

DIAMOND LAKE MINERALS, INC.

Financial Statement

For the Nine Months Ended

September 30, 2017

Consolidated

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DIAMOND LAKE MINERALS, INC.  
11700 Mukilteo Speedway Suite 201-1030  
Mukilteo, Washington 98275  
Consolidated

September 30, 2017

To the Board of Directors  
Diamond Lake Minerals, Inc.  
Mukilteo, Washington

Management is responsible for the accompanying financial statements of Diamond Lake Minerals, Inc. (a corporation), which comprise the balance sheet as of September 30, 2017 and the related statements of operations and cash flows for the nine (9) months then ended and the related notes to the financial statements in accordance with accounting principles generally accepted in the United States of America. The statements have not been audited or reviewed. Accordingly no opinion has been expressed, nor provide any form of assurance on these financial statements.

We are not independent with respect to Diamond Lake Minerals, Inc.

DIAMOND LAKE MINERALS, INC.  
11700 Mukilteo Speedway Suite 201-1030  
Mukilteo, Washington 98275  
Consolidated  
Unaudited compilation only

Assets

	<u>9/30/2017</u>	<u>9/30/2016</u>
Cash	\$ 23,208	\$ -
Accounts Receivable	\$ 156,315	\$ -
Other	\$ -	\$ -
		\$-
Total Current Assets	\$ 179,523	\$ -
Fixed Assets	\$ 2,539	\$ -
Other Assets	\$ 91,658	
Total Assets	\$ 273,719	\$ -

Liabilities & Stockholders' Equity

Current Liabilities:

Accounts Payable	\$ 38,115	\$ -
Accrued Expenses	\$ -	\$ -
Taxes Due	\$ 20	\$ -
Operating Lines	\$ 30,765	\$ -
Total Current Liabilities	\$ 68,900	\$ -

Total Liabilities	\$ 68,900	\$ -
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Stockholder Equity:

Retained Earnings	\$ 183,202	\$ -
Contributions/Withdrawals	\$ (157,773)	\$ -
Net Income (Loss)	\$ 179,389	\$ -
Stockholder Equity (Deficit)	\$ 204,819	\$ -

Total Liabilities and Stockholders' Equity (Deficit)	\$ 273,719	\$ -
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DIAMOND LAKE MINERALS, INC.  
11700 Mukilteo Speedway Suite 201-1030  
Mukilteo, Washington 98275  
Consolidated  
Statement of Operations

	3rd Qtr. 7-1 to 9-30	For the Period Ended	
		9/30/2017	9/30/2016
Income	\$ 6,752	\$ 225,863	\$ -
Operating Expenses	\$ 2,179	\$ 180,872	\$ -
Other Expenses			
Total Expenses for the Period	\$ 2,179	\$ 180,872	\$ -
Net Operating Income	\$ 4,574	\$ 44,991	\$ -
Interest Earned	\$ -	\$ 1	\$ -
Depreciation	\$ (546)	\$ (1,484)	\$ -
Miscellaneous	\$ -	\$ -	\$ -
Total Other Income and Expenses	\$ (546)	\$ (1,483)	\$ -
Net Operating Income (Loss)	\$ 1,632	\$ 179,389	\$ -

DIAMOND LAKE MINERALS, INC.  
11700 Mukilteo Speedway Suite 201-1030  
Mukilteo, Washington 98275  
Consolidated  
Statement of Cash Flows

	3rd Qtr. 7-1 to 9-30	Nine Months Ended 9/30/2017	Twelve Months Ended 9/30/2016
CASHFLOW			
Net Income (Loss)	\$ 1,632	\$ 179,389	\$ -
Adjustments:			
Net Contributions and withdrawals	\$ (40,506)	\$ (85,282)	\$ -
Depreciation	\$ 546	\$ 1,484	\$ -
Cash flow from operating accounts	\$ 1,344	\$ (138,004)	
Cash flow from investing activities	\$ (8,672)	\$ (17,115)	
Cash flow from Financing Activities	\$ (6,203)	\$ (26,411)	
Capital Adjustment Note 9	\$ (4,435)	\$ 94,338	
Net increase (decrease) in cash	\$ (56,293)	\$ 8,398	\$ -
Cash at the beginning of the period	\$ 79,501	\$ 14,810	\$ -
Cash at the end of the period	\$ 23,208	\$ 23,208	\$ -

DIAMOND LAKE MINERALS, INC.  
11700 Mukilteo Speedway Suite 201-1030  
Mukilteo, Washington 98275  
Notes to the Financial Statement  
September 30, 2017  
Consolidated

Note 1 - History and Accounting Methods:

a. Organization

Diamond Lake Minerals, Inc. (the Company) was incorporated in the State of Utah on January 5, 1954 under the name of G & L Equipment Co., Inc. It later changed its name to G & L Energy, Inc. on August 10, 1982. The Company operated as a Yamaha motorcycle dealership and ceased doing business in 1983. All assets and liabilities were liquidated by 1985 and the Company became inactive.

On November 30, 1993, the Company acquired all of the issued and outstanding stock of Graphite Mountain, Inc. (an Ontario, Canada corporation) ("Graphite") in exchange for 16,812,000 of the Company's common stock. Graphite was formed on November 1, 1990 and changed its name to Diamond Lake Minerals, Inc. The acquisition of Graphite Mountain, Inc. was recorded as a recapitalization of Graphite Mountain, Inc. whereby the acquired company is treated as the surviving entity for accounting purposes.

In and around 2000, the Company ceased operations and began seeking out merger candidates. On May 2, 2013, Crystal Creek Capital, LLC ("Crystal") instituted legal proceedings, resulting in a change of control, after which time the Company began looking for a new business purpose or opportunity.

On July 1, 2016, the Company effected a change of control and new officers and directors were appointed on August 16, 2016. In November 2016, the Company acquired 100% of the membership interests in Tioga Industries, LLC, a Washington State entity whose business operations consists of contract sales of aggregates and scoria, and custom crushing of the same for the oil and gas industry and general construction projects, primarily in the states of North Dakota, Montana, Washington and Oregon.

The Company's current operations are carried in its wholly owned subsidiary, Tioga Industries, LLC.

b. Accounting Method

The Company's financial statements are prepared using the accrual method of accounting. The company has adopted a calendar year end.

DIAMOND LAKE MINERALS, INC.  
11700 Mukilteo Speedway Suite 201-1030  
Mukilteo, Washington 98275  
Notes to the Financial Statement  
September 30, 2017  
Consolidated

Notes to financial statement continued:

c. Cash Equivalents

The company considers all highly liquid investments with a maturity of three months or less when purchased to be cash equivalents.

d. Principles of Consolidation

The company's current operations are carried out under Tioga. As the Company has no operations aside from those of its subsidiary, Tioga, there are no assets and no liabilities. A consolidation is unnecessary at this time.

Note 2 - Operations

There were no operations in 2016 outside those of Tioga Industries LLC.

Note 3 - Subsequent Events

a. The Company has evaluated subsequent events through 11-6-2017, the date which the financial statements were available to be issued, and noted no material subsequent events that would require adjustment in or disclosure to these financials statements beyond what is disclosed in notes 4, 5 and 6 below.

Note 4 - Change in majority stockholder and new President and Director.

In July 2016, the former majority shareholder sold all owned shares to Emil Sciarretta. The number of shares purchased was 57,962,465. Emil Sciarretta remains as the Company's President and Director.

After the 170-for-1 reverse stock split the ownership shares by the majority stock holder are 340,955.67 shares.



DIAMOND LAKE MINERALS, INC.  
11700 Mukilteo Speedway Suite 201-1030  
Mukilteo, Washington 98275  
Notes to the Financial Statement  
September 30, 2017  
Consolidated

Notes to financial statement continued:

Note 5 - Stock Reverse Split of Outstanding Common Stock

During the last quarter of 2016, the Company effected a reduction of all issued and outstanding shares of its common stock in the Company at a ratio of 1 new share for 170 shares of old common stock. No Shareholder received less than 100 shares of new common stock regardless of the number of old shares actually owned by such shareholder.

Note 6 - Acquisition of Company

An acquisition was completed in the 4th quarter of 2016 of Tioga Industries LLC, which was owned by Emil Sciarretta, the Company's majority shareholder, President & Director. This company is involved in mining and related industries. The company is headquartered in Mukilteo, Washington.

The acquisition of Tioga Industries, LLC was completed on November 18, 2016. The Tioga Members assigned 100% of their issued and outstanding membership interests of Tioga in exchange for 1,000,000 (One Million) restricted shares of Diamond Lake's common stock, par value \$.001 per share, post split following the 170-for-1 reverse split approved by FINRA on November 2, 2016.

DIAMOND LAKE MINERALS, INC.  
11700 Mukilteo Speedway Suite 201-1030  
Mukilteo, Washington 98275  
September 30, 2017

Unaudited compilation only - not consolidated  
Comparative

Assets

	<u>9/30/2017</u>	<u>9/30/2016</u>
Current Assets	\$ -	\$ -
Total Current Assets	<hr/> \$ -	<hr/> \$ -
Fixed Assets	\$ -	\$ -
Intangible Assets	\$ -	\$ -
Total Assets	<hr/> \$ -	<hr/> \$ -

Liabilities & Stockholders' Equity

Current Liabilities:

	\$ -	\$ -
	\$ -	\$ -
	\$ -	\$ -
Total Current Liabilities	<hr/> \$ -	<hr/> \$ -
Other Liabilities	\$ -	\$ -
Total Liabilities	<hr/> \$ -	<hr/> \$ -
Stockholder Equity:		
Retained Deficit	\$ -	\$ -
Operating Loss	<hr/>	<hr/>
Total Liabilities and Stockholders' Equity (Deficit)	\$ -	\$ -

DIAMOND LAKE MINERALS, INC.  
11700 Mukilteo Speedway Suite 201-1030  
Mukilteo, Washington 98275  
September 30, 2017

Statement of Operations - not consolidated

	3rd Qtr. 7/1 to 9/30	For the Period ended	
		9/30/2017	9/30/2016
Income	\$ -	\$ -	\$ -
Operating Expenses	\$ -	\$ -	\$ -
Utah State Income Taxes			\$ -
Total Expenses for the Period	\$ -	\$ -	\$ -
Net Operating Income (Loss)	\$ -	\$ -	\$ -

DIAMOND LAKE MINERALS, INC.  
11700 Mukilteo Speedway Suite 201-1030  
Mukilteo, Washington 98275  
September 30, 2017

Statement of Cash Flows - not consolidated

CASHFLOW	3rd Qtr. 7/1 to 9/30	For the Period ended 9/30/2017	9/30/2016
Net Loss	\$ -	\$ -	\$ -
Adjustments:			
Increase in taxes payable	\$ -	\$ -	\$ -
Cash flow from investing activities	\$ -	\$ -	\$ -
Cash flow from Financing Activities	\$ -	\$ -	\$ -
Net decrease in cash	\$ -	\$ -	\$ -
Cash at the beginning of the period	\$ -	\$ -	\$ -
Cash at the end of the period	\$ -	\$ -	\$ -

TIOGA INDUSTRIES LLC

Financial Statement

For the Nine Months Ended

September 30, 2017

Tioga Industries LLC  
11700 Mukilteo Speedway Suite 201-1030  
Mukilteo, Washington 98275

Unaudited compilation only

Assets

	<u>9/30/2017</u>	<u>12/31/2016</u>
Cash	\$ 23,208	\$ 14,810
Accounts Receivable	\$ 156,315	\$ 273,544
Miscellaneous	\$ -	\$ (1,000)
Total Current Assets	<hr/> \$ 179,523	<hr/> \$ 287,354
Equipment	\$ 36,757	\$ 36,757
Accumulated Depreciation	\$ (34,218)	\$ (32,734)
Fixed Assets	\$ 2,539	\$ 4,023
*Other Assets - Investment Diamond Lake Minerals (See note 8)	\$ 91,658	\$ 74,542
Intangible Assets		\$ -
Total Assets	<hr/> \$ 273,719	<hr/> \$ 365,919

Tioga Industries LLC  
11700 Mukilteo Speedway Suite 201-1030  
Mukilteo, Washington 98275

Unaudited compilation only

Liabilities & Stockholders' Equity

Current Liabilities:	9/30/2017	12/31/2016
Accounts Payable	\$ 38,115	\$ 293,369
Accrued Expenses	\$ -	\$ -
Sales Tax	\$ 20	\$ -
Chase Bank	\$ 463	\$ 7,200
Wells Fargo Bank	\$ 30,302	\$ 49,976
 Total Current Liabilities	 \$ 68,900	 \$ 350,545
 Other Debt	 \$ -	 \$ -
	\$ -	\$ -
 Total Liabilities	 \$ 68,900	 \$ 350,545
 Equity:		
Retained Earnings	\$ 183,202	\$ 2,616
Contributions	\$ 28,244	\$ 28,244
Withdrawals	\$ (186,017)	\$ (101,735)
Operating Profit (Loss)	\$ 179,389	\$ 86,249
 Total Liabilities and Stockholders' Equity (Deficit)	 \$ 273,719	 \$ 365,919

Tioga Industries LLC  
11700 Mukilteo Speedway Suite 201-1030  
Mukilteo, Washington 98275

Statement of Operations

	3rd Qtr. 07-01 to 9-30	For the Period ended	
		9/30/2017	12/31/2016
Sales	\$ 6,752	\$ 276,190	\$ 444,496
Trucking Revenue		\$ 9,003	\$ 13,954
Gross Income	\$ 6,752	\$ 285,194	\$ 458,450
Less Cost of Goods Sold	\$ -	\$ (59,330)	\$ (321,065)
Total Income	\$ 6,752	\$ 225,863	\$ 137,385
Expenses:			
Advertising			\$ 350
Auto		\$ 1,765	\$ 11,871
Bank Charges	\$ 54	\$ 784	\$ 1,163
Commission and Fees	\$ 600	\$ 17,471	\$ 16,754
Insurance	\$ 149	\$ 2,991	\$ 10,522
Interest Expense	\$ 58	\$ 717	\$ 2,287
Professional fees		\$ 3,483	\$ 236
Office Expense	\$ 106	\$ 4,843	\$ 3,136
Professional Services - Bookkeeping	\$ 1,175	\$ 6,325	\$ 14,734
Telephone	\$ 673	\$ 1,523	\$ 1,616
Travel	\$ 1,663	\$ 4,993	\$ 6,520
Other Expenses	\$ 96	\$ 96	\$ 1,477
Total Expenses	\$ 4,574	\$ 44,991	\$ 70,666
Net Operating Income (Loss)	\$ 2,179	\$ 180,872	\$ 66,719
Other Income and Expenses			
Interest Earned		\$ 1	\$ 4
Depreciation	\$ (546)	\$ (1,484)	\$ (1,675)
Miscellaneous	\$ -	\$ -	\$ 11,201
Total Other Income and Expenses	\$ (546)	\$ (1,483)	\$ 9,530
Net Income	\$ 1,632	\$ 179,389	\$ 76,249



Tioga Industries LLC  
11700 Mukilteo Speedway Suite 201-1030  
Mukilteo, Washington 98275

Membership Equity (Deficit)

		Equity
	3rd Qtr.	Nine Months
Equity Balance 12/31/2016		\$ 15,374
Equity Balance 6-30-2017	\$ 243,693	
Net Operating Income (Loss)	\$ 1,632	\$ 179,389
Withdrawals	\$ (40,506)	\$ (84,282)
Contributions	\$ -	\$ -
Capital Adjustment Note 9	\$ -	\$ 94,338
Equity Balance September 30, 2017	\$ 204,819	\$ 204,819
		Equity
Equity Balance 12/31/2015		\$ 2,616
Net Operating Income (Loss)		\$ 86,249
Withdrawals		\$ (101,735)
Contributions		\$ 28,244
Equity Balance 12/31/2016		<hr/> \$ 15,374

Tioga Industries LLC  
11700 Mukilteo Speedway Suite 201-1030  
Mukilteo, Washington 98275

Statement of Cash Flows

	Three Months Ended 07-01 to 9-30	Nine Months Ended 9/30/2017
CASHFLOW		
Net Income	\$ 1,632	\$ 179,389
Contributions	\$ -	
Withdrawals	\$ (40,506)	\$ (84,282)
Prior Period Adjustment to withdrawals		\$ (1,000)
Capital Adjustment Note 9	\$ (4,435)	\$ 94,338
Depreciation	\$ 546	\$ 1,484
Adjustments:		
(Increase) Decrease in Accounts Receivable	\$ 1,470	\$ 117,229
(Increase) Decrease in other current assets	\$ -	\$ 20
Increase (Decrease) in Accounts Payable	\$ -	\$ (255,254)
Increase (Decrease) in Accrued Expenses	\$ (126)	
Cash flow from investing activities	\$ (8,672)	\$ (17,115)
Cash flow from Financing Activities	\$ (6,203)	\$ (26,411)
Net Increase in Cash	\$ (56,293)	\$ 8,398
Cash at the beginning of the period	\$ 79,501	\$ 14,810
Cash at the end of the period	\$ 23,208	\$ 23,208

Tioga Industries LLC  
11700 Mukilteo Speedway Suite 201-1030  
Mukilteo, Washington 98275

Notes to Financial Statements:

Note 7

Tioga Industries LLC is a single member limited liability company, whose sole member is the Company. Tioga is a sales business, selling gravel products in the Bakken oil play in North Dakota since 2011. Tioga has recently expanded into the real estate business of buying, remodeling and selling foreclosed houses in the Phoenix, Arizona area.

Note 8

Diamond Lake Minerals Inc. acquisition capital and expenditures related to the acquisition.

Purchase of Stock	\$ 50,000
Legal fees related to the stock acquisition 12/15/2015	\$ 10,000
Legal fees related to the stock acquisition 2016	\$ 3,500
Acquisition reporting fees	\$ 7,250
Prior tax return preparation (2013, 2014, 2015)	\$ 1,450
Other related expenses	\$ 5,842
Legal and reporting	<u>\$ 13,615</u>
 Total	 \$ 91,658

Note 9

Capital Adjustment

	3rd Quarter 7/1 to 9/30	Nine Months 9/30/2017
Assets and Liability Changes:		
Increase in accounts receivable Prior Period	\$ (512)	\$ 15,966
Miscellaneous current asset moved to cash		\$ 1,000
Change in Short-term Debt	\$ 4,947	
Decrease in accounts payable		<u>\$ 77,372</u>
Capital Adjustment	\$ 4,435	\$ 94,338
Asset and Liability Changes Impact on Capital Position:		
Increase (Decrease) Profits 2016	\$ (512)	\$ 84,338
Decrease in Short -term debt	\$ 4,947	
Capitalized DLM Expenses incurred on 12-15-2015		<u>\$ 10,000</u>
Change to Capital Position	\$ 4,435	\$ 94,338

Diamond Lake Minerals, Inc.  
11700 Mukilteo Speedway Suite 201-1030  
Mukilteo, Washington 98275

Consolidation Supplement

	9/30/2017		
	Diamond Lake	Tioga Industries	Consolidated
Cash		\$ 23,208	\$ 23,208
Accounts Receivable		\$ 156,315	\$ 156,315
Other		\$ -	\$ -
			\$ -
Total Current Assets	\$ -	\$ 179,523	\$ 179,523
			\$ -
Fixed Assets		\$ 2,539	\$ 2,539
			\$ -
Other Assets		\$ 91,658	\$ 91,658
Total Assets	\$ -	\$ 273,719	\$ 273,719
Current Liabilities:			
Accounts Payable		\$ 38,115	\$ 38,115
Accrued Expenses		\$ -	\$ -
Taxes Due	\$ -	\$ 20	\$ 20
Operating Lines		\$ 30,765	\$ 30,765
Total Current Liabilities	\$ -	\$ 68,900	\$ 68,900
Other Debt	\$ -	\$ 0	\$ 0
Total Liabilities	\$ -	\$ 68,900	\$ 68,900
Stockholder Equity:			\$ -
Retained Earnings	\$ -	\$ 183,202	\$ 183,202
Contributions/Withdrawals		\$ (157,773)	\$ (157,773)
Net Income (Loss)		\$ 179,389	\$ 179,389
Total Liabilities and Stockholders' Equity (Deficit)	\$ -	\$ 273,719	\$ 273,719

Diamond Lake Minerals, Inc.  
11700 Mukilteo Speedway Suite 201-1030  
Mukilteo, Washington 98275

Consolidation Supplement

	For the Period ended 9/30/2017		
	Diamond Lake	Tioga Industries	Consolidated
Income	\$ -	\$ 225,863	\$ 225,863
Expenses	\$ -	\$ 44,991	\$ 44,991
Operating Income	\$ -	\$ 180,872	\$ 180,872
Interest Earned	\$ -	\$ 1	\$ 1
Depreciation	\$ -	\$ (1,484)	\$ (1,484)
Miscellaneous	\$ -	\$ -	\$ -
Total Other Income and Expenses	\$ -	\$ (1,483)	\$ (1,483)
Net Operating Income (Loss)	\$ -	\$ 179,389	\$ 179,389