FUSIONPHARM, INC.

Quarterly Report
For the Fiscal Quarter Ended September 30, 2013

Item 1. Exact name of the issuer and the address of its principal executive offices

FusionPharm, Inc. (referred to hereinafter as the "Company")
5850 E 58th Ave unit F
Commerce City, CO 80022

Item 2. Shares outstanding

Common Stock

Period End Date:	September 30, 2013	September 30, 2012[1]
Number of shares authorized:	495,000,000	495,000,000
Number of shares outstanding:	8,019,191	2,861,650
Freely tradable shares (public float):	5,463,435	1,893,370
Total number of beneficial shareholders:	874	871
Total number of shareholders of record:	874	871

(1) On March 1, 2011 the Issuer effected a 1:200 reverse split of its issued and outstanding shares of common stock, reducing the number of issued and outstanding shares of common stock from 172,008,932 shares to 862,009 shares. The September 30, 2013 and 2012 share data is presented on a post-split basis.

Preferred Stock

Period End Date:	September 30, 2013	September 30, 2012
Number of shares authorized:	5,000,000	5,000,000
Number of shares outstanding:	1,467,330	1,487,330
Freely tradable shares (public float):	0	0
Total number of beneficial shareholders:	4	3
Total number of shareholders of record:	4	3

Item 3. Interim financial statements

The Issuer's Interim Financial Statements for the periods ended September 30, 2013 and September 30, 2012, including: Balance Sheet, Statements of Operations, Statements of Cash Flows Statement of Shareholders' Equity and Notes to the Financial Statements are included in this Quarterly Report as Exhibit A.

Item 4. Management's Discussion and Analysis Of Financial Condition or Plan of Operation

Statements made in this Quarterly Report that are not historical or current facts are "forward-looking statements" made pursuant to the safe harbor provisions of Section 27A of the of the Securities Act of 1933 (the "Act") and Section 21E of the Securities Exchange Act of 1934.

In some cases, you can identify forward-looking statements by terminology s-a2120uch as "may", "should", "intends", "expects", "plans", "anticipates", "believes", "estimates", "predicts", "potential", or "continue" or the negative of these terms or other comparable terminology. We intend that such forward-looking statements be subject to the safe harbors for such statements. We wish to caution readers not to place undue reliance on any such forward-looking statements, which speak only as of the date made. Any forward-looking statements represent management's best judgment as to what may occur in the future. However, forward-looking statements are subject to risks, uncertainties and important factors beyond our control that could cause actual results and events to differ materially from historical results of operations and events and those presently anticipated or projected. We disclaim any obligation subsequently to revise any forward-looking statements to reflect events or circumstances after the date of such statement or to reflect the occurrence of anticipated or unanticipated events.

Unless the context otherwise requires, The "Company", "we," "us," and "our," refer to FusionPharm, Inc.

Overview

FusionPharm, Inc., formerly Baby Bee Bright Corporation, was incorporated in the State of Nevada on November 6, 1990. The Company became Baby Bee Bright Corporation after completing a reverse merger with Sequoia Interests Corporation on June 6, 2006. On April 4, 2011, the Company changed its business plan and corporate direction and as a result changed its name to FusionPharm, Inc.

The Issuer is the manufacturer of a commercial cultivation system called PharmPods. PharmPods are constructed of standard ISO steel shipping containers that are repurposed for use in plant cultivation and are equipped with specialty lighting, irrigation systems, climate-control systems and ventilation for a grow-ready, self-contained portable agricultural solution. PharmPods allow users to precisely control what a plant receives, grow crops densely, avoid using pesticides and herbicides, increase yields and automatically feeds plants.

Plants are typically grown in various growing mediums using a mineral nutrient solution. Nutrient solutions contain substantially all of the minerals that plants normally would get from the soil in a more concentrated form. Growing mediums aerate and support a plant's root system while channeling the nutrient solution. Consequently, the root system is exposed to more oxygen, which stimulates root growth and nutrient absorption. Since plants do not have to use energy to search for the nutrients they require, the saved energy is used to grow faster and produce a greater yield. For example, leafy green vegetables such as lettuce and spinach typically require as much as 65 days to mature outdoors. In a PharmPod, using a perfectly controlled environment and providing the perfect light spectrum for 18 hours per day, that production time can be cut to 24 days.

We sell our products through a combination of direct sales and independent distributors. In addition, we license our technologies for which we receive licensee fees and royalties.

Recent Events

- Meadpoint Venture Partners LLC: In November 2012, the Company entered into Licensing and Distribution Agreement with Meadpoint Venture Partners, a Colorado company. Under the agreement Meadpoint has agreed to be the Company's primary distributor for the Company's PharmPod High Intensity line of controlled environment agriculture containers. PharmPod High Intensity containers utilize High Intensity Discharge (HID) and/or High Pressure Sodium (HPS) lighting systems to achieve outstanding results with fruiting and flowering plants. An initial order for 8 PharmPod High Intensity containers was received from Meadpoint with minimum purchase quantities of 50 containers in both 2013 and 2014.
- On August 5, the Company entered into a collaboration agreement with GrowLife, Inc, a publicly traded hydroponic supplier. The agreement provides preferential pricing and purchasing for the Company as well as co-marketing opportunities.
- In October of 2013, the Company opened a new 8,000 sq. ft. manufacturing and sales facility in the Denver/Metro area.

Plan of Operation and Funding

During the period we have generated $549,725 in revenue from planned and principal business operations.

The Company is focused on funding the development and commercialization of its patent pending PharmPods cultivation container system. We plan to fund our plan through a combination of revenue and debt and equity financing. We hope to receive at least $1,000,000 in net proceeds from debt and equity offerings. We believe we can satisfy our cash requirements for the next 12 months from the proceeds of the offerings. The purpose of the offering is to finance sales of PharmPods into the market, thereby significantly increasing revenues and the company's cash position.

We believe that, if successful, our revenue and the offerings will provide us with sufficient capital to fund our operations through a cash flow positive position. Our immediate intention is to complete our capital raising efforts under the offerings and to complete the outfitting of our manufacturing and sales facilities.

Our business plan involves the following steps:

1. Complete the offerings and expand sales in all markets, nationwide.

2. We intend to facilitate relationships with potential partners, licensees, distributors and customers identified from time to time with respect to our intended business operations. Our intention is to enter into long-term contracts with licensees and distributors for our products.

3. We intend to expand our manufacturing capabilities, both in our new Denver/Metro facility and on each coast in the next 12 to 18 months.

4. We will either hire sales personnel with expertise in the markets we intend to address or contract with others to provide sales and marketing support.

If we cannot generate sufficient revenues or raise sufficient capital, we will suspend or cease implementation of our business plan, resulting in the cessation of the intended business operations. There is limited historical financial information about us upon which to base an evaluation of our performance.

We cannot guarantee we will be successful in our implementation of our business plan, or ultimately in any intended business operations. Our business is subject to risks inherent in the establishment of a new business enterprise, including limited capital resources and possible cost overruns.

Important Factors Affecting our Results of Operations

We believe significant factors exist that could affect our operating results, including (i) the ability to raise capital to fund capital expenditures; (ii) the ability to build our PharmPlex facilities; (iv) the ability thereafter to produce and market our products; (v) availability and cost of material and new equipment; (vi) actions or inactions of third parties; (vii) the ability to find and retain skilled personnel; (viii) strength and financial resources of competitors; (ix) environmental risks; and (x) economic and governmental conditions in the United States.

Off-Balance Sheet Arrangements

We are not party to any financial instruments or arrangements with off-balance sheet risk.

Going Concern

The financial statements have been prepared "assuming that we will continue as a going concern," which contemplates that we will realize our assets and satisfy our liabilities and commitments in the ordinary course of business.

Item 5. Legal proceedings.

In the normal course of our business, we may periodically become subject to various lawsuits. However, to our knowledge, we are not a party to any pending or threatened material legal proceedings. To our knowledge, no governmental authority is contemplating commencing a legal proceeding in which we would be named as a party. There are no past or pending trading suspensions by a securities regulator.

Item 6. Defaults upon senior securities.

The Issuer is not in default in the payment of principal or interest with respect to any indebtedness of the Issuer.

Item 7. Other information.

None

Item 8. Exhibits

Exhibit	Description of Exhibit
A	Financial Statements for the Periods Ended September 30, 2013 and September 30, 2012

Item 9. Issuer's certifications.

I, Scott Dittman, certify that:

I have reviewed this Quarterly Company Information and Disclosure Statement of FusionPharm, Inc.

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

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 his knowledge and belief.

/s/ Scott Dittman
Chief Executive Officer

FINANCIAL STATEMENTS

FUSIONPHARM INC.
(FKA BABY BEE BRIGHT CORP.)

For the Periods Ended:

September 30, 2013 and

September 30, 2012

TABLE OF CONTENTS

FUSIONPHARM, INC.
FKA BABY BEE BRIGHT CORP.
(a Development Stage Company)

BALANCE SHEETS
(Unaudited)

	Period Ended September 30 2013	September 30 2012
ASSETS		
Current Assets		
Cash and cash equivalents	16,439	(1,141)
Accounts receivable	500,000	462,978
Inventories	6,651	105,286
Short-term loans receivable	-	2,000
Total current assets	523,090	569,124
Property, plant and equipment		
Property, plant and equipment	93,269	89,491
Less: accumulated depreciation	(41,961)	(19,055)
Property, plant and equipment, net	51,308	70,436
Other assets		
Deposits	36,000	13,000
Licensing rights (less accumulated amort)	5,300	10,600
Notes receivable	60,879	4,227
Total other assets	102,179	27,827
Total Assets	676,577	667,386

LIABILITIES AND STOCKHOLDERS EQUITY

Current Liabilities		
Accounts Payable	15,427	11,474
Fees collected in advance	-	500
Accrued compensation	23,793	-
Accrued interest expense	8,832	-
Short term loans	26,205	26,205
Total current liabilities	74,257	38,179
Long term liabilities		
Notes Payable	105,750	240,497
Total long term liabilities	105,750	240,497
Total Liabilities	180,007	278,676
Stockholders equity		
Common Stock, $.0001 per share par value	802	286
Preferred stock, $.0001 per share par value	147	149
Additional paid in capital	692,168	520,008
Net income (loss)	70,895	416,720
Accumulated deficit	(267,442)	(548,453)
Total stockholders equity	496,570	388,710
Total liabilities and stockholders equity	676,577	667,386

The accompanying notes are an integral part of these statements

FUSIONPHARM, INC.
FKA BABY BEE BRIGHT CORP.
(a Development Stage Company)

STATEMENT OF OPERATIONS
(Unaudited)

	Period Ended	
	September 30 2013	September 30 2012
Revenue	549,725	750,341
Cost of sales	298,682	67,289
Gross Profit	251,043	683,052
Operating expenses	161,151	259,544
Operating income	89,892	423,509
Other income (expenses)		
Depreciation and amortization	(18,997)	(6,788)
Total other income (expenses)	(18,997)	(6,788)
Net Income (loss)	70,895	416,721
Basic earnings per common share	$ 0.01	0.16
Weighted average number of shares	6,847,921	2,627,458
Fully Diluted earnings per share	0.0005	0.003

The accompanying notes are an integral part of these financial statements

FUSIONPHARM, INC.
FKA BABY BEE BRIGHT CORP.
(a Development Stage Company)
STATEMENTS OF CASH FLOWS
(Unaudited)

	Period Ended September 30 2013	September 30 2012
CASH FLOWS FROM OPERATING ACTIVITIES		
Net earnings (loss) for period	(80,613)	416,720
Changes in current assets and current liabilities		
Accounts receivable	(37,022)	(462,978)
Accounts payable	3,953	11,474
Inventories	98,635	(76,525)
Accrued compensation	23,793	-
Accrued interest	8,832	-
Other liabilities	(500)	-
Short-term loans	2,000	(2,000)
Net cash provided (used) by operating activities	19,078	(113,309)
CASH FLOWS FROM INVESTING ACTIVITIES		
Equipment Purchases	-	(6,201)
Deposits	(23,000)	(5,000)
Promissory Notes	-	(1,725)
Accumulated depreciation and amortization	28,206	6,339
Net cash provided (used) by investing activities	5,206	(6,587)
CASH FLOWS FROM FINANCING ACTIVITIES		
Notes receivable	(56,652)	(4,000)
Proceeds from the issuance of common stock	-	52,500
Conversion of notes and interest payable to common stock	172,360	
Notes payable	(134,747)	
Retained earnings adjustment	12,335	38,631
Net cash provided by financing activities	(6,704)	87,131
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	17,580	(32,765)
Cash, beginning of period	(1,141)	31,624
Cash, end of period	16,439	(1,141)

FUSIONPHARM, INC.

FKA BABY BEE BRIGHT CORP.

(a Development Stage Company)

STATEMENTS OF SHAREHOLDERS' EQUITY

(Unaudited)

From September 30, 2012 to September 30, 2013

	Preferred Stock		Common Stock		Additional Paid-in	Accumulated	Total Stockholders
	Shares	Amount	Shares	Amount	Capital	Deficit	Equity
Balance, September 30, 2012	1,487,330	$149	2,861,650	$286	$520,008	$(131,733)	$388,710
Issuance of common stock on conversion of preferred stock	(20,000)	$(2)	2,000,000	200	(200)		(2)
Issuance of common stock on Conversion of promissory note			3,157,541	316	172,360		172,676
Net Income						$(64,814)	$(64,814.00)
Balance September 30, 2013	1,467,330	$147	8,019,191	$802	$692,168	$(196,547)	496,570

FUSIONPHARM INC.
formerly Baby Bee Bright Corporation
(A Development Stage Company)

NOTES TO FINANCIAL STATEMENTS
(Unaudited)
September 30, 2013

Note 1 Nature of Operations and Summary of Significant Accounting Policies

Nature of Operations

FusionPharm, Inc., formerly Baby Bee Bright Corporation, was incorporated in the State of Nevada on November 6, 1990. The Company became Baby Bee Bright Corporation after completing a reverse merger with Sequoia Interests Corporation on June 6, 2006. On April 4, 2011, the Company changed its business plan and corporate direction and as a result changed its name to FusionPharm, Inc.

The Issuer is the manufacturer of a commercial cultivation system called PharmPods. PharmPods are constructed of standard ISO steel shipping containers that are repurposed for use in hydroponic plant cultivation and are equipped with specialty lighting, irrigation systems, climate-control systems and ventilation for a grow-ready, self-contained portable agricultural solution. PharmPods allow users to precisely control what a plant receives, grow crops densely, avoid using pesticides and herbicides, increase yields and automatically water plants.

Plants are typically grown in various growing mediums using a mineral nutrient solution. Nutrient solutions contain substantially all of the minerals that plants normally would get from the soil in a more concentrated form. Growing mediums aerate and support a plant's root system while channeling the nutrient solution. Consequently, the root system is exposed to more oxygen, which stimulates root growth and nutrient absorption. Since plants do not have to use energy to search for the nutrients they require, the saved energy is used to grow faster and produce a greater yield. For example, leafy green vegetables such as lettuce and spinach typically require as much as 65 days to mature outdoors. In a PharmPod, using a perfectly controlled environment and providing the perfect light spectrum for 18 hours per day, that production time can be cut to 24 days.

We sell our products through a combination of direct sales and independent distributors. In addition, we license our technologies for which we receive licensee fees and royalties.

The Company's fiscal year end is December 31.

Basis of Presentation

The accompanying financial statements are presented as those of a going concern in accordance with Generally Accepted Accounting Principles and are expressed in U.S. dollars. The financial statements have been prepared under the guidelines of Accounting and Reporting by Development Stage Enterprises. A development stage enterprise is one in which planned principal operations have not commenced, or if its operations have commenced, there have been no significant revenues therefrom.

Development Stage

The Company's unaudited financial statements are presented as those of a development stage enterprise. Activities during the development stage primarily include the development of its PharmPods and PharmPlex hydroponic cultivation systems; negotiating agreements to for joint commercialization of these technologies and distribution of its produce products; and developing business plans. The Company, while seeking to implement its business plans, will look to obtain additional debt and/or equity related funding opportunities.

Risks and Uncertainties

The Company intends to operate in an industry that is subject to rapid change. The Company's operations will be subject to significant risk and uncertainties including financial, operational, technological, regulatory and other risks, including the potential risk of business failure. Also, see Note 2 regarding going concern matters.

Use of Estimates

The preparation of financial statements in conformity with U.S. generally accepted accounting principles 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.

Such estimates for the periods ended September 30, 2013 and 2012, and assumptions affect, among others, the following:

- estimated fair value of share based payments
- estimated carrying value, useful lives and related impairment of equipment and intangible assets; and
- estimated valuation allowance for deferred tax assets, due to continuing and expected future losses

Making estimates requires management to exercise significant judgment. It is at least reasonably possible that the estimate of the effect of a condition, situation or set of circumstances that existed at the date of the financial statements, which management considered in formulating its estimate could change in the near term due to one or more future confirming events. Accordingly, the actual results could differ significantly from estimates.

Cash and Cash Equivalents

The Company considers all highly liquid instruments purchased with a maturity of three months or less and money market accounts to be cash equivalents. The Company had a cash balance of ($1,141) at September 30, 2012 and a balance of $16,439 in cash at September 30, 2013.
The Company minimizes its credit risk associated with cash by periodically evaluating the credit quality of its primary financial institution. The balance at times may exceed federally insured limits. At September 30, 2012 and 2013, there were no balances that exceeded the federally insured limit.

Property and Equipment

Property and equipment are recorded at cost. Depreciation, including amortization of leasehold improvements and software licenses, is provided using the straight line method. For tax purposes, the Company uses the Modified Accelerated Cost Recovery System (MACRS).

When assets are retired or otherwise disposed of, the cost and related accumulated depreciation are removed from the Company's books and records, and any resulting gain or loss is recognized in income for the period. The cost of

maintenance and repairs is charged to income as incurred and significant renewals and betterments are capitalized. Deduction is made for retirements resulting from renewals or betterments.

Intangible Assets

Valuation of intangible assets include significant estimates and assumptions such as estimating future cash flows from product sales, developing appropriate discount rates, estimating probability rates for the successful completion of projects, continuation of customer relationships and renewal of customer contracts, and approximating the useful lives of the intangible assets acquired.

Inventory

The Company had $6,651 in work in process inventory on hand as of September 30, 2013. Inventory is stated at the lower of cost or market, determined by the first-in, first-out (FIFO) method. Market is determined based on the net realizable value, with appropriate consideration given to obsolescence, excessive levels, deterioration, and other factors.

These factors include, but are not limited to, technological changes in its markets, competitive pressures in products and services and related prices. The Company regularly evaluates its ability to realize the value of its inventory based on a combination of factors, including historical usage rates, forecasted sales, product life cycles, and market acceptance of new products and services. When inventory that is obsolete or in excess of anticipated usage is identified, it is written down to realizable value or an inventory valuation reserve is established.

Long Lived Assets

The Company reviews the recover-ability of the carrying value of identified intangibles and other long-lived assets, including fixed assets, whenever events or changes in circumstances indicate that the carrying amount of an asset may not be recoverable. Recover-ability of these assets is determined based upon the forecasted undiscounted future net cash flows expected to result from the use of such asset and its eventual disposition. The Company's estimate of future cash flows is based upon, among other things, certain assumptions about expected future operating performance, growth rates and other factors. The actual cash flows realized from these assets may vary significantly from its estimates due to increased competition, changes in technology, fluctuations in demand, consolidation of its customers and reductions in average selling prices. If the carrying value of an asset is determined not to be recoverable from future operating cash flows, the asset is deemed impaired and an impairment loss is recognized to the extent the carrying value exceeds the estimated fair market value of the asset. There were no impairment charges taken during the periods ending September 30, 2012 and 2013.

Revenue Recognition

The Company follows the guidance of the Securities and Exchange Commission's Staff Accounting Bulletin No. 104 for revenue recognition. The Company records revenue when all of the following have occurred; (1) persuasive evidence of an arrangement exists, (2) product delivery has occurred, (3) the sales price to the customer is fixed or determinable, and (4) collectability is reasonably assured. The Company reports revenue net of sales and use taxes collected from customers and remitted to governmental taxing authorities when applicable.

Share-based Payments

The Company recognizes all forms of share-based payments, including stock option grants, warrants, restricted stock grants and stock appreciation rights, at their fair value on the grant date, which are based on the estimated number of awards that are ultimately expected to vest.

Share based payments, excluding restricted stock, are valued using a Black-Scholes option pricing model. Share based payment awards issued to non-employees for services rendered are recorded at either the fair value of the services rendered or the fair value of the share-based payment, whichever is more readily determinable.

The grants are amortized on a straight-line basis over the requisite service periods, which is generally the vesting period. If an award is granted, but vesting does not occur, any previously recognized compensation cost is reversed in the period related to the termination of service.

When computing fair value, the Company considered the following variables:

- The risk-free interest rate assumption is based on the U.S. Treasury yield for a period consistent with the expected term of the option in effect at the time of the grant.
- The Company has not paid any dividends on common stock since inception and does not anticipate paying dividends on its common stock in the near future.
- The expected option term is computed using the "simplified" method as permitted under the provisions of Staff Accounting Bulletin ("SAB") 107. SAB 107's guidance was extended indefinitely by SAB 110.
- The expected volatility is based on the historical volatility of the Company's common stock, based on the daily quoted closing trading prices.
- The forfeiture rate is based on the historical forfeiture rate for unvested stock options.

Fair Value of Financial Instruments

The carrying amounts of the Company's short-term financial instruments, including cash, prepaid expenses, accounts payable and accrued expenses, approximates fair value due to the relatively short period to maturity for these instruments.

Earnings per share

Basic earnings (loss) per share is computed by dividing net income (loss) by weighted average number of shares of common stock outstanding during each period. Diluted earnings (loss) per share is computed by dividing net income (loss) by the weighted average number of shares of common stock, common stock equivalents and potentially dilutive securities outstanding during the period.

The Company had a net income of $70,895 for the 9 months ending September 30, 2013, reflecting an earnings per share of $.01

The Company has the following potential common stock equivalents at September 30, 2012 and 2013: The series A Convertible preferred stock is convertible into common shares at 100 to 1, reflecting a total potential conversion of 146,733,00 if fully exercised and converted. The convertible note is convertible into common shares at various rates of conversion. As of September 30, 2013 the convertible notes (and accumulated interest) could be convertible into 6,909,509 .

	September 30,	September 30, 2012
Series A Convertible Preferred Stock	1,467,33	1,487,330
Convertible notes	$105,750	$240,497

Income Taxes

Provisions for income taxes are calculated based on reported pre-tax earnings and current tax law.

Significant judgment is required in determining income tax provisions and evaluating tax positions. The Company periodically assesses its liabilities and contingencies for all periods that are currently open to examination or have not been effectively settled based on the most current available information. When it is not more likely than not that a tax position will be sustained, the Company records its best estimate of the resulting tax liability and any applicable interest and penalties in the financial statements.

Deferred tax assets and liabilities are recorded for temporary differences between the tax basis of assets and liabilities and their reported amounts in the financial statements using statutory rates in effect for the year in which the differences are expected to reverse. The Company presents the tax effects of these deferred tax assets and liabilities separately for each major tax jurisdiction.

The effect on deferred tax assets and liabilities of a change in tax rates is recognized in the results of operations in the period that the changes are enacted. The Company records a valuation allowance to reduce deferred tax assets when it is more likely than not that some portion of the asset may not be realized. The Company evaluates its deferred tax assets and liabilities on a periodic basis.

Recent Accounting Pronouncements

In May 2011, the FASB issued ASU No. 2011-04, Fair Value Measurement (Topic 820): Amendments to Achieve Common Fair Value Measurement and Disclosure Requirements in U.S. GAAP and IFRSs. The guidance in ASU 2011-04 changes the wording used to describe the requirements in U.S. GAAP for measuring fair value and for disclosing information about fair value measurements, including clarification of the FASB's intent about the application of existing fair value and disclosure requirements and changing a particular principle or requirement for

measuring fair value or for disclosing information about fair value measurements. The amendments in this ASU should be applied prospectively and are effective for interim and annual periods beginning after December 15, 2011. Early adoption by public entities is not permitted. The adoption of this guidance is not expected to have a material impact on the Company's financial position or results of operations.

FUSIONPHARM INC.
formerly Baby Bee Bright Corporation
(A Development Stage Company)

NOTES TO FINANCIAL STATEMENTS
(Unaudited)
September 30, 2013

Note 2 Going Concern

As reflected in the accompanying unaudited financial statements, the Company has a net income of $70,895 and a working capital surplus of $448,833 and an accumulated deficit of $267,442 at September 30, 2013.
The ability of the Company to continue as a going concern is dependent on Management's plans, which include potential sales of its PharmPods and produce products, further implementation of its business plan and continuing to raise funds through debt or equity financings. The Company will likely rely upon debt or equity financing in order to ensure the continuing existence of the business.

The accompanying unaudited 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. These financial statements do not include any adjustments relating to the recovery of the recorded assets or the classification of the liabilities that might be necessary should the Company be unable to continue as a going concern.

Note 3 Equipment

	September 30, 2013	Estimated Useful Lives
Plant, property and equipment	$ 93,269	5
Less: Accumulated depreciation	(41,961)	
Property, plant and equipment, net	$ 51,308	

Note 4 Notes Payable

Short-term notes

Unsecured note, payable on demand, bears no interest	$ 26,205
Total short-term borrowing	$ 26,205

Long-term notes

Unsecured credit line, including interest at 10%	$ 105,750
	105,750

Note 5 Shareholders' Deficit

Capital Stock

The Company is authorized 500,000,000 shares of capital stock, par value $.0001 per share. 495,000,000 shares have been designated as Common Stock of which 8,019,191 shares were issued and outstanding at September 30, 2013;

and 5,000,000 shares have been designated as Series A Convertible Preferred Stock of which 1,467,330 shares were issued and outstanding at September 30, 2013.

(1) **Common Stock**

During the period January 1, 2013 to June 30, 2013, the Company issued the following shares of common stock for cash, services or the conversion of preferred stock.

Type	Quantity		Valuation		Range of Value per share
Cash	0	$	0	$	0
Debt conversion	2,000,000	$	20,000	$	.01
Debt conversion	1,017,265	$	172,360	$	.09 - .40

Note 6 Accounting For Obligations And Instruments Potentially To Be Settled In The Company's Own Stock

The Company accounts for obligations and instruments potentially to be settled in the Company's stock in accordance with EITF Issue No. 00-19, *Accounting for Derivative Financial Instruments Indexed To, and Potentially Settled In a Company's Own Stock*. This issue addresses the initial balance sheet classification and measurement of contracts that are indexed to, and potentially settled in, the Company's own stock. Under EITF Issue No. 00-19 contracts are initially classified as equity or as either assets or liabilities, in the following situations:

Equity

- Contracts that require physical settlement or net-share settlement; and
- Contracts that give the company a choice of net-cash settlement or settlement in its own shares (physical settlement or net-share settlement), assuming that all the criteria for equity classification have been met.

Assets or Liabilities

- Contracts that require net-cash settlement (including a requirement to net-cash settle the contract if an event occurs and if that event is outside the control of the company); and
- Contracts that give the counter-party a choice of net-cash settlement or settlement in shares (physical settlement or net-share settlement).

All contracts are initially measured at fair value and subsequently accounted for based on the current classification. Contracts initially classified as equity do not recognize subsequent changes in fair value as long as the contracts continue to be classified as equity.

For contracts classified as assets or liabilities, the Company reports changes in fair value in earnings and discloses these changes in the financial statements as long as the contracts remain classified as assets or liabilities. If contracts classified as assets or liabilities are ultimately settled in shares, any previously reported gains or losses on those contracts continue to be included in earnings. The classification of a contract is reassessed at each balance sheet date. In accordance with EITF Issue No. 00-19, a transaction which includes a potential for net-cash settlement, including liquidated damages, requires that derivative financial instruments, including warrants and additional investment rights, initially be recorded at fair value as an asset or liability and subsequent changes in fair value be reflected in the statement of operations.

The recorded value of the liability for such derivatives can fluctuate significantly based on fluctuations in the market value of the underlying common stock of the issuer of the derivative instruments, as well as in the volatility of the stock price during the term used for observation and the remaining term.

Note 7 Contingencies

From time to time, the Company may become involved in various lawsuits and legal proceedings, which arise in the ordinary course of business. However, litigation is subject to inherent uncertainties, and an adverse result in these or other matters may arise from time to time that may harm its business. The Company has no pending or threatened legal proceedings or administrative actions either by or against the Company that could have a material effect on the Company's business, financial condition, or operations and any current, past or pending trading suspensions by a securities regulator.

Note 8 Fair Value of Financial Assets and Liabilities

The Company measures assets and liabilities at fair value based on an expected exit price as defined by the authoritative guidance on fair value measurements, which represents the amount that would be received on the sale of an asset or paid to transfer a liability, as the case may be, in an orderly transaction between market participants. As such, fair value may be based on assumptions that market participants would use in pricing an asset or liability. The authoritative guidance on fair value measurements establishes a consistent framework for measuring fair value on either a recurring or nonrecurring basis whereby inputs, used in valuation techniques, are assigned a hierarchical level. The following are the hierarchical levels of inputs to measure fair value:

- Level 1: Observable inputs that reflect quoted prices (unadjusted) for identical assets or liabilities in active markets.

- Level 2: Inputs reflect: quoted prices for identical assets or liabilities in markets that are not active; quoted prices for similar assets or liabilities in active markets; inputs other than quoted prices that are observable for the assets or liabilities; or inputs that are derived principally from or corroborated by observable market data by correlation or other means.

- Level 3: Unobservable inputs reflecting the Company's assumptions incorporated in valuation techniques used to determine fair value. These assumptions are required to be consistent with market participant assumptions that are reasonably available.

The carrying amounts reported in the balance sheet for cash, prepaid expenses, and accounts payable and accrued expenses approximate fair value based on the short-term nature of these instruments.

The Company will measure assets at fair market value on a recurring basis and will report gains and losses in the statement of comprehensive income (loss).

Note 9 Income Taxes

The Company has losses carried forward for income tax purposes for December 31, 2012. There are no current or deferred tax expenses for the period ended September 30, 2013 due to the Company's loss position. The Company has fully reserved for any benefits of these losses. The deferred tax consequences of temporary differences in reporting items for financial statement and income tax purposes are recognized, as appropriate. Realization of the future tax benefits related to the deferred tax assets are dependent on many factors, including the Company's ability to generate taxable income within the net operating loss carry forward period.

Note 10 Change of Name

On April 4, 2011, the Company completed its name change from Baby Bee Bright, Corporation to FusionPharm, Inc. and changed its ticker symbol from BBYB to FSPM.

Note 11 Supplemental Disclosures with Respect to Shareholders' Equity

On March 1, 2011, the Company effected a 1-for-200 reverse split of its common stock. As a result, the Company's issued and outstanding common stock was reduced from approximately 172 million to approximately 862,009 shares. Fractional shares resulting from the reverse split were rounded up to the next whole number. The par value of the common stock was not affected by the reverse split and par value remained $.0001 per share. Consequently, the aggregate par value of the issued common stock was reduced by reclassifying the par value amount of the eliminated shares of common stock to "additional paid-in capital" in the Company's Balance Sheets. All shares and per share amounts including all common stock equivalents (stock options, other equity incentive awards, equity compensation plans, etc.) have been retroactively adjusted, for all periods presented to reflect the reverse stock split.

Note 12 Significant Transactions

- Meadpoint Venture Partners LLC: In November 2012, the Company entered into Licensing and Distribution Agreement with Meadpoint Venture Partners, a Colorado company. Under the agreement Meadpoint has agreed to be the Company's primary distributor for the Company's PharmPod High Intensity line of controlled environment agriculture containers. PharmPod High Intensity containers utilize High Intensity Discharge (HID) and/or High Pressure Sodium (HPS) lighting systems to achieve outstanding results with fruiting and flowering plants. An initial order for 8 PharmPod High Intensity containers was received from Meadpoint with minimum purchase quantities of 50 containers in both 2013 and 2014.

- On August 5, the Company entered into a collaboration agreement with GrowLife, Inc, a publicly traded hydroponic supplier. The agreement provides preferential pricing and purchasing for the Company as well as co-marketing opportunities.
- In October of 2013, the Company opened a new 8,000 sq. ft. manufacturing and sales facility in the Denver/Metro area.