

FREEDOM ENERGY HOLDINGS, INC.
QUARTERLY REPORT
For The Period Ended June 30, 2012



FREEDOM ENERGY HOLDINGS, INC.
QUARTERLY REPORT
FOR THE PERIOD ENDING June 30, 2012

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Item 1: The exact name of the issuer and the address of its Principal executive offices

Freedom Energy Holdings, Inc. is formerly known as:

- Formerly=Freedom Financial Holdings until January 2010
- Formerly=Titan Holdings until April 2006
- Formerly=Northern Business Acquisition Corp until February 2006

Address: 531 Airport North Office Park, Fort Wayne, Indiana 46825

Telephone: 260-490-9990

Fax: 866-745-8713

Item 2: Shares outstanding.**COMMON STOCK**

i.	For the three months ended	For the year ending	
		June 30, <u>2012</u>	December 31, <u>2011</u> <u>2010</u>
ii. Number of shares authorized:	10,000,000,000	10,000,000,000	10,000,000,000
iii. Number of shares outstanding:	5,036,585,289	587,166,214	247,166,230
iv. Freely tradable shares (public float); approximately:	1,460,440,060	105,020,985	9,900,000
v. Total number of beneficial shareholders: *	763	763	96
vi. Total number of shareholders of record: *	763	763	96

* Based on July 2011 NOBO list.

PREFERRED STOCK

i.	For the three months ended	For the year ending	
		June 30, <u>2012</u>	December 31, <u>2011</u> <u>2010</u>
ii. Number of Shares authorized	100,000,000	100,000,000	100,000,000
<u>Class A:</u>			
iii. Number of shares outstanding	3	3	3
<u>Class B:</u>			
iii. Number of shares outstanding	214,484	213,484	205,984
<u>Class C:</u>			
iii. Number of shares outstanding	0	0	0
<u>Class D:</u>			
iii. Number of Shares outstanding	285,873	305,470	331,520

PREFERRED STOCK

i.	For the three months ended	For the year ending	
	June 30, <u>2012</u>	December 31, <u>2011</u>	December 31, <u>2010</u>
iv. Freely tradable shares (public float); approximately	0	0	0
v. Total number of beneficial shareholders	74	63	72
vi. Total number of shareholders of record	74	63	72

Item 3: Interim financial statements.

FREEDOM ENERGYHOLDINGS, INC.	
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FREEDOM ENERGY HOLDINGS, INC.
BALANCE SHEET

Unaudited

	June 30, 2012	December 31, 2011
Assets		
Current assets:		
Cash.....	\$ 119,797	\$ 20,867
Accounts receivable (Note 4).....	29,500	22,000
Other current assests.....	325,000	325,000
Total current assets.....	474,297	367,867
Property and equipment, net (Note 4).....	1,536	3,071
Other assets:		
Intellectual properties (Note 4).....	1,000,000	1,000,000
Total other assets.....	1,000,000	1,000,000
Total assets.....	<u>\$ 1,475,833</u>	<u>\$ 1,370,938</u>
Liabilities and Shareholders' Equity		
Current liabilities:		
Accounts and notes payable:		
Accounts payable.....	\$ 157,706	\$ 150,760
Due to related parties (Note 3).....	1,599,062	1,607,666
Current maturities of capital lease obligations.....	869	1,907
Accrued interest.....	5,445	1,422
Accrued interest related party (Note 3).....	105,320	216,807
Total current liabilities.....	1,868,402	1,978,562
Long term debt: net of current maturities: (Note 4)		
Notes payable	159,357	114,406
Total liabilities.....	<u>2,027,759</u>	<u>2,092,968</u>
Shareholders' equity: (Note 6)		
Preferred stock, \$.0001 par value. Authorized 100,000,000 shares, 500,357 (Unaudited) and 518,957 (Unaudited), shares issued and outstanding, respectively.....	50	52
Common stock, \$.0001 par value. Authorized 10,000,000,000 shares, 5,036,585,289 (Unaudited) and 587,166,214 (Unaudited) shares issued and outstanding, respectively....	503,658	58,716
Additional paid-in capital.....	5,961,072	5,659,377
Retained deficit.....	(7,016,706)	(6,440,175)
Total shareholders' equity (deficit)	(551,926)	(722,030)
Total liabilities and shareholders' equity	<u>\$ 1,475,833</u>	<u>\$ 1,370,938</u>

See accompanying notes to financial statements

FREEDOM ENERGY HOLDINGS, INC.
STATEMENTS OF OPERATION

Unaudited

	Three months ended June 30,		Six months ended June 30,	
	2012	2011	2012	2011
Revenue:				
Consulting fees.....	\$ —	\$ 175,700	\$ 10,000	\$ 175,700
Total revenue.....	<u>—</u>	<u>175,700</u>	<u>10,000</u>	<u>175,700</u>
Costs and expenses:				
Professional fees.....	48,065	71,739	80,661	71,739
Selling, general and administrative expenses.....	48,697	(3,457)	87,171	77,295
Research and development.....	49	1,141	2,494	1,141
Contributed services - noncash (Note 3 and 6).....	—	—	300,000	—
Total operating expenses.....	<u>96,811</u>	<u>69,423</u>	<u>470,326</u>	<u>150,175</u>
Loss from operations.....	(96,811)	106,277	(460,326)	25,525
Other income (expense):				
Nonoperating Income.....	—	7,816	—	77,824
Discontinued operations.....	(3,133)	(17,074)	(6,251)	(23,089)
Loss before Interest and depreciation.....	(99,944)	97,019	(466,577)	80,260
Interest, depreciation, taxes and amortization:				
Interest expense, related party (Note 3)	(62,880)	(26,685)	(101,045)	(66,642)
Interest expense-other, depreciation and amortization.....	(5,499)	(19,848)	(8,910)	(41,287)
Loss before income taxes.....	(168,323)	50,486	(576,532)	(27,669)
Income tax provision (Note 5).....	—	—	—	—
Net loss	<u>\$ (168,323)</u>	<u>\$ 50,486</u>	<u>\$ (576,532)</u>	<u>\$ (27,669)</u>
Income (loss) per common shares - basic and diluted.....	<u>\$ 0.000</u>	<u>\$ 0.000</u>	<u>\$ 0.000</u>	<u>\$ 0.000</u>
Weighted average common shares outstanding				
Basic.....	<u>4,749,548,252</u>	<u>292,166,214</u>	<u>2,537,132,647</u>	<u>268,594,785</u>
Diluted.....	<u>4,749,862,380</u>	<u>292,523,318</u>	<u>2,537,222,398</u>	<u>268,696,815</u>

See accompanying notes to financial statements

FREEDOM ENERGY HOLDINGS, INC.
STATEMENT OF CHANGE IN SHAREHOLDERS' EQUITY (DEFICIT)

	Preferred Stock		Common Stock		Additional paid-in Capital	Retained Deficit	Total
	Shares	Par Value	Shares	Par Value			
Balance at December 31, 2011 (Unaudited)	518,957	\$ 52	587,166,214	\$ 58,716	\$ 5,659,377	\$ (6,440,175)	\$ (722,030)
Purchased back Preferred D from related party at \$2.00 per share on (Note 6).....	(5,750)	(1)	—	—	(11,499)	—	(11,500)
Purchased back Preferred D from related party at \$10.00 per share on (Note 6).....	(100)	—	—	—	(1,000)	—	(1,000)
Converted 5,000 shares of Pref D into 50,000,000 shares of common to a non related party (Note 6).....	(5,000)	—	50,000,000	5,000	(5,000)	—	—
Sale of 47,945,646 million units to Hanover Holdings a part of our 504 offering (Note 5).....	—	—	47,945,646	4,795	75,205	—	80,000
Converted 6,150 shares of Pref D into 615,000,000 shares of common to a non related parties (Note 6).....	(6,150)	(1)	615,000,000	61,500	(61,499)	—	—
Issued 100 million shares of restricted common stock to a related party for interest payments on debt(Note 6).....	—	—	100,000,000	10,000	200,135	—	210,135
Issued 3 billion shares of restricted common stock to a related party for control (Note 6).....	—	—	3,000,000,000	300,000	—	—	300,000
Sale of 25,362,318 million units to Hanover Holdings a part of our 504 offering (Note 5).....	—	—	25,362,318	2,536	32,464	—	35,000
Sale of 611,111,111 million units to Kodiak Capital Group a part of our 504 offering (Note 5).....	—	—	611,111,111	61,111	88,889	—	150,000
Sale of 1,000 shares of Pref B for cash to a non related parties (Note 6).....	1,000	—	—	—	10,000	—	10,000
Purchased back 2,600 shares of Preferred D from a related party at \$10.00 per share on (Note 6).....	(2,600)	—	—	—	(26,000)	—	(26,000)
Net loss as of June 30, 2012 (Unaudited).....	—	—	—	—	—	(576,532)	(576,532)
Balance at June 30, 2012 (Unaudited)	500,357	\$ 50	5,036,585,289	\$ 503,658	\$ 5,961,072	\$ (7,016,706)	\$ (551,926)

See accompanying notes to financial statements

FREEDOM ENERGY HOLDINGS INC.
STATEMENTS OF CASH FLOWS

Unaudited

	Six months ended	
	June 30,	
	2012	2011
Cash flows from operating activities:		
Net loss.....	\$ (576,531)	\$ (27,669)
Adjustments to reconcile net loss to net cash provided by (used in) operating activities:		
Depreciation and amortization.....	1,535	27,228
Shares of common stock issued in exchange for services & deb	510,135	—
Changes in operating assets and liabilities, excluding effects of business combinations:		
Prepaid expenses and other current assets.....	(7,500)	20,675
Accounts payable.....	6,946	(28,695)
Accrued interest.....	4,023	—
Other accrued liabilities.....	—	10,368
Accrued interest related party.....	(111,487)	66,641
Net cash used in operating activities.....	(172,879)	68,548
Cash flows from investing activities:		
Purchase/Sale of property and equipment.....	—	3,000
Net cash used in investing activities.....	—	3,000
Cash flows from financing activities:		
Proceeds from lines of credit, notes payable, bridge loans and current portion of long-term debt.....	44,951	—
Repayments of notes payable.....	(8,604)	(73,877)
Repayments of capital lease obligations.....	(1,038)	(1,041)
Buy Back and conversion of preferred stock.....	(38,500)	8,500
Proceeds from stock sales.....	275,000	—
Net cash provided by financing activities.....	271,809	(66,418)
Net change in cash and cash equivalents.....	98,930	5,130
Cash and cash equivalents:		
Beginning of period.....	20,867	378
End of period.....	\$ 119,797	\$ 5,508
Supplemental disclosure of cash flow information:		
Cash paid during the period for:		
Income taxes.....	\$ —	\$ —
Interest.....	\$ 7,375	\$ 14,059

See accompanying notes to consolidated financial statements

FREEDOM ENERGY HOLDINGS, INC.
NOTES TO FINANCIAL STATEMENTS
(Unaudited)

NOTE 1: ORGANIZATION AND NATURE OF BUSINESS

ORGANIZATION AND NATURE OF BUSINESS

Freedom Energy Holdings, Inc. (FDMF), a Maryland corporation formed in June 2005, is a holding company with a focus on the identification of opportunities within the oil & energy sectors. In August of 2008 in response to market conditions deeply advantageous for the company and its stockholders, FDMF acquired KC-9000[®], the company's proprietary Heavy Oil technology, to assist in the recovery of "Heavy Oil".

The Company is headquartered in Fort Wayne, Indiana.

NOTE 2: SIGNIFICANT ACCOUNTING POLICIES

GOING CONCERN

The Company's financial statements are prepared using accounting principles generally accepted in the United States of America applicable to a going concern which contemplates the realization of assets and liquidation of liabilities in the normal course of business. The Company has not yet established an ongoing source of revenues sufficient to cover its operating cost and allow it to continue as a going concern. The ability of the Company to continue as a going concern is dependent on the Company obtaining adequate capital to fund operating losses until it becomes profitable. If the Company is unable to obtain adequate capital, it could be forced to cease operations.

In order to continue as a going concern, the Company will need, among other things, additional capital resources. Management's plan to obtain such resources for the Company include, obtaining capital from management and significant stockholders sufficient to meet its minimal operating expenses. However, management cannot provide any assurance that the Company will be successful in accomplishing any of its plans.

There is no assurance that the Company will be able to obtain sufficient additional funds when needed or that such funds, if available, will be obtainable on terms satisfactory to the Company. In addition, profitability will ultimately depend upon the level of revenues received from business operations. However, there is no assurance that the Company will attain profitability. The accompanying financial statements do not include any adjustments that might be necessary if the Company is unable to continue as a going concern.

USE OF ESTIMATES

The Company prepares its financial statements in conformity with accounting principles generally accepted in the United States of America ("GAAP"), which require 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 reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

ADVERTISING COSTS

All advertising costs are expensed as incurred. Advertising expenses were \$705, \$2,585, \$ -0- and \$-0- for the three and six months ended June 30, 2012 and 2011, respectively.

CASH

The Company considers all highly liquid investments with an original maturity of three months or less at the date of acquisition to be cash equivalents. There were no cash equivalents at June 30, 2012 or December 31, 2011.

FREEDOM ENERGY HOLDINGS, INC.
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
(Unaudited)

COLLECTIBILITY OF ACCOUNTS RECEIVABLE

The Company reflects accounts receivable at their net realizable value. Periodically, management assesses the collectability of accounts and notes receivable. A considerable amount of judgment is required in order to make this assessment, including an analysis of historical bad debts, a review of the aging of the receivables and the current creditworthiness of certain customers and debtors. The Company has not recorded an allowance for doubtful accounts at June 30, 2012 or December 31, 2011, as management feels that all are collectible. However, if the financial condition of any customers or debtors was to deteriorate and their ability to make required payments became impaired, an increase in the allowance may be required.

PROPERTY AND EQUIPMENT

Property and equipment are recorded at cost. Expenditures that extend the useful lives of assets are capitalized. Repairs, maintenance and renewals that do not extend the useful lives of the assets are expensed as incurred. Depreciation is provided on the straight-line method over the following estimated useful lives:

Office equipment	5 years
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REVENUE RECOGNITION

The Company derives revenue from the sale of its proprietary technology KC9000 and SR-139 and from consulting arrangements with clients. The consulting revenue is generated by hourly fee structure or fixed contract costs, based on expected time to complete, additionally, costs incurred may be billed, as defined by the contractual arrangements. The Company follows paragraph 605-10-S99-1 of the FASB Accounting Standards Codification for revenue recognition. The Company recognizes revenue when it is realized or realizable and earned. The Company considers revenue realized or realizable and earned when all of the following criteria are met: (i) persuasive evidence of an arrangement exists, (ii) the product has been shipped or the services have been rendered to the customer, (iii) the sales price is fixed or determinable, and (iv) collectability is reasonably assured.

RESEARCH AND DEVELOPMENT

The Company expenses research and development costs when incurred. Research and development costs include engineering and testing of product and outputs. Indirect costs related to research and developments are allocated based on percentage usage to the research and development. We spent \$49, \$2,494 and \$1,141 and \$1,141 for the three and six months ended June 30, 2012 and 2011, respectively.

DEFERRED INCOME TAXES AND VALUATION ALLOWANCE

The Company accounts for income taxes under FASB ASC 740 "Income Taxes." Under the asset and liability method of FASB ASC 740, deferred tax assets and liabilities are recognized for the future tax consequences attributable to differences between the financial statements carrying amounts of existing assets and liabilities and their respective tax bases. Deferred tax assets and liabilities are measured using enacted tax rates expected to apply to taxable income in the years in which those temporary differences are expected to be recovered or settled. Under FASB ASC 740, the effect on deferred tax assets and liabilities of a change in tax rates is recognized in income in the period the enactment occurs. A valuation allowance is provided for certain deferred tax assets if it is more likely than not that the Company will not realize tax assets through future operations.

NET INCOME (LOSS) PER COMMON SHARE

Net income (loss) per share is calculated in accordance with FASB ASC 260, "Earnings Per Share." The weighted-average number of common shares outstanding during each period is used to compute basic earning or loss per share. Diluted earnings or loss per share is computed using the weighted average number of shares and diluted potential common shares outstanding. Dilutive potential common shares are additional common shares assumed to be exercised.

FREEDOM ENERGY HOLDINGS, INC.
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
(Unaudited)

Basic net income (loss) per common share is based on the weighted average number of shares of common stock outstanding at June 30, 2012 and at December 31, 2011. As of June 30, 2012 and at December 31, 2011, the Company had no dilutive potential common shares.

SHARE-BASED EXPENSES

FASB ASC 718 “Compensation – Stock Compensation” prescribes accounting and reporting standards for all stock-based payments award to employees, including employee stock options, restricted stock, employee stock purchase plans and stock appreciation rights, may be classified as either equity or liabilities. The Company determines if a present obligation to settle the share-based payment transaction in cash or other assets exists. A present obligation to settle in cash or other assets exists if: (a) the option to settle by issuing equity instruments lacks commercial substance or (b) the present obligation is implied because of an entity’s past practices or stated policies. If a present obligation exists, the transaction should be recognized as a liability; otherwise, the transaction should be recognized as equity the Company accounts for stock-based compensation issued to non-employees and consultants in accordance with the provisions of FASB ASC 505-50 “Equity – Based Payments to Non-Employees.” Measurement of share-based payment transactions with non-employees is based on the fair value of whichever is more reliably measurable: (a) the goods or services received; or (b) the equity instruments issued. The fair value of the share-based payment transaction is determined at the earlier of performance commitment date or performance completion date.

CONVERTIBLE PREFERRED STOCK

The Company applies EITF Issue No. 98-5 “Accounting for Convertible Securities with Beneficial Conversion Features or Contingently Adjustable Conversion Ratios” to convertible securities with beneficial conversion features that must be settled in stock. This Issue also applies to instruments with conversion features that are not beneficial at the commitment date but that become beneficial upon the occurrence of a future event, such as an initial public offering.

According to EITF 98-5, the embedded beneficial conversion feature should be recognized and measured by allocating a portion of the proceeds equal to the intrinsic value of that feature to additional paid-in capital. That amount should be calculated at the commitment date as the difference between the conversion price and the fair value of the common stock or other securities into which the security is convertible, multiplied by the number of shares into which the security is convertible (intrinsic value).

According to EITF 98-5, the commitment date is the date when an agreement, as to terms, has been reached and the investor is committed to purchase the convertible securities.

RECENTLY IMPLEMENTED STANDARDS

Except for rules and interpretive releases of the SEC under authority of federal securities laws and a limited number of grandfathered standards, the *FASB Accounting Standards Codification*[™] (“ASC”) is the sole source of authoritative GAAP literature recognized by the FASB and applicable to the Company. Management has reviewed the aforementioned rules and releases and believes any effect will not have a material impact on the Company's present or future financial statements

NOTE 3: RELATED PARTY TRANSACTIONS

During the period ended June 30, 2012, the company repurchased from Brian Kistler, CEO, director and shareholder of the company a total of 5,750 Class D Convertible Preferred Shares @ \$2.00 per share and 2,700 Class D Convertible Preferred Shares @ \$10.00 per share.

FREEDOM ENERGY HOLDINGS, INC.
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
(Unaudited)

During the period ended June 30, 2012, the Company issued 3 billion shares of its common stock to Brian Kistler, CEO, director and shareholder of the company in exchange for control and services rendered to us. The shares were issued with restrictions pursuant to Section 4(2) of the Securities Act.

During the period ended June 30, 2012, the Company issued 100 million shares of its common stock to Robert W. Carteaux, director and shareholder of the company in payment of accrued interest as of December 31, 2011 of \$210,135. The shares were issued with restrictions pursuant to Section 4(2) of the Securities Act.

NOTE 4: BALANCE SHEET COMPONENTS

ACCOUNTS RECEIVABLE

The balance on accounts is \$29,500 at June 30, 2012 and \$22,000 at December 31, 2011. The receivable is the result of funds loaned to an unrelated party. The company believes the receivable will be collected within the next twelve months.

PROPERTY AND EQUIPMENT

Property and equipment consisted of the following at:

	June 30, 2012	December 31, 2011
Equipment	\$ 10,314	\$ 10,314
Less accumulated depreciation	(8,778)	(7,243)
	<u>\$ 1,536</u>	<u>\$ 3,071</u>

Depreciation expense for the three and six months ended June 30, 2012 and 2011 was \$768, \$1,535, \$13,616 and \$27,228, respectively.

INTELLECTUAL PROPERTIES

The Company has not identified the future economic benefit of its intellectual properties. Therefore the company has not introduced an impairment measurement or testing procedure as of June 30, 2012.

LONG-TERM DEBT

Notes payable consisted of the following as of June 30, 2012:

	<u>June 30, 2012</u>
Fixed loan payable to Robert Carteaux, related party. The loan is interest only at a fixed rate of 15%. Monthly payments are deferred until a payment schedule can be arranged or paid in full. The note does not carry a maturity date.	\$ 500,000
Line of Credit to Robert Carteaux, related party. The loan is interest only at a fixed rate of 12%. Monthly payments are deferred until a payment schedule can be arranged or paid in full. The note does not carry a maturity date.	1,099,062
Fixed loan payable to Louis Stephens, a non related party. The loan is interest only at a fixed rate of 15%. Monthly payments are deferred until a payment schedule can be arranged or paid in full. The note does not carry a maturity date.	2,000

FREEDOM ENERGY HOLDINGS, INC.
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
(Unaudited)

Convertible promissory note payable to Stan Lipp, a non related party. The loan carries an eight percent (8%) annual percentage interest rate. Monthly payments are deferred until a payment schedule can be arranged or paid in full. The Company can at any point choose to convert the debt to common stock to be issued as payment in full. The note does not carry a maturity date. 100,000

Line of Credit to M&B Capital Services, Ltd, a non-related party. The loan is interest only at a fixed rate of 5%. Monthly payments are deferred until a payment schedule can be arranged or paid in full. The note does not carry a maturity date. 40,000

Fixed loan payable to Gabana General Trading, a non related party. The monthly payments are deferred until a payment schedule can be arranged or paid in full. The note carries a 0%, interest rate. 4,951

Fixed loan payable to Herbert Hunt, a non related party. The monthly payments are deferred until a payment schedule can be arranged or paid in full. The note carries a 0%, interest rate. \$ 12,406

Total long-term debt		1,758,419
Less: current maturities		0
Notes payable, net of current maturities		\$ 1,758,419

CAPITAL LEASE

The Company leases equipment under capital leases expiring in 2012. The assets and liabilities under capital leases are recorded at the lower of the present value of the minimum lease payments or the fair value of the assets. The assets are amortized over the lower of their related lease terms or their estimated productive lives.

Office equipment held under capital leases totaled \$4,785:

Minimum future lease payments under capital leases are approximately as follows:

<u>Year Ending</u> <u>December 31,</u>	
2012	2,076
Less: amount representing interest	(169)
Lease payments net of interest	1,907
Less: current maturities	(1,907)
Present value of minimum lease payments	\$ <u>-0-</u>

NOTE 5: INCOME TAXES

The Company has not recognized an income tax benefit for its operating losses generated based on uncertainties concerning its ability to generate taxable income in future periods. The tax benefit for the periods presented is offset by a valuation allowance established against deferred tax assets arising from the net operating losses and other temporary differences, the realization of which could not be considered more likely than not. In future periods, tax benefits and related deferred tax assets will be recognized when management considers realization of such amounts to be more likely than not. As of June 30, 2012 and December 31, 2011 the Company has incurred losses of \$7,016,706 and \$6,440,175, respectively. The deferred tax asset has been off-set by an equal valuation allowance.

FREEDOM ENERGY HOLDINGS, INC.
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
(Unaudited)

NOTE 6: SHAREHOLDERS' EQUITY

AUTHORIZED CAPITAL

The Company's authorized capital stock consists of 10,000,000,000 shares of \$0.0001 par value per share Common Stock and 100,000,000 shares of \$0.0001 par value per share preferred stock.

During the period ended June 30, 2012, the Company converted 11,500 shares of its Preferred D stock with unrelated parties into 665 million common shares. The shares were issued without restrictions pursuant to Section (d) of rule 144.

During the period ended June 30, 2012, the Company sold 73,307,964 shares of its common stock in to Hanover Holdings, an unrelated party, in exchange for cash of \$115,000. The shares were issued without restrictions as a part of our 504 offering.

During the period ended June 30, 2012, the Company sold 611,111,111 shares of its common stock in to Kodiak Capital Group, an unrelated party, in exchange for cash of \$150,000. The shares were issued without restrictions as a part of our 504 offering.

During the period ended June 30, 2012, the Company sold 1,000 shares of its Preferred B stock to Anna Pastorfide, an unrelated party, in exchange for cash of \$10,000. The shares were issued with restrictions pursuant to Section 4(2) of the Securities Act.

During the period ended June 30, 2012, the company repurchased from Brian Kistler, CEO, director and shareholder of the company a total of 5,750 Class D Convertible Preferred Shares @ \$2.00 per share and 2,700 Class D Convertible Preferred Shares @ \$10.00 per share.

During the period ended June 30, 2012, the Company issued 3 billion shares of its common stock to Brian Kistler, CEO, director and shareholder of the company in exchange for control and services rendered to us. The shares were issued with restrictions pursuant to Section 4(2) of the Securities Act.

During the period ended June 30, 2012, the Company issued 100 million shares of its common stock to Robert W. Carteaux, director and shareholder of the company in payment of accrued interest as of December 31, 2011 of \$210,135. The shares were issued with restrictions pursuant to Section 4(2) of the Securities Act.

NOTE 7: WARRANTS AND OPTIONS

The Company at June 30, 2012 has a combined 1,884,765 options/warrants at a weighted average exercise price of \$2.97. Said options and warrants expire at various times between 2012 and 2019.

NOTE 8: SUBSEQUENT EVENTS

As of this date during the current quarter, since June 30, 2012 the company repurchased from Brian Kistler, CEO, director and shareholder of the company a total of 1,500 Class D Convertible Preferred Shares @ \$10.00 per share.

On August 1, 2012 the company initiated a notice of action to FINRA regarding a 1 to 1,000 reverse split of its common stock. The date of record is August 21, 2012 or as designated by FINRA.

Item 4: Management's Discussion and Analysis or Plan of Operation.

A. Plan of Operation.

Freedom Energy Holdings, Inc., a Maryland corporation, (the "Company"). The Company is the owner of and provides marketing of KC 9000® and SR139 primarily to independent producers, refiners of petroleum products and other market participants located in the Midwest of the United States of America (the "U.S."). Historically, we conducted initial marketing and sales activities to take advantage of opportunities related to time, location and quality of various crude oil treatment projects.

Management's Discussion and Analysis of Financial Condition and Results of Operations

The following Management's Discussion and Analysis of Financial Condition and Results of Operations contains forward-looking statements that involve risks and uncertainties. Our actual results could differ materially from those anticipated in these forward-looking statements as a result of various factors, including those set forth under "Risk Factors" and elsewhere in this report. The management's discussion, analysis of financial condition, and results of operations should be read in conjunction with our financial statements and notes thereto contained elsewhere in this Quarterly Report.

Results of Operations for the three and six months ended June 30, 2012 and the three and six months ended June 30, 2011

Revenues

Total Revenues. Total revenues were \$-0- and \$10,000, for the three and six months ended June 30, 2012 and \$175,700 and \$175,700, for the three and six months ended June 30, 2011. Revenues consisted of consulting fees.

Operating Expenses

Total operating expenses. Total operating expenses was \$96,811 and \$470,326 for the three and six months ended June 30, 2012 and \$69,423 and \$150,175 for the three and six months ended June 30, 2011. Total expenses consist of Professional fees, selling, general and administrative expenses, research and development and contributed services.

Professional fees. Professional fees were \$48,065 and \$80,661 for the three and six months ended June 30, 2012 and \$71,739 for the three and six months ended June 30, 2011. Professional fees consist of legal, investment banking fees, stock transfer fees, consulting and accounting expenses.

Selling, general and administrative expenses. Selling, general and administrative expenses were \$48,697 and \$87,171 for the three and six months ended June 30, 2012 and \$(3,457) and \$77,295 for the three and six months ended June 30, 2011. This result is from the cost associated with the promotion of KC9000®, SR139 and other general administrative expenses.

Research and development. Research and development expenses were \$49 and \$2,494 for the three and six months ended June 30, 2012 and \$1,141 for the three and six months ended June 30, 2011. Research and development expenses were the result of continued testing of KC9000® and SR139.

Contributed Services. Contributed Services were \$-0- and \$300,000 for the three and six months ended June 30, 2012 and \$-0- for the three and six months ended June 30, 2011. Certain officers and directors were issued shares of restricted common stock in exchange for services rendered and control.

Other income and expenses

Nonoperating income. Nonoperating was \$-0- for the three and six months ended June 30, 2012 and \$7,816 and \$77,824 for the three and six months ended June 30, 2011. This result is from defaulting on a debt that was secured by the Companies common stock. The stock was forfeited and the balance of the debt was taken as income..

Discontinued operations. Discontinued operations expense was \$3,133 and \$6,251 for the three and six months ended June 30, 2012 and \$17,074 and \$23,089 for the three and six months ended June 30, 2011. This result is from the sale of its subsidiaries.

Interest expense, related party. Interest expense, related party was \$62,880 and \$101,045 for the three and six months ended June 30, 2012 and \$26,685 and \$66,642 for the three and six months ended June 30, 2011. This result is from an officer and director of the company paying certain cost and expenses on behalf of the Company. The corresponding note payable for the period ended June 30, 2012 is \$1,599,062.

Interest expense-other, depreciation and amortization. Interest expense other was \$5,499 and \$8,910 for the three and six months ended June 30, 2012 and \$19,848 and \$41,287 for the three and six months ended June 30, 2011. This result is due to normal depreciation and interest expense on non related parties notes payable.

Net income (loss). Net loss for the three and six months ended June 30, 2012 was \$168,323 and \$576,532. Net income for the three months ended June 30, 2011 was \$50,486 and net loss for the six months ended June 30, 2011 was \$27,669. This is the result of operations.

Financial Condition

Total assets. Total assets at June 30, 2012 were \$1,475,833 and \$1,370,938 at December 31, 2011. Total assets consist of the balance of cash, accounts receivable, property and equipment and intellectual property.

Cash at June 30, 2012 was \$119,797 and \$20,867 at December 31, 2011.

Accounts receivable. Total accounts receivable at June 30, 2012 was \$29,500 and \$22,000 at December 31, 2011. This receivable is the result of a loan to an unrelated party. Management believes this receivable is collectable.

Property and equipment (net). Property and equipment (net) at June 30, 2012 was \$1,536 and \$3,071 at December 31, 2011. Fixed assets consist of office equipment.

Accounts payable at June 30, 2012 was \$157,706 and \$150,760 at December 31, 2011. Accounts payable are primarily associated with the general administrative expenses.

Due to related parties at June 30, 2012 was \$1,599,062 and \$1,607,666 at December 31, 2011. This result is from an officer and director of the company paying certain cost and expenses on behalf of the Company. The note(s) payable carry and interest rate of 12% and 15% per annum. There is no required payment of principal and interest. The principal and interest will be paid when possible.

Accrued interest related parties at June 30, 2012 was \$105,320 and \$216,807 at December 31, 2011. This is the result of interest on the note(s) due to related party that has not been paid in cash or in stock. The decrease is due to the officer and board member taking stock for the interest that accrued through December 31, 2011 in the amount of \$216,807. The balance at June 30, 2012 is the amount accrued during the six months ended June 30, 2012.

Accrued interest at June 30, 2012 was \$5,445 and \$1,422 at June 30, 2011. The increase is the quarterly accrual. The note payable carries an interest rate of 8% per annum. There is no required payment of principal and interest. The principal and interest will be paid when possible.

Current maturities of capital lease obligation at June 30, 2012 was \$869 and \$1,907 at June 30, 2011. This represents the amount of payments less interest due for the next six months.

Long term debt at June 30, 2012 was \$159,357 and \$114,406 at December 31, 2011. This debt results from funds borrowed from non related parties.

Liquidity and Capital Resources

The accompanying financial statements have been prepared assuming that the Company will continue as a going concern which contemplates, among other things, the realization of assets and satisfaction of liabilities in the ordinary course of business.

The Company had a loss for the period ended June 30, 2012 of \$576,532 and has incurred a loss for the period ended June 30, 2011 of \$27,669. Because of the absence of positive cash flows from operations, the Company will require additional funding for continuing the development and marketing of products. These factors raise substantial doubt about the Company's ability to continue as a going concern. The accompanying financial statements do not include any adjustments that might result from the outcome of this uncertainty.

We are presently able to meet our obligations as they come due. At June 30, 2012 and at December 31, 2011 we had working capital deficit of \$1,394,105 and \$1,610,695, respectively, or the amount by which our current liabilities exceed our current assets. Our working capital deficit was due to the results of operations.

Net cash used in operating activities for the six months ended June 30, 2012 was (\$172,879) and \$68,548 for the six months ended June 30, 2011. Net cash used in investing activities for the six months ended June 30, 2012 was \$-0- and \$3,000 for the six months ended June 30, 2011. Net cash provided by financing activities for the six months ended June 30, 2012 was \$271,809 and (\$66,418) for the six months ended June 30, 2011.

We anticipate that our future liquidity requirements will arise from the need to fund our growth from operations, pay current obligations and future capital expenditures. The primary sources of funding for such requirements are expected to be cash generated from operations and raising additional funds from the private sources and/or debt financing. However, we can provide no assurances that we will be able to generate sufficient cash flow from operations and/or obtain additional financing on terms satisfactory to us, if at all, to remain a going concern. Our continuation as a going concern is dependent upon our ability to generate sufficient cash flow to meet our obligations on a timely basis and ultimately to attain profitability. In addition, our Plan of Operation for the next twelve months is to raise capital to continue to expand our operations. Although we are not presently engaged in any capital raising activities, we anticipate that we

may engage in one or more private offering of our company's securities after the completion of this offering. We would most likely rely upon the transaction exemptions from registration provided by Regulation D, Rule 506 or conduct another private offering under Section 4(2) of the Securities Act of 1933. See "Note 2 – Going Concern" in our financial statements for additional information as to the possibility that we may not be able to continue as a "going concern."

B. Off-Balance Sheet Arrangements.

NONE

Item 5: Legal proceedings

We are not currently a party to any legal proceedings.

Item 6: Defaults upon senior securities

NONE

Item 7: Other information

On April 19, 2012 the company accepted the resignation of Donna Carteaux from his position of Corporate Secretary and member of the Board of Directors.

Item 8: Exhibits

NONE


Item 9. Certifications

The issuer shall include certifications by the chief executive officer and chief financial officer of the issuer (or any other persons with different titles, but having the same responsibilities).

I, Brian Kistler, certify that:

1. I have reviewed this annual disclosure statement of Freedom Energy Holdings, Inc;
2. Based on my knowledge, this disclosure statement does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this disclosure statement; and
3. Based on my knowledge, the financial statements, and other financial information included or incorporated by reference in this disclosure statement, fairly present in all material respects the financial condition, results of operations and cash flows of the issuer as of, and for, the periods presented in this disclosure statement.

This 8th day of August, 2012



Brian Kistler
Principal Executive Officer
Principal Financial Officer