

**QUARTERLY DISCLOSURE STATEMENT OF:  
NOVATION HOLDINGS, INC.  
FOR THE QUARTER ENDED MAY 31, 2017**

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**1) Name of the issuer and its predecessors (if any)**

Novation Holdings, Inc. (the “Company”)

**2) Address of the issuer’s principal executive offices**

Company Headquarters

5005 Elbow Drive  
Southwest Calgary, Alberta T2S2T6 Canada  
Phone: (403) 988-2005

Website: N/A

IR Contact: N/A

**3) Security Information**

Trading Symbol: NOHO

Exact title and class of securities outstanding:

**Common Stock**

CUSIP: 66989U 10 9

Par or Stated Value: \$0.001

Total shares authorized:	15,000,000,000	as of: July 20, 2017
Total shares outstanding	8,474,145,740	as of: July 20, 2017

**Preferred Stock**

Par or Stated Value: 0.001

Preferred shares Authorized:	5,000,000	
Preferred shares outstanding	1,000,000	as of: July 20, 2017

Transfer Agent

Pacific Stock Transfer Company  
6725 Via Austi Pkwy, Suite 300  
Las Vegas, NV 89119  
Phone (702) 361-3033

Is the Transfer Agent registered under the Exchange Act?\* Yes: ☒ No: ☐

\*To be included in the OTC Pink Current Information tier, the transfer agent must be registered under the Exchange Act.

List any restrictions on the transfer of security:

None

Describe any trading suspension orders issued by the SEC in the past 12 months.

None

List any stock split, stock dividend, recapitalization, merger, acquisition, spin-off, or reorganization either currently anticipated or that occurred within the past 12 months:

None

#### **4) Issuance History**

The Company is authorized to issue 15,000,000,000 shares of common stock, par value \$0.001 per share and 5,000,000 shares of preferred stock, par value \$0.001. We had a total of 8,474,145,740 common shares and 1,000,000 preferred shares issued and outstanding as of July 20, 2017. The following represents the Company's common stock issuances during the years 2016 and 2017:

##### Common Stock

In March 2017 we issued a total of 370,000,000 common shares converting \$18,500 in principal amounts of loans and accrued interest.

In April, 2017 we issued 334,257,600 common shares converting \$16,713 in principal amounts of loans and accrued interest.

In April, 2017 we issued 299,968,600 common shares converting \$14,998 in principal amounts of loans and accrued interest.

##### Preferred Stock

On November 29, 2012, the Company filed a Certificate of Designation that authorized the issuance of up to one million (1,000,000) shares of a new series designated "Series A Preferred Stock," and established the rights, preferences and limitations thereof. The Series A Preferred Stock have a stated value of \$100,000 upon issuance, carry voting power equal to 51 percent of the total voting power of all classes of stock, a dividend preference equal to \$0.01 per share, and a conversion option into shares of common stock valued at the time of conversion at 1 million dollars, based on the 5 day trailing average closing price of the Company's common stock. If not already converted, the preferred stock converts automatically five years after issue into shares of

common stock valued at the time of conversion at 2 million dollars, based on the 5 day trailing average closing price of the Company's common stock.

## **5) Financial Statements**

The financial statements have been prepared in house for the quarter ended May 31, 2017. These Financial Statements are filed with OTC Markets on their public website and are incorporated herein by reference.

## **6) Describe the Issuer's Business, Products and Services**

### **A. a description of the issuer's business operations;**

We are in the business of operating through wholly-owned subsidiaries to which we provide management, administrative, financial and other support services. We are also actively seeking other related acquisitions in the ISP service provider field, as well as in other market segments where the development time and cost are less and the production of operating revenues can be accelerated

We operate Burgoyne Internet Services, Inc., a regional internet service provider (ISP) and Novation Consulting Services, Inc., an administrative service company as of July 20, 2017.

On May 12<sup>th</sup>, 2017, the Company entered into an agreement with a web development and online marketing firm with expertise in finance and business credit development techniques to offer a complete end-to-end, web based, business to business enterprise solution. Through this agreement, the Company is in the process of developing its online financial technology, or "FinTech", presence through its customized website and online platform which will be marketed towards a variety of healthcare and healthcare related professionals. As of July 20, 2017, the FinTech platform is still in development with an anticipated launch by end of 2017.

### **Burgoyne Internet Services, Inc.**

On December 6, 2012, we completed the acquisition of Burgoyne Internet Services, LLC ("Burgoyne"), a Utah limited liability company, with an effective closing date of December 1, 2012. Since the effect of the change of control of the limited liability company under Utah law was a legal dissolution of the old company, the acquisition has been treated as an asset acquisition by Burgoyne Internet Services, Inc., a newly formed Florida corporation and our wholly-owned subsidiary. In addition to the acquisition consideration of \$200,000, the seller, ISP Holdings, LLC, a Utah limited liability company, also agreed to provide \$50,000 in working capital at closing and an additional \$50,000 in working capital if the median dollar value of Novation's trading volume for its common stock for an consecutive 30 day period equals or exceeds \$50,000 during the one year period after closing. The closing was completed on December 6, 2012 on the transfer of the initial \$50,000 in working capital funds, although the acquisition transaction has been treated as closing effective on December 1, 2012 for accounting purposes.

We issued a convertible promissory note to ISP Holdings, Inc. in the principal amount of \$280,000, representing the \$200,000 purchase price for Burgoyne, the initial \$50,000 working capital advance, a \$15,000 original issue discount, and a \$15,000 expense allowance to cover ISP

Holding's expenses related to the transaction. The promissory note had a term of 14 months, bears interest at 8 percent, and is convertible into common stock (subject to a maximum holding of 9.9 percent of the total common shares outstanding at any time) at \$0.03 per share. The note is now in default.

Burgoyne provides Internet access, emails, and related services to customers throughout the United States, primarily in areas where high speed cable and other high speed Internet access services are not readily available. Its web site is at [www.burgoyne.com](http://www.burgoyne.com). As a result of this initial ISP acquisition, Novation plans to undertake acquisitions of other regional ISP companies in a national roll-up strategy. We have already identified 5 other regional ISP companies for sale and believe that, with the added infrastructure provided by Novation, the existing operating success can grow and add to the bottom line for Novation.

As part of the transaction, we also executed a Transition Services Agreement with ISP Holdings, LLC under which ISP Holdings will continue to provide administrative services in managing the ISP business of Burgoyne for a period of 9 months from closing, for a nominal fee of the greater of 2 percent of revenues or \$200 per month. Due to the default on the note issued to ISP Holdings, the transition service agreement has continued in place and all revenues from Burgoyne have been applied to the interest and principal due on the note.

#### **Novation Consulting Services, Inc.**

Novation Consulting Services, Inc., a Florida corporation, is a wholly-owned subsidiary, and was formed to acquire and operate the assets and financial management consulting business acquired by us in January 2013. Novation Consulting provides administrative, financial, regulatory and legal management services to the Company as well as to other small public and private companies for a fixed monthly management fee.

#### **B. Date and State (or Jurisdiction) of Incorporation:**

The Company was organized originally under the laws of the State of Delaware as Stanford Management Ltd., on September 24, 1998, and, effective on October 25, 2012, transferred our place of incorporation from Delaware to Florida and changed our corporate name to Novation Holdings, Inc.

#### **C. The issuer's primary and secondary SIC Codes; 6700, Holding Company**

#### **D. The issuer's fiscal year end date; August 31**

#### **E. Principal products or services, and their markets; Holding Company for consulting services and internet service provider**

### **7) Describe the Issuer's Facilities**

We maintain our corporate offices at 1800 NW Corporate Boulevard, Suite 201, Boca Raton, FL. The corporate office space is currently being provided free of charge by our President and

CEO, Michael Gelmon. There are currently no proposed programs for the renovation, improvement or development of the facilities currently used.

**8) Officers, Directors, and Control Person**

Michael Gelmon  
President, CEO & Sole Director

**B. Legal/Disciplinary History.** Please identify whether any of the foregoing persons have, in the last five years, been the subject of:

1. A 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; or

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

**C. Beneficial Shareholders.**

Name of Beneficial Owner	Number of Common Shares <sup>1</sup>	Percentage (%)
<u>Michael Gelmon</u>	<u>111,111</u>	<u>&lt;1%</u>
<b>All Directors/Officers as a Group</b>	<b>111,111</b>	<b>&lt;1%</b>

Name and Address Beneficial Owner	Number of Preferred Shares <sup>2</sup>	Percentage (%)
625519 Alberta Ltd <sup>3</sup>	1,000,000	100%

<sup>1</sup> Based on a total of 8,474,145,740 common shares outstanding as of July 20, 2017.

<sup>2</sup> Based on a total of 1,000,000 shares of Series A Preferred shares outstanding at July 20, 2017. The Series A Preferred shares carry voting power equal to 51 percent of the total voting power of all classes of stock.

<sup>3</sup> Michael Gelmon, the Company's CEO and sole director, is the beneficial owner of 625519 Alberta Ltd

## 9) Third Party Providers

Legal Counsel: None

Accountant or Auditor: None

Investor Relations Consultant None

Other Advisor: None

## 10) Issuer Certification

I, Michael Gelmon, certify that:

1. I have reviewed this initial disclosure statement of Novation 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.

Date: July 20, 2017

/S/ Michael Gelmon  
President, CEO and Sole Director