CAPITAL FINANCIAL GLOBAL, INC.
AND SUBSIDIARY

CONSOLIDATED FINANCIAL STATEMENTS

December 31, 2014

(Unaudited)

CAPITAL FINANCIAL GLOBAL, INC.
AND SUBSIDIARY
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Capital Financial Global, Inc. and Subsidiary
Consolidated Balance Sheets

	December 31, 2014 (Unaudited)	December 31, 2013 (Unaudited)
Assets		
Current Assets		
Cash and cash equivalents	$ 437	$ 9,918
Interest income receivable, net of allowance	250,609	132,000
Note held for sale, net of allowance	508,000	508,000
Other notes receivable	1,701,200	-
Total Current Assets	2,460,245	649,918
Property and equipment, net	791	7,875
Investment in mining property	548,835	548,835
Total Assets	$ 3,009,872	$ 1,206,628
Liabilities and Stockholders' Equity (Deficit)		
Current Liabilities		
Accounts payable	$ 93,683	$ 95,283
Accrued interest payable	216,788	178,422
Accrued interest payable - related party	-	490
Accrued compensation and payroll taxes	341,494	250,173
Convertible notes payable	36,195	200,000
Notes payable - related party	8,005	8,500
Current notes payable	94,851	-
Other current liabilities	11,000	3,729
Total Current Liabilities	802,016	736,597
Long term notes payable	891,805	775,665
Total Liabilities	1,693,820	1,512,262
Stockholders' Equity (Deficit)		
Preferred stock		
Series A, $0.001 par value, 100 shares authorized, 100 shares issued and outstanding;	2,590,080	2,386,287
Series B, $0.001 par value, 20,000,000 shares authorized, 3,171,200 shares and 1,270,000 shares issued and outstanding, respectively	3,171,200	1,270,000
Common stock, $0.001 par value, 1,850,000,000 shares authorized, 949,207,518 shares and 314,187,260 shares issued and outstanding, respectively	949,208	314,187
Additional paid-in capital	407,737	848,669
Accumulated deficit	(5,802,173)	(5,124,777)
Total Stockholders’ Equity (Deficit)	1,316,051	(305,634)
Total Liabilities and Stockholders’ Equity (Deficit)	$ 3,009,872	$ 1,206,628

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

Capital Financial Global, Inc. and Subsidiary
Consolidated Statements of Operations

	For the Twelve Months Ended December 31,	
	2014	2013
	(Unaudited)	(Unaudited)
Revenues		
Interest Income		
Interest and fees on loans	$ 310,389	$ 157,583
Interest on fixed maturity trading securities		7,074
Total Interest Income	310,389	164,657
Interest Expense		
Interest on credit lines	-	4,172
Total Interest Expense	-	4,172
Net Interest Income	310,389	160,485
Provision for loan losses	(191,780)	(236,667)
Net Interest Income After Provision For Losses	118,609	(76,182)
Noninterest Income		
Net realized trading gains (losses)	-	6,875
Net unrealized trading gains (losses)	-	(22,054)
Loan servicing fees	502	1,008
Total non-interest income	502	(14,171)
Net Revenue	**119,111**	**(90,353)**
Operating Expenses		
Compensation and benefits	362,424	146,401
Marketing	7,416	8,383
Communications & technology	6,458	7,461
Occupancy	6,960	7,370
Professional fees	47,938	112,680
Other general and administrative	21,748	18,001
Depreciation and amortization	7,085	8,064
Total operating expense	460,029	308,360
Operating Loss	**(340,919)**	**(398,713)**
Other Expenses		
Non-operating interest expense	(132,685)	(241,629)
Loss on extinguishment of debt	-	-
Loss before income taxes	(473,604)	(640,342)
Provision for income tax	-	-
Net Loss	**(473,604)**	**(640,342)**
Series A preferred dividends	(203,793)	(124,950)
Series B preferred dividends accumulated and unpaid	(109,700)	(50,800)
Net loss applicable to common shareholders	$ (787,096)	$ (816,092)
Net loss per common share:		
Basic and diluted	$ (0.00)	$ (0.00)
Weighted average shares outstanding:		
Basic and diluted	631,697,389	244,687,260

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

Capital Financial Global, Inc. and Subsidiary
Consolidated Statements of Changes in Stockholders' Equity (Deficit)
For the Years Ended December 31, 2013 and December 31, 2014
(Unaudited)

	Series A Preferred Stock		Series B Preferred Stock		Common Stock		Additional Paid-In Capital	Accumulated Deficit	Total Stockholders' Equity (Deficit)
	Shares	Amount	Shares	Amount	Shares	Amount			
Balance, December 31, 2012	100	$ 2,261,337	1,270,000	$ 1,270,000	175,187,260	$ 175,187	$ 868,669	$ (4,359,485)	$ 215,708
Issuance for directors fees; $0.001 per share; January 2013	-	-	-	-	4,000,000	4,000	-	-	4,000
Issuance for cash; $0.001 per share; July 2013	-	-	-	-	10,000,000	10,000	-	-	10,000
Issuance for cash; $0.001 to $0.00125 per share; August 2013	-	-	-	-	27,000,000	27,000	3,000	-	30,000
Issuance for cash; $0.00125 per share; September 2013	-	-	-	-	20,000,000	20,000	5,000	-	25,000
Issuance for cash; $0.00111 to $0.0006 per share; October 2013	-	-	-	-	50,000,000	50,000	(10,000)	-	40,000
Issuance for cash; $0.00036 per share; December 2013	-	-	-	-	28,000,000	28,000	(18,000)	-	10,000
Series A preferred dividends	-	124,950	-	-	-	-	-	(124,950)	-
Net loss	-	-	-	-	-	-	-	(640,342)	(640,342)
Balance, December 31, 2013	100	2,386,287	1,270,000	1,270,000	314,187,260	314,187	848,669	(5,124,777)	(305,634)
Issuance for cash; $0.00003 per share; January 2014	-	-	-	-	50,000,000	50,000	(35,000)	-	15,000
Issuance for cash; $0.001 per share; April 2014	-	-	-	-	15,000,000	15,000	-	-	15,000
Common Stock issued for conversion of debt	-	-	-	-	550,020,258	550,020	(409,932)	-	140,088
Common Stock issued for Director Compensation	-	-	-	-	20,000,000	20,000	4,000	-	24,000
Series B preferred shares issued for notes receivable	-	-	1,701,200	1,701,200	-	-	-	-	1,701,200
Series B Shares issued for officer compensation	-		200,000	200,000	-	-	-	-	200,000
Series A preferred dividends	-	203,793	-	-	-	-	-	(203,793)	-
Net loss	-	-	-	-	-	-	-	(473,604)	(473,604)
Balance, December 31, 2014	100	$ 2,590,080	3,171,200	$ 3,171,200	949,207,518	$ 949,207	$ 407,737	$ (5,802,174)	$ 1,316,050

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

Capital Financial Global, Inc. and Subsidiary
Consolidated Statements of Cash Flows

	For the Twelve Months Ended December 31, 2014 (Unaudited)	2013 (Unaudited)
Cash flows from operating activities		
Net loss	$ (473,604)	$ (640,342)
Adjustments to reconcile net loss to net cash provided by (used in) operating activities:		
Depreciation and amortization	7,085	8,064
Net unrealized trading gains	-	21,163
Net provision for loan losses on Notes held for sale		200,403
Net provision for uncollectible interest income	191,780	68,000
Loss on extinguishment of debt	-	-
Series B Preferred Shares issued for compensation	200,000	
Common Stock Issued for Services	24,000	4,000
Amortization of debt discount	-	145,658
Changes in operating assets and liabilities:		
Investment in fixed maturity trading securities	1,300	488,170
Interest income receivable	(310,389)	(181,665)
Accounts payable and accrued liabilities	5,671	57,480
Accrued interest payable	38,366	94,781
Accrued compensation and payroll liabilities	91,321	44,545
Net cash provided (used) by operation activities	(224,470)	310,259
Cash flows from investing activities		
Investment in note receivable	(1,701,200)	-
Net cash provided (used) by investing activities	(1,701,200)	-
Cash flows from financing activities		
Common stock issued, net of paid-in capital	170,088	135,000
Series A Preferres Stock dividends	-	
Series B Preferred Stock	1,701,200	
Net proceeds (payments) on credit facilities	-	(460,695)
Net proceeds from notes payable	47,186	9,000
Net proceeds from related party note payable	(986)	8,990
Net cash provided (used) by financing activities	1,917,488	(307,705)
Net increase (decrease) in cash and cash equivalents	(8,181)	2,554
Cash and cash equivalents, beginning of period	8,600	6,046
Cash and cash equivalents, end of period	$ 419	$ 8,600
Supplemental Disclosures of Cash Flow Information		
Non-cash financing activities:		
Series A preferred dividends	$ 203,793	$ 124,950
Series B preferred shares issued for notes receivable	1,701,200	-
Series B preferred shares issued for compensation	200,000	68,250
Common stock issued for conversion of debt	140,088	
Common stock issued for services	24,000	-

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

NOTE 1- BASIS OF PRESENTATION

The accompanying interim consolidated financial statements were prepared by the Company without audit. Certain information and footnote disclosures normally included in financial statements prepared in accordance with accounting principles generally accepted in the United States of America have been condensed or omitted. In management's opinion all necessary adjustments, which consist primarily of normal recurring adjustments, to the consolidated financial statements have been made to present fairly the consolidated financial position and results of operations and cash flows. The results of operations for the respective periods presented are not necessarily indicative of the results for the respective complete years. These consolidated financial statements should be read in conjunction with the consolidated financial statements and notes thereto included in the Company's annual financial statements as of and for the year ended December 31, 2013.

Recent Accounting Pronouncements
Management has considered all recent accounting pronouncements issued during the periods presented in the accompanying consolidated financial statements. The Company's management believes that these recent pronouncements will not have a material effect on the Company's consolidated financial statements.

NOTE 2 – BUSINESS CONDITION

The accompanying consolidated financial statements have been prepared assuming that the Company will continue as a going concern. The Company has had recurring losses along with an accumulated deficit totaling $5,802,173 as of December 31, 2014. These matters raise substantial doubt about the Company's ability to continue as a going concern. The consolidated financial statements do not include any adjustments that might result from the outcome of this uncertainty. Management's plans concerning these matters are to obtain additional debt and equity financing and expand lending to produce future revenues.

NOTE 3 – FAIR VALUE OF FINANCIAL INSTRUMENTS

The Company's financial instruments include cash, notes and other receivables, accounts payable and notes payable. The carrying amounts of cash, notes and other receivables, and accounts payable approximate their fair value due to their short maturities.

The financial instrument assets and liabilities carried at fair value on a recurring basis at December 31, 2014 are as follows:

Description	Total Fair Value	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
Notes receivable	$ 1,701,200	$ -	$ -	$ 1,701,200
Note held for sale	508,000	-	-	508,000
Total	$ 2,209,200	$	$ -	$ 2,209,200

NOTE 4 – OTHER NOTES RECEIVABLE

In March 2014, the Company entered into agreements with the holders of various notes receivable due from an unrelated entity, Gold Rush Refiners, LLC, for a total discounted purchase price of $1,701,200, paid for with the issuance of 1,701,200 shares, at $1.00 per share, of the Company's Series B Preferred Stock. The total face value of these notes receivable was approximately $5,100,000, with varying interest rates from 0% to 36% per annum, are all currently or past due and are secured by the assets of Gold Rush Refiners, LLC.

In April 2014, the Company exchanged these notes for a new consolidated note with extended payment terms. (See Note 12—Consolidation of Other Notes Receivable.)

NOTE 5 – NOTE HELD FOR SALE

On October 9, 2012, the Company issued a Secured Promissory Note with Benefits for Corporate America, Inc. ("BCA Note") for $770,000. This note bears interest at 6.00% per annum with a default interest rate of 18.00% with a 1.00% late payment penalty. The BCA Note was due on October 8, 2013. Security for the BCA Note consists of a security interest in certain general intangible assets, accounts receivable, inventory, and equipment and fixtures. This collateral includes cash surrender values of life insurance policies valued at $4,029,000. These policies are valued at the lower of cost or fair value, which is the cash surrender value. The security interest was granted by The BCA Deferred Compensation Trust ("Trust") to the Company on October 9, 2012. Benefits for Corporate America, Inc. and Trust are considered to be related parties with each other. The BCA Note requires that monthly interest payments are made with the principal balance due in a lump sum on the due date. The Company is actively pursuing a sale of this note.

No interest payments have been made on this BCA Note. As a result the receivable for interest income has been determined using the 18.00% default rate along with the 1.00% late payment fee. The Company has pursued collection or restructuring of the BCA Note without success. In April of 2014, the borrower initiated a law suit asserting fraud against the Company (see Note 14). The Company and the collection agent are confident that collection of the BCA Note and related accrued interest income and late fees will be successful. In consideration of the costs anticipated to obtain payment of the BCA Note and related accrued interest income and late fees, an allowance of $262,000 has been provided for on the BCA Note with an additional allowance of $259,780 related to the accrued interest income and late fees.

NOTE 6 – INVESTMENT IN MINING PROPERTY

On September 29, 2011, the Company executed an Asset Purchase and Sale Agreement wherein it acquired 100% interest in 85.5 acres of land containing five patented lode mining claims along with water rights and certain property and equipment and other assets composing the St. Louis Mine, in Clark County, Nevada. The purchase price consisted of $20,000 cash, a secured note for $250,000, and an unsecured note for $730,000, both bearing interests at 6% and, as amended on December 30, 2014, are due and payable on June 30, 2016. The Company determined that the acquisition value of the mining property discounting the notes payable at a 30% risk rate as of the date of acquisition, plus the cash consideration, was $548,835. The mining property has not yet been put into operation since the date of acquisition. As of December 31, 2014, no further discounts to the acquisition value of those assets have been recognized.

NOTE 7 – CONVERTIBLE NOTES PAYABLE

On October 28, 2011, the Company issued a $50,000 note payable (net of a $5,000 discount, which was fully amortized in 2011), which matured April 28, 2012. The note was convertible at 50% of the market value of the Company's common stock, which valued the note at $100,000 with the additional $50,000 expensed in full during the year ended December 31, 2011. The note provided for 12% interest per annum until maturity, after which the note would be in default and assume a rate of 24%. During the 2014 calendar year, the note holder elected to convert several amounts of the note to common stock, leaving a balance of $20,230, as of December 31, 2014. As a result, the $50,000 assessment for convertibility was reversed.

On November 1, 2011, the Company issued an additional $50,000 note payable (net of a $5,000 discount, which was fully amortized in 2011), which matured on April 20, 2012. The note was convertible at 50% of the market value of the Company's common stock, which valued the note at $100,000 with the additional $50,000 expensed in full during the year ended December 31, 2011. The note provided for 12% interest per annum until maturity after which the note would be in default and assume a rate of 24%. During the 2014 calendar year, the entire note was converted to common stock and the $50,000 assessment for convertibility was reversed.

As explained in Note 11—Common Stock, during the twelve months ended December 31, 2014, portions of each of the foregoing notes were converted to common stock.

NOTE 8 – RELATED PARTY NOTES PAYABLE

During the twelve months ended December 31, 2014, the Company issued, and subsequently partially repaid, several promissory notes to the Company's CEO in consideration of cash advances to the Company. The notes bear interest at 12% per annum and mature in 12 months. Accordingly, these debt obligations have been included in current liabilities in the accompanying consolidated financial statements. At December 31, 2014, the value of amounts owed on related party notes was $8,005.

NOTE 9 – LONG-TERM NOTES PAYABLE

On September 29, 2011, the Company executed an Asset Purchase and Sale Agreement with an unrelated party wherein it acquired 100% interest in 85.5 acres of property consisting of five patented lode mining claims along with water rights and certain property and equipment and other assets composing the St. Louis

Mine, in Clark County, Nevada (see Note 6). The purchase price consisted of $20,000 cash, a note for $250,000 secured by a deed of trust on the property purchased, and an unsecured note for $730,000. Both notes bear interest at 6% and, as amended on December 30, 2014, are due and payable on June 30, 2016. A discounted rate of 30% representing approximate market risk value was used to recognize an initial discount of $451,165. As of December 31, 2014 and December 31, 2013, the total unamortized discount on both loans was $58,195 and $204,335, respectively.

NOTE 10 – PREFERRED STOCK

The Company has a total of 50,000,100 shares of Preferred Stock authorized, 100 shares of which have been designated as Series A Preferred Stock and 20,000,000 as Series B Preferred Stock. The remaining 30,000,000 shares of Preferred Stock have not yet been designated.

<u>Series A Preferred Stock</u>
The 100 shares of Series A preferred stock are convertible into 105% of the common shares outstanding immediately prior to conversion. The 100 shares of Series A Preferred stock were initially issued to the current Chairman of the Board, CEO, and President of the Company as part of the acquisition of the assets of Capital Financial Services, Inc. in May 2010 (see Note 1). Conversion of the 100 Series A Preferred shares was initially contingent upon certain milestones being met. All milestones were met on May 24, 2011 and on that date the Series A Preferred shares became unconditionally convertible into common shares of the Company. Subsequent to initial issuance, as additional shares of common stock have been issued, the holder of the Series A Preferred Shares has the right to obtain additional shares of common stock upon conversion as a result of the 105% conversion provision. The value of the right to obtain those additional shares of common stock has been recognized as additional value of the Series A Preferred Shares and consideration to the holder of the Series A Preferred Shares in the form of a preferred stock dividend, and amounted to $203,793 for the twelve month period ended December 31, 2014.

<u>Series B Preferred Stock</u>
The Company's Series B Preferred Stock includes terms that provide for a 4% cumulative dividend, payable quarterly from the date of issuance in July 2010, when, as, and if declared by the Company's Board of Directors. As of December 31, 2014, no such dividends have been declared.

NOTE 11 – COMMON STOCK

During the twelve months ended December 31, 2014, the Company issued a total of 65,000,000 shares of common stock for cash proceeds of $30,000.

During the twelve months ended December 31, 2014, the Company issued a total of 550,020,258 shares of common stock for the conversion of debt according to the terms of convertible notes payable agreements. (See Note 7.) This resulted in the settlement of $140,088 in outstanding debt during the period.

During the twelve months ended December 31, 2014, the company issued 20,000,000 shares of common stock for director compensation valued at $24,000.

NOTE 12 – CONSOLIDATION OF OTHER NOTES RECEIVABLE

On April 8, 2014, the Company entered into a settlement agreement with Quantum Refiners, LLC, in which the Company exchanged the notes aggregating approximately $5,100,000 from various makers for the issuance by Quantum Refiners, LLC, of a new, consolidated note in the principal amount of $5,100,000, bearing interest at 12% before default and at 24% thereafter, and payable on or before April 7, 2019. Payment of the consolidated note is secured by all of the assets of Quantum Refiners. (See Note 4—Other Notes Receivable.)

NOTE 13 – MATERIAL RELATED-PARTY EVENTS

Assumption of $5,100,000 Note Receivable

On April 8, 2014, Gold Rush Refiners, LLC, the maker of the $5,100,000 consolidated note discussed above, sold all of its assets to a company owned by the Company's president and chief executive officer, Gold Rush Refiners International, LLC (now, Quantum Refiners, LLC), which assumed the obligation on the consolidated note and granted a security interest in all of the assets acquired from Gold Rush Refiners, LLC, as security for repayment of the obligation evidenced by the note. In addition to the assumption of the obligation under the $5,100,000 consolidated note, Gold Rush Refiners International, LLC (now, Quantum Refiners, LLC), issued to Gold Rush Refiners, LLC, an unsecured promissory note in the amount of $240,000, or 10% of the aggregate 12-month net income of Gold Rush Refiners LLC, whichever is less, or so much thereof as is from time to time outstanding, bearing interest at 12% per annum and due in full on April 7, 2015. Due to the potential uncollectibility of this balance, the Company has determined to retain the current book value of $1,701,200 on the balance sheet, which corresponds to the 1,701,200 shares of Series B Preferred Stock, at $1.00 per share, the company exchanged for the note.

Gold Concentrate Sales Agreement

In July 2014, the Company entered into a 10-year off-take agreement with Noble Metal Kings, an unrelated mining company, to purchase gold ore concentrates. The agreement calls for a minimum of 100 kilograms (3,215 troy ounces) per month, at 80% purity, with a price of 85% of spot gold price. The Company will bear the costs of shipping the concentrates from the Arizona mine to the Quantum Refiners, LLC, or another refinery of the Company's choice. The Company will owe payment for the concentrates purchased within three days after the final assay to be completed when the gold refined from the concentrates is sold to a third-party purchaser. The Company is currently evaluating the concentrate mineralization grade, metallurgical compatibility with the refinery's processes, transportation logistics and costs, permitting requirements, and related issues.

The Company expects to deliver and sell the gold material purchased from Noble Metal Kings to Quantum Refiners, LLC (formerly Gold Rush Refiners International, LLC), which is owned by the Company's president and chief executive officer. The purchase price due by Quantum Refiners, LLC, to the Company will be 95% of the spot gold price, payable within 24 hours after the final assay to be completed by the third-party purchaser from Quantum. Quantum Refiners, LLC, owes $5.1 million, plus interest, to the Company under the consolidated note discussed in Note 12—Consolidation of Other Notes Receivable.

The Offtake Agreement for the Company's purchase of concentrate from Noble Metal Kings anticipates that production was to begin in October 2014, but that has been delayed. The Company does not know of Noble

Metal Kings' operating or financial capability to commence commercial-scale production as contemplated under the Offtake Agreement. Noble Metal Kings has advised the Company that it has identified investor start-up capital, necessary equipment, supplies, and logistical support to commence mining in the near future, although the Company is unable to confirm these representations.

The Company is reviewing applicable revenue recognition accounting principles and will adopt appropriate revenue recognition procedures prior to commencing gold sales.

NOTE 14 – PENDING LITIGATION

In mid-2012, the Company issued to Zermatt Life/Health Insurance Trust (Zermatt), an unrelated party, $770,000 in Series B Preferred Stock, with a 4% cumulative dividend payable if, as, and when declared. Also in mid-2012, the Company used the proceeds from this preferred stock sale to loan Benefits for Corporate America Deferred Compensation Trust (BCA), an unrelated third party, $770,000. The borrower delivered to the Company a promissory note secured by the third party's accommodation pledge of all of its assets, including its interest in 64 life insurance policies having a cash surrender balance of more than $4 million. At the time of the foregoing preferred stock sale and loan, the purchaser of the stock (Zermatt) and the borrower (BCA) were represented to be unrelated to each other. The borrower defaulted in note payments, and the Company initiated and then accelerated efforts to collect payment of the $770,000 note. Following such collection efforts, it was discovered that the preferred stockholder and borrower were affiliated or related in that BCA has refused to repay the note balance due, which is more than $1 million, unless the Company agrees to repurchase all the Series B Preferred Stock held by Zermatt, which totals 1,470,000 shares. The Company believes that it is not obligated to repurchase the shares held by Zermatt and is entitled to collect from BCA. In response to the Company's position, in April 2014, Benefits for Corporate America, Inc., and others filed a lawsuit against the Company, a subsidiary, and Paul Norat, the Company's president and chief executive officer, entitled *Benefits for Corporate America, Inc., et al., vs. Capital Financial, LLC, et al*., Third Judicial District Court, Salt Lake County, Utah, case no. 140902802, alleging breach of contract, fraud, violation of the Utah Uniform Securities Act, and failure of consideration and seeking a declaratory judgment that certain notes are not enforceable and for unspecified damages, costs, and attorneys' fees.

The defendants have denied the substantive allegations of the complaint, and the Company's subsidiary, Capital Financial, LLC, filed a counterclaim seeking to recover previously incurred costs $104,325, plus interest. The counterclaim defendants have denied the substantive allegations in the counterclaim.

Capital Financial, LLC, has filed an amended counterclaim further asserting breach of contract and foreclosure on the collateral securing over $1.0 million in indebtedness. The counterclaim defendants have denied all substantive allegations of the amended counterclaim.

The lawsuit is in the early pleading stage.

NOTE 15 – SUBSEQUENT EVENTS

In accordance with Financial Accounting Standards Board Accounting Standards Codification 855, Company management reviewed all material events through the date of this filing and has determined that no additional events exist that require disclosure.