RAPID FIRE MARKETING, INC.
INDEX TO FINANCIAL STATEMENTS
(UNAUDITED)

Rapid Fire Marketing, Inc.
Balance Sheets
(unaudited)

		June 30, 2012		December 31, 2011
ASSETS				
Current Assets:				
Cash	$	369	$	3,327
Total Current Assets		369		3,327
Property and equipment, net		291,394		305,384
Loan receivable		-		11,626
Inventory		32,961		8,025
Total Assets	$	324,724	$	328,362
LIABILITIES AND STOCKHOLERS' EQUITY				
Current Liabilities:				
Loan payable	$	-	$	70,400
Total Liabilities		-		70,400
Stockholders' Equity				
Series A preferred stock, $.001 par value, 25,000,000 shares authorized, 12,343,000 and 4,343,000 shares issued and outstanding, respectively		12,343		4,343
Common stock, $.001 par value, 2,000,000,000 shares authorized 967,038,022 and 691,918,022 issued and outstanding, respectively		967,038		691,918
Common stock payable		10,000		10,000
Stock subscription receivable		(50,000)		-
Additional paid in capital		8,806,139		8,711,259
Accumulated deficit		(9,420,796)		(9,159,558)
Total Stockholders' Equity		324,724		257,962
Total Liabilities and Stockholders' Equity	$	324,724	$	328,362

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

Rapid Fire Marketing, Inc.
Statements of Operations
(unaudited)

	For the Six Months Ended June 31,				For the Three Months Ended June 31,			
		2012		2011		2012		2011
Revenue	$	2,241	$	50,500	$	2,018	$	20,500
Cost of sales		15,408		-		15,408		-
Gross revenue		(13,167)		50,500		(13,390)		20,500
Operating Expenses:								
Stock for Services		8,000		1,000,000		-		1,000,000
Compensation expense		54,830		-		40,676		-
Consulting		87,042		-		87,042		-
General and administrative		98,199		155,268		54,698		106,713
Total operating expenses		248, 071		1,155,268		182,416		1,106,713
Loss from operations		(261,238)		(1,104,768)		(195,806)		(1,086,213)
Other income and (expense):								
Interest income		-		626		-		626
Interest expense		-		-		-		-
Total other income		-		626		-		626
Net Loss	$	(261,238)	$	(1,104,142)	$	(195,806)	$	(1,085,587)
Loss per share, basic	$	(0.00)	$	(0.003)	$	(0.00)	$	(0.003)
Weighted average shares outstanding, basic		777,851,868		354,938,002		840,015,413		398,104,689

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

Rapid Fire Marketing, Inc.
Statements of Cash Flows
(unaudited)

	For the Six Months Ended June 30, 2012	For the Six Months Ended June 30, 2011
Cash flows from operating activities:		
Net loss	$ (261,238)	$ (1,104,142)
Adjustments to reconcile net loss to total cash used in operations:		
Preferred stock issued for services	8,000	-
Common stock issued for services	-	1,000,000
Bad debt expense	11,626	-
Depreciation expense	13,991	12,900
Changes in assets and liabilities:		
(Increase) in note receivable	-	(10,626)
(Increase) in inventory	(24,937)	-
Net cash used in operating activities	(252,558)	(101,868)
Cash flows from investing activities:		
Purchase of property and equipment	-	(103,752)
Net cash used in investing activities	-	(103,752)
Cash flows from financing activities:		
Proceeds from the sale of common stock	320,000	139,050
Cash received from loan payable	9,600	-
Payments on loan payable	(80,000)	-
Net cash provided by financing activities	249,600	139,050
Net decrease in cash	(2,958)	(66,570)
Cash at beginning of period	3,327	70,034
Cash at end of period	$ 369	$ 3,464
Cash paid for:		
Interest	$ -	$ -
Taxes	$ -	$ -

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

Rapid Fire Marketing, Inc.
Statement of Stockholders' Equity
(unaudited)

	Common Stock		Series A Preferred		Additional	Common	Stock Subscription	Retained	
	Shares	Amount	Shares	Amount	Paid in Capital	Stock Payable	Receivable	Earnings	Total
Balance at December 31, 2010	225,438,022	$ 225,438	11,243,000	$ 11,243	$ 7,778,689	$ 250,100	$ -	$ (7,968,197)	$ 297,273
Common stock issued	39,480,000	39,480	-	-	210,620	(250,100)	-	-	-
Stock issued for services	100,000,000	100,000	3,000,000	3,000	900,000	-	-	-	139,050
Cash received for preferred stock	-	-	1,000,000	1,000	138,050	-	-	-	139,050
Preferred stock converted to common stock	327,000,000	327,000	(10,900,000)	(10,900))	(316,100)	-	-	-	-
Cash received for common stock payable	-	-	-	-	-	10,000	-	-	10,000
Net loss for the year ended December 31, 2011	-	-	-	-	-	-	-	(1,191,361)	(1,191,361)
Balance at December 31, 2011	691,918,022	691,918	4,343,000	4,343	8,711,259	10,000	-	(9,159,558)	257,962
Preferred stock issued for services	-	-	8,000,000	8,000	-	-	-	-	8,000
Cash received for common stock	275,120,000	275,120	-	-	94,880	-	(50,000)	-	320,000
Net loss for the period ended June 30, 2012	-	-	-	-	-	-	-	(261,238)	(261,238)
Balance at June 30, 2012	967,038,022	$ 967,038	12,343,000	$ 12,343	$ 8,806,139	$ 10,000	$ (50,000)	$ (9,420,796)	$ 324,724

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

Rapid Fire Marketing, Inc.
Notes to Unaudited Financial Statements
June 30, 2012

NOTE 1 - ORGANIZATION AND DESCRIPTION OF BUSINESS

Rapid Fire Marketing, Inc. (the "Company") was incorporated under the laws of the state of Delaware in 1989 as G.D.E. Search Corporation. In 2001 the Company changed its name to N-Vision Technology. In July 2007 the Company changed its name to Rapid Fire Marketing, Inc. The Company sells Bionic cigarettes, which operate much the same way as an actual cigarette but instead of smoke, a nicotine vapor is produced that is tar and odor free. The Bionic cigarette is also free of most of the harmful chemicals found in the burning of actual cigarettes.

The Company also provides full service marketing, consulting and management services primarily for medical cannabis under proposition 215 of the California legislature related to the legal dispensing of medical marijuana.

NOTE 2 – PREPARATION OF FINANCIAL STATEMENTS

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 accounting internal 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.

NOTE 3 - SIGNIFICANT ACCOUNTING POLICIES

A. Cash and Cash Equivalents

The Company considers all cash on hand and in banks, including accounts in book overdraft positions, certificates of deposit and other highly- liquid investments with maturities of three months or less, when purchased, to be cash and cash equivalents.

B. Property and Equipment

Property and equipment are recorded at cost. Expenditures that increase the useful lives or capacities of the property and equipment are capitalized. Expenditures for repairs and maintenance are charged to expense as incurred.

C. Research and development expense

Research and development expenses are charged to operations as incurred. There has been no research and development expense for the periods ended June 30, 2012 or December 31, 2011.

D. Advertising expenses

Advertising and marketing expenses are charged to operations as incurred. For the quarter ended June 30, 2012 and the year ended December 31, 2011 $0 and $16,970 was incurred, respectively. These costs were categorized as general and administrative costs.

E. Revenue Recognition

The Company recognizes revenue in accordance with ASC Topic 605, *"Revenue Recognition",* which requires that four basic criteria must be met before revenue can be recognized: (1) persuasive evidence of an arrangement exists; (2) delivery has occurred; (3) the fee is fixed or determinable; and (4) collectibility is reasonably assured. The Company generates revenue from consulting services which are recognized when the service is completed pursuant to a consulting agreement. For product sales of Bionic cigarettes revenue is recognized when the purchase is complete and shipping has occurred.

F. Stock Based Compensation

We follow ASC 718-10, "Stock Compensation", which addresses the accounting for transactions in which an entity exchanges its equity instruments for goods or services, with a primary focus on transactions in which an entity obtains employee services in share-based payment transactions. ASC 718-10 requires measurement of the cost of employee services received in exchange for an award of equity instruments based on the grant-date fair value of the award (with limited exceptions). Incremental compensation costs arising from subsequent modifications of awards after the grant date must be recognized. The Company has not adopted a stock option plan and has not granted any stock options. The Company granted stock awards, at market value, to its advisors for services rendered. Accordingly, stock-based compensation has been recorded to date.

G. Income Taxes

Income taxes are provided in accordance with Codifications topic 740, "Income Taxes", which requires an asset and liability approach for the financial accounting and reporting of income taxes. Current income tax expense (benefit) is the amount of income taxes expected to be payable (receivable) for the current year. A deferred tax asset and/or liability is computed for both the expected future impact of differences between the financial statement and tax bases of assets and liabilities and for the expected future tax benefit to be derived from tax loss and tax credit carry forwards. Deferred income tax expense is generally the net change during the year in the deferred income tax asset and liability. Valuation allowances are established when necessary to reduce deferred tax assets to the amount expected to be "more likely than not" realized in future tax returns. Tax rate changes and changes in tax law are reflected in income in the period such changes are enacted

H. Earnings (Loss) Per Share

Per Accounting Standards Codification Topic 260 "Earnings Per Share" (ASC 260), basic earnings (loss) per share are computed by dividing the net income (loss) by the weighted-average number of shares of common stock and common stock equivalents (primarily outstanding options and warrants). Common stock equivalents represent the dilutive effect of the assumed exercise of the outstanding stock options and warrants, using the treasury stock method. The calculation of fully diluted earnings (loss) per share assumes the dilutive effect of the exercise of outstanding options and warrants at either the beginning of the respective period presented or the date of issuance, whichever is later. As of the balance sheet dates the Company had no outstanding warrants.

I. Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States ("GAAP") requires management to make estimates and assumptions that affect (i) the reported amounts of assets and liabilities, (ii) the disclosure of contingent assets and liabilities known to exist as of the date the financial statements are published, and (iii) the reported amount of net sales and expenses recognized during the periods presented. Adjustments made with respect to the use of estimates often relate to improved information not previously available. Uncertainties with respect to such estimates and assumptions are inherent in the preparation of financial statements; accordingly, actual results could differ from these estimates.

These estimates and assumptions also affect the reported amounts of revenues, costs and expenses during the reporting period. Management evaluates these estimates and assumptions on a regular basis. Actual results could differ from those estimates.

J. Inventory

Inventory consists of finished product, bionic cigarettes valued at the lower of cost or market valuation under the FIFO method of costing.

K. Fair Value of Financial Instruments

The carrying amount of cash, accounts receivable, accounts payable, accrued liabilities and notes payable, as applicable, approximates fair value due to the short-term nature of these items. The fair value of the related party notes payable cannot be determined because of the Company's affiliation with the parties with whom the agreements exist. The use of different assumptions or methodologies may have a material effect on the estimates of fair values.

ASC Topic 820, "Fair Value Measurements and Disclosures," requires disclosure of the fair value of financial instruments held by the Company. ASC Topic 825, "Financial Instruments," 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 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: Observable inputs such as quoted prices in active markets;

- Level 2: Inputs, other than the quoted prices in active markets, that are observable either directly or indirectly; and

- Level 3: Unobservable inputs in which there is little or no market data, which require the reporting entity to develop its own assumptions.

The Company analyzes all financial instruments with features of both liabilities and equity under ASC 480, "Distinguishing Liabilities from Equity," and ASC 815.

The following table represents our assets and liabilities by level measured at fair value on a recurring basis at June 30, 2012 and December 30, 2011.

Description	Level 1	Level 2	Level 3
	none	none	none

L. Reclassifications

Certain reclassifications have been made to the prior period financial statements to conform to the current presentation.

NOTE 4 - RECENT ACCOUNTING PRONOUNCEMENTS

In September 2011 Accounting Standards Update No. 2011-08, Intangibles - Goodwill and Other (Topic 350): Testing Goodwill for impairment. This ASU's objective is to simplify the process of performing impairment testing for Goodwill. With this update a company is allowed to asses qualitative factors, first, to determine if it is more likely than not (greater than 50%) that the FV is less than the carrying amount. This would be done, prior to performing the two-step goodwill impairment testing, as prescribed by Topic 350. Prior to this ASU, all entities were required to test, annually, their good will for impairment by Step 1 - comparing the FV to the carrying amount, and if impaired, then step 2 - calculate and recognize the impairment. Therefore, the fair value measurement is not required, until the "more likely than not" reasonableness test is concluded. Effective for annual and interim goodwill impairment tests performed for fiscal years beginning after December 15, 2011.

In May 2011, FASB issued Accounting Standards Update No. 2011-04, Fair Value Measurement (Topic 820): *Amendments to Achieve Common Fair Value Measurement and Disclosure Requirements in U.S. GAAP and IFRSs*. This ASU clarifies the board's intent of current guidance, modifies and changes certain guidance and principles, and adds additional disclosure requirements concerning the 3 levels of fair value measurements. Specific amendments are applied to FASB ASC 820-10-35, Subsequent Measurement and FASB ASC 820-10-50, Disclosures. This ASU is effective for interim and annual periods beginning after December 15, 2011.

In June 2011, FASB issued Accounting Standards Update No. 2011-05, Comprehensive Income (Topic 220): *Presentation of Comprehensive Income*. - ASU 2011-05. Current US GAAP allows companies to present the components of comprehensive income as a part of the statement of changes in stockholders' equity. This ASU eliminates that option. in this Update, an entity has the option to present the total of comprehensive income, the components of net income, and the components of other comprehensive income either in a single continuous statement of comprehensive income or in two separate but consecutive statements. In both choices, an entity is required to present each component of net income along with total net income, each component of other comprehensive income along with a total for other comprehensive income, and a total amount for comprehensive income This ASU is effective interim and annual periods beginning after December 15, 2011. This ASU should be applied retrospectively. There are no specific transition disclosures

In December 2010, the FASB Accounting Standards Update 2010-29 Business Combinations Topic 805, which requires a public entity to disclose pro forma information for business combinations that occurred in the current reporting period. The disclosures include pro forma revenue and earnings of the combined entity for the current reporting period as though the acquisition date for all business combinations that occurred during the year had been as of the beginning of the annual reporting period. If comparative financial statements are presented, the pro forma revenue and earnings of the combined entity for the comparable prior reporting period should be reported as though the acquisition date for all business combinations that occurred during the current year had been as of the beginning of the comparable prior annual reporting period. Effective for business combinations for which the acquisition date is on or after the beginning of the first annual reporting period beginning on or after December 15, 2010.

The Company has implemented all new accounting pronouncements that are in effect. These pronouncements did not have any material impact on the financial statements unless otherwise disclosed, and the Company 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.

NOTE 5 - NOTE RECEIVABLE

At December 31, 2011, the Company has a note receivable from an unrelated third party accruing interest at 20%. During the quarter ended March 31, 2012, the Company became aware of certain circumstances for which it was determined that the note receivable and interest due would not be collected. As a result the Company has written off the $10,000 note and $1,626 of interest to bad debt expense.

NOTE 6 - PROPERTY AND EQUIPMENT

Property and equipment consisted of the following as of:

	June 30, 2012	December 31, 2011
Building and Improvements	$ 277,281	$ 277,281
Transportation Equipment	64,315	64,315
Furniture and fixtures	1,249	1,249
Total	342,845	342,845
Less: accumulated depreciation	(51,451)	(37,461)
Net fixed assets	$ 291,394	$ 305,384

Depreciation expense for the periods ended June 30, 2012 and December 31, 2011 was $13,991 and $26,507, respectively.

NOTE 7 - NOTES PAYABLE

As of December 31, 2011, the Company owed an unrelated third party $70,400, for loans made which were without interest and payable on demand. As of June 30, 2012 the loan has been fully repaid.

NOTE 8 - PREFERRED STOCK TRANSACTIONS

For the year ended December 31, 2011 the Company issued 1,000,000 shares of preferred stock for cash of $139,050.

During the year ended December 31, 2011 the Company converted 10,900,000 of preferred shares into common shares and issued 3,000,000 of preferred shares for services valued at $3,000.

During the quarter ended March 31, 2012, the Company issued 8,000,000 shares of preferred stock for services. The shares were valued at $8,000.

NOTE 9 – COMMON STOCK TRANSACTIONS

During the year ended December 31, 2011 the Company issued 466,480,000 shares of stock. Of this amount 100,000,000 was issued to its officer for services valued at market which was $0.01, resulting in an expense of $1,000,000 as shown on the statement of operations under stock for services. 327,000,000 shares of stock were issued from the conversion of 10,900,000 shares of preferred stock, and the balance or 39,480,000 shares were issued for $250,100 of cash received in 2010.

During the year ended December 31, 2011 the Company received $10,000 for common stock to be issued in 2012.

During the quarter ended June 30, 2012, the Company issued 275,120,000 shares of common stock for $370,000 in cash proceeds, $50,000 of which was not collected until the following month.

NOTE 10 - RELATED PARTY TRANSACTION

During the year ended December 31, 2011 the Company issued 100,000,000 shares of common stock to its officer for services and paid $40,230 in consulting fees to an officer.

NOTE 11 - SUBSEQUENT EVENTS

The Company has performed an evaluation of subsequent events in accordance with ASC Topic 855. The Company is not aware of any subsequent events which would require recognition or disclosure in the financial statements other than that noted below.

Subsequent to June 30, 2012, the Company sold 50,000,000 shares of common stock for $30,000.