

**QUARTERLY REPORT FOR THE  
NINE MONTH PERIOD ENDING**

September 30, 2012

**ENERGY 1 CORPORATION  
OTCPK: EGO**



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NINE MONTH PERIOD ENDING**

September 30, 2012

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**QUARTERLY REPORT FOR THE  
NINE MONTH PERIOD ENDING**

September 30, 2012

SECTION ONE: ISSUERS' INITIAL DISCLOSURE OBLIGATIONS

**PART A - GENERAL COMPANY INFORMATION**

**ITEM I     Exact Name of the Issuer and its Predecessor**

*ENERGY 1 CORPORATION*

**Name Change History:**

*February 5, 2003: Incorporated as Northwest Horizon Corporation*

*August 8, 2005: Northwest Horizon Corporation to Dairy Fresh Farms, Inc.*

*March 12, 2009: Dairy Fresh Farms, Inc. to Energy 1 Corporation*

**ITEM II    Address of the Issuer's Principal Executive Offices**

*315 SOUTHEAST MIZNER BOULEVARD, SUITE 202  
BOCA RATON, FLORIDA 33432*

**Telephone & Fax:**

*561-347-6462 / 6766*

**Website:**

*www.Energy1Corp.com*

**ITEM III   Jurisdiction and Date of the Issuer's Incorporation**

*Nevada, 5 February 2003*

**IRS Employer Identification No.**

*98-0407549*

**PART B - SHARE STRUCTURE**

**ITEM IV   Exact Titles and Classes of Securities Outstanding**

**Common Stock:**    *1,875,000,000 Authorized (Total)*

**Trading Symbol:**   *EGOC*

**CUSIP Number:**    *29271K-10-6*

**Preferred Stock:**    *50,000,000 Authorized (Total)*

**Class A Preferred:**   *25,000,000 Authorized*

**Trading Symbol:**    *N/A - None*

**CUSIP Number:**    *N/A - None*

**Class B Preferred:**   *25,000,000 Authorized*

**Trading Symbol:**    *N/A - None*

**CUSIP Number:**    *N/A - None*

**ITEM V Par Value & Description of the Security**

- Common Stock:** *US\$0.001 Par Value  
The Common shares vote on a one share, one vote basis and do not have any dividend or pre-emption rights.*
- Class A Preferred:** *US\$0.001 Par Value  
The Class "A" Preferred shares vote on a one share, twenty-five vote basis; may convert to Common on a one preferred share, ten common share basis; and do not have any dividend or pre-emption rights.*
- Class B Preferred:** *US\$0.001 Par Value  
The Class "B" Preferred shares vote on a one share, fifty vote basis; may convert to Common on a one preferred share, one common share basis; and do not have any dividend or pre-emption rights.*

**ITEM VI Number of Shares Outstanding for Each Class of Security**

- Common Stock:** *As of 30 September 2012, the authorized shares consist of 1,875,000,000 shares of Common Stock at a par value of \$0.001 per share, of which 1,217,000,000 are issued and outstanding, with 116 shareholders of record.*
- Class A Preferred:** *As of 30 September 2012, the authorized shares consist of 25,000,000 shares of Class "A" Preferred Stock at a par value of \$0.001 per share, of which 22,700,000 are issued and outstanding, with 1 shareholder of record.*
- Class B Preferred:** *As of 30 September 2012, the authorized shares consist of 25,000,000 shares of Class "B" Preferred Stock at a par value of \$0.001 per share, of which 10,000,000 are issued and outstanding, with 1 shareholder of record.*

**PART C - BUSINESS INFORMATION**

**ITEM VII Name & Address of the Transfer Agent**

*Interwest Transfer Company, Inc.  
1981 Murray Holladay Road, Suite 100  
Salt Lake City, UT 84117  
801-272-9294  
www.interwesttc.com*

*\* Interwest Transfer Company, Inc. is registered under the Exchange Act and is an SEC approved Transfer Agent. The regulatory authority of the Transfer Agent is the SEC.*

**ITEM VIII Nature of the Issuer's Business**

*(As per Pink Sheet Guidelines: Version 9.7 as Updated on 7/22/2009, Section One & Section Two: Issuers' Continuing Disclosure Obligations regarding the Annual Reporting Obligations and by reference to the information required by Item VIII of Section One of the Guidelines for Issuers' Initial Disclosure Obligations.)*

**A - BUSINESS DEVELOPMENT**

**DISCLOSURES**

**1. Form of the Organization**

*Nevada Corporation*

**2. Year Organized**

*5 February 2003*

**3. Fiscal Year**

*December 31*

**4. Bankruptcy Receivership or Similar Proceedings**

*None - N/A*

**5. Material Reclassification, Merger, Consolidation, Purchase or Sale of Significant Assets**

*On February 27, 2009, the Company Dairy Fresh Farms Inc. entered into an agreement to acquire Monarch energy Corporation, a private Nevada company ("Monarch"), through a share exchange agreement dated February 27, 2009 (the "Share Exchange Agreement") whereby Monarch Energy Corporation would become a wholly owned subsidiary. In aggregate, the company issued 260,000,000 Restricted Common Shares in exchange for all of the common shares of Monarch Energy Corporation (100%).*

*On March 12, 2009 the State of Nevada approved the name change from Dairy Fresh Farms, Inc. to Energy 1 Corporation.*

*On April 27, 2009 FINRA processed the change of name and subsequently the trading symbol was changed to EGO. While the name change and trading symbol change remain effective, on March 17, 2010, Energy 1 Corporation cancelled the acquisition of Monarch Energy Corporation due to Monarch's failure to deliver the intellectual property as defined in the Share Exchange Agreement dated, February 27, 2009; and, subsequently, all of the previously issued 260,000,000 Restricted Common Shares were returned to treasury.*

*On January 28, 2010 a Memorandum of Understanding (MOU) was signed with Vortex IP, Inc. a private Florida company holding licensing right to various clean exhaust technology. In a Merger Agreement which was executed and consummated on March 5, 2010, Vortex IP became a 100% wholly owned subsidiary of Energy 1 Corporation. In aggregate, the company issued 260,000,000 Restricted Common Shares in exchange for all of the common shares of Vortex IP (100%).*

*On June 30, 2011, the Company entered into and executed an agreement with a non-affiliate 3rd party transferring all the rights, assets & liabilities of the subsidiaries known as Great Elk Brands (formerly Great Elk Oil & Gas Corporation) and its further subsidiary, Dairy Fresh Technologies Ltd.*

*On September 6, 2012, the Company entered into and executed an agreement with the non-affiliate 3rd parties of Master Lease Investments II, LLC., Holding Capital Group, LLC, and HCG Mezzanine Development Fund, LP (collectively, the "HC Group") to acquire: 100% of the equity interest in Master Lease of Delaware, LLC, 100% of the Secured Note Interest in Master Lease of Delaware, LLC, and 30% of the equity interest in Master Lease Owner Operator Services ("MLOOS") in exchange for an all cash purchase of US\$400,000.*

*On 27 September 2012, Energy 1 Corporation entered into an agreement with TCA Global Credit Master Fund, LP ("TCA" or "TCA Fund") wherein a \$3MM Senior Secured Credit Facility was established by and between TCA and the Company, whereby funds would be made available to Energy 1 Corporation by TCA on an as-needed basis, with the initial draw set at US\$600,000.*

*On 27 September 2012, Energy 1 Corporation closed with HC Group and acquired: 100% of the equity interest in Master Lease of Delaware, LLC, 100% of the Secured Note Interest in Master Lease of Delaware, LLC, and 30% of the equity interest in Master Lease Owner Operator Services ("MLOOS") in exchange for an all cash purchase of US\$400,000.*

**6. Default on Indebtedness of Financing Arrangements**

*None - N/A*

**7. Change of Control**

*On June 4, 2009: (i) Ian Morrice resigned as President/Chief Executive Officer of the Company; but remained on as Managing Director and (ii) Marc Gagnon resigned as CFO of the Company; Allen Soltis resigned as COO and Director, on June 4, 2009: (i) Robert Wilson became the President/CEO and Chairman of the Board of Directors of the Company June 4, 2009.*

*On December 8, 2009 Ian Morrice resigned as Managing Director.*

*The Company made a change in the day-to-day control of the activities of the Company with the introduction of a new President and Chairman as officially announced June 10, 2010, recognizing the resignation of Mr. Wilson and the appointment of Raymond T. Brown II as Chairman and CEO, and the further appointment of Dean Steiger as President.*

**8. Increase of 10% or More of the Same Class of Outstanding Equity Security**

*On January 28, 2010 a Memorandum of Understanding (MOU) was signed with Vortex IP, Inc. a private Florida company holding licensing right to various clean exhaust technology. In a Merger Agreement which was executed and consummated on March 5, 2010, Vortex IP became a 100% wholly owned subsidiary of Energy 1 Corporation. In aggregate, the company issued 260,000,000 Restricted Common Shares in exchange for all of the common shares of Vortex IP (100%).*

*On 27 September 2012, Energy 1 Corporation issued 167,000,00 restricted shares of its Common stock to TCA Global Credit Master Fund, LP ("TCA" or "TCA Fund") as and in lieu of an investment banking service charge of US\$100,000 in connection with a \$3MM Senior Secured Credit Facility established by and between TCA and the Company, whereby funds would be made available to Energy 1 Corporation by TCA on an as-needed basis, with the initial draw set at US\$600,000.*

*(\*Note: Energy 1 Corporation retains the sole and exclusive right to acquire the restricted shares issued to TCA Global Credit Master Fund, LP as and in lieu of an investment banking service charge at the time the shares become unrestricted. The Company expects the earliest date for the share to become unrestricted is on or after 27 September 2013 - twelve (12) months from the date of issue.)*

**9. Past, Pending or Anticipated Stock Split, Dividend, Recapitalization or Reorganization**

*There is no past, pending or anticipated stock split nor any stock dividend, recapitalization at the present time.*

*On February 27th, 2009, Dairy Fresh Farms Inc. acquired Monarch Energy Corporation, through the "Share Exchange Agreement". The Company was later renamed Energy 1 Corporation effective April 27<sup>th</sup>, 2009 under the new symbol EGOC.*

*On April 27, 2009 FINRA processed the change of name and subsequently the trading symbol was changed to EGOC. While the name change and trading symbol change remain effective, on March 17, 2010, Energy 1 Corporation cancelled the acquisition of Monarch Energy Corporation*

**10. Delisting of Securities by any Securities Exchange or Deletion from the OTC**

*Dairy Fresh Farms Inc. (now Energy 1 Corporation) voluntarily de-listed from the OTC Bulletin Board by deregistering as a reporting company on January 6<sup>th</sup>, 2009 in an effort to preserve cash.*

**11. Current, Past or Pending Legal Proceedings or Administrative Actions with Material Effect**

*There are no current, past, pending or threatened legal; proceedings or administrative actions either by or against the Issuer that could have material effect on the Issuer's business, financial condition, or operations.*

## B - BUSINESS OF THE ISSUER

### DISCLOSURES

#### 1. Primary &/or Secondary SIC Code(s)

*Primary SIC Code: 3714 - Motor vehicle parts and accessories*

#### 2. Operations - None/Development/Current

*The Company's business, since inception, is in marketing, researching and developing products for its specific markets. To date, the Company's primary activities have included designing and developing its green energy products. The Company has commenced operations and is currently offering its products within its specific industry. Energy 1 Corporation's primary focus is placed on product engineering and development processes to ensure the highest quality product features.*

*The Company's wholly-owned subsidiary, Master Lease, is a truck & trailer leasing business based in Henderson, Colorado. Master Lease's customer base consists primarily of owner-operators and small trucking companies who haul for regional distributors such as First Choice Transport, Greatwide Logistics, HVH, Landstar, Monfort, National Carriers and Power Source. Master Lease's present portfolio is comprised of more than 150 active leasing customers with approximately 250 over-the-road trucks & trailers, as well as some specialty equipment.*

*The Company plans to focus on supplying new inventory for equipment lease as well as inventory to be retrofit with E1's technology solutions for fuel efficiency and emission reduction while seeking to grow Master Lease's portfolio management business.*

#### 3. Issuer Status as a "Shell Company"

*The Issuer is not a "shell company" pursuant to SEC Rule 405 of the Securities Act of 1933 nor has it ever been a "shell company".*

#### 4. Parents, Subsidiaries or Affiliates of the Issuer

**Energy 1 Corporation** (the "Company", "Energy 1 Corp", "Energy 1" or "E1") was incorporated under the name of Northwest Horizon Corporation under the laws of the State of Nevada on February 5, 2003.

*The name was changed to Dairy Fresh Farms, Inc. on August 11, 2005 and further changed on March 12, 2009 to Energy 1 Corporation.*

*The Company includes the following operating & non-operating subsidiaries:*

**Energy 1 Corporation (FL)**

*a Florida corporation that is 100% wholly owned by Energy 1 Corporation*

*Incorporated: 30 September 2010*

*Tax ID: 27-3575688*

*(Established for the purpose of managing day-to-day business of the Company.)*

**E1 Leasing LLC**

*a Florida corporation that is 100% wholly owned by Energy 1 Corporation*

*Incorporated: 6 October 2011*

*Tax ID: 45-3556256*

*(Established for the purpose of managing equipment leasing services.)*

**E1 Operator Services**

*a Florida corporation that is 100% wholly owned by Energy 1 Corporation*

*Incorporated: 17 January 2012*

*Tax ID: 45-4294036*

*(Established for the purpose of managing programs for owner-operators & small trucking businesses.)*



**Master Lease of Delaware, LLC**

a Delaware corporation that is 100% wholly owned by Energy 1 Corporation  
Tax ID: 20-3612547

**Master Lease Owner Operator Services ("MLOOS")**

a Delaware corporation that is 30% owned by Energy 1 Corporation, whereby the majority interest of 70% is owned by William S. Hoebel, the Manager/Operator of MLOOS. Mr. Hoebel also holds the title and position of President of Master Lease of Delaware, LLC, a Delaware corporation that is 100% wholly owned by Energy 1 Corporation.

Tax ID: 20-1285642

- and -

**Vortex IP, Inc.**

a Florida corporation that is 100% wholly owned by Energy 1 Corporation  
Incorporated: 11 February 2010

Tax ID: None

(Established for the purpose of managing the Company's intellectual property.)

All Financial Statements are Consolidated Statements of the Parent & Subsidiaries.

**Subsidiaries Sold &/or Assigned:** On June 30, 2011, the Company entered into and executed an agreement with a non-affiliate 3rd party transferring all the rights, assets & liabilities of the subsidiaries known as Great Elk Brands (formerly Great Elk Oil & Gas Corporation) and its further subsidiary, Dairy Fresh Technologies Ltd.

**5. Effect of Existing or Probable Governmental Regulations**

The Company does foresee costs and/or effects of compliance with federal, state and local laws and regulations on a country by country basis.

**6. Estimate of R&D Spending**

The Company, in conjunction with various parties and other research entities through has spent an estimated \$3,500,000 USD on research and development.

**7. Compliance Costs**

The Company is not producing any products that are hazardous to the environment and does not foresee any changes that could adversely affect the environment. As such, we are not subject to extensive environmental compliance laws and as such we do not anticipate any related compliance costs for the foreseeable future.

**8. Number of Employees**

The Company currently has seven full-time employees.

**ITEM IX Nature of Products or Services Offered**

At this time, the primary asset of the Company is the license agreement held by Vortex IP for the "ExhausTek and IonTek" technologies, patent pending, emission control and fuel economy devices respectively.

**EXHAUSTEK & IONTEK PRODUCTS**

Management believes that ExhausTek is the first vortex field ionization system for diesel emissions; and that this unique product - and its underlying, patent pending technology - is the first to effectively & economically address both the reduction of particulate matter as well as the reduction of off-gas emissions in a single, easy-to-use, easy-to-maintain unit for retrofit on existing diesel motors.

Management believes that the IonTek is the first vortex field ionization system for fuel efficiency and diesel, bio-diesel and gasoline emissions reduction; and that this unique product - and its underlying,

patent pending technology - is the first to effectively & economically address both the reduction of off-gas emissions from any engine fuel type while also adding increased fuel efficiency in a single, easy-to-use, easy-to-maintain unit for retrofit on existing diesel, bio-diesel or gasoline motors.

Management contends that we are a leading innovator in the industry and seeks to leverage our strong "first to market" position to drive adoption of the ExhaustTek as well as to facilitate the introduction of other high-quality proprietary functional emission products to the market.

In the short-term there are two main target markets. The first is the over-the-road trucking industry and the second is the off-road markets of heavy construction and farming. Management believes that these two markets offer the Company the quickest and most widely followed markets for new emission and fuel economy technologies with the tightening of the emission standards set by the EPA.

#### **COMPETITION**

Management anticipates that we will encounter major, entrenched and well-capitalized competition in each market that we enter. Patent and trademark applications that cover new embodiments of technology will be pursued whenever possible. While we cannot assure that such measures will block competitive products, we believe our continued emphasis on innovation and new product development targeted at the needs of the consumer will enable the Company to effectively compete in the marketplace.

#### **ITEM X Nature & Extent of the Issuer's Facilities**

The Company's corporate headquarters are currently located in approximately 1,800 square feet of office space in Boca Raton, Florida on a sub-lease basis; and foresees no immediate change required at this time.

### **PART D - MANAGEMENT STRUCTURE & FINANCIAL INFORMATION**

#### **ITEM XI Name of the Chief Executive Officer, Members of the Board of Directors & Control Persons**

##### **DISCLOSURES**

##### **A - OFFICERS & DIRECTORS**

The corporate offices of all executive officers & directors is as follows:

ENERGY 1 CORPORATION  
315 SOUTHEAST MIZNER BOULEVARD, SUITE 202  
BOCA RATON, FLORIDA 33432  
P/F: 561-347-6462 / 6766  
www.Energy1Corp.com

Raymond T. Brown II  
Dean Steiger

Chairman/CEO  
President/Director

##### **B - LEGAL / DISCIPLINARY HISTORY OF THE OFFICERS OR DIRECTORS**

None. As such, this does not apply to the Company.

##### **C - DISCLOSURE OF FAMILY RELATIONSHIPS**

There are no family relationships among and between the issuer's directors, officers, persons nominated or chosen by the issuer to become directors or officers, or beneficial owners of more than five percent (5%) of the any class of the issuer's equity securities.

##### **D - DISCLOSURE OF RELATED PARTY TRANSACTIONS**

There have been no transactions during the issuer's last two full fiscal years and the current fiscal year or any currently proposed transaction, involving the issuer, in which (i) the amount involved exceeds the lesser of \$120,000 or one percent of the average of the issuer's total assets at year-end for its last three fiscal years and (ii) any related person had or will have a direct or indirect material interest.

## E - DISCLOSURE OF CONFLICTS OF INTEREST

There are no conflicts of interests among and between the issuer's directors, officers, persons nominated or chosen by the issuer to become directors or officers, or beneficial owners of more than five percent (5%) of the any class of the issuer's equity securities.

### ITEM XII Financial Information for the Issuer's Most Recent Fiscal Period

An unaudited Balance Sheet, Statement of Operations, Statement of Cash Flow and Changes in Shareholders' Equity for the period ending 30 September 2012 for the Company is attached hereto in Section Two. These financial statements are incorporated by reference into this disclosure statement.

### ITEM XIII Similar Financial Information for the Two Preceding Fiscal Years

Similar information for the two preceding fiscal years of the Issuer is in existence and is posted or incorporated by reference herein and/or attached at the end of this document.

### ITEM XIV Beneficial Owners

The following tables set forth as of 30 September 2012 contains certain information with respect to the Company's equity securities owned on record or beneficially by (a) each Officer and Director of the Company (b) each person who owns beneficially more than ten percent (10% for non-reporting issuers, 5% for reporting issuers) of each class of the Company's outstanding equity securities, and (c) and all Directors and Executive Officers as a group.

Name:	Shares	Percentage
Raymond T. Brown II Chairman	Class A Preferred Shares <u>22,700,000 - R</u>	100%
Total Outstanding:	22,700,000	
	Class B Preferred Shares <u>10,000,000 - R</u>	100%
Total Outstanding:	10,000,000	
	Common Shares <u>808,000 - R</u>	0.001%
Total Outstanding:	1,217,000,000	

Any Other Beneficial Owner w/more than 10%  
of either class of Common and/or Preferred Stock

Name:	Shares	Percentage
TCA Global Credit Master Fund, LP	Common Shares <u>167,000,000 - R</u>	13.72%
Total Outstanding:	1,217,000,000	

(\*Note: Energy 1 Corporation retains the sole and exclusive right to acquire the restricted shares issued to TCA Global Credit Master Fund, LP as and in lieu of an investment banking service charge at the time the shares become unrestricted. The Company expects the earliest date for the share to become unrestricted is on or after 27 September 2013 - twelve (12) months from the date of issue.)

### ITEM XV Outside Providers & Advisors Regarding Operations & Business Development

#### DISCLOSURES

##### 1. Investment Banker

*None. As such, this does not apply to the Company.*

**2. Promoters**

*None. As such, this does not apply to the Company.*

**3. Counsel**

*None at this time. As such, this does not apply to the Company.*

**4. Accountant**

*None at this time. As such, this does not apply to the Company.*

**5. Public Relations Consultant(s)**

*None. As such, this does not apply to the Company.*

**6. Investors Relations**

*None. As such, this does not apply to the Company.*

**7. Any other Advisor(s) that Assisted, Advised, Prepared or Provided Information with Respect to this Disclosure Statement**

*None at this time. As such, this does not apply to the Company.*

**ITEM XVI Management's Discussion & Analysis**

*(As per Pink Sheet Guidelines: Version 9.7 as Updated on 7/22/2009, Section Two: Issuers' Continuing Disclosure Obligations regarding the Quarterly Reporting Obligations and by reference to the information required by Item XVI of Section One of the Guidelines for Issuers' Initial Disclosure Obligations.)*

**FORWARD LOOKING STATEMENTS**

*This Management's Discussion and Analysis or Plan of Operation may contain various "forward looking statements" within the meaning of Section 21E of the Securities Exchange Act of 1934, as amended, regarding future events or the future financial performance of the Company that involve risk and uncertainty.*

*Certain statements included in this Disclosure Statement, including, without limitation, statements related to anticipated cash flow sources and uses, and words including but not limited to "anticipates", "believes", "plans", "expects", "future" and similar statements or expressions, identify forward looking statements. Any forward-looking statements herein are subject to certain risks and uncertainties in the Company's business, including but not limited to, reliance on key customers and competition in its markets, market demand, product performance, technological developments, maintenance of relationships with key suppliers, difficulties of hiring or retaining key personnel and any changes in current accounting rules, all of which may be beyond the control of the Company.*

*The Company adopted at management's discretion, the most conservative recognition of revenue based on the most astringent guidelines of the SEC in terms of recognition of software licenses and recurring revenue. Management will elect additional changes to revenue recognition to comply with the most conservative SEC recognition on a forward going accrual basis. The Company's actual results could differ materially from those anticipated in these forward-looking statements as a result of certain factors, including those set forth therein.*

*Forward-looking statements involve risks, uncertainties and other factors, which may cause our actual results, performance or achievements to be materially different from those expressed or implied by such forward-looking statements.*

*Factors and risks that could affect our results and achievements and cause them to materially differ from those contained in the forward-looking statements include those identified in the section titled*

*“Risk Factors” in the Company’s Annual audited financial statement for the year ended December 31, 2009, as well as other factors that we are currently unable to identify or quantify, but that may exist in the future.*

*In addition, the foregoing factors may affect generally our business, results of operations and financial position. Forward-looking statements speak only as of the date the statement was made. We do not undertake and specifically decline any obligation to update any forward-looking statements.*

## **NATURE OF THE BUSINESS**

*Energy 1 Corporation (the “Company”, “Energy 1 Corp”, “Energy 1” or “E1”) is a US based Energy Research and Development Corporation, which is manufacturing and/or developing energy and emission solutions for the post carbon economy within the transportation industry. Since the Company’s inception, Energy 1 Corporation has been a company specializing in the business of licensing and marketing of new clean energy, clean air and energy reducing technologies.*

*The Company intends to grow its portfolio of clean energy, clean air and energy reducing technologies through strategic acquisitions and joint ventures with national and international companies and research organizations who want to commercialize their research in the industrial and consumer market place.*

*The Company’s wholly-owned subsidiary, Master Lease, is a truck & trailer leasing business based in Henderson, Colorado. Master Lease’s customer base consists primarily of owner-operators and small trucking companies who haul for regional distributors such as First Choice Transport, Greatwide Logistics, HVH, Landstar, Monfort, National Carriers and Power Source. Master Lease’s present portfolio is comprised of more than 150 active leasing customers with approximately 250 over-the-road trucks & trailers, as well as some specialty equipment.*

*The Company plans to focus on supplying new inventory for equipment lease as well as inventory to be retrofit with E1’s technology solutions for fuel efficiency and emission reduction while seeking to grow Master Lease’s portfolio management business.*

## **SIGNIFICANT RECENT EVENTS**

*Energy 1 Corporation (the “Company” or “Energy 1 Corp”) was incorporated under the name of Northwest Horizon Corporation under the laws of the State of Nevada on February 5, 2003. The name was changed to Dairy Fresh Farms, Inc. on August 11, 2005 and further changed on March 12, 2009 to Energy 1 Corporation.*

*On February 25, 2009, the Company resolved to book the asset transfer of Dairy Fresh Farms’ intellectual property into Great Elk Brands a 100% wholly owned subsidiary of Energy 1 Corporation.*

*On February 27, 2009, the Company Dairy Fresh Farms Inc. entered into an agreement to acquire Monarch energy Corporation, a private Nevada company (“Monarch”), through a share exchange agreement dated February 27, 2009 (the “Share Exchange Agreement”) whereby Monarch Energy Corporation would become a wholly owned subsidiary. In aggregate, the company issued 260,000,000 Restricted Common Shares in exchange for all of the common shares of Monarch Energy Corporation (100%). On March 12, 2009 the State of Nevada approved the name change from Dairy Fresh Farms, Inc. to Energy 1 Corporation. On April 27, 2009 FINRA processed the change of name and subsequently the trading symbol was changed to EGOC. While the name change and trading symbol change remain effective, on March 17, 2010, Energy 1 Corporation cancelled the acquisition of Monarch Energy Corporation due to Monarch’s failure to deliver the intellectual property as defined in the Share Exchange Agreement dated, February 27, 2009; and, subsequently, all of the previously issued 260,000,000 Restricted Common Shares were returned to treasury.*

*On January 28, 2010 a Memorandum of Understanding (MOU) was signed with Vortex IP, Inc. a private Florida company holding licensing right to various clean exhaust technology. In a Merger Agreement which was executed and consummated on March 5<sup>th</sup>, 2010, Vortex IP became a 100% wholly owned subsidiary of Energy 1 Corporation. In aggregate, the company issued 260,000,000 Restricted Common Shares in exchange for all of the common shares of Vortex IP (100%).*

*The acquisition of Energy 1 Corporation was undertaken as a means of augmenting the business plans of the Company. The Company’s mission is to be successful by effectively utilizing the philosophies of*

*efficient marketing of its high quality products, advanced design techniques, and outstanding customer service.*

*The Company has made a change in the day-to-day control of the activities of the Company with the introduction of a new President and Chairman as officially announced June 10, 2010 and effectively adding two experienced businessmen at the helm. Their collective goal is to focus on the successful development of the Company and the creation of sustainable shareholder value.*

*On June 30, 2011, the Company entered into and executed an agreement with a non-affiliate 3rd party transferring all the rights, assets & liabilities of the subsidiaries known as Great Elk Brands (formerly Great Elk Oil & Gas Corporation) and its further subsidiary, Dairy Fresh Technologies Ltd.*

*On September 6, 2012, the Company entered into and executed an agreement with the non-affiliate 3rd parties of Master Lease Investments II, LLC., Holding Capital Group, LLC, and HCG Mezzanine Development Fund, LP (collectively, the "HC Group") to acquire: 100% of the equity interest in Master Lease of Delaware, LLC, 100% of the Secured Note Interest in Master Lease of Delaware, LLC., and 30% of the equity interest in Master Lease Owner Operator Services ("MLOOS") in exchange for an all cash purchase of US\$400,000.*

*On 27 September 2012, Energy 1 Corporation entered into an agreement with TCA Global Credit Master Fund, LP ("TCA" or "TCA Fund") wherein a \$3MM Senior Secured Credit Facility was established by and between TCA and the Company, whereby funds would be made available to Energy 1 Corporation by TCA on an as-needed basis, with the initial draw set at US\$600,000.*

*On 27 September 2012, Energy 1 Corporation closed with HC Group and acquired: 100% of the equity interest in Master Lease of Delaware, LLC, 100% of the Secured Note Interest in Master Lease of Delaware, LLC., and 30% of the equity interest in Master Lease Owner Operator Services ("MLOOS") in exchange for an all cash purchase of US\$400,000.*

#### **CURRENT**

*Energy 1 Corporation is a US based Energy Research and Development Corporation, which manufacturers and aids in the development of energy and emission solutions for the post carbon economy for the transportation industry. The Company is a provider of innovative and proprietary products designed to aid in the reduction of particulate matter as well as the reduction of off-gas emissions of diesel motors as well as aid in fuel efficiencies of diesel, bio-diesel and gasoline motors. At present, the Company is currently targeting the diesel trucking market, both off and on-road.*

*We believe our operating subsidiaries are led by a team of highly experienced sales and marketing executives with considerable expertise in the development, launch and distribution of branded products in the energy and emissions solutions industry for the post carbon economy sector. Energy 1 Corporation is headquartered in Boca Raton, Florida.*

*The Company's wholly-owned subsidiary, Master Lease, is a truck & trailer leasing business based in Henderson, Colorado. Master Lease's customer base consists primarily of owner-operators and small trucking companies who haul for regional distributors such as First Choice Transport, Greatwide Logistics, HVH, Landstar, Monfort, National Carriers and Power Source. Master Lease's present portfolio is comprised of more than 150 active leasing customers with approximately 250 over-the-road trucks & trailers, as well as some specialty equipment.*

*The Company plans to focus on supplying new inventory for equipment lease as well as inventory to be retrofit with E1's technology solutions for fuel efficiency and emission reduction while seeking to grow Master Lease's portfolio management business.*

## **PART E - ISSUANCE HISTORY**

### **ITEM XVII Securities Offerings & Shares Issued for Services**

*On February 27, 2009, the Company Dairy Fresh Farms Inc. entered into an agreement to acquire Monarch energy Corporation, a private Nevada company ("Monarch"), through a share exchange agreement dated February 27, 2009 (the "Share Exchange Agreement") whereby Monarch Energy Corporation would become a wholly owned subsidiary. In aggregate, the company issued*

260,000,000 Restricted Common Shares in exchange for all of the common shares of Monarch Energy Corporation (100%).

On March 12, 2009 the State of Nevada approved the name change from Dairy Fresh Farms, Inc. to Energy 1 Corporation. On April 27, 2009 FINRA processed the change of name and subsequently the trading symbol was changed to EGOC. While the name change and trading symbol change remain effective, on March 17, 2010, Energy 1 Corporation cancelled the acquisition of Monarch Energy Corporation due to Monarch's failure to deliver the intellectual property as defined in the Share Exchange Agreement dated, February 27, 2009; and, subsequently, all of the previously issued 260,00,000 Restricted Common Shares were returned to treasury.

On January 28, 2010 a Memorandum of Understanding (MOU) was signed with Vortex IP, Inc. a private Florida company holding licensing right to various clean exhaust technology. In a Merger Agreement which was executed and consummated on March 5, 2010, Vortex IP became a 100% wholly owned subsidiary of Energy 1 Corporation. In aggregate, the company issued 260,000,000 Restricted Common Shares in exchange for all of the common shares of Vortex IP (100%).

On 11 November 2010, Raymond T. Brown II, Chairman of Energy 1 Corporation, cancelled and returned 27,625,000 shares of his Common stock, returning them to treasury in exchange for 2,762,500 shares of Class "A" Preferred shares issued on 22 December 2010.

On 3 December 2010, Hilbroy Advisory, Inc., a non-affiliate 3rd-party, cancelled and returned 15,000,000 shares of their Common stock, returning them to treasury.

On 22 December 2010, Raymond T. Brown II, Chairman of Energy 1 Corporation, cancelled and returned 172,375,000 shares of his Common stock, returning them to treasury in exchange for 17,237,500 shares of Class "A" Preferred shares issued on 22 December 2010.

For the year ended December 31, 2010, the company issued 65,944,592 shares pursuant to an exemption from registration provided under section 4(2) of the Securities Act of 1933, as amended and under Rule 504 of Regulation D of Section 3(b) of the Securities Act of 1933, as amended.

For the period ended March 31, 2011, the company issued 171,153,846 shares pursuant to an exemption from registration provided under section 4(2) of the Securities Act of 1933, as amended and under Rule 504 of Regulation D of Section 3(b) of the Securities Act of 1933, as amended.

For the period ended June 30, 2011, the company issued 156,221,154 shares pursuant to an exemption from registration provided under section 4(2) of the Securities Act of 1933, as amended and under Rule 504 of Regulation D of Section 3(b) of the Securities Act of 1933, as amended.

For the period ended September 30, 2011, the company issued 50,000,000 shares pursuant to an exemption from registration provided under section 4(2) of the Securities Act of 1933, as amended and under Rule 504 of Regulation D of Section 3(b) of the Securities Act of 1933, as amended.

On 25 October 2011, Raymond T. Brown II, Chairman of Energy 1 Corporation, cancelled and returned 27,000,000 shares of his Common stock, returning them to treasury in exchange for 2,700,000 shares of Class "A" Preferred shares issued on 25 October 2011.

For the period ended December 31, 2011, the company issued 120,666,667 shares pursuant to an exemption from registration provided under section 4(2) of the Securities Act of 1933, as amended and under Rule 504 of Regulation D of Section 3(b) of the Securities Act of 1933, as amended.

For the period ended March 31, 2012, the company issued 101,333,333 shares pursuant to an exemption from registration provided under section 4(2) of the Securities Act of 1933, as amended and under Rule 504 of Regulation D of Section 3(b) of the Securities Act of 1933, as amended.

For the period ended June 30, 2012, the company issued 135,500,000 shares pursuant to an exemption from registration provided under section 4(2) of the Securities Act of 1933, as amended and under Rule 504 of Regulation D of Section 3(b) of the Securities Act of 1933, as amended.

For the period ended September 30, 2012, the company issued 114,500,000 shares pursuant to an exemption from registration provided under section 4(2) of the Securities Act of 1933, as amended and under Rule 504 of Regulation D of Section 3(b) of the Securities Act of 1933, as amended.

On 27 September 2012, Energy 1 Corporation issued 167,000,00 restricted shares of its Common stock to TCA Global Credit Master Fund, LP ("TCA" or "TCA Fund") as and in lieu of an investment banking service charge of US\$100,000 in connection with a \$3MM Senior Secured Credit Facility established by and between TCA and the Company, whereby funds would be made available to Energy 1 Corporation by TCA on an as-needed basis, with the initial draw set at US\$600,000.

## **PART F - EXHIBITS**

### **ITEM XVIII Material Contracts**

On September 6, 2012, the Company entered into and executed an agreement with the non-affiliate 3rd parties of Master Lease Investments II, LLC., Holding Capital Group, LLC, and HCG Mezzanine Development Fund, LP (collectively, the "HC Group") to acquire: 100% of the equity interest in Master Lease of Delaware, LLC, 100% of the Secured Note Interest in Master Lease of Delaware, LLC., and 30% of the equity interest in Master Lease Owner Operator Services ("MLOOS") in exchange for an all cash purchase of US\$400,000.

On 27 September 2012, Energy 1 Corporation entered into an agreement with TCA Global Credit Master Fund, LP ("TCA" or "TCA Fund") wherein a \$3MM Senior Secured Credit Facility was established by and between TCA and the Company, whereby funds would be made available to Energy 1 Corporation by TCA on an as-needed basis, with the initial draw set at US\$600,000.

On 27 September 2012, Energy 1 Corporation issued 167,000,00 restricted shares of its Common stock to TCA Global Credit Master Fund, LP ("TCA" or "TCA Fund") as and in lieu of an investment banking service charge of US\$100,000 in connection with a \$3MM Senior Secured Credit Facility established by and between TCA and the Company, whereby funds would be made available to Energy 1 Corporation by TCA on an as-needed basis, with the initial draw set at US\$600,000.

(\*Note: Energy 1 Corporation retains the sole and exclusive right to acquire the restricted shares issued to TCA Global Credit Master Fund, LP as and in lieu of an investment banking service charge at the time the shares become unrestricted. The Company expects the earliest date for the share to become unrestricted is on or after 27 September 2013 - twelve (12) months from the date of issue.)

On 27 September 2012, Energy 1 Corporation closed with HC Group and acquired: 100% of the equity interest in Master Lease of Delaware, LLC, 100% of the Secured Note Interest in Master Lease of Delaware, LLC., and 30% of the equity interest in Master Lease Owner Operator Services ("MLOOS") in exchange for an all cash purchase of US\$400,000.

### **ITEM XIX Articles of Incorporation & Bylaws**

The Articles of Incorporation are incorporated by reference into this disclosure statement and have been previously filed with OTC Markets as per Pink Sheet Guidelines: Version 9.7 as Updated on 7/22/2009, Section One regarding the Annual Reporting Obligations and by reference to the information required by PART A through PART F of Section One of the Guidelines for Issuers' Initial Disclosure Obligations.

### **ITEM XX Purchases of Equity Securities by the Issuer & Affiliated Purchasers**

On September 6, 2012, the Company entered into and executed an agreement with the non-affiliate 3rd parties of Master Lease Investments II, LLC., Holding Capital Group, LLC, and HCG Mezzanine Development Fund, LP (collectively, the "HC Group") to acquire: 100% of the equity interest in Master Lease of Delaware, LLC, 100% of the Secured Note Interest in Master Lease of Delaware, LLC., and 30% of the equity interest in Master Lease Owner Operator Services ("MLOOS") in exchange for an all cash purchase of US\$400,000.

On 27 September 2012, Energy 1 Corporation closed with HC Group and acquired: 100% of the equity interest in Master Lease of Delaware, LLC, 100% of the Secured Note Interest in Master Lease of Delaware, LLC., and 30% of the equity interest in Master Lease Owner Operator Services ("MLOOS") in exchange for an all cash purchase of US\$400,000.



**ITEM XXI     Issuer's Certifications**

*Incorporated on page 29.*

**PART F - EXHIBITS AS ATTACHED OR BY REFERENCE**

*As Attached or by Reference. Please also see page 30 of this Disclosure Statement as per Pink Sheet Guidelines: Version 9.7 as Updated on 7/22/2009, Section Two: Issuers' Continuing Disclosure Obligations regarding the Quarterly Reporting Obligations as required by Item 8.*

**QUARTERLY REPORT FOR THE  
NINE MONTH PERIOD ENDING**

September 30, 2012

**SECTION TWO: ISSUERS' CONTINUING DISCLOSURE OBLIGATIONS**

**ITEM 1. Exact Name of the Issuer and its Predecessor:**

*ENERGY 1 CORPORATION*

**Address of the Issuer's Principal Executive Offices:**

*315 SOUTHEAST MIZNER BOULEVARD, SUITE 202  
BOCA RATON, FLORIDA 33432*

**Telephone & Fax:**

*561-347-6462 / 6766*

**Website(s):**

*www.Energy1Corp.com (Main)  
www.Energy1Corporation.com*

*www.E1Corporation.com  
www.E1Leasing.com*

*www.E1Truck.com  
www.E1Trucking.com*

**State of Incorporation:**

*Nevada, 5 February 2003*

**IRS Employer Identification No.**

*98-0407549*

**Name Change History:**

*February 5, 2003: Incorporated as Northwest Horizon Corporation  
August 8, 2005: Northwest Horizon Corporation to Dairy Fresh Farms, Inc.  
March 12, 2009: Dairy Fresh Farms, Inc. to Energy 1 Corporation*

**ITEM 2. Exact Titles and Classes of Securities Outstanding:**

**Common Stock:**

*As of 30 September 2012, the authorized shares consist of 1,875,000,000 shares of Common Stock at a par value of \$0.001 per share, of which 1,217,000,000 are issued and outstanding, with 116 shareholders of record.*

**Trading Symbol:** *EGOC*

**CUSIP Number:** *29271K-10-6*

**Preferred Stock:**

*As of 30 September 2012, the authorized shares consist of 25,000,000 shares of Class "A" Preferred Stock at a par value of \$0.001 per share, of which 22,700,000 are issued and outstanding, with 1 shareholder of record.*

*As of 30 September 2012, the authorized shares consist of 25,000,000 shares of Class "B" Preferred Stock at a par value of \$0.001 per share, of which 10,000,000 are issued and outstanding, with 1 shareholder of record.*

**Transfer Agent:**

*Interwest Transfer Company, Inc.  
1981 Murray Holladay Road, Suite 100  
Salt Lake City, UT 84117  
801-272-9294*

**ITEM 3. Interim Financial Statements****ENERGY 1 CORPORATION**  
**CONDENSED CONSOLIDATED BALANCE SHEETS**

(Expressed in U.S. Dollars)

	(Unaudited) Nine Months Ending September 30, 2012	(Unaudited) Year Ending Dec 31, 2011
<b>ASSETS</b>		
Current Assets		
Cash	52,127	11,538
Reserve Account	109,550	-
Accounts Receivable	14,700	9,735
Accounts Receivable (M/L)	4,474	-
Other Current Assets		
E1/HCG Portfolio	432,872	-
Lease Receivables (M/L)	4,716,493	-
Fixed Assets		
MLOOS	15,000	-
Off-Lease Equipment	1,773,398	-
Off-Lease Equipment (Reserve Against Market Loss)	(269,102)	-
Patents & Licenses	260,000	260,000
Property, Plant & Equipment	12,829	6,155
<b>TOTAL ASSETS</b>	<b>7,122,341</b>	<b>287,428</b>
<b>LIABILITIES &amp; EQUITY</b>		
Current Liabilities		
Admin & Marketing Payable	64,054	4,014
Long Term Liabilities		
Loans Payable	176,912	176,912
ML-Bank of the West	2,188,594	-
ML-HCG	432,872	-
ML-Landmark	845,652	-
ML-Leaf	1,220,327	-
ML-Mutual of Omaha	1,259,513	-
ML-PHD Trust	283,594	-
ML-UMB	521,197	-
TCA Global	600,000	-
<b>TOTAL LIABILITIES</b>	<b>7,592,715</b>	<b>180,926</b>
Shareholder's Equity		
Common Stock, \$0.001 par value, 1,875,000,000 authorized shares, 1,217,000,000 issued and outstanding as of September 30, 2012 and 800,000,000 as of Dec. 31, 2011.	1,217,000	800,000
Owners Equity	(1,662,909)	(322,165)
Retained Earnings	(371,333)	(123,788)
Net Income	346,868	(247,545)
Total Owners Equity	(470,374)	106,502
<b>TOTAL LIABILITIES &amp; EQUITY</b>	<b>7,122,341</b>	<b>287,428</b>

SEE ACCOMPANYING NOTES:

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

**ENERGY 1 CORPORATION**  
**CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS / PROFIT or (LOSS)**  
(Expressed in U.S. Dollars)

	(Unaudited) Nine Months Ending September 30, 2012	(Unaudited) Nine Months Ending September 30, 2011
<hr/>		
OPERATING INCOME		
Insurance Proceeds	11,824	-
ML-Asset Sale	4,800	-
ML-Lease Receipts	1,306,565	-
ML-Refund	925	-
Retrofit Sales	14,700	12,500
<hr/>		
Total Income	<b>1,338,814</b>	<b>12,500</b>
<hr/>		
OPERATING EXPENSES		
General & Administrative Expenses		
Advisory Fee	24,000	-
Asset Monitoring Fee	1,500	-
Bank Service Charges	157	144
Computer & Internet Expenses	4,302	4,194
Consulting Fees	25,812	-
Due Diligence Fee	10,000	-
Escrow Fees	-	7,000
Finder's Fee	42,000	-
Florida Department of Revenue	2,100	-
Legal Expense	15,850	-
Marketing & Developing Expenses	19,235	15,000
Meals & Entertainment	4,798	4,970
ML-Asset Purchase	43,500	-
ML-Payroll	135,152	-
ML-Repair & Maintenance	232,145	-
ML-SG&A	288,234	-
Office Supplies	1,555	1,538
Other Rent Expense	7,515	7,515
Payroll Expense	84,275	104,812
Professional Fees	17,697	18,849
Rent Expense	23,004	23,004
Telephone Expense	3,595	3,613
Transfer Agent Fees	3,675	2,794
Utilities	1,846	1,854
General & Administrative Expenses	991,946	195,287
<hr/>		
COMPREHENSIVE PROFIT or (LOSS)	<b>346,868</b>	<b>(182,787)</b>
<hr/>		
NET PROFIT or (LOSS) PER SHARE	<b>0.0003</b>	<b>(0.0002)</b>
<hr/>		
WEIGHTED AVERAGE COMMON SHARES OUTSTANDING	1,217,000,000	550,000,000

SEE ACCOMPANYING NOTES:

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

**ENERGY 1 CORPORATION**  
**CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS**  
(Expressed in U.S. Dollars)

	(Unaudited) Nine Months Ending September 30, 2012	(Unaudited) Nine Months Ending September 30, 2011
<b>OPERATING ACTIVITIES</b>		
NET INCOME or (LOSS)		
Net Income	<b>346,868</b>	<b>(182,787)</b>
CHANGES IN WORKING CAPITAL ITEMS		
Accounts Receivable	(4,965)	(12,500)
Admin & Marketing Payable	60,040	5,728
ML-Accounts Receivable	(4,474)	-
ML-E1/HCG Portfolio	(432,872)	-
ML-Lease Receivables	(4,716,493)	-
ML-MLOOS	(15,000)	-
ML-Off-Lease Equipment	(1,773,398)	-
ML-Off-Lease Equipment (Reserve Against Market Loss)	269,102	-
Reserve Account	(109,550)	-
<b>NET CASH PROVIDED BY OPERATING ACTIVITIES</b>	<b>(6,380,742)</b>	<b>(189,559)</b>
<b>INVESTING ACTIVITIES</b>		
Property, Plant & Equipment	(6,674)	5,232
<b>CASH FLOW USED IN INVESTING ACTIVITIES</b>	<b>(6,674)</b>	<b>5,232</b>
<b>FINANCING ACTIVITIES</b>		
Accounts Payable & Accrued Liabilities-GEB	-	(900,315)
Contributed Surplus	(400,000)	-
Contracts Payable-GEB	-	(333,985)
Loans Payable	-	(1,116,555)
ML-Bank of the West	2,188,594	-
ML-HCG	432,872	-
ML-Landmark	845,652	-
ML-Leaf Funding	1,220,327	-
ML-Mutual of Omaha	1,259,513	-
ML-Opening Equity Balance	(478,256)	-
ML-Paid-In Capital	4,070,247	-
ML-PHD Trust	283,594	-
ML-Retained Earnings	(4,261,736)	-
ML-UMB	521,197	-
Notes Payable-GEB	-	(37,876)
Other Additional Paid-In Capital	146,000	189,660
Reduced Effect on Accumulated Deficit		2,006,124
Opening Balance - Through Six Months		377,375
TCA Global	600,000	-
<b>CASH FLOW USED IN FINANCING ACTIVITIES</b>	<b>6,428,005</b>	<b>184,428</b>
<b>NET INCREASE IN CASH</b>	<b>40,589</b>	<b>101</b>
<b>CASH - BEGINNING OF PERIOD</b>	<b>11,538</b>	<b>16,710</b>
<b>CASH - END OF PERIOD</b>	<b>52,127</b>	<b>16,811</b>

SEE ACCOMPANYING NOTES:

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

**ENERGY 1 CORPORATION**  
**CONDENSED CONSOLIDATED STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY**  
**REPORTED QUARTERLY FOR THE PERIOD OF JUNE - SEPTEMBER 2010 TO SEPTEMBER 2012**  
(Expressed in U.S. Dollars)

(Unaudited)

	Common Stock		Additional	Accumulated	Additional	Total
	Shares	Amount	Paid-in-Capital	Deficit	Profit/Loss	Equity
Contributed Surplus			4,980,556		(673,567)	
Balance, June 30, 2010	379,680,408	379,680	0	(6,987,080)		(2,300,411)
Issuance of Stock			2,595			
Net Loss						
Balance, September 30, 2010	379,680,408	379,680	2,595	(7,660,647)	(62,595)	(2,360,411)
Issuance of Stock	(152,055,408)	(152,055)	97,492			
Net Loss					(61,193)	
Balance, December 31, 2010	227,625,000	227,625	100,087	(7,508,592)	(123,788)	(2,324,112)
Issuance of Stock	200,175,000	200,175	113,750			
Net Loss						
Contributed Surplus					(123,788)	
Balance, March 31, 2011	427,800,000	427,800	213,837	(7,708,767)	(67,748)	(2,278,110)
Issuance of Stock	127,200,000	127,200	60,911			
Net Loss					(63,028)	
Contributed Surplus				2,306,299		
Balance, June 30, 2011	555,000,000	555,000	274,748	(5,452,468)	(130,776)	103,271
Issuance of Stock	50,000,000	50,000	15,000			
Net Loss					(52,011)	
Balance, September 30, 2011	605,000,000	605,000	289,748	(5,502,468)	(182,787)	66,260
Issuance of Stock	195,000,000	195,000	105,000			
Net Loss					(64,758)	
Balance, December 31, 2011	800,000,000	800,000	394,748	(5,697,468)	(247,545)	106,502
Issuance of Stock			49,000			
Net Loss						
Contributed Surplus					(371,333)	
Balance, March 31, 2012	800,000,000	800,000	443,748	(5,697,468)	(54,836)	100,667
Issuance of Stock	135,500,000	135,500	52,000			
Net Loss					(67,200)	
Contributed Surplus					(788,244)	
Balance, June 30, 2012	935,500,000	935,500	495,748	(5,832,968)	(122,036)	85,467
Issuance of Stock	281,500,000	281,500	45,000			
Net Loss					468,903	
<b>Balance, September 30, 2012</b>	<b>1,217,000,000</b>	<b>935,500</b>	<b>540,748</b>	<b>(6,114,468)</b>	<b>346,868</b>	<b>(470,374)</b>

SEE ACCOMPANYING NOTES:

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

**QUARTERLY REPORT FOR THE  
NINE MONTH PERIOD ENDING**

September 30, 2012

**ITEM 3. Interim Financial Statements - Notes**

**ACCOMPANYING NOTES TO FINANCIAL STATEMENTS**

*The accompanying notes are an integral part of the condensed consolidated financial statements.*

**GENERAL**

*The accompanying interim consolidated financial statements have been prepared in accordance with the instructions to Form 10-Q and 10-K, as applicable. Therefore, they may not include all information and footnotes necessary for a complete presentation of financial position, results of operations, cash flows, and stockholders' equity in conformity with generally accepted accounting principles. Except as disclosed herein, there has been no material change in the information disclosed in the notes to the consolidated financial statements included in the Company's audited annual report and disclosure statement for the year ended December 31, 2009 and the Company's unaudited annual report and disclosure statement for the years ended December 31, 2010 & December 31, 2011. In the opinion of management, all adjustments considered necessary for a fair presentation of the results of operations and financial position have been included and all such adjustments are of a normal recurring nature.*

*Operating results for the year ended December 31, 2011 are not necessarily indicative of the results that can be expected on an ongoing basis.*

**NOTE A - GOVERNING STATUTES & NATURE OF OPERATIONS**

**Energy 1 Corporation** (NV) (the "Company", "Energy 1 Corp", "Energy 1" or "E1") was incorporated under the name of Northwest Horizon Corporation under the laws of the State of Nevada on February 5, 2003.

The name was changed to Dairy Fresh Farms, Inc. on August 11, 2005 and further changed on March 12, 2009 to Energy 1 Corporation.

The Company includes the following operating & non-operating subsidiaries:

**Energy 1 Corporation (FL)**

a Florida corporation that is 100% wholly owned by Energy 1 Corporation (as of September 30, 2010)

**E1 Leasing LLC**

a Florida corporation that is 100% wholly owned by Energy 1 Corporation (as of October 6, 2011)

**E1 Operator Services**

a Florida corporation that is 100% wholly owned by Energy 1 Corporation (as of January 17, 2012)

**Master Lease of Delaware, LLC**

a Delaware corporation that is 100% wholly owned by Energy 1 Corporation (as of September 27, 2012)

**Master Lease Owner Operator Services ("MLOOS")**

a Delaware corporation that is 30% owned by Energy 1 Corporation (as of September 27, 2012), whereby the majority interest of 70% is owned by William S. Hoebel, the Manager/Operator of MLOOS. Mr. Hoebel also holds the title and position of President of Master Lease of Delaware, LLC, a Delaware corporation that is 100% wholly owned by Energy 1 Corporation.

- and -

**Vortex IP, Inc.**

a Florida corporation that is 100% wholly owned by Energy 1 Corporation (as of March 5, 2010)

*All Financial Statements are Consolidated Statements of the Parent & Subsidiaries.*

**Subsidiaries Sold &/or Assigned:** On June 30, 2011, the Company entered into and executed an agreement with a non-affiliate 3rd party transferring all the rights, assets & liabilities of the subsidiaries known as Great Elk Brands (formerly Great Elk Oil & Gas Corporation) and its further subsidiary, Dairy Fresh Technologies Ltd.

Energy 1 Corporation is currently not a reporting issuer with the United States Securities and Exchange Commission.

#### **NOTE B - BASIS OF PRESENTATION**

The condensed consolidated financial statements of Energy 1 Corporation include the accounts of Energy 1 Corporation, and its wholly owned subsidiaries and have been prepared in accordance with accounting principles generally accepted in the United States of America, pursuant to the rules and regulations of the Securities and Exchange Commission. For purposes of consolidation, the Company includes all significant subsidiaries owned directly or indirectly with more than 50 percent of the voting rights held by the Company.

All significant inter-company balances and transactions have been eliminated. These financial statements include all information and notes required by accounting principles generally accepted in the United States of America for complete financial statements. The accompanying notes are an integral part of the condensed consolidated financial statements and it is recommended that these financial statements be read in conjunction with the accompanying notes.

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 these estimates.

#### **NOTE C - BASIS OF FINANCIAL STATEMENT PRESENTATIONS**

The accompanying financial statements have been prepared on a going concern basis, which contemplates the realization of assets and the satisfaction of liabilities in the normal course of business. The Company generated significant losses, and it is unable to predict profitability for the future. These factors indicate the Company's continuation, as a going concern is dependent upon its ability to obtain adequate financing as well as implement its sales, marketing and acquisition strategy. The Company is addressing the going concern by obtaining equity financing as well as its efforts to grow the Company with profitable sales both organically and through acquisitions. Management believes successfully executing these tasks will lead to the removal of the going concern comment from our financial statements.

#### **NOTE D - CASH & CASH EQUIVALENTS**

Cash equivalents consist of liquid investments, with a maturity of three months or less at the time of purchase. Cash equivalents are stated at cost, which approximate market value.

#### **NOTE E - PROPERTY & EQUIPMENT**

Property and equipment are stated at cost less accumulated depreciation and amortization. Depreciation is determined using the straight-line method over the estimated useful lives of the assets. Estimated useful lives of 24 to 36 months are used for computer equipment and related software, five years for office equipment, furniture, and fixtures. Depreciation and amortization of leasehold improvements is computed using the shorter of the remaining lease term or five years. Maintenance and repairs are charged against income and betterments are capitalized.

#### **NOTE F - RECLASSIFICATION**

Certain prior year amounts have been reclassified to conform to current year's presentation.

#### **NOTE G - ADVERTISING COSTS**

The Company expenses all advertising costs as incurred.

#### **NOTE H - USE OF ESTIMATES**

The financial statements have been prepared in accordance with accounting principles generally accepted in the United States (US GAAP). The preparation of these financial statements requires management to make



estimates and assumptions that affect the reported amounts in the financial statements and accompanying notes. These estimates form the basis for judgments made about the carrying values of assets and liabilities that are not readily apparent from other sources. Estimates and judgments are based on historical experience and on various other assumptions that the Company believes are reasonable under the circumstances. However, future events are subject to change and the best estimates and judgments routinely require adjustment. US GAAP requires estimates and judgments in several areas, including those related to impairment of goodwill and equity investments, revenue recognition, recoverability of inventory and receivables, the useful lives of long lived assets such as property and equipment, the future realization of deferred income tax benefits and the recording of various accruals. The ultimate outcome and actual results could differ from the estimates and assumptions used.

#### **NOTE I - GOODWILL**

The goodwill and intangible assets are subject to the provisions of SFAS No. 142, "Goodwill and Other Intangible Assets" ("SFAS 142"). In accordance with SFAS 142, goodwill and other intangible assets are tested for impairment on an annual basis or when indicators of impairment exist, and written down when impaired.

#### **NOTE J - IMPAIRMENT OF LONG-LIVED ASSETS**

The Company reviews the recoverability of the carrying amounts of its long-lived assets whenever events or changes in circumstances indicate that the carrying amount of the asset might not be recoverable. Long-lived assets and certain identifiable intangible assets to be held and used are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount of such assets may not be recoverable. Determination of recoverability is based on an estimate of discounted future cash flows resulting from the use of the asset and its eventual disposition. Measurement of an impairment loss for long-lived assets and certain identifiable intangible assets that management expects to hold and use are based on the fair value of the asset. Long-lived assets and certain identifiable intangible assets to be disposed of are reported at the lower of carrying amount or fair value less costs to sell.

#### **NOTE K - FAIR VALUE DISCLOSURES**

The carrying amounts reported in the balance sheets for cash and cash equivalents, accounts receivable, accounts payable and accrued expenses, approximate fair value because of the immediate or short-term maturity of these financial instruments.

#### **NOTE L - SEGMENT REPORTING**

The Company operates in one reportable segment under the Statement of Financial Accounting Standards ("SFAS") No. 131, Disclosures about Segments of an Enterprise and Related Information.

#### **NOTE M - NEW ACCOUNTING PRONOUNCEMENTS**

In July 2006, the Financial Accounting Standards Board ("FASB") issued FASB Interpretation No. 48, "Accounting for Uncertainty in Income Taxes" ("FIN 48"), an interpretation of FASB Statement No. 109, "Accounting for Income Taxes." FIN 48 requires that a position taken or expected to be taken in a tax return be recognized in the financial statements when it is more likely than not (i.e. a likelihood of more than fifty percent) that the position would be sustained upon examination by tax authorities. A recognized tax position is then measured at the largest amount of benefit that is greater than fifty percent likely of being realized upon ultimate settlement. Upon adoption, the cumulative effect of applying the recognition and measurement provisions of FIN 48, if any, shall be reflected as an adjustment to the opening balance of retained earnings. The adoption of FIN 48 is not anticipated to have a material impact on our Consolidated Financial Statements.

In September 2006, FASB Statement 157, "Fair Value Measurements" ("SFAS 157") was issued. SFAS 157 establishes a framework for measuring fair value by providing a standard definition of fair value as it applies to assets and liabilities. SFAS 157, which does not require any new fair value measurements, clarifies the application of other accounting pronouncements that require or permit fair value measurements. The adoption of SFAS 157 is not anticipated to have a material impact on our Consolidated Financial Statements.

#### **NOTE N - BASIC & DILUTED EARNINGS (LOSS) PER COMMON SHARE**

Basic income (loss) per share is computed by dividing net income (loss) available to common shareholders by the weighted average number of common shares outstanding during the reporting period. Diluted earnings per share reflects the potential dilution that could occur if stock options, warrants, and other commitments to issue common stock were exercised or equity awards vest resulting in the issuance of common stock that could share

in the earnings of the Company. Diluted loss per share is the same as basic loss per share, because the effects of the additional securities, a result of the net loss would be anti-dilutive.

#### **ITEM 4. Management's Discussion and Analysis or Plan of Operation**

*(As per Pink Sheet Guidelines: Version 9.7 as Updated on 7/22/2009, Section Two: Issuers' Continuing Disclosure Obligations regarding the Quarterly Reporting Obligations and by reference to the information required by Item XVI of Section One of the Guidelines for Issuers' Initial Disclosure Obligations.)*

##### **FORWARD LOOKING STATEMENTS**

*This Management's Discussion and Analysis or Plan of Operation may contain various "forward looking statements" within the meaning of Section 21E of the Securities Exchange Act of 1934, as amended, regarding future events or the future financial performance of the Company that involve risk and uncertainty.*

*Certain statements included in this Disclosure Statement, including, without limitation, statements related to anticipated cash flow sources and uses, and words including but not limited to "anticipates", "believes", "plans", "expects", "future" and similar statements or expressions, identify forward looking statements. Any forward-looking statements herein are subject to certain risks and uncertainties in the Company's business, including but not limited to, reliance on key customers and competition in its markets, market demand, product performance, technological developments, maintenance of relationships with key suppliers, difficulties of hiring or retaining key personnel and any changes in current accounting rules, all of which may be beyond the control of the Company.*

*The Company adopted at management's discretion, the most conservative recognition of revenue based on the most astringent guidelines of the SEC in terms of recognition of software licenses and recurring revenue. Management will elect additional changes to revenue recognition to comply with the most conservative SEC recognition on a forward going accrual basis. The Company's actual results could differ materially from those anticipated in these forward-looking statements as a result of certain factors, including those set forth therein.*

*Forward-looking statements involve risks, uncertainties and other factors, which may cause our actual results, performance or achievements to be materially different from those expressed or implied by such forward-looking statements.*

*Factors and risks that could affect our results and achievements and cause them to materially differ from those contained in the forward-looking statements include those identified in the section titled "Risk Factors" in the Company's Annual audited financial statement for the year ended December 31, 2009, as well as other factors that we are currently unable to identify or quantify, but that may exist in the future.*

*In addition, the foregoing factors may affect generally our business, results of operations and financial position. Forward-looking statements speak only as of the date the statement was made. We do not undertake and specifically decline any obligation to update any forward-looking statements.*

##### **PART A - NATURE OF THE BUSINESS**

*Energy 1 Corporation (the "Company", "Energy 1 Corp", "Energy 1" or "E1") is a US based Energy Research and Development Corporation, which is manufacturing and/or developing energy and emission solutions for the post carbon economy within the transportation industry. Since the Company's inception, Energy 1 Corporation has been a company specializing in the business of licensing and marketing of new clean energy, clean air and energy reducing technologies.*

*The Company intends to grow its portfolio of clean energy, clean air and energy reducing technologies through strategic acquisitions and joint ventures with national and international companies and research organizations who want to commercialize their research in the industrial and consumer market place.*

*The Company's wholly-owned subsidiary, Master Lease, is a truck & trailer leasing business based in Henderson, Colorado. Master Lease's customer base consists primarily of owner-operators and small trucking companies who haul for regional distributors such as First Choice Transport, Greatwide Logistics, HVH, Landstar, Monfort, National Carriers and Power Source. Master Lease's present portfolio is comprised of more than 150 active leasing customers with approximately 250 over-the-road trucks & trailers, as well as some specialty equipment.*

*The Company plans to focus on supplying new inventory for equipment lease as well as inventory to be retrofitted with E1's technology solutions for fuel efficiency and emission reduction while seeking to grow Master Lease's portfolio management business.*

## **SIGNIFICANT RECENT EVENTS**

*Energy 1 Corporation (the “Company” or “Energy 1 Corp”) was incorporated under the name of Northwest Horizon Corporation under the laws of the State of Nevada on February 5, 2003. The name was changed to Dairy Fresh Farms, Inc. on August 11, 2005 and further changed on March 12, 2009 to Energy 1 Corporation.*

*On February 25<sup>th</sup>, 2009, the Company resolved to book the asset transfer of Dairy Fresh Farms’ intellectual property into Great Elk Brands a 100% wholly owned subsidiary of Energy 1 Corporation.*

*On February 27, 2009, the Company Dairy Fresh Farms Inc. entered into an agreement to acquire Monarch energy Corporation, a private Nevada company (“Monarch”), through a share exchange agreement dated February 27, 2009 (the “Share Exchange Agreement”) whereby Monarch Energy Corporation would become a wholly owned subsidiary. In aggregate, the company issued 260,000,000 Restricted Common Shares in exchange for all of the common shares of Monarch Energy Corporation (100%). On March 12, 2009 the State of Nevada approved the name change from Dairy Fresh Farms, Inc. to Energy 1 Corporation. On April 27, 2009 FINRA processed the change of name and subsequently the trading symbol was changed to EGOC. While the name change and trading symbol change remain effective, on March 17, 2010, Energy 1 Corporation cancelled the acquisition of Monarch Energy Corporation due to Monarch’s failure to deliver the intellectual property as defined in the Share Exchange Agreement dated, February 27, 2009; and, subsequently, all of the previously issued 260,00,000 Restricted Common Shares were returned to treasury.*

*On January 28<sup>th</sup>, 2010 a Memorandum of Understanding (MOU) was signed with Vortex IP, Inc. a private Florida company holding licensing right to various clean exhaust technology. In a Merger Agreement which was executed and consummated on March 5<sup>th</sup>, 2010, Vortex IP became a 100% wholly owned subsidiary of Energy 1 Corporation. In aggregate, the company issued 260,000,000 Restricted Common Shares in exchange for all of the common shares of Vortex IP (100%).*

*The acquisition of Energy 1 Corporation was undertaken as a means of augmenting the business plans of the Company. The Company’s mission is to be successful by effectively utilizing the philosophies of efficient marketing of its high quality products, advanced design techniques, and outstanding customer service.*

*The Company has made a change in the day-to-day control of the activities of the Company with the introduction of a new President and Chairman as officially announced June 10, 2010 and effectively adding two experienced businessmen at the helm. Their collective goal is to focus on the successful development of the Company and the creation of sustainable shareholder value.*

*On June 30, 2011, the Company entered into and executed an agreement with a non-affiliate 3rd party transferring all the rights, assets & liabilities of the subsidiaries known as Great Elk Brands (formerly Great Elk Oil & Gas Corporation) and its further subsidiary, Dairy Fresh Technologies Ltd.*

*On June 30, 2011, the Company entered into and executed an agreement with a non-affiliate 3rd party transferring all the rights, assets & liabilities of the subsidiaries known as Great Elk Brands (formerly Great Elk Oil & Gas Corporation) and its further subsidiary, Dairy Fresh Technologies Ltd.*

*On September 6, 2012, the Company entered into and executed an agreement with the non-affiliate 3rd parties of Master Lease Investments II, LLC., Holding Capital Group, LLC, and HCG Mezzanine Development Fund, LP (collectively, the “HC Group”) to acquire: 100% of the equity interest in Master Lease of Delaware, LLC, 100% of the Secured Note Interest in Master Lease of Delaware, LLC., and 30% of the equity interest in Master Lease Owner Operator Services (“MLOOS”) in exchange for an all cash purchase of US\$400,000.*

*On 27 September 2012, Energy 1 Corporation entered into an agreement with TCA Global Credit Master Fund, LP (“TCA” or “TCA Fund”) wherein a \$3MM Senior Secured Credit Facility was established by and between TCA and the Company, whereby funds would be made available to Energy 1 Corporation by TCA on an as-needed basis, with the initial draw set at US\$600,000.*

*On 27 September 2012, Energy 1 Corporation issued 167,000,00 restricted shares of its Common stock to TCA Global Credit Master Fund, LP (“TCA” or “TCA Fund”) as and in lieu of an investment banking service charge of US\$100,000 in connection with a \$3MM Senior Secured Credit Facility established by and between TCA and the Company, whereby funds would be made available to Energy 1 Corporation by TCA on an as-needed basis, with the initial draw set at US\$600,000.*

(\*Note: Energy 1 Corporation retains the sole and exclusive right to acquire the restricted shares issued to TCA Global Credit Master Fund, LP as and in lieu of an investment banking service charge at the time the shares become unrestricted. The Company expects the earliest date for the share to become unrestricted is on or after 27 September 2013 - twelve (12) months from the date of issue.)

On 27 September 2012, Energy 1 Corporation closed with HC Group and acquired: 100% of the equity interest in Master Lease of Delaware, LLC, 100% of the Secured Note Interest in Master Lease of Delaware, LLC., and 30% of the equity interest in Master Lease Owner Operator Services ("MLOOS") in exchange for an all cash purchase of US\$400,000.

## **CURRENT**

Energy 1 Corporation is a US based Energy Research and Development Corporation, which manufactures and aids in the development of energy and emission solutions for the post carbon economy for the transportation industry. The Company is a provider of innovative and proprietary products designed to aid in the reduction of particulate matter as well as the reduction of off-gas emissions of diesel motors as well as aid in fuel efficiencies of diesel, bio-diesel and gasoline motors. At present, the Company is currently targeting the diesel trucking market, both off and on-road.

We believe our operating subsidiaries are led by a team of highly experienced sales and marketing executives with considerable expertise in the development, launch and distribution of branded products in the energy and emissions solutions industry for the post carbon economy sector. Energy 1 Corporation is headquartered in Boca Raton, Florida.

At this time, the primary asset of the Company is the license agreement held by Vortex IP for the "ExhausTek and IonTek" technologies, patent pending, emission control and fuel economy devices respectively.

The Company's wholly-owned subsidiary, Master Lease, is a truck & trailer leasing business based in Henderson, Colorado. Master Lease's customer base consists primarily of owner-operators and small trucking companies who haul for regional distributors such as First Choice Transport, Greatwide Logistics, HVH, Landstar, Monfort, National Carriers and Power Source. Master Lease's present portfolio is comprised of more than 150 active leasing customers with approximately 250 over-the-road trucks & trailers, as well as some specialty equipment.

The Company plans to focus on supplying new inventory for equipment lease as well as inventory to be retrofit with E1's technology solutions for fuel efficiency and emission reduction while seeking to grow Master Lease's portfolio management business.

## **EXHAUSTEK & IONTEK PRODUCTS**

Management believes that ExhausTek is the first vortex field ionization system for diesel emissions; and that this unique product - and its underlying, patent pending technology - is the first to effectively & economically address both the reduction of particulate matter as well as the reduction of off-gas emissions in a single, easy-to-use, easy-to-maintain unit for retrofit on existing diesel motors.

Management believes that the IonTek is the first vortex field ionization system for fuel efficiency and diesel, bio-diesel and gasoline emissions reduction; and that this unique product - and its underlying, patent pending technology - is the first to effectively & economically address both the reduction of off-gas emissions from any engine fuel type while also adding increased fuel efficiency in a single, easy-to-use, easy-to-maintain unit for retrofit on existing diesel, bio-diesel or gasoline motors.

Management contends that we are a leading innovator in the industry and seeks to leverage our strong "first to market" position to drive adoption of the ExhausTek as well as to facilitate the introduction of other high-quality proprietary functional emission products to the market.

In the short-term there are two main target markets. The first is the over-the-road trucking industry and the second is the off-road markets of heavy construction and farming. Management believes that these two markets offer the Company the quickest and most widely followed markets for new emission and fuel economy technologies with the tightening of the emission standards set by the EPA.

## **COMPETITION**

Management anticipates that we will encounter major, entrenched and well-capitalized competition in each market that we enter. Patent and trademark applications that cover new embodiments of technology will be pursued whenever possible. While we cannot assure that such measures will block competitive products, we

*believe our continued emphasis on innovation and new product development targeted at the needs of the consumer will enable the Company to effectively compete in the marketplace.*

**ITEM 5. Legal Proceedings**

None.

**ITEM 6. Defaults Upon Senior Securities**

None.

**ITEM 7. Other Information**

*You are advised to read this Disclosure Statement in conjunction with other reports and documents that we file from time to time with the SEC, OTCMarkets and Newswire releases. In particular, please read our previous Year End Financial Statements as well as our previous Quarterly Reports.*

*You may obtain copies of previous reports filed with the SEC directly from us or from the SEC at the SEC's Public Reference Room at 100 F. Street, N.E. Washington, D.C. 20549, and you may obtain information about obtaining access to the Reference Room by calling the SEC at 1-800-SEC-0330. In addition, the SEC maintains information for electronic filers at its website <http://www.sec.gov>.*

*All other information disclosed as part of Management's Discussions and as per Pink Sheet Guidelines: Version 9.7 as Updated on 7/22/2009, Section One regarding the Annual Reporting Obligations and by reference to the information required by PART A through PART F of Section One of the Guidelines for Issuers' Initial Disclosure Obligations, contained herein.*

**ITEM 8. Exhibits**

*None associated with Accompany Notes to Financial Statements.*

*All other Exhibits attached as per Pink Sheet Guidelines: Version 9.7 as Updated on 7/22/2009, Section One regarding the Annual Reporting Obligations and by reference to the information required by PART F of Section One of the Guidelines for Issuers' Initial Disclosure Obligations.*

**ITEM 9. Issuer's Certifications**

*I, Raymond T. Brown II, Chairman of Energy 1 Corporation, certify that:*

- 1) I have reviewed this Annual disclosure statement of Energy 1 Corporation; and*
- 2) Based on my knowledge, this disclosure statement does not contain any untrue statements 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(s) 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.*

*The undersigned hereby certifies that the information herein is true and correct to the best of their knowledge and belief.*

*Dated: September 30, 2012*

*Energy 1 Corporation*



*Name: Raymond T. Brown II  
Position: Chairman*

**QUARTERLY REPORT FOR THE  
NINE MONTH PERIOD ENDING**

September 30, 2012

**EXHIBITS**

AS PER SECTION ONE: ISSUERS' INITIAL DISCLOSURE OBLIGATIONS

**PART F - EXHIBITS**

**ITEM XVIII Material Contracts**

*Attached as Supplements:*

*On September 6, 2012, the Company entered into and executed an agreement with the non-affiliate 3rd parties of Master Lease Investments II, LLC., Holding Capital Group, LLC, and HCG Mezzanine Development Fund, LP (collectively, the "HC Group") to acquire: 100% of the equity interest in Master Lease of Delaware, LLC, 100% of the Secured Note Interest in Master Lease of Delaware, LLC., and 30% of the equity interest in Master Lease Owner Operator Services ("MLOOS") in exchange for an all cash purchase of US\$400,000.*

*On 27 September 2012, Energy 1 Corporation closed with HC Group and acquired: 100% of the equity interest in Master Lease of Delaware, LLC, 100% of the Secured Note Interest in Master Lease of Delaware, LLC., and 30% of the equity interest in Master Lease Owner Operator Services ("MLOOS") in exchange for an all cash purchase of US\$400,000.*

**ITEM XIX Articles of Incorporation & Bylaws**

*The Articles of Incorporation are incorporated by reference into this disclosure statement and have been previously filed with OTC Markets as per Pink Sheet Guidelines: Version 9.7 as Updated on 7/22/2009, Section One regarding the Annual Reporting Obligations and by reference to the information required by PART A through PART F of Section One of the Guidelines for Issuers' Initial Disclosure Obligations.*

**ITEM XX Purchases of Equity Securities by the Issuer & Affiliated Purchasers**

*None. As such, this does not apply to the Company.*

**ITEM XXI Issuer's Certifications**

*Incorporated above, on page 29.*