remaining leases and wells are pending operations for workover and/or re-completion of the wells to restore production of oil and gas.

ITEM 6 DESCRIBE THE ISSUER'S FACILITIES

The Company has no facilities to list.

ITEM 7 OFFICERS, DIRECTORS AND CONTROL PERSONS

A. Names of Officers, Directors, and Control Persons.

Full Name: George Monteith
Title: President, Chief Executive Officer and member of the Board of Directors
Business Address: P.O. Box 117498, Carrollton, Texas 75011-7498
Compensation: Annual salary $144,000
Ownership: 5,800,000 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 Artic 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: Gordon H. Johnson
Title: Chief Financial Officer, Treasurer, Secretary and member of the Board of Directors
Business Address: P.O. Box 117498, Carrollton, Texas 75011-7498
Compensation: Annual salary $180,000
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.

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.

Using the tabular format below, please provide information regarding any person or entity owning 5% of more of the issuer, as well as any officer, and any director of the company, regardless of the number of shares they own. **If any listed are corporate shareholders or entities, provide the name and address of the person(s) beneficially owning or controlling such corporate shareholders, or the name and contact information of an individual representing the corporation or entity in the note section.**

Name of Officer/Director and Control Person	Affiliation with Company (e.g. Officer/Director/Owner of more than 5%)	Residential Address (City / State Only)	Number of shares owned	Share type/class	Ownership Percentage of Class Outstanding	Note
George Monteith	President, Chief Executive Officer, and member of the Board of Directors /More than 5% holder	Carrollton, Texas	5,800,000	Common	11%	N/A
George Monteith	President, Chief Executive Officer, and member of the Board of Directors /More than 5% holder	Carrollton, Texas	1	Series A Preferred	100%	N/A
Gordon Johnson	Secretary, CFO, Treasurer and member of Board of Directors	Carrollton , TX	None	N/A	N/A	N/A
Morgan Scudi	Member of the Board of Directors	San Diego, CA	3,200,000	Common	6%	N/A

ITEM 8 LEGAL/DISCIPLINARY HISTORY

A. Please identify whether any of the persons listed above have, in the past 10 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);

   None.

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;

   None.

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

   None.

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.

   None.

B. Describe briefly any material pending legal proceedings, other than ordinary routine litigation incidental to the business, to which the issuer or any of its subsidiaries is a party or of which any of their property is the subject. Include the name of the court or agency in which the proceedings are pending, the date instituted, the principal parties thereto, a description of the factual basis alleged to underlie the proceeding and the relief sought. Include similar information as to any such proceedings known to be contemplated by governmental authorities.

None.

ITEM 9 THIRD PARTY PROVIDERS

Please provide the name, address, telephone number and email address of each of the following outside providers:

Securities Counsel

Name: Morgan Scudi
Firm: Scudi & Ayers, LLC
Address 1: 5440 Morehouse Dr., Suite 4400
Address 2: San Diego, CA 92121
Phone: 858-558-1001
Email: mscudi@scudilaw.com

Accountant or Auditor

None.

Investor Relations Consultant

None.

Other Service Providers

Provide the name of any other service provider(s), including, counsel, advisor(s) or consultant(s) **that assisted, advised, prepared or provided information with respect to this disclosure statement**, or provided assistance or services to the issuer during the reporting period.

Name:	Trisha Bollman
Nature of Services:	Consulting
Address 1:	2907 Shelter Island Drive, Suite 105-339
Address 2:	San Diego, CA 92106
Phone:	(858) 220-0515
Email:	trishabollman222@gmail.com

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: August 10, 2019

/s/ George Monteith
George Monteith
Chief Executive Officer

I, Gordon Johnson, 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: August 10, 2019

/s/ Gordon Johnson
Gordon Johnson
Chief Financial Officer