



QUARTERLY REPORT

**Financial Statements
for the Quarter Ended
December 31, 2013**

FORWARD-LOOKING STATEMENTS

This report contains forward-looking statements including statements regarding our expectations, beliefs, intentions or future strategies that are signified by the words “expects,” “anticipates,” “intends,” “believes” or similar language. These forward-looking statements involve risks, uncertainties and other factors. All forward-looking statements included in this report are based on information available to us on the date hereof and speak only as of the date hereof. We undertake no obligation to update or revise publicly any forward-looking statements, whether as a result of new information, future events, or otherwise. The factors discussed above under “Risk Factors” and elsewhere in this report are among those factors that in some cases have affected our results and could cause the actual results to differ materially from those projected in the forward-looking statements.

Table of Contents

<u>Part A - General Company Information</u>	4
Item I: The exact name of the issuer and its predecessor (if any).....	4
Item II: The address of the issuer's principal executive offices.....	4
Item III: The jurisdiction(s) and date of the issuer's incorporation or organization	4
<u>Part B - Share Structure</u>	5
Item IV: The exact title and class of securities outstanding.....	5
Item V: Par or stated value and description of the security	5
Item VI: The number of shares or total amount of the securities outstanding for each class of securities authorized	5
<u>Part C - Business Information</u>	6
Item VII: The name and address of the transfer agent	6
Item VIII: The nature of the issuer's business	6
Item IX: The nature of products or services offered.	8
Item X: The nature and extent of the issuer's facilities.....	8
<u>Part D - Management Structure and Financial Information</u>	9
Item XI: The name of the chief executive officer, members of the board of directors, as well as control persons.....	9
Item XII: Financial information for the issuer's most recent fiscal period	14
Item XIII: Beneficial Owners.....	22
Item XIV: The name, address, telephone number, and email address of each of the following outside providers that advise the issuer on matters relating to operations, business development and disclosure.....	22
Item XV: Management's Discussion and Analysis.....	23
Certification.....	24

Part A - General Company Information

Item I: The exact name of the issuer and its predecessor (if any)

McKenzie Bay International, LTD. and its predecessor name was Decker Organic Systems, Inc.

Item II: The address of the issuer's principal executive offices

7627 Park Place

Brighton MI 48116

Telephone: 248.446.1330

Email: info@mckenziebay.com

Website: www.mckenziebay.com

Item III: The jurisdiction(s) and date of the issuer's incorporation or organization

The Company was incorporated in Delaware on August 14, 1998 as Decker Organic Systems, Inc. and changed its name to McKenzie Bay International Ltd on January 31, 1999.

Part B - Share Structure

Item IV: The exact title and class of securities outstanding

The Company has one class of securities: Common stock, ticker symbol MKBY (CUSIP 58153110).

Item V: Par or stated value and description of the security

A. Par or Stated Value

Common stock \$0.001

B. Common or Preferred Stock

1. For common equity, describe any dividend, voting and preemption rights:

Each outstanding share is entitled to one vote on each matter submitted to a vote.

2. For preferred stock, describe the dividend, voting, conversion and liquidation rights as well as redemption or sinking fund provisions:

None

3. Describe any other material rights of common or preferred stockholders:

None

4. Describe any provision in issuer's charter or by-laws that would delay, defer or prevent a change in control of the issuer:

None

Item VI: The number of shares or total amount of the securities outstanding for each class of securities authorized

Period Ending:

December 31, 2013

Common Stock

Authorized	300,000,000
Outstanding	300,000,000
Free trading	182,429,100
Beneficial shareholders (4)	18,022,364
Direct Shareholders of record	266

Part C - Business Information

Item VII: The name and address of the transfer agent

Signature Stock Transfer, Inc.

2632 Coachlight Court

Plano TX 75093

Telephone: 972.612.4120

Fax: 972.612.4122

E-mail: signaturestocktransfer@msn.com

Item VIII: The nature of the issuer's business

A. Business Development

1. The form of organization of the issuer (e.g., corporation, partnership, limited liability company, etc.):
Corporation
2. The year that the issuer (or any predecessor) was organized:
1998
3. The issuer's fiscal year end date:
September 30
4. Whether the issuer (or any predecessor) has been in bankruptcy, receivership or any similar proceeding:
No
5. Any material reclassification, merger, consolidation, or purchase or sale of a significant amount of assets:
None
6. Any default of the terms of any note, loan, lease, or other indebtedness or financing arrangement requiring the issuer to make payments:
None
7. Any change of control:
None
8. Any increase of 10% or more of the same class of outstanding equity securities:
None
9. Any past, pending or anticipated stock split, stock dividend, recapitalization, merger, acquisition, spin-off, or reorganization

The Company is currently exploring a reverse triangular merger with a private company,
Clean Green Energy LLC

10. Any delisting of the issuer's securities by any securities exchange or deletion from the OTC Bulletin Board:

The Company filed a Form 15 and voluntarily delisted from Over-the-Counter Bulletin Board on July 10, 2007

11. Any current, past, pending or threatened legal proceedings or administrative actions either by or against the issuer that could have a material effect on the issuer's business, financial condition, or operations and any current, past or pending trading suspensions by a securities regulator. State the names of the principal parties, the nature and current status of the matters, and the amounts involved:

Current Proceedings: None

B. Business of Issuer

1. The issuer's primary and secondary SIC Codes:

Primary: 4911 Electric Services Secondary: 4911

2. If the issuer has never conducted operations, is in the development stage, or is currently conducting operations:

Development stage

3. Whether the issuer is or has at any time been a "shell company":

The Company has never been a "shell" company.

4. The names of any parent, subsidiary, or affiliate of the issuer, and its business purpose, its method of operation, its ownership, and whether it is included in the financial statements attached to this annual report:

Parent company: McKenzie Bay International Ltd., a Delaware corporation

Wholly Owned Subsidiaries: None

Affiliates: Clean Green Energy LLC, a Delaware LLC, the Company owns 5.0% of Clean Green Energy LLC. The Company has no representation on the Clean Green Energy Board of Directors thus has no ability to control the activities of Clean Green Energy. The Company's Membership Units in Clean Green Energy activities are included in the financial statements to the extent of the Company's ownership in Clean Green Energy.

5. The effect of existing or probable governmental regulations on the business:

None to the best of our knowledge.

6. An estimate of the amount spent during each of the last two fiscal years on research and development activities, and, if applicable, the extent to which the cost of such activities are borne directly by customers:

None

7. Costs and effects of compliance with environmental laws (federal, state and local):

Not applicable

8. The number of total employees and number of full-time employees:

Full-time - None

Item IX: The nature of products or services offered.

McKenzie Bay International Ltd. operates as an energy management and renewable energy technology holding company. We acquire the rights of energy management and renewable energy technologies and license these technologies to manufacturers, installers, contractors, service providers, marketers, and developers. We currently hold the exclusive distribution rights for direct sales of Clean Green Energy LLC's WIND•e20[®] Vertical-Axis Wind Turbine and development of Power Purchase Agreements with public and municipal utilities. The Company does not have any ownership in Clean Green Energy's WIND•e20[®] technology.

Item X: The nature of the Company's facilities.

The Company leases an office at 7627 Park Place, Brighton, MI at the rate of \$400 per month.

Part D - Management Structure and Financial Information

Item XI: The name of the chief executive officer, members of the board of directors, as well as control persons.

A. Officers and Directors

Full Name:

Mark A. Cecil
Chairman, Board of Directors

Employment History:

Director of Distribution Support for Washington National
Mr. Cecil has over fifteen years of experience in financial services encompassing strategic planning, risk management, accounting, financial analysis, and audit.

Mr. Cecil is the Director of Distribution Support for Washington National. Previously, Mr. Cecil served in finance and accounting roles for Stilwell Financial Inc., an asset management holding company. He served as Director of Internal Audit.

As a CPA with PricewaterhouseCoopers LLP, Mr. Cecil provided auditing services, due diligence and internal accounting control reviews to companies in the manufacturing and financial services sectors.

Mr. Cecil is a retired Commander of the United States Navy.

Board Membership / Affiliations:

Secretary and Treasurer for the Association of Health Opportunity through Partnership in Education (HOPE), a non-profit organization

Compensation:

Suspended effective April 1, 2012, the Directors have voted to abstain from compensation until further notice.

Beneficial Ownership:

1,998,394 Common shares issued and owned
1,998,394 Total Common Shares Beneficially Owned (~ 0.66%)

Full Name:

Kevin B. Cook
Member, Board of Directors

Employment History:**President, McKenzie Bay International, Ltd.**

Mr. Cook has been the President and CEO of McKenzie Bay International Ltd. since March 2009. Before that, he was under contract with the State of Michigan Energy Office as a consultant for Rebuild Michigan, a U.S. Department of Energy program. He provided energy analysis and management services for more than 150 school districts, local governments and public housing authorities. In his last 3 years with Rebuild Michigan, the program helped facilitate \$40-million in energy efficiency projects saving more than \$7-million dollars annually.

As Senior Auditor with Volt Energy Systems, owner/partner of Quantum Energy Resources and owner of G-ENERGY, Mr. Cook has conducted more than 4000 residential, commercial and industrial energy audits over the past twenty-five years. He also trained and supervised more than twenty energy auditors who completed over 25,000 residential and commercial/industrial energy audits for utility companies during that time.

Mr. Cook has developed and managed energy programs for many of the major utilities in Michigan and others throughout the Midwest, including: DTE Energy, Consumers Energy, Michigan Gas Utilities (Utilicorp United), Michigan Gas Company (Semco Energy), PSI Energy, Cincinnati Gas and Electric, American Electric Power and Northern Illinois Gas Company.

Board Membership / Affiliations:

Board Member, Michigan Green / Partners Green, a non-profit organization

Compensation:

Suspended effective April 1, 2012, the Directors have voted to abstain from compensation until further notice.

Beneficial Ownership:

10,483,889 Common Shares Issued and owned
 10,483,889 Total Common Shares Beneficially Owned (~ 3.4%)

Full Name:	Michael A. Pollakowski Member, Board of Directors
Employment History:	<p>Founder/President & CEO, Reliant Financial Services, Inc.</p> <p>Mr. Pollakowski is Founder/President & CEO of Reliant Financial Services Inc., a niche marketing company specializing in retirement plans for non-profit organizations with offices in Kansas City and St. Louis. It is currently the largest independent provider of plans and services in Kansas and Missouri, serving over 10,000 clients with over 500 million dollars of assets under management. Michael is also the President of Tri-Star Systems, Inc. which is a 20 year old St. Louis based firm. Tri-Star provides comprehensive, innovative, employee benefit administrative solutions, servicing employers ranging in size from 50 to 50,000 employees.</p>
Board Memberships / Affiliations:	<p>Board Member and Officer, Reliant Financial Services</p> <p>Board Member and Officer, Tri-Star Benefit Systems</p> <p>Officer, GWN Securities</p>
Compensation:	Suspended, effective April 1, 2012, the Directors have voted to abstain from compensation until further notice.
Beneficial Ownership:	<p>2,604,194 Common Shares issued and owned</p> <p>2,604,194 Total Common Shares Beneficially Owned (~ 0.86%)</p>

Full Name:	Craig Hancock Member, Board of Directors
Employment History:	Founder & President, Hancock & Associates Mr. Hancock is the founder of Hancock & Associates in Grand Rapids, MI. The firm specializes in helping design investment strategies for the high net-worth individual as well as the Pension/Profit sharing plans for small business or the management of foundations. Mr. Hancock has been in business since 1987 after graduating from Appalachian State University with a degree in Business Administration. He received an advanced degree in his field of Certified Financial Planner™ in 1994.
Board Memberships / Affiliations:	Board Member – Grand Rapids Civic Theater, a non-profit organization, Grand Rapids, MI Board Member – Forest Hills Young Life, a non-profit organization, Grand Rapids, MI Church Elder – Oakhill Church, Grand Rapids, MI
Compensation:	Effective April 1, 2012, the Directors have voted to abstain from compensation until further notice.
Beneficial Ownership:	2,935,887 Common Shares 2,935,887 Total Common Shares Beneficially Owned (~ 1.0%)

All securities issued to our officers and directors for services were issued in reliance upon an exemption from registration pursuant to Section 4(2) of the Securities Act of 1933, as amended, or Rule 506 of Regulation D promulgated under the Securities Act. Each person took his securities for investment purposes without a view to distribution and had access to information concerning us and our business prospects, as required by the Securities Act. In addition, there was no general solicitation or advertising for the purchase of our shares. Our securities were sold only to accredited investors, as defined in the Securities Act with whom we had a direct personal preexisting relationship, and after a thorough discussion. Finally, our stock transfer agent has been instructed not to transfer any of such securities, unless such securities are registered for resale or there is an exemption with respect to their transfer. All securities bear the following legend:

“THE SHARES OF COMMON STOCK REPRESENTED BY THIS CERTIFICATE HAVE NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933, AS AMENDED (THE “SECURITIES ACT”), OR ANY STATE SECURITIES LAWS AND NEITHER SUCH SHARES NOR ANY INTEREST THEREIN MAY BE OFFERED, SOLD, PLEDGED, ASSIGNED OR OTHERWISE TRANSFERRED UNLESS A REGISTRATION STATEMENT WITH RESPECT THERETO IS EFFECTIVE UNDER THE SECURITIES ACT AND ANY APPLICABLE STATE SECURITIES LAWS, OR PURSUANT TO AN EXEMPTION FROM REGISTRATION UNDER THE SECURITIES ACT.”

B. Legal / Disciplinary History

1. Conviction in a criminal proceeding or named as a defendant in a pending criminal proceeding (excluding traffic violations and other minor offenses):

None

2. The entry of an order, judgment, or decree, not subsequently reversed, suspended or vacated, by a court of competent jurisdiction that permanently or temporarily enjoined, barred, suspended or otherwise limited such person's involvement in any type of business, securities, commodities, or banking activities:

None

3. A finding or judgment by a court of competent jurisdiction (in a civil action), the Securities and Exchange Commission, the Commodity Futures Trading Commission, or a state securities regulator of a violation of federal or state securities or commodities law, which finding or judgment has not been reversed, suspended, or vacated:

None

4. The entry of an order by a self-regulatory organization that permanently or temporarily barred, suspended or otherwise limited such person's involvement in any type of business or securities activities:

None

A. Disclosure of Family Relationships

Describe any 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 any class of the issuer's equity securities.

None

B. Disclosure of Related Party Transactions

Describe any transaction 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. Disclose the following information regarding the transaction:

None

Describe any conflicts of interest. Describe the circumstances, parties involved and mitigating factors for any executive officer or director with competing professional or personal interests.

None

Item XII: Consolidated Financial Statement for the Years Ended September 30, 2012 & 2013

MCKENZIE BAY INTERNATIONAL, LTD. and subsidiaries (A development-stage company) CONSOLIDATED BALANCE SHEET For the Quarter Ended December 31, 2013 (Unaudited)	
	<u>ASSETS</u>
Current	<u>2013</u>
Cash and cash equivalents	61
Total Current Assets	<u>61</u>
Other Assets	
Clean Green Energy LLC	1,725,818
Dermond Patents	25,000
Total Other Assets	<u>1,750,818</u>
TOTAL ASSETS	<u>1,750,879</u>
	<u>LIABILITIES AND STOCKHOLDERS' EQUITY (DEFICIT)</u>
Current	
Accounts Payable	2,294,093
Accrued Payables	864
Total Current Liabilities	<u>2,294,957</u>
Total Liabilities	<u>2,294,957</u>
Stockholders' Equity (Deficit)	
Common Stock - \$0.001 par value	300,000
300,000,000 shares authorized	
Issued - 300,000,000	
Additional paid-In capital	22,913,143
Accumulated deficit	<u>-23,757,221</u>
Total Stockholders' Deficit	<u>-544,078</u>
TOTAL LIABILITIES & STOCKHOLDERS' EQUITY	<u>1,750,879</u>
See Accompanying Notes to Financial Statements	

MCKENZIE BAY INTERNATIONAL, LTD. and subsidiaries
(A development-stage company)
CONSOLIDATED STATEMENT OF OPERATIONS
For the Quarter Ended December 31, 2013
(Unaudited)

	<u>2013</u>
Revenue	0
Expenses	
Operating expenses	-4,362
Other expenses (income)	
Interest expense (income)	0
(Gain) loss on CGE Investment	<u>0</u>
Net gain (Loss) before income taxes	-4,362
Income Taxes	<u>0</u>
Net gain (loss)	-4,362
Basic and diluted net gain (loss) per share	\$0.0000

See Accompanying Notes to Financial Statements

MCKENZIE BAY INTERNATIONAL, LTD. and subsidiaries
(A development-stage company)
CONSOLIDATED STATEMENT OF CASH FLOWS
For the Quarter Ended December 31, 2013
(Unaudited)

	<u>2013</u>
Operating Activities	
Net Gain (Loss)	-4,362
Items not affecting cash:	
Fair value increase in other assets	0
Net change in working capital related to operations:	
Accounts payable	3,497
Accrued expenses	864
Other current assets	<u>0</u>
Net cash provided (used) by operating activities	<u>0</u>
Investing Activities:	
Net cash provided by (used in) investing activities	<u>0</u>
Financing Activities:	
Net cash provided by financing activities	<u>0</u>
Net change in cash & equivalents	0
Beginning cash & equivalents	<u>61</u>
Ending cash & equivalents	<u>61</u>

See Accompanying Notes to Financial Statements

MCKENZIE BAY INTERNATIONAL, LTD. and subsidiaries
(A development-stage company)
STATEMENT OF STOCKHOLDERS DEFICIT

For the Quarter Ended December 31, 2013
(Unaudited)

	<u>Common Stock</u> <u>Shares</u>	<u>Amount</u>	<u>Additional</u> <u>Paid-in Capital</u>	<u>Accumulated</u> <u>Deficit</u>	<u>Stockholders'</u> <u>Deficit</u>
Balance at September 30, 2013	300,000,000	300,000	22,913,143	-23,752,859	-539,716
Common stock issued for cash	0	0	0	0	0
Common stock issued for services	0	0	0	0	0
Common stock issued for debt payment	0	0	0	0	0
Net Gain (Loss)	0	0	0	-4,362	-4,362
Exchange Rate Adjustment	0	0	0	0	0
Balance at December 31, 2013	<u>300,000,000</u>	<u>300,000</u>	<u>22,913,143</u>	<u>-23,757,221</u>	<u>-544,078</u>

See Accompanying Notes to Financial Statements

MCKENZIE BAY INTERNATIONAL, LTD. and subsidiaries
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE QUARTER ENDED DECEMBER 31, 2013

1. Nature of operations

McKenzie Bay International, Ltd. and subsidiaries (Company) is a development stage company with no operations. The Company's primary business activity is the development of power purchase agreements and sale of wind powered alternative energy systems.

2. Accounting policies

The accompanying consolidated financial statements have been prepared in accordance with accounting principles generally accepted in the United States of America ("US GAAP") and reflect the following significant accounting policies:

(a) Basis of presentation

The financial statements of the Company have been prepared on the basis of the Company continuing as a going concern, which contemplates the realization of assets and the payment of liabilities in the ordinary course of business. Should the Company be unable to continue as a going concern, it may be unable to realize the carrying value of its assets and to meet its liabilities as they become due.

The Company has suffered recurring losses and has a deficiency in net assets that raise substantial doubt about its ability to continue as a going concern. The Company's continued existence is dependent upon its ability to raise additional capital and generate profits. However, management believes that it will be successful at raising additional capital in the short-term and will have profitable operations in the long-term.

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

(b) Consolidation

These financial statements include the activities of the Company. All subsidiaries are closed as of September 30, 2013. All inter-subsidary and inter-company balances and transactions have been eliminated in consolidation.

(c) Foreign Currency Translation

For statutory and other reporting purposes, the Company's closed Canadian subsidiaries; Lac Dore Mining Inc. and Dermond Inc., prepared financial statements in Canadian dollars. The translation to U.S. dollars for consolidation purposes is performed using the current rate method whereby balance sheet accounts, revenue and expense accounts are converted at exchange rates in effect at the balance sheet date. The resulting translation gains and losses are included as a component of accumulated other comprehensive loss, a separate component of stockholders' equity (deficit).

(d) Cash and Cash Equivalents

Cash and cash equivalents include short-term investments which, at the date of acquisition, have an original term to maturity of three months or less.

(e) Other Assets

The Company owns 5.0% of the authorized membership units in Clean Green Energy LLC. Membership units are presented at their original valuation of \$1,725,000 plus their share of income \$818 from date of acquisition for a total of \$1,725,818.

(f) Use of Estimates

The preparation of financial statements in conformity with US GAAP 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 amount of revenues and expenses during the fiscal period. Although these estimates are based on historical data and management's knowledge of current events and actions it may undertake in the future, actual results could differ from these estimates.

(g) Research and Development

Research and development costs are expensed as incurred. During this year the Company did not incur any Research and Development expenses.

(h) Property and Equipment

Property and equipment are recorded at cost and depreciated using the declining balance method over their estimated useful lives under the MACRS convention. During the reporting periods, the Company did not own any depreciable Property and Equipment.

(i) Impairment of long-lived assets

The Company evaluates long-lived assets for impairment whenever events or changes in circumstances indicate that the carrying value of an asset may not be recoverable. Impairment is determined by comparing the carrying value of the asset to its estimated future undiscounted cash flows, and impairment is recognized when such estimated cash flows are less than the carrying value of the asset. Measurement of the amount of impairment, if any, is based upon the difference between carrying value and estimated fair value.

(j) Income taxes

The Company accounts for income under the asset and liability method. Under this method, deferred tax assets and liabilities are recognized for the future tax consequences attributable to differences between the financial statement 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 realized or settled. The effect on deferred tax assets and liabilities of a change in tax rates is recognized in income in the period that includes the enactment date. Deferred tax assets are reduced by a valuation allowance when, in the opinion of management, it is more likely than not that some portion or all of the deferred tax assets will not be realized.

(k) Net gain (loss) per share

Basic earnings (loss) per share are computed by dividing net income (loss) (the numerator) by the weighted-average number of outstanding common shares (the denominator) for the period. The computation of diluted earnings (loss) per share includes the same numerator, but the denominator is increased to include the number of additional common shares that

would have been outstanding if potentially dilutive common shares had been issued (such as the common share equivalents for stock options and warrants).

3. Contingent liability

None

4. Reclamation and Closure Activities

None in the quarter ended December 31, 2013

5. Notes Payable

None in the quarter ended December 31, 2013

6. Common Stock

As of September 30, 2011, a total of 300,000,000 shares were issued and outstanding comprised of 296,500,000 shares issued to shareholders of record plus 2,000,000 shares held as collateral for vendor payables and 1,500,000 shares on permanent hold.

No issuances or cancellations occurred in the year

As of September 30, 2012, a total of 300,000,000 shares were issued and outstanding comprised of 296,500,000 shares issued to shareholders of record plus 2,000,000 shares held as collateral for vendor payables and 1,500,000 shares on permanent hold.

No issuances or cancellations occurred in the year

As of September 30, 2013, a total of 300,000,000 shares were issued and outstanding comprised of 296,500,000 shares issued to shareholders of record plus 2,000,000 shares held as collateral for vendor payables and 1,500,000 shares on permanent hold.

No issuance or cancellations occurred in the quarter ended December 31, 2013

As of December 31, 2013, a total of 300,000,000 shares were issued and outstanding comprised of 296,500,000 shares issued to shareholders of record plus 2,000,000 shares held as collateral for vendor payables and 1,500,000 shares on permanent hold.

The following table summarizes the activity related to common stock common stock warrants and common stock options for the quarter ended December 31, 2013:

Issued and outstanding summary:

Outstanding September 30, 2013	300,000,000
Issued	-0-
Cancelled	-0-
Outstanding December 31, 2013	300,000,000

Options Outstanding Summary:

None as of September 30, 2012 & 2013 and December 31, 2013

Warrants Outstanding Summary:

None as of September 30, 2012 & 2013 and December 31, 2013

Accrued Director's Stock Compensation Summary:

Accrued Director's Stock Compensation – December 31, 2013	-0-
---	-----

Reserved for Officer Compensation

Accruals Reserved for Officer Compensation December 31, 2013	-0-
--	-----

Fully Diluted Common Stock Summary – December 31, 2013

Shares Authorized	300,000,000
Issued and outstanding	300,000,000
Shares reserved for corporate responsibility	-0-
Warrants outstanding	-0-
Options outstanding	-0-
Shares reserved for Director Stock Compensation	-0-
Shares reserved for Officer Compensation	-0-
Shares Issued and Encumbered	<u>300,000,000</u>
Shares Un-Issued and Unencumbered	-0-

7. Basic and diluted gain (loss) per common share

The following outstanding common stock equivalents were excluded from the computation of diluted net gain (loss) per share attributable to common stockholders as they had an anti-dilutive effect:

	<u>December 31, 2013</u>
Shares Issued and Encumbered	<u>300,000,000</u>
Shares issued to vendor on permanent hold	1,500,000
Shares issued as collateral for vendor services	<u>2,000,000</u>
Total excluded common stock equivalents	3,500,000
Weighted Average Number of Common Shares & Equivalents	300,000,000

Basic and diluted gain (loss) per common share

	<u>December 31, 2013</u>
Net Gain (Loss)	(4,362)
Weighted average number of Common Shares and equivalents	300,000,000
Net Gain (Loss) per common share	\$0.000

8. Intangible Assets

- a. Clean Green Energy LLC
 - i. Exclusive distribution rights for direct sales of the WIND-e20 wind turbine;
 - ii. Development of power purchase agreements (PPAs) with public and municipal utilities, and electric cooperatives (using WIND-e20 and other renewable energy technologies);
 - iii. Part ownership of CGE (5% as a stockholder);
 - iv. Fulfillment/implementation contractor services provided by CGE for MKBY projects.
- b. WindStor vertical axis wind turbine technology

- i. MKBY holds patent rights for the WindStor vertical axis wind turbine technology.
- ii. MKBY does not have any rights to CGE's WIND-e20 vertical axis wind turbine

9. Commitments and Contingencies

None

10. Income Taxes

Net Operating Loss carryforwards are estimated to the best of our knowledge.

The Company and certain subsidiaries are estimated to have accumulated the following losses and credits for income tax purposes at September 30, 2013, which may be carried forward to reduce taxable income and taxes payable in future years.

U.S. net operating loss carryforwards	~ US\$ 10,000,000
---------------------------------------	-------------------

11. Related Party Transactions

None

12. Subsequent Events

On January 4, 2014, the Company signed a Letter of Intent to merge with Clean Green Energy LLC (CGE), a privately held renewable energy company. The Merger is to be structured as a reverse triangular merger.

McKenzie Bay has proposed to exchange all of CGE's Membership Units for MKBY Stock. After the merger, CGE will become the majority owners of MKBY. Additionally, MKBY will need to enact a reverse stock split and substantially reduce authorized shares to facilitate the merger.

13. Off Balance Sheet Arrangements

MKBY has no off-balance sheet arrangements at this time.

Item XIII: Beneficial Owners

Kevin Cook, President and Director	10,483,889 Shares
Mark Cecil, Director (Chairman)	1,998,394 Shares
Michael Pollakowski, Director	2,604,194 Shares
Craig Hancock, Director	2,935,887 Shares

Item XIV: The name, address, telephone number, and email address of each of the following outside providers that advise the issuer on matters relating to operations, business development and disclosure

A. Investment Banker

None

B. Promoters

None

C. Counsel

Honigman Miller Schwartz and Cohn LLP
2290 First National Building
660 Woodward Avenue
Detroit MI 48226-3506
Gregory J. DeMars Jason R. Abel
313.465.7356 313.465.7302
gdemars@honigman.com jabel@honigman.com

D. Independent Accountant or Auditor

None

E. Public Relations Consultant(s)

None

F. Investor Relations Consultant(s)

Rich Kaiser
Yes International
3419 Virginia Beach Blvd, # 252
Virginia Beach, VA 23452

Tel: (800) 631-8127
Email: yes@yesinternational.com

Item XV: Management's discussion and analysis or plan of operation

We are exploring new revenue streams and technology innovation in renewable energy and energy efficiency. While cleantech solutions will be our main focus going forward, we also said that we will continue to make footprints in the wind energy industry and, specifically, the vertical-axis wind turbine market. MKBY is the exclusive distributor of the WIND-e20. Our four-point business agreement with CGE provides that designation as well as other terms that bring value and opportunity to our company. Specifically, it includes:

Exclusive distribution rights for direct sales of the WIND-e20 wind turbine;

Development of power purchase agreements (PPAs) with public and municipal utilities, and electric cooperatives (using WIND-e20 and other renewable energy technologies);

Part ownership of CGE (5% as a stockholder);

Fulfillment/implementation contractor services provided by CGE for MKBY projects.

We'll profit through all direct sales of the WIND-e20, have the ability to develop our own PPA agreements and projects using the WIND-e20 technology as well as other renewable energy and energy efficiency applications, and have CGE at the ready as an implementation contractor for those projects. In addition, we have a 5% stake in CGE that will only appreciate over time; we can provide a major positive impact to the CGE bottom line through wind turbine sales and energy projects we develop. Our relationship with CGE is a strong one and can only benefit MKBY long-term.

Item XVIII: Purchases of Equity Securities by the Issuer and Affiliated Purchasers

N/A

Item XIX: Certifications

I, Kevin B. Cook, certify that:

1. I have reviewed this consolidated quarterly disclosure statement of McKenzie Bay International Ltd;
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.

Date: February 13, 2014

A handwritten signature in blue ink, appearing to read 'Kevin B. Cook', with a stylized flourish at the end.

Kevin B. Cook
President