



Revolutionizing Global Distribution

ANNUAL REPORT

FOR YEAR ENDING DECEMBER 31, 2010



TRITON DISTRIBUTION SYSTEMS, INC.
ANNUAL REPORT
FOR YEAR ENDING DECEMBER 31, 2010

Part A General Company Information

Item 1 The exact name of the issuer and its predecessor (if any).

The name of the issuer is TRITON DISTRIBUTION SYSTEMS, INC. (the "Issuer"). The Company was incorporated as PETRAMERICA OIL, INC. in the state of Colorado on September 22, 1986. It changed its name to TRITON DISTRIBUTION SYSTEMS, INC. on August 17, 2006.

Item 2 The address of its principle executive offices.

105 Barbaree Way
Tiburon, California 94920
(415) 381-4806

www.tritonds.com

info@tritonds.com

Item 3 The state and date of incorporation.

The Company was incorporated on September 22, 1986 in the state of Colorado.

Part B **Share Structure and Issuance History**

Item 4 **The exact title and class of securities outstanding.**

Title and Class	CUSIP	Trading Symbol
Common Stock	89677C207	TTDZ
Preferred Stock	[none]	[none]

Item 5 **The par or stated value and description of the security.**

Par Value of Common Stock is \$0.001 per share. Par Value of Preferred Stock is \$0.001 per share.

Voting Rights, Dividend, Preemption Rights, and other matters regarding Common and Preferred Stock.

1. For our Common Stock, we have the following dividend, voting and pre-emption rights:

Dividend – Dividends in cash, property or shares of the corporation may be paid upon the Common Stock, as and when declared by the Board of Directors, out of funds of the corporation to the extent and in the manner permitted by law.

Voting Rights – Each outstanding share of Common Stock shall be entitled to one vote and each fractional share of Common Stock shall be entitled to a corresponding fractional vote on each matter submitted to a vote of shareholders. Cumulative voting shall not be allowed in the election of directors of the corporation. When, with regard to any action to be taken by the shareholders of this corporation, the Colorado Corporation Code requires the vote or concurrence of the holders of two-thirds of the outstanding shares, such action may be taken by the vote or concurrence of a majority of such shares or class thereof

Pre-Emption Rights – No holder of any shares of the corporation, whether now or hereafter authorized, shall have any preemptive or preferential right to acquire any shares or securities of the corporation, including shares or securities held in the treasury of the corporation.

2. For our Preferred Stock, we have the following dividend, voting, conversion and liquidation rights as well as redemption or sinking funds provisions:

SERIES A PREFERRED STOCK

CONVERSION RIGHTS

(a) If at least one share of Series A Preferred Stock is issued and outstanding, then the total aggregate issued shares of Series A Preferred Stock at any given time, regardless of their number, shall be convertible into the number of shares of Common Stock which equals 66% of the total number of shares of Common Stock, plus the total number of shares of all other series of stock, which are issued and outstanding at the time of conversion.

(b) Each individual share of Series A Preferred Stock shall be convertible into the number of shares of Common Stock which equals 66% of the total number of shares of Common Stock, plus the total number of shares of all other series of stock, which are issued and outstanding at the time of conversion, divided by the total number of shares of Series A Preferred Stock at the time of conversion.

LIQUIDATION RIGHTS

(a) In the event of any liquidation, dissolution, or winding up of the Company, whether voluntary or involuntary, the holders of the Series A Preferred then outstanding shall be entitled to be paid out of the assets of the Company, before any other class or series, available for distribution to its shareholders, before any payment or declaration and setting apart for payment of any amount shall be made in respect of any outstanding capital stock of the Company, an amount equal to Five Million Dollars (\$5,000,000) per share. Then all of the assets of the Company available to be distributed shall be distributed ratably to the holders of the Series A Preferred and then to the holders of other outstanding shares of capital stock of the Company. If upon any liquidation, dissolution, or winding up of the Company, whether voluntary or involuntary, the assets to be distributed to the holders of the Series A Preferred shall be insufficient to permit the payment to the holders thereof the full preferential amount as provided herein, then such available assets shall be distributed ratably to the holders of the Series A Preferred.

(b) None of the following events shall be treated as or deemed to be liquidation hereunder:

- (i) A merger, consolidation or reorganization of the Company;
- (ii) A sale or other transfer of all or substantially all of the Company's assets;
- (iii) A sale of 50% or more of the Company's capital stock then issued and outstanding;
- (iiii) A purchase or redemption by the Company of stock of any class; or
- (v) Payment of a dividend or distribution from funds legally available therefore.

VOTING RIGHTS

(a) If at least one share of Series A Preferred Stock is issued and outstanding, then the total aggregate issued shares of Series A Preferred Stock at any given time, regardless of their number, shall have voting rights equal to 66.6%-(2/3) of the total number of shares of Common Stock, plus the total number of shares of all other series of stock, issued and outstanding at the time of any vote of shareholders.

(b) Each individual share of Series A Preferred Stock shall have the voting rights equal to $66.6\%-(2/3)$ of the number of shares of Common Stock, plus the total number of shares of all other series of Stock, issued and outstanding at the time of any vote of shareholders, divided by the number of shares of Series A Preferred Stock which are issued and outstanding at the time of the vote.

Our Series A Preferred Stock has no dividend, redemption or sinking fund provisions.

SERIES B PREFERRED STOCK

LIQUIDATION RIGHTS

(i) In the event of any liquidation, dissolution, or winding up of the Company, whether voluntary or involuntary, the holders of the Series B Preferred then outstanding shall be entitled to be paid out of the assets of the Company available for distribution to its shareholders, before any payment or declaration and setting apart for payment of any amount shall be made in respect of any outstanding capital stock of the Company, an amount equal to Six Dollars (\$6.00) per share. Then all of the assets of the Company available to be distributed shall be distributed ratably to the holders of the Series B Preferred and then to the holders of other outstanding shares of capital stock of the Company. If upon any liquidation, dissolution, or winding up of the Company, whether voluntary or involuntary, the assets to be distributed to the holders of the Series B Preferred shall be insufficient to permit the payment to the holders thereof the full preferential amount as provided herein, then such available assets shall be distributed ratably to the holders of the Series B Preferred.

(ii) None of the following events shall be treated as or deemed to be liquidation hereunder:

- (a) A merger, consolidation or reorganization of the Company;
- (b) A sale or other transfer of all or substantially all of the Company's assets;
- (c) A sale of 50% or more of the Company's capital stock then issued and outstanding;
- (d) A purchase or redemption by the Company of stock of any class; or
- (e) Payment of a dividend or distribution from funds legally available therefore.

VOTING RIGHTS

In any and all matters the Series B Preferred shall have voting rights in any matter presented to the shareholders of the common stock of the Company on the basis of one vote for each share of Series B Preferred Stock issued and outstanding. Matters affecting the rights of holders of Series B Preferred shares to dividends or affecting their liquidation rights shall be presented to holders thereof for a vote of approval as herein provided for and for no other purpose. If the Company affects a stock split which either increases or decreases the number of shares of Common Stock outstanding and entitled to vote, the voting rights of the Series B Preferred shall not be subject to adjustment unless such stock split shall be applied to the Series B Preferred.

DIVIDENDS

The holders of the Series B Preferred shall be entitled to receive Common Stock dividends when, as, and if declared by the directors of the Company, to be paid in cash or in Market Value of the Company's common stock at the election of the Company. Market Value, for the purposes of this Certificate of Determination shall mean the average of the closing prices for the common stock of the Company for the

five business days preceding the declaration of a dividend by the Board of Directors. Without prior written consent of the majority of the holders of Series B Preferred, so long as any shares of Series B Preferred shall be outstanding, the Company shall not declare or pay on any Junior Stock any dividend whatsoever, whether in cash, property or otherwise, nor shall the Company make any distribution on any Junior Stock, nor shall any Junior Stock be purchased or redeemed by the Company or any of its subsidiaries of which it owns not less than 51% of the outstanding voting stock, nor shall any monies be paid or made available for a sinking fund for the purchase or redemption of any Junior Stock, unless all dividends to which the holders of Series B Preferred shall have been entitled for all previous dividend periods shall have been paid or declared and a sum of money sufficient for the payment thereof and the Redemption Price is set apart.

CONVERSION RIGHTS

The Series B Preferred shall have the following conversion rights (the "Conversion Rights"):

A. Holder's Optional Right to Convert. Each share of Series B Preferred shall be convertible, at the option of the holder(s), on the Conversion Basis in effect at the time of conversion. Such right to convert shall commence as of the Issue Date and shall continue thereafter for a period of ten years, such period ending on the tenth anniversary of the Issue Date. In the event that the holder(s) of the Series B Preferred elect to convert such shares into Common Stock, the holder(s) shall have thirty (30) days from the date of such notice in which to tender their shares of Series B Preferred to the Company.

B. Conversion Basis. Each share of Series B Preferred Stock shall be convertible, at any time, or from time to time, into that number of shares of the Company's Common Stock at the company's par value of 0.001, equal in Market Value to Six Dollars (\$2.00), subject to adjustment as may be determined by the Board of Directors from time to time.

C. Mechanics of Conversion. Before any holder of Series B Preferred shall be entitled to convert the same into shares of Common Stock, such holder shall (i) give written notice to the Company, at the office of the Company or of its transfer agent for the Common Stock or the Preferred Stock, that he elects to convert the same and shall state therein the number of shares of Series B Preferred being converted; and (ii) surrender the certificate or certificates therefore, duly endorsed. Thereupon the Company shall promptly issue and deliver to such holder of Series B Preferred a certificate or certificates for the number of shares of Common Stock to which such holder shall be entitled. The conversion shall be deemed to have been made and the resulting shares of Common Stock shall be deemed to have been issued immediately prior to the close of business on the date of such notice and surrender of the shares of Series B Preferred.

D. Adjustments to the Conversion Basis.

(i) Stock Splits and Combinations. At any time after the Company first issues the Series B Preferred and while any of the shares of Series B Preferred remain outstanding, if the Company shall effect a subdivision or combination of the Common Stock subject to the Protective Provisions (as defined below), the Conversion Basis then in effect immediately before that subdivision or combination shall be proportionately adjusted. Any adjustment shall become effective at the close of business on the date the subdivision or combination becomes effective.

(ii) Reclassification, Exchange or Substitution. At any time after the Company first issues the Series B Preferred and while any of the shares of Series B Preferred remain outstanding, if the Common Stock issuable upon the conversion of the Series B Preferred shall be changed into the same or a different number of shares of any class or classes of stock, whether by capital reorganization, reclassification, or

otherwise (other than a subdivision or combination of shares or stock dividend provided for above, or a reorganization, merger, consolidation, or sale of assets), then and in each such event the holder of each share of Series B Preferred shall have the right thereafter to convert such shares into the kind and amount of shares of stock and other securities and property receivable upon such reorganization, reclassification, or other change, by holders of the number of shares of Common Stock into which such shares of Series B Preferred might have been converted immediately prior to such reorganization, reclassification, or change, all subject to further adjustments as provided herein.

(iii) Reorganization, Mergers, Consolidations or Sales of Assets. At any time after the Company first issues the Series B Preferred and while any of such shares remain outstanding, if there shall be a capital reorganization of the Common Stock (other than a subdivision, combination, reclassification, or exchange of shares), or a merger or consolidation of the Company with or into another Company, or the sale of all or substantially all of the Company's assets to any other person, then as a part of such reorganization, merger, consolidation, or sale, provision shall be made so that the holders of the Series B Preferred thereafter shall be entitled to receive upon conversion of the Series B Preferred, the number of shares of stock or other securities or property of the Company, or of the successor Company resulting from such merger or consolidation or sale, to which a holder of Series B Preferred deliverable upon conversion would have been entitled on such capital reorganization, merger, consolidation, or sale.

E. Notices of Record Date. In the event of any reclassification or recapitalization of the capital stock of the Company, any merger or consolidation of the Company, or any transfer of all or substantially all of the assets of the Company to any other Company, entity, or person, or any voluntary or involuntary dissolution, liquidating, or winding up of the Company, the Company shall mail to each holder of Series B Preferred at least 30 days prior to the record date specified therein, a notice specifying the date on which any such reorganization, reclassification, transfer, consolidation, merger, dissolution, liquidation, or winding up is expected to become effective, and the time, if any is to be fixed, as to when the holders of record of Common Stock (or other securities) shall be entitled to exchange their shares of Common Stock (or other securities) for securities or other property deliverable upon such reorganization, reclassification, transfer, consolidation, merger, dissolution, liquidation, or winding up.

F. Fractional Shares. No fractional shares of Common Stock shall be issued upon conversion of the Series B Preferred. In lieu of any fractional shares to which the holder would otherwise be entitled, the Company shall pay cash equal to the product of such fraction multiplied by the fair market value of one share of the Company's Common Stock on the date of conversion, as determined in good faith by the Company's directors.

G. Reservation of Stock Issuable Upon Conversion. At such time as the Company increases its authorized capital resulting in a sufficient number of shares of Common Stock becoming available for the conversion of the Series B Preferred, the Company shall reserve and keep available out of its authorized but unissued shares of Common Stock, solely for the purpose of effecting the conversion of the shares of the Series B Preferred, a number of its shares of Common Stock as shall from time to time be sufficient to effect the conversion of all outstanding shares of the Series B Preferred.

H. Limitations on Conversion. No conversion of any issued shares of Series B Preferred into common stock shall exceed 9.9% of the then issued and outstanding shares of common stock as reported by the Company's transfer agent, unless such conversion is submitted to and approved by the board of directors of the Company. The Company may request information from the holder of any Series B Preferred shares submitted for conversion as to that shareholders current ownership of common stock or other securities of the Company.

REDEMPTION PROVISIONS

Subject to the applicable provisions of Colorado law, the Company, at the option of its directors, may at any time or from time to time redeem the whole or any part of the outstanding Series B Preferred. Upon redemption the Company shall pay for each share redeemed the amount of Six Dollars (\$6.00) per share, payable in cash or common stock of the Company.

At least thirty (30) days previous notice by mail, postage prepaid, shall be given to the holders of record of the Series B Preferred to be redeemed, such notice to be addressed to each such shareholder at the address of such holder appearing on the books of the Company or given by such holder to the Company for the purpose of notice, or if no such address appears or is given, at the place where the principal office of the Company is located. Such notice shall state the date fixed for redemption and shall call upon the holder to surrender to the Company on said date at the place designated in the notice such holder's certificate or certificates representing the shares to be redeemed. On or after the date fixed for redemption and stated in such notice, each holder of Series B Preferred called for redemption shall surrender the certificate evidencing such shares to the Company at the place designated in such notice and shall thereupon be entitled to receive payment of the redemption price. If less than all the shares represented by any such surrendered certificate are redeemed, a new certificate shall be issued representing the unredeemed shares. If such notice of redemption shall have been duly given, and if on the date fixed for redemption funds necessary for the redemption shall be available therefore, notwithstanding that the certificates evidencing any Series B Preferred called for redemption shall not have been surrendered, the dividends with respect to the shares so called for redemption shall forthwith after such date cease and determine, except only the right of the holders to receive the redemption price without interest upon surrender of their certificates therefore.

If, on or prior to any date fixed for redemption of Series B Preferred, the Company deposits, with any bank or trust company as a trust fund, the number of shares of Common Stock of a sum sufficient to redeem, on the date fixed for redemption thereof, the shares called for redemption, with irrevocable instructions and authority to the bank or trust company to give the notice of redemption thereof (or to complete the giving of such notice if theretofore commenced) and to pay, or deliver, on or after the date fixed for redemption or prior thereto, the redemption price of the shares to their respective holders upon the surrender of their share certificates, then from and after the date of the deposit (although prior to the date fixed for redemption), the shares so called shall be redeemed and any dividends on those shares shall cease to accrue after the date fixed for redemption. The deposit shall constitute full payment of the shares to their holders and from and after the date of the deposit the shares shall no longer be outstanding and the holders thereof shall cease to be shareholders with respect to such shares, and shall have no rights with respect thereto except the right to receive from the bank or trust company payment of the redemption price of the shares without interest, upon the surrender of their certificates therefore.

Any interest accrued on any funds so deposited shall be the property of, and paid to, the Company. If the holders of Series B Preferred so called for redemption shall not, at the end of six years from the date fixed for redemption thereof, have claimed any funds so deposited, such bank or trust company shall thereupon pay over to the Company such unclaimed funds, and such bank or trust company shall thereafter be relieved of all responsibility in respect thereof to such holders and such holders shall look only to the Company for payment of the redemption price.

Our Series B Preferred Stock has no sinking fund provisions.

SERIES C PREFERRED STOCK

LIQUIDATION RIGHTS

(i) In the event of any liquidation, dissolution, or winding up of the Company, whether voluntary or involuntary, the holders of the Series C Preferred then outstanding shall be entitled to be paid out of the assets of the Company available for distribution to its shareholders, before any payment or declaration and setting apart for payment of any amount shall be made in respect of any outstanding capital stock of the Company, an amount equal to Five Dollars (\$5.00) per share. Then all of the assets of the Company available to be distributed shall be distributed ratably to the holders of the Series C Preferred and then to the holders of other outstanding shares of capital stock of the Company. If upon any liquidation, dissolution, or winding up of the Company, whether voluntary or involuntary, the assets to be distributed to the holders of the Series C Preferred shall be insufficient to permit the payment to the holders thereof the full preferential amount as provided herein, then such available assets shall be distributed ratably to the holders of the Series C Preferred.

(ii) None of the following events shall be treated as or deemed to be liquidation hereunder:

- (a) A merger, consolidation or reorganization of the Company;
- (b) A sale or other transfer of all or substantially all of the Company's assets;
- (c) A sale of 50% or more of the Company's capital stock then issued and outstanding;
- (d) A purchase or redemption by the Company of stock of any class; or
- (e) Payment of a dividend or distribution from funds legally available therefore.

VOTING RIGHTS

In any and all matters the Series C Preferred shall have voting rights in any matter presented to the shareholders of the common stock of the Company on the basis of one vote for each share of Series C Preferred Stock issued and outstanding. Matters affecting the rights of holders of Series C Preferred shares to dividends or affecting their liquidation rights shall be presented to holders thereof for a vote of approval as herein provided for and for no other purpose. If the Company affects a stock split which either increases or decreases the number of shares of Common Stock outstanding and entitled to vote, the voting rights of the Series C Preferred shall not be subject to adjustment unless such stock split shall be applied to the Series C Preferred.

DIVIDENDS

The holders of the Series C Preferred shall be entitled to receive Common Stock dividends when, as, and if declared by the directors of the Company, to be paid in cash or in Market Value of the Company's common stock at the election of the Company. Market Value, for the purposes of this Certificate of Determination shall mean the average of the closing prices for the common stock of the Company for the five business days preceding the declaration of a dividend by the Board of Directors.

Without prior written consent of the majority of the holders of Series C Preferred, so long as any shares of Series C Preferred shall be outstanding, the Company shall not declare or pay on any Junior Stock any dividend whatsoever, whether in cash, property or otherwise, nor shall the Company make any distribution on any Junior Stock, nor shall any Junior Stock be purchased or redeemed by the Company or any of its subsidiaries of which it owns not less than 51% of the outstanding voting stock, nor shall any

monies be paid or made available for a sinking fund for the purchase or redemption of any Junior Stock, unless all dividends to which the holders of Series C Preferred shall have been entitled for all previous dividend periods shall have been paid or declared and a sum of money sufficient for the payment thereof and the Redemption Price is set apart.

CONVERSION

The Series C Preferred shall have the following conversion rights (the "Conversion Rights"):

A. Holder's Optional Right to Convert. Each share of Series C Preferred shall be convertible, at the option of the holder(s), on the Conversion Basis in effect at the time of conversion. Such right to convert shall commence as of the Issue Date and shall continue thereafter for a period of ten years, such period ending on the tenth anniversary of the Issue Date. In the event that the holder(s) of the Series C Preferred

elect to convert such shares into Common Stock, the holder(s) shall have thirty (30) days from the date of such notice in which to tender their shares of Series C Preferred to the Company.

B. Conversion Basis. Each share of Series C Preferred shall be convertible into that number of shares of the Company's Common Stock, equal in Market Value to Five Dollars (\$5.00).

C. Mechanics of Conversion. Before any holder of Series C Preferred shall be entitled to convert the same into shares of Common Stock, such holder shall (i) give written notice to the Company, at the office of the Company or of its transfer agent for the Common Stock or the Preferred Stock, that he elects to convert the same and shall state therein the number of shares of Series C Preferred being converted; and (ii) surrender the certificate or certificates therefore, duly endorsed. Thereupon the Company shall promptly issue and deliver to such holder of Series C Preferred a certificate or certificates for the number of shares of Common Stock to which such holder shall be entitled. The conversion shall be deemed to have been made and the resulting shares of Common Stock shall be deemed to have been issued immediately prior to the close of business on the date of such notice and surrender of the shares of Series C Preferred.

D. Adjustments to the Conversion Basis.

(i) Stock Splits and Combinations. At any time after the Company first issues the Series C Preferred and while any of the shares of Series C Preferred remain outstanding, if the Company shall effect a subdivision or combination of the Common Stock subject to the Protective Provisions (as defined below), the Conversion Basis then in effect immediately before that subdivision or combination shall be proportionately adjusted. Any adjustment shall become effective at the close of business on the date the subdivision or combination becomes effective.

(ii) Reclassification, Exchange or Substitution. At any time after the Company first issues the Series C Preferred and while any of the shares of Series C Preferred remain outstanding, if the Common Stock issuable upon the conversion of the Series C Preferred shall be changed into the same or a different number of shares of any class or classes of stock, whether by capital reorganization, reclassification, or otherwise (other than a subdivision or combination of shares or stock dividend provided for above, or a reorganization, merger, consolidation, or sale of assets), then and in each such event the holder of each share of Series C Preferred shall have the right thereafter to convert such shares into the kind and amount of shares of stock and other securities and property receivable upon such reorganization, reclassification, or other change, by holders of the number of shares of Common Stock into which such shares of Series C Preferred might have been converted immediately prior to such reorganization, reclassification, or change, all subject to further adjustments as provided herein.

(iii) Reorganization, Mergers, Consolidations or Sales of Assets. At any time after the Company first issues the Series C Preferred and while any of such shares remain outstanding, if there shall be a capital reorganization of the Common Stock (other than a subdivision, combination, reclassification, or exchange of shares), or a merger or consolidation of the Company with or into another Company, or the sale of all or substantially all of the Company's assets to any other person, then as a part of such reorganization, merger, consolidation, or sale, provision shall be made so that the holders of the Series C Preferred thereafter shall be entitled to receive upon conversion of the Series C Preferred, the number of shares of stock or other securities or property of the Company, or of the successor Company resulting from such merger or consolidation or sale, to which a holder of Series C Preferred deliverable upon conversion would have been entitled on such capital reorganization, merger, consolidation, or sale.

E. Notices of Record Date. In the event of any reclassification or recapitalization of the capital stock of the Company, any merger or consolidation of the Company, or any transfer of all or substantially all of the assets of the Company to any other Company, entity, or person, or any voluntary or involuntary dissolution, liquidating, or winding up of the Company, the Company shall mail to each holder of Series C Preferred at least 30 days prior to the record date specified therein, a notice specifying the date on which any such reorganization, reclassification, transfer, consolidation, merger, dissolution, liquidation, or winding up is expected to become effective, and the time, if any is to be fixed, as to when the holders of record of Common Stock (or other securities) shall be entitled to exchange their shares of Common Stock (or other securities) for securities or other property deliverable upon such reorganization, reclassification, transfer, consolidation, merger, dissolution, liquidation, or winding up.

F. Fractional Shares. No fractional shares of Common Stock shall be issued upon conversion of the Series C Preferred. In lieu of any fractional shares to which the holder would otherwise be entitled, the Company shall pay cash equal to the product of such fraction multiplied by the fair market value of one share of the Company's Common Stock on the date of conversion, as determined in good faith by the Company's directors.

G. Reservation of Stock Issuable Upon Conversion. At such time as the Company increases its authorized capital resulting in a sufficient number of shares of Common Stock becoming available for the conversion of the Series C Preferred, the Company shall reserve and keep available out of its authorized but unissued shares of Common Stock, solely for the purpose of effecting the conversion of the shares of the Series C Preferred, a number of its shares of Common Stock as shall from time to time be sufficient to effect the conversion of all outstanding shares of the Series C Preferred.

H. Limitations on Conversion. No conversion of any issued shares of Series C Preferred into common stock shall exceed 4.9% of the then issued and outstanding shares of common stock as reported by the Company's transfer agent, unless such conversion is submitted to and approved by the board of directors of the Company. The Company may request information from the holder of any Series C Preferred shares submitted for conversion as to that shareholders current ownership of common stock or other securities of the Company.

REDEMPTION

Subject to the applicable provisions of Colorado law, the Company, at the option of its directors, may at any time or from time to time redeem the whole or any part of the outstanding Series C Preferred. Upon redemption the Company shall pay for each share redeemed the amount of Five Dollars (\$5.00) per share, payable in cash or common stock of the Company.

At least thirty (30) days previous notice by mail, postage prepaid, shall be given to the holders of record of the Series C Preferred to be redeemed, such notice to be addressed to each such shareholder at the address of such holder appearing on the books of the Company or given by such holder to the Company for the purpose of notice, or if no such address appears or is given, at the place where the principal office of the Company is located. Such notice shall state the date fixed for redemption and shall call upon the holder to surrender to the Company on said date at the place designated in the notice such holder's certificate or certificates representing the shares to be redeemed. On or after the date fixed for redemption and stated in such notice, each holder of Series C Preferred called for redemption shall surrender the certificate evidencing such shares to the Company at the place designated in such notice and shall thereupon be entitled to receive payment of the redemption price. If less than all the shares represented by any such surrendered certificate are redeemed, a new certificate shall be issued representing the unredeemed shares. If such notice of redemption shall have been duly given, and if on the date fixed for redemption funds necessary for the redemption shall be available therefore, notwithstanding that the certificates evidencing any Series C Preferred called for redemption shall not have been surrendered, the dividends with respect to the shares so called for redemption shall forthwith after such date cease and determine, except only the right of the holders to receive the redemption price without interest upon surrender of their certificates therefore.

If, on or prior to any date fixed for redemption of Series C Preferred, the Company deposits, with any bank or trust company as a trust fund, the number of shares of Common Stock of a sum sufficient to redeem, on the date fixed for redemption thereof, the shares called for redemption, with irrevocable instructions and authority to the bank or trust company to give the notice of redemption thereof (or to complete the giving of such notice if theretofore commenced) and to pay, or deliver, on or after the date fixed for redemption or prior thereto, the redemption price of the shares to their respective holders upon the surrender of their share certificates, then from and after the date of the deposit (although prior to the date fixed for redemption), the shares so called shall be redeemed and any dividends on those shares shall cease to accrue after the date fixed for redemption. The deposit shall constitute full payment of the shares to their holders and from and after the date of the deposit the shares shall no longer be outstanding and the holders thereof shall cease to be shareholders with respect to such shares, and shall have no rights with respect thereto except the right to receive from the bank or trust company payment of the redemption price of the shares without interest, upon the surrender of their certificates therefore. Any interest accrued on any funds so deposited shall be the property of, and paid to, the Company. If the holders of Series C Preferred so called for redemption shall not, at the end of six years from the date fixed for redemption thereof, have claimed any funds so deposited, such bank or trust company shall thereupon pay over to the Company such unclaimed funds, and such bank or trust company shall thereafter be relieved of all responsibility in respect thereof to such holders and such holders shall look only to the Company for payment of the redemption price.

Our Series C Preferred Stock has no sinking fund provisions.

SERIES D PREFERRED STOCK

DIVIDENDS

The holders of Preferred Stock shall not be entitled to receive dividends paid on the Common or Preferred Stock.

LIQUIDATION PREFERENCE

The holders of Preferred Stock shall not be entitled to any liquidation preference.

CONVERSION RIGHTS

One share of Series D may be converted to fifty shares of common stock.

VOTING RIGHTS

The holders of Preferred Stock will have voting rights equal to the conversion rate into common shares. One share of series D preferred will hold 50 voting rights where one common share equals to one voting right as described in the corporate by-laws.

REDEMPTION RIGHTS

The shares of Preferred Stock shall have no redemption rights.

Our Series D Preferred Stock has no sinking fund provisions.

SERIES E PREFERRED STOCK

DIVIDENDS

The holders of Preferred Stock shall not be entitled to receive dividends paid on the Common or Preferred Stock.

LIQUIDATION PREFERENCE

The holders of Preferred Stock shall not be entitled to any liquidation preference.

CONVERSION RIGHTS

One share of Series E may be converted to twenty-five shares of common stock.

VOTING RIGHTS

The holders of Preferred Stock will have voting rights equal to the conversion rate into common shares. One share of Series E Preferred will hold 25 voting rights where one common share equals to one voting right as described in the corporate by-laws.

REDEMPTION RIGHTS

The shares of Preferred Stock shall have no redemption rights.

Our Series E Preferred Stock has no sinking fund provisions.

SERIES F PREFERRED STOCK

DIVIDENDS

The holders of Series F Preferred Stock shall be entitled to receive dividends when, as and if declared by the Board of Directors, in its sole discretion.

LIQUIDATION RIGHTS

Upon any liquidation, dissolution or winding up of the Corporation, whether voluntary or involuntary, before any distribution or payment shall be made to the holders of any stock ranking junior to the Series F Preferred Stock, the holders of the Series F Preferred Stock shall be entitled to be paid out of the assets of the Corporation an amount equal to \$1.00 per share or, in the event of an aggregate subscription by a single subscriber for Series F Preferred Stock in excess of \$100,000, \$0.997 per share (as adjusted for any stock dividends, combinations, splits, recapitalizations and the like with respect to such shares) (the "Preference Value"), plus all declared but unpaid dividends, for each share of Series F Preferred Stock held by them. After the payment of the full applicable Preference Value of each share of the Series F Preferred Stock as set forth herein, the remaining assets of the Corporation legally available for distribution, if any, shall be distributed ratably to the holders of the Corporation's Common Stock.

CONVERSION AND ANTI-DILUTION.

(a) Each share of Series F Preferred Stock shall be convertible, at any time, and/or from time to time, into the number of shares of the Corporation's common stock, par value \$0.000001 per share (the "Common Stock") equal to the price of the Series F Preferred Stock as stated in section 6.a, divided by the par value of the Common Stock, subject to adjustment as may be determined by the Board of Directors from time to time (the "Conversion Rate"). For example, assuming a \$2.50 price per share of Series F Preferred Stock, and a par value of \$0.000001 per share for Common Stock, each share of Series F Preferred Stock would be convertible into 2,500,000 shares of Common Stock. Such conversion shall be deemed to be effective on the business day (the "Conversion Date") following the receipt by the Corporation of written notice from the holder of the Series F Preferred Stock of the holder's intention to convert the shares of Series F Stock, together with the holder's stock certificate or certificates evidencing the Series F Preferred Stock to be converted.

(b) Shares of Series F Preferred Stock are anti-dilutive to reverse splits, and therefore in the case of a reverse split, are convertible to the number of Common Shares after the reverse split as would have been equal to the ratio established in Section 4.a prior to the reverse split. The conversion rate of shares of Series F Preferred Stock, however, would increase proportionately in the case of forward splits, and may not be diluted by a reverse split following a forward split.

VOTING RIGHTS

Each share of Series F Preferred Stock shall have ten votes for any election or other vote placed before the shareholders of the Company.

LOCK-UP RESTRICTIONS ON CONVERSION

Shares of Series F Preferred Stock may not be converted into shares of Common Stock for a period of: a. six (6) months after purchase, if the Company voluntarily or involuntarily files public reports pursuant to Section 12 or 15 of the Securities Exchange Act of 1934; or b. twelve (12) months if the Company does not file such public reports.

SERIES G PREFERRED STOCK

DIVIDENDS

The holders of Series G Preferred Stock shall be entitled to receive dividends when, as and if declared by the Board of Directors, in its sole discretion.

LIQUIDATION RIGHTS

Upon any liquidation, dissolution or winding up of the Corporation, whether voluntary or involuntary, before any distribution or payment shall be made to the holders of any stock ranking junior to the Series G Preferred Stock, the holders of the Series G Preferred Stock shall be entitled to be paid out of the assets of the Corporation an amount equal to \$1.00 per share or, in the event of an aggregate subscription by a single subscriber for Series G Preferred Stock in excess of \$100,000, \$0.997 per share (as adjusted for any stock dividends, combinations, splits, recapitalizations and the like with respect to such shares) (the "Preference Value"), plus all declared but unpaid dividends, for each share of Series G Preferred Stock held by them. After the payment of the full applicable Preference Value of each share of the Series G Preferred Stock as set forth herein, the remaining assets of the Corporation legally available for distribution, if any, shall be distributed ratably to the holders of the Corporation's Common Stock.

CONVERSION AND ANTI-DILUTION.

(a) Each share of Series G Preferred Stock shall be convertible, at any time, and/or from time to time, into the number of shares of the Corporation's common stock, par value \$0.000001 per share (the "Common Stock") equal to the price of the Series G Preferred Stock as stated in section 6.a, divided by the par value of the Common Stock, subject to adjustment as may be determined by the Board of Directors from time to time (the "Conversion Rate"). For example, assuming a \$2.00 price per share of Series G Preferred Stock, and a par value of \$0.000001 per share for Common Stock, each share of Series G Preferred Stock would be convertible into 2,000,000 shares of Common Stock. Such conversion shall be deemed to be effective on the business day (the "Conversion Date") following the receipt by the Corporation of written notice from the holder of the Series G Preferred Stock of the holder's intention to convert the shares of Series G Stock, together with the holder's stock certificate or certificates evidencing the Series G Preferred Stock to be converted.

(b) Shares of Series G Preferred Stock are anti-dilutive to reverse splits, and therefore in the case of a reverse split, are convertible to the number of Common Shares after the reverse split as would have been equal to the ratio established in Section 4.a prior to the reverse split. The conversion rate of shares of Series G Preferred Stock, however, would increase proportionately in the case of forward splits, and may not be diluted by a reverse split following a forward split.

VOTING RIGHTS

Each share of Series G Preferred Stock shall have ten votes for any election or other vote placed before the shareholders of the Company.

LOCK-UP RESTRICTIONS ON CONVERSION

Shares of Series G Preferred Stock may not be converted into shares of Common Stock for a period of:

- a. six (6) months after purchase, if the Company voluntarily or involuntarily files public reports pursuant to Section 12 or 15 of the Securities Exchange Act of 1934; or
- b. twelve (12) months if the Company does not file such public reports.

Item 6 The number of shares or total amount of the securities outstanding for each class of securities outstanding.

Common Stock

(i) As of the end of the year ending 2010:

- a. There were 1,000,000,000 shares authorized;
- b. There were 220,010,817 shares issued and outstanding;
- c. There were 120,010,602 freely tradable shares (public float);
- d. The Company had approximately 287 shareholders of record.

(ii) As of the end of 2009:

- a. There were 1,000,000,000 shares authorized;
- b. There were 755,007,497 shares issued and outstanding;
- c. There were 105,000,000 freely tradable shares (public float);
- d. The Company had approximately 299 shareholders of record.

(iii) As of the end of 2008:

- a. There were 1,000,000,000 shares authorized;
- b. There were 49,805,109 shares issued and outstanding;
- c. There were 21,933,642 freely tradable shares (public float);
- d. The Company had approximately 331 shareholders of record.

Preferred Stock

(i) As of the end of the year ending 2010:

- a. There were 118,100,000 preferred shares authorized;
- b. There were 14,088,501 shares issued and outstanding;
- c. Preferred shares do not have a public market;
- d. The Company had approximately 4 shareholders of record.

(ii) As of the end of 2009:

- a. There were 18,100,000 shares authorized;
- b. There were 2,088,501 shares issued and outstanding;
- c. Preferred shares do not have a public market;
- d. The Company had approximately 4 shareholders of record.

(iii) As of the end of 2008:

- a. There were 2,000,000 shares authorized;
- b. There were 0 shares issued and outstanding;
- c. Preferred shares do not have a public market;
- d. The Company had approximately 0 shareholders of record.

Item 7 The name and address of the transfer agent.

Action Stock Transfer Corp.
7069 S. Highland Dr., Suite 300
Salt Lake City, UT 84121

Action Stock Transfer, Inc. is registered under the Exchange Act of 1934, as amended, and the U.S. Securities and Exchange Commission acts as Signature's appropriate regulatory authority.

Part C Business Information

Item 8 The nature of the issuer's business.

A. Business Development.

1. Triton Distribution Systems, Inc. is a corporation, incorporated in the state of Colorado.
2. We were incorporated in 1986.
3. Our fiscal year ends December 31.
4. We have never been in bankruptcy, receivership or any similar proceeding in the past three years.
5. On September 24, 2009, we purchased all shares of beneficial interest of Baud Acquisition Trust, a California business trust, in exchange for 300,000,000 shares of our common stock. We have had no other material reclassification, merger, consolidation, or purchase or sale of a significant amount of assets in the past three years.
6. We discuss our loan obligations below.
7. There has been no change of control in the past three years.
8. As mentioned above, we issued 300,000,000 shares of our common stock in 2009 in acquiring Baud Acquisition Trust. Additionally, 35,000,000,000 shares were issued to our CEO on July 9th, of which, 25,000,000,000 were returned to treasury. Please see our chart under Item VII above, and our narrative discussion below, for additional data with respect to any changes in the number of outstanding shares of either of our two classes of equity securities.
9. On September 16, 2009, we conducted a 1 for 150 reverse-split of our shares of common stock. On June 24, 2009 we conducted a 1 for 101 reverse split. On October 20, 2010 we conducted 1 for 100 reverse split of our shares of common stock. Otherwise, we have not conducted any stock split, stock dividend, recapitalization, merger, acquisition, spin-off or reorganization in the past three years, nor are any of these corporate actions anticipated or pending at this time.
10. In April of 2009, we were removed from the OTC Bulletin Board for failure to timely file reports with the SEC.
11. Please see our discussion below for details with respect to material legal proceedings in which we are involved, or were involved in the preceding three years.

Business Development Narrative

We were organized as Petramera Oil, Inc., a Colorado corporation, in September 1986 to explore for oil and gas in the Rocky Mountain region of the United States. Since inception, Petramera Oil, Inc. was primarily involved in raising capital and did not conduct any significant operations.

In August 2006, we issued 7,148,710 shares to a group of accredited investors for We acquired all of the outstanding common stock of Triton Distribution Systems, Inc., a Nevada corporation ("Triton-Nevada"), in July 2006 in exchange for 36,750,950 shares of our common stock. Triton-Nevada was a private corporation organized as a Nevada corporation in January 2006 to engage in the distribution of travel inventory to Travel Agents and references to our company throughout this prospectus include the operations of Triton-Nevada.

\$.80 per share and 1,119,412 shares each to two investor relations firms for investor relations services rendered valued at \$0.80 per share. Also, in September 2006 we sold 3,450,000 shares and 287,500 shares at \$0.80 per share to two investors, Al-Deera Holding Co. K.S.C.C. and Univest Group, Ltd., respectively, in connection with retaining these two investors to market our travel products in the Middle East

We have raised in excess of \$8 million in equity capital. We believe that the capital raised in the private placement offerings provides an opportunity for us to continue as a going concern.

On March 28, 2007 the Company entered into a Line of Credit Agreement with JMW Fund, LLC ("JMW") to receive up to \$1,000,000 for six months. The Company paid a \$10,000 commitment fee related to the Line of Credit.

On June 28, 2007 the Line of Credit became part of a \$3,000,000 Convertible Senior Note Agreement (Loan) between the Company, JMW, San Gabriel Fund LLC, Underwood Family Partners LTD., and Battersea Capital Inc (Lenders). The Loan began accruing interest at 12% per annum on July 1, 2007 and matured on July 1, 2008, if not prepaid without penalty. The Lenders, at their sole discretion, may convert the outstanding principal balance into shares of common stock at an exercise price of \$3.00 per share including a cashless exercise option. The accrued interest, at the time of conversion, may be paid in either cash or shares of common stock at the Company's discretion. The Company is currently in default on the convertible note.

Pursuant to the terms of the Convertible Note, the Company agreed to a commitment fee via the issuance of warrants exercisable for an aggregate of 2,000,000 shares of the Company's common stock at an exercise price of \$3.00 per share for five years, including a cashless exercise option. The Company agreed to register the shares underlying the warrants no later than December 31, 2007. Additionally, the Company agreed to "piggyback" register the shares underlying the warrants in any future registration prior to the expiration date, if any. Finally, the warrants contain certain adjustment provisions related to issuing equity instruments at prices lower than the current exercise price.

As of October 26, 2009, the entire \$3,000,000 of the Loan was outstanding. The Company recorded \$2,884,381 as discount on loan to account for value of the warrants. The Company has reviewed the provisions of EITF 00-19 "Accounting for Derivative Financial Instruments Indexed to, and Potentially Settled in, a Company's Own Stock" and has determined that the warrants do not qualify for derivative accounting and accounted for the warrants under APB No. 14 "Accounting for Convertible Debt and Debt Issued with Stock Purchase Warrants". The discount is being amortized over the life of the loan to interest expense. For the three and nine months ended September 30, 2008 we amortized \$16,861 and \$1,481,172 of the discount to loan interest expense.

Under the terms of the loan agreement, the Company was required to register the warrants by December 31, 2007. On May 20, 2008 the Company obtained consent from the warrant holders deferring the registration of the warrants, pending the outcome of its current financing activities.

In October 2007 the Company entered into several one month short-term loan arrangements with other investors totalling \$200,000 at December 31, 2007 with 12% interest (1.5% per month extra in event of default) expiring from November 2007. The Company did not repay the notes when due and is currently accruing interest at the default interest rate of 1.5% per month on the unpaid principal balance.

In December 2007 the Company entered into several one month short-term loan arrangements with other investors totalling \$525,000 at December 31, 2007 with 12% interest (1.5% per month extra in event of default) expiring in January 2008. The Company did not repay the notes when due and is currently accruing interest at the default rate of 1.5% per month on the unpaid principal balance.

From October and November 2007 we entered into short-term loan arrangements of \$469,000 and \$20,000 with our CFO and CEO, respectively. The loans accrue interest at 16% and are due upon receipt of sufficient financing.

From January 2008 to June 2008, the Company entered into several short-term loan arrangements with other investors totalling \$1,670,000 with 12% interest (1.5% per month in event of default) expiring on dates between February 09, 2008 and August 17, 2008. The Company did not repay the notes when due and is currently accruing interest at the default interest rate of 1.5% per month on the unpaid principal balance.

During the three months ended September 30, 2008, the Company entered into several short-term loan arrangements with other investors totalling \$1,570,000 with 12% to 18% interest expiring on dates between August 17, 2008 and February 7, 2009. As of September 30, 2008, notes totalling \$920,000 are in default.

In July 2008 the Company received \$120,000 in subscription notes through our agreement with Scottsdale Capital. The notes are convertible at \$0.25 per share with 200% warrant coverage. Interest is payable at 10% on a semi-annual basis from the date of issuance. Notes mature on June 30, 2011, unless previously converted. The Company is obligated to issue warrants to purchase 240,000 shares of the Company's common stock for \$0.50 per share. The warrants expire three years from the date of issuance. The value of the warrants of \$75,250 was calculated using the Black-Scholes model using the following assumptions: discount rate of 3.2%; volatility of 400%; dividend yield of 0%; and expected term of 3 year. The value of the warrants is recorded as a discount to the notes payable in the financial statements.

In connection with the July subscription notes, the Company is obligated to issue a warrant to purchase 96,000 shares of the Company common stock for \$0.50 per share. The warrants expire three years from the date of issuance. The value of the warrants of \$30,100 issued to the placement agent is considered additional offering cost. The value of the warrants was calculated using the Black-Scholes model using the following assumptions: discount rate of 3.20%; volatility of 400%; dividend yield of 0%; and expected term of 3 year.

The Company accounted for the secured convertible notes issued pursuant to the subscription agreement discussed in Note 9 under EITF 00-27, "Application of Issue 98-5 to Certain Convertible Instruments". Based on EITF 00-27, the Company has determined that the convertible notes contained a beneficial conversion feature because at date of note issuance, the effective conversion price of the convertible notes was \$0.13 when the average market value per share was \$3.0.

The Company recorded a discount on the note related to the intrinsic value of the beneficial conversion feature totaling \$63,901 and \$56,099 for the fair value of the warrants issued. The discount on notes payable is amortized over the term of notes.

During the nine months ended September 30, 2008, the Company entered into short-term loan arrangements of \$44,000 with our CFO. The loans accrue interest at 16% and are due upon receipt of sufficient financing.

The Company issued several short term notes payable totalling \$350,000 between 10/15/08 to 11/11/08 with annual interest rates between 12% to 14%.

The Company has not paid majority of the above mentioned loans or accrued interest as of October 26, 2009.

On August 03, 2009, Triton's Board of Directors approved a 150 to 1 reverse split of its \$.001 par common stock.

On August 10, 2009, Triton's Board of Directors approved amendments to our Articles of Incorporation to increase our authorized shares of \$.001 par value common stock to 1,000,000,000.

On September 24, 2009, the Company completed the acquisition of BAUD Acquisition Trust by issuing 300,000,000 shares for all of the outstanding shares of BAUD Acquisition Trust.

On October 8, 2009 the Company issued 580,000 shares of Series E Preferred Shares and 50,000,000 Common Shares in exchange for cancellation of Promissory Notes in the amount of \$580,000.

The Company sold 8,500 Preferred Shares to accredited investors for \$51,000 during the three months ended December 31, 2009.

Presently the company is pursuing several methods of financing to repay back all the loans outstanding.

On August 10, 2007 Terry Byers, Arthur Griggs, & Jeff Wheaton filed suit against the Company; GRSNetwork Inc., a California Corporation; Internet Travel Technologies, Inc, a California Corporation; and Gregory Lykiardopoulos, our CEO in Marin County California (Case No. CV072075). The suit alleged causes of action for back wages, breach of contract and age discrimination. The suit was settled December 2008.

On or around November 1, 2007, a complaint was filed in Marin County Superior Court, Case No. CV07-5186, by Grace Terry, Georgia Schley, and Serena McCallum ("Plaintiffs") against Gregory Lykiardopoulos ("Lykiardopoulos"), Internet Travel Technologies, Inc. ("ITT"), the Company, as well as numerous other entities and individuals (collectively, the "Defendants"). The Plaintiffs allege that they made loans, collectively, in an amount of less than \$200,000 to GRS Networks, Inc. ("GRS") or possibly others in 2004 or 2005. They allege that oral agreements were created enabling them to convert the funds they claim they loaned to GRS to equity or shares in ITT or TDS. The Plaintiffs are all relatives of Walter Terry (allegedly his mother, sister, and domestic partner), who Plaintiffs allege acted as a "dual agent" representing them and the Defendants in connection with the purported loans. Based on these facts, the Plaintiffs assert causes of action for (1) breach of oral contract, (2) breach of the implied covenant of good faith and fair dealing, (3) intentional interference with contract, (4) intentional interference with prospective economic advantage, (5) breach of fiduciary duty, (6) fraud, and (7) violation of Corporations Code § 25401.

We deny the existence of any such purported oral agreements, or that Terry was authorized to act as the Company's agent in such capacity. It is the Company's contention that all the Plaintiffs' alleged claims are barred and were released under a settlement agreement and general releases entered into with Walter Terry in 2005. Accordingly, the Defendants, including TDS, deny any liability to Plaintiffs and intend to vigorously defend in the case. A demurrer and motion to strike the complaint filed on behalf of certain of the Defendants is currently pending, and the Court has ordered the parties to mediation, to be completed by September 30, 2008. The Court requested all parties to negotiate a settlement. The case was settled.

Additionally, three former employees have filed complaints with the California Department of Fair Employment and Housing alleging wrongful termination. We believe none of the complaints have merit and the Company intends to vigorously defend itself against the complaints. The Company is presently in discussions with all three former employees.

Business of Issuer.

1. Our primary Standard Industrial Classification (SIC) Code is 4700 – Transportation Services; while our secondary SIC code is 4512 – Air Transportation, Scheduled.
2. We are currently conducting limited operations; however, we still consider ourselves to be in the development stage.
3. We are not currently, nor have we ever been, a “shell company”, as that term is defined in Rule 144(i) promulgated by the SEC under the Securities Act of 1933, as amended.
4. We own all issued and outstanding shares of beneficial interest of BAUD Acquisition Trust, a California business trust, which we use as a potential acquisition vehicle for other projects. It is included in our financial statements. We have a subsidiary organized in China, called Triton Distribution Systems (Beijing), the purpose of which is to better establish our travel agency software business in one of the countries on which we intend to focus. We own 100 % of the company. It is included in our financial statements.
5. Please see our discussion in the narrative below regarding governmental regulations in our industry and any effects of recent or likely changes in such regulation.
6. Please see our discussion in the narrative below regarding our research and development expenditures.
7. As we deal in information technology and software, we are not directly regulated by environmental laws, and as such, there are no costs or effect of compliance with environmental laws on a direct basis to discuss.
8. As of March 31, 2010 we have 20 total employees, and 11 full-time employees.

Item 9 The nature of products or services offered.

Triton is a development stage Web-based electronic catalog primarily focused on travel services distribution. The travel marketplace is a global arena in which millions of “buyers” such as travel agents and consumers and “sellers” such as airlines, hotels, car rental agencies, cruise ship lines, tour operators and entertainment companies come together. Among the systems available to buyers in their search for travel options, availability and rates are Global Distribution Systems companies, known as “GDSs,” which are accessed primarily by travel agents and Internet travel Web site companies such as Cendant Corp.'s Orbitz, Expedia, Inc.'s Expedia.com and Sabre Holdings Corp.'s Travelocity, which are accessed by

consumers. These systems electronically connect a vast network of travel product sellers and globally dispersed travel agents and consumers.

Our core business is the electronic distribution of travel inventory from travel sellers to travel agencies and their clients. Unlike Orbitz, Expedia and Travelocity, which are targeted to consumers we operate solely as a vendor to travel agents through our business-to-business, or “B2B,” Web-based distribution system. We favor the B2B market because we estimate that 80% of global airline tickets are issued by travel agents and an estimated 70% of all travel is booked through travel agents. Moreover, the Cruise Line International Association estimates that more than 90% of cruises are booked through travel agents.

Our target travel sellers are airlines, including air consolidators that purchase bulk seats on major carriers and resell air travel at reduced pricing; property management vendors and suppliers such as hotel chains, independent hotels, resorts, vacation lodgings and bed & breakfasts; car rental agencies; tour operators such as bus tours, expeditions, walking tours and adventure packages; cruise lines providing global sailing trips, scenic or specialty cruises within a region, and special custom cruises; and local transportation service providers such as limousines, shuttles, ferries and other local modes of transportation typically needed by travelers. Our target travel buyers are travel agencies around the world. Initially we are focusing on travel agencies in Southeast Asia and China.

The airline and general travel industries have dramatically changed since the 1960s. At that time, there was a virtual travel reservation monopoly controlled by the major United States and international airlines. These carriers had their own dedicated computer reservations systems with mainframe hardware and the generation of paper tickets. The computer reservation systems developed by American Airlines, TWA (Northwest and Delta), United Airlines, Lufthansa and Air France became the GDSs. After years of operation, the airlines ultimately sold their interests in the GDSs, principally for economic and antitrust reasons.

A. *Principal products or services, and their markets.*

Triton will offer a broad array of proprietary products and services in various target markets. These products and service offerings can be divided into three categories: (1) B2B products, (2) portal products and (3) Web services.

B2B Products

Our principal B2B product offerings will consist of ReservationExpert™, CruiseExpert™ and TourExpert™. These proprietary products have the ability to translate the various command languages of the travel-based GDSs into one common command language for travel procurement agents. Previously, this command language communicated with Apollo/Galileo and the Worldspan GDS platform, but now communicates with the major airlines directly. With these products, a travel agent with little or no experience can execute travel-related transactions.

Red Dragon Express™ is a unique online booking system and gateway enabling travel agents to tap the vast, rapidly growing Chinese travel market. Over the next decade, China will become the largest travel and tourist destination in the world. Agencies everywhere are eager to start selling; all they need is a single application that delivers China’s domestic travel inventory right to their desktop. That’s why we built Red Dragon Express™, the only travel solution where any agent can create a local Chinese itinerary—including international and domestic segments—build a PNR, and clear payment. No distribution partner can offer the travel industry such seamless and comprehensive access to China. Now agents can access inventory from 23 domestic Chinese airlines, more than 1,800 four-star and five-star hotels, car rental agencies and tour and cruise companies. Red Dragon Express is the only travel solution where any agent

can create a local Chinese itinerary—including international and domestic segments—build a PNR, and clear payment.

These products support B2B e-commerce, including agent-based activities for booking travel, as well as “back office” functions associated with the operation of a travel agency. We have developed a suite of user-friendly, point-and-click Internet-based B2B products for travel industry professionals (travel agencies, home-based agents and corporate travel departments) to easily access GDSs and to facilitate direct connections with travel sellers so they can, make travel arrangements and sell travel products and services to end customers.

Portal Products

Our portal products will support consumer-oriented portals linking Internet customers with travel sellers. In the Internet age, portals efficiently link buyers and suppliers. To address this, Triton positions three core products as “e-enablers”: ResLink™, CruiseLink™ and TourLink™. These products allow customers to book travel and travel-related activities through a subscriber agency's Web site directly from the Internet in a user-friendly browser environment. Where applicable, these products are promoted for customizations and private-labeled for Triton subscribers. This solution allows subscribers to maintain their individual corporate or agency identity while providing their customers the convenience of Internet access for travel research and/or booking activities under Triton's or the agency's banner.

Triton will also market its XML Gateway as a generic portal e-enabling product. The XML Gateway provides customers the ability to establish communication links between their Web site and systems that exchange data such as a GDS or other major system repository. This unique product is leveraged heavily for use with legacy systems that have data elements with a common meaning, but which have dissimilar data structures or naming conventions within the respective systems. The XML Gateway supports effective translation of these disparate data elements such that each system can effectively exchange data with its counterpart.

Web Services

We intend to offer Web Services which will enable and drive the new generation of Internet-based applications. These services support application-to-application Internet communication, that is, applications at different network locations can be integrated to function as if they were part of a single, large system. Examples of applications that could take advantage of our Web Services product include automated business transactions, direct non-browser desktop, handheld device access to reservations and order-tracking systems.

Web Services, such as travel inventory warehouse services, provide travel sellers and suppliers a distribution channel through travel agents and Internet users. One of the competitive advantages of this service is the ability of travel sellers to have real-time inventory management capabilities. Our Tritontwist program assists travel sellers of travel-related inventory in storing and managing their travel merchandise. It also allows buyers to peruse and purchase this inventory. Tritontwist is designed to be the common focal point from which buyers and travel sellers of travel-related products meet to consummate a travel transaction. At present, a travel agent usually subscribes to no more than one GDS, and must lease equipment that is dedicated to that particular system. However, with the introduction of Tritontwist, an agent can subscribe to Tritontwist and immediately gain access to many direct-connect airlines and GDS systems. This access is achieved with only a personal computer, printer and Internet connection.

Other Products

TritonTwist™ is a simple, economical way to warehouse and market unsold inventory. Designed for travel vendors large and small, TritonTwist makes inventory available in real-time to potential customers worldwide, reducing travel distribution costs and providing an easy-to-manage inventory pipeline. Tritontwist will be offered to our current and anticipated subscriber base of travel agencies and other customers. Tritontwist is the platform we will use to offer direct-connect to large travel suppliers, such as airlines, and to consolidate the fragmented travel and entertainment inventory that is not currently available through GDSs. Upon loading their inventory, travel sellers immediately have a network of Triton professional travel agency subscribers through which their products and services can be sold. In addition to the growing number of Triton subscribers, travel sellers may be able to establish links from their own Web sites so their inventory will be available to Internet users seeking to purchase their travel products.

Technology

Our products are distributed over the Internet from the Triton portal, lowering the cost of distribution. Travel inventory is made available to agencies through the Triton network. With only a personal computer, a broadband Internet connection and a printer, a travel agent can securely connect to a Triton operations center.

All back-end systems connect over the SITA network to individual airlines and other travel providers. Our products are built using the latest technologies, including Java, XML, Web Services and .Net. This choice of technology allows us to design operations centers that are scalable, highly secure and redundant, yet require a minimum of hardware investment compared with the mainframe-based cost structure of the traditional GDSs.

Although we may in the future license technology to enhance our products or services, we do not now license technology from any third parties. We protect our proprietary technology through a combination of contractual provisions, confidentiality procedures, trade secrets and trademark laws. Triton's trade secrets are being protected in several ways, such as requiring all people with access to proprietary information, including employees, consultants and customers, to execute confidentiality agreements. Triton also restricts access to its source codes, trade secrets and other intellectual property.

For decades, the B2B travel agent distribution industry has been dominated by the "big four" GDSs: Sabre Inc., wholly-owned by Sabre Holdings Corporation; Amadeus Global Travel Distribution S.A.; Galileo International Inc., owned by Cendant Corporation; and Worldspan, L.P. There are also several other smaller GDSs, all of which are mainframe-based, including Abacus, which operates solely in Asia.

The GDSs aggregate travel inventory from major airlines, hotels, auto rental companies and other travel sellers and distribute them to travel agents. Historically GDS's have maintained their inventory on mainframe computers which required them to install dedicated hardware at each travel agency location and connect this network worldwide with dedicated hard-wired telephone lines. These systems are very expensive, cumbersome to install and maintain, and they require training to use.

With the advent of the Internet and personal computers, the travel industry is experiencing greater transparency and there is generally increased access to travel industry data, a broader selection of inventories and more comprehensive service for corporate and leisure travelers.

B. *Distribution methods of the products or services.*

The Company plans to promote itself through: (1) direct sales efforts using telephone sales, conventional media advertising, and internet marketing; (2) marketing and distribution agreements with regional or national travel associations. These marketing and distribution agreements will be focused on travel sellers and telecommunications service and infrastructure providers who we believe can provide sales and support in markets where we currently have a limited presence.

We currently employ one internal sales person to help customers and prospect business from forms of lead generation. We may also engage independent sales agents in various geographic areas.

Our marketing strategy is to promote and enhance our brand by participating in targeted industry conferences and seminars, as well as engaging in a public relations campaign. This strategy is designed to strengthen our brand name and generate new agent users by increasing the awareness of our brand within the travel services industry. The extent of the sales and marketing of our products and services is dependent on our continued ability to raise capital and grow revenues, of which no assurances are given.

Our target markets for travel sellers are the three major market segments within the travel industry: travel carriers (airlines), travel vendors (charter yachts, executive jets, boutique hotels and bed & breakfasts, limos, etc.), and travel agencies, including independent and corporate travel agencies.

C. *Status of any publicly announced new product or services.*

There are no status updates to any publicly announced new product or services.

D. *Competitive business conditions, the issuer's competitive position in the industry, and methods of competition.*

Triton has three primary groups of competitors each of whom operate in one or two of our product or service categories.

Web and Main Frame Based Providers. Triton competes with entities with offerings similar to Triton Web Services. These are the four major GDS providers, Sabre, Amadeus, Galileo and Worldspan, and some smaller ones such as Abacus, which is 35% owned by Sabre. Their product offerings are primarily mainframe based. G2Switchworks ("G2") is a start-up company that intends to offer Web-based distribution services. G2 is attempting to penetrate the United States market but it only has access to the inventory of a limited number of airlines for beta testing. We believe we will be able to offer greater breadth and depth of inventory with superior presentation at a lower cost. We believe Triton's Internet-based technology will enable us to provide comprehensive global distribution services at a lower cost than the four major GDSs, which rely on legacy mainframe technology.

Travel inventory as currently distributed is disaggregated and maintained in disparate inventory systems even within various distribution system providers. As a general practice, airlines do not provide their entire inventory of seats or best prices to the GDSs, and travel consolidators typically do not deal with GDSs because of their high charges. Similarly, other vendors, such as hotel chains and cruises ship operators, generally keep their best inventory and prices for direct sales. In addition, airlines, hotel and cruise ship operators do not provide their inventories or best prices to online travel Web sites such as Expedia, Travelocity, Priceline and Orbitz. We believe that we have a competitive advantage over GDSs and online travel Web sites because we will have access to the complete inventories and best fares and rates of several large operators.

Stand-Alone Software Providers. We also compete with B2B competitors. Several small companies provide software solutions that address certain aspects of the global travel distribution industry. But they are selling software and are not providing actual services. Companies in this category are Datalex, TRX Technology Services, GetThere.com, Journey and Genesis. Datalex's competency is its ability to develop Internet booking engines. TRX Technology Services sells software with an emphasis on quality control assurance, attempting to minimize transaction-processing time for users. GetThere.com markets corporate travel solution software. Both GetThere.com and Nexion have merged with Sabre, one of the four GDS's. Journey consists of an alliance of individual travel agencies banding together under one airline reporting corporation number to achieve favorable rates from travel sellers and GDSs. Genesis is planning to be a common Internet-based booking and ticketing platform.

Web Based Travel Agencies. The third group represents indirect competitors to the supplemental portal product suite offered to the Company's B2B subscribers. Representative competitors are Travelocity, Expedia, Priceline, Orbitz and WorldRes. These companies offer Web-based search engines that assist the consumer in making travel arrangements directly over the Internet. Triton offers Chinese domestic travel inventory through its agency subscribers as well as its Tritontwist inventory. This inventory includes tours, merchandise, travel insurance and travel services such as travelers' checks and visa service.

E. Sources and availability of raw materials and the names of principal suppliers.

The Issuer does not require raw materials.

F. Dependence on one or a few major customers.

The Issuer is not dependent on one or a few major customers.

G. Patents, trademarks, licenses, franchises, concessions, royalty agreements or labour contracts, including their duration; and

The Issuer does not hold any patents, trademarks, franchises, concessions, royalty agreements, or labour contracts.

H. The need for any government approval of principal products or services. Discuss the status of any requested government approvals.

The United States and foreign governments heavily regulate certain segments of the travel industry, and Triton's services are affected by such regulations. Triton is subject to the United States Department of Transportation ("DOT") regulations prohibiting unfair and deceptive practices. In addition, DOT regulations concerning the display and presentation of information that are currently applicable to the GDSs could be extended to Triton in the future, as well as other laws and regulations aimed at protecting consumers accessing online travel services, including California's requirements. If required to register as a seller of travel, then Triton will need to comply with certain disclosure requirements and participate in California's restitution fund.

Triton is subject to regulations applicable to businesses generally and laws or regulations directly applicable to online commerce. Although there are currently few laws and regulations directly applicable to the Internet and commercial online services it is possible that a number of laws and regulations may be adopted covering issuers such as user privacy, pricing, content, copyrights, distribution, antitrust and characteristics and quality of products and services. Further, the growth and development of electronic commerce may lead to more stringent consumer protection laws that may impose additional burdens on companies conducting business online. The adoption of any additional laws or regulations may decrease

the growth of the Internet or commercial online services, which could decrease the demand of Triton's services and increase the Company's cost of doing business. These events could significantly harm our operating results.

Item 10 The nature and extent of the issuer's facilities.

Our Management signed a sublease offer at a commercial building in downtown San Francisco at Embarcadero 2. The sublease terminates on October 2011 and the space is approximately 4,000 square feet at \$10,000 per month.

Part D Management Structure and Financial Information

Item 11 The name of the chief executive officer, member of the board of directors, as well as control persons.

A. Officers and Directors

Name	Age	Position
Gregory Lykiardopoulos	65	Chairman, Chief Executive Officer, and Director
Adam Himmelman	40	Chief Technology Officer

Gregory Lykiardopoulos, Chairman, CEO, and Sole Director

Mr. Lykiardopoulos is a travel industry veteran and the force behind the development of Triton. He is a successful entrepreneur, an expert on travel industry trade negotiations and reservations systems, and a pioneer in leveraging the Internet to market travel-related products and services. From 1973 to 1978, Mr. Lykiardopoulos was instrumental in the launch, operation and sale of Creative World Travel, a wholesale tour operating company, and from 1979 to 1981 he developed a travel club that marketed memberships through mailing inserts in monthly credit card billings to customers of major U.S. banks, a new concept at that time. The travel club was sold to Encyclopedia Britannica after Mr. Lykiardopoulos built the subscriber base to more than 170,000 members.

His experience with the cruise industry in Asia led Pan American Airlines to ask Mr. Lykiardopoulos to travel to the People's Republic of China with a U.S. delegation to negotiate the first regularly-scheduled flights by a U.S. airline to Beijing. In a groundbreaking agreement, the delegation obtained Beijing landing rights for Pan American Airlines. Mr. Lykiardopoulos was invited to the White House in 1980 for the signing of the historic agreement. His expertise with reservation systems led to an invitation in 1992 to testify before a joint Senate-House committee investigating the Airline Computer Reservation Systems that developed into the Global Distribution Systems (GDS) of today. Based on testimony to the U.S. Congress and Department of Transportation by Mr. Lykiardopoulos, the Federal Government regulated the GDSs from 1992 until 2004, when the travel industry was deregulated.

With the advent of the Internet, Mr. Lykiardopoulos recognized there was a significant opportunity for development and deployment of a global airline and travel agency automation system that could be controlled locally by the user. With this goal in mind, in 1993 he started a project that ultimately evolved into Triton. Mr. Lykiardopoulos continues to initiate projects that advance the use of technologies to create cost-effective business solutions for the travel industry. Mr. Lykiardopoulos is fluent in six languages. He received a B.A. degree in Business Administration from the American University in Cairo, Egypt. He is a US Permanent Resident since 12/09/1978.

Adam Himmelman, Vice President – Technology Development

105 Barbaree Way
Tiburon, California 94920
(415) 381-4806

Mr. Himmelman joined Triton in February 2006. As Vice President of Technology Development, he oversees information technology, product development and architecture. He and his team are responsible for setting the strategic direction of the company's technology development efforts and for managing the day-to-day efforts of the development team. Mr. Himmelman has held positions in many facets of the development cycle, including Director of Engineering, chief software architect and senior software engineer in the fields of insurance, travel, imaging and GPS development. From 2000 to 2003, Mr. Himmelman pioneered a new telephony GPS-enabled mapping system to be utilized by major cellular companies and delivered to a variety of personal mobile devices. The crux of the system was built on a new mapping instruction protocol aimed at reducing bandwidth by 75% over the transmission of imagery. From 2000 to 2003, he was also responsible for the development of a travel reservation system with the ability to be interfaced by consumers, professional agents and automated third-party vendors. He received his Bachelor of Computer Science degree specializing in Virtual Reality, from the University of Advanced Computer Technology, in Phoenix, Arizona.

Neither officer receives compensation from the Company at this time.

Board of Directors

Gregory Lykiardopoulos, Chairman and CEO – See above for bio.

B. Legal/Disciplinary History

None of the foregoing person has, 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);
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;

3. A finding or judgment by a court of competent jurisdiction (in a civil action), the SEC, the CFTC, 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.

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.

C. Disclosure of Certain Relationships.

None.

D. Disclosure of Related Party Transactions.

None.

E. Disclosure of Conflicts of Interest.

None.

Item 12 Financial Information of the issuer's most recent fiscal period.

Financial statements containing the balance sheet, statement of operation, statement of income, state of changes in stockholders equity, and notes to the financials for the full 2010 fiscal year are attached to this report and are herein incorporated by reference.

Item 13 Similar financial Information for such part of the two preceding fiscal years as the issuer or its predecessor has been in existence.

Financial statements for the full fiscal years 2009 and 2008 are attached to this Annual Report and are herein incorporated by reference.

Item 14 Beneficial Owners.

Provide a list of the name, address and shareholdings of all persons beneficially owning more than five percent (5%) of any class of the issuer's equity securities.

<u>Name of Beneficial Owner</u>	<u>Shares Beneficially Owned</u>	<u>Percentage Beneficially Owned</u>
Gregory Lykiardopoulos 105 Barbaree Way Tiburon, CA 94920, USA	100,000,000	45.5%

Item 15 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:

1. Investment Banker

None.

2. Promoters

None.
3. Counsel;

The McGeary Law Firm, P.C.
405 Airport Fwy., Suite 5
Bedford, Texas 76021
817-282-5885
4. Accountant or Auditor

None.
5. Public Relations Consultant

None.
6. Investor Relations Consultant

None.
7. Any other advisor(s) that assisted, advised, prepared or provided information with respect to this disclosure documentation.

None.

Item 16 Management's Discussion and Analysis or Plan of Operation

A. Management's Discussion and Analysis

Initially, our emphasis was on Southeast Asia and China. Our current plans consist of continued focus in China and Europe. The lack of decentralization of the travel industry in these geographic areas remains attractive for the implementation and use of our electronic distribution system of travel inventory from airlines, travel agencies, cruise operators, and other travel related service providers. Additionally, we are concentrating our efforts on the business to business (B2B) market which appears to be relatively "untapped" by our significant competitors. Current estimates indicate 80% of global airline tickets and 70% of all travel is booked by service providers in our target markets. Travel and Tourism Forecast World, as of May 2006, estimated the global travel distribution market at over \$10 billion.

We believe our internet-based distribution platform and low-fee structure provides us certain advantages in penetrating our target markets since our main competitors' distribution systems generally operate on high-cost, legacy mainframe technology platforms. This appears to be particularly true in less technologically advanced countries such as China.

We are building on our already strong Chinese infrastructure. Our Red Dragon

Express TM is the only comprehensive travel solution where any agent can create a local Chinese itinerary, including international and domestic segments; construct passenger records; and clear payments, all on a seamless and low cost basis. We also enjoy an association with the China International Travel Service (CITS), an important Chinese government supported entity and China's

largest and most influential tourist enterprise group. CITS has a network of more than 1,400 agents and tour companies nationwide and has hosted more than 10 million international visitors to China.

In addition to these opportunities in Southeast Asia, we have entered into a non-binding letter of intent to acquire a 51% ownership stake in a European Company that serves as the general sales agent for the German Railway System and has a network of over 25,000 travel agents in Germany, Switzerland, Austria, Russia, and Poland. The approximate cost of this acquisition would be \$2.0 million.

We expect to continue to devote funding and personnel to research and product development as well as to the enhancement of existing product lines and the fulfillment of foreign joint ventures. We plan to develop new "add-ons" and extension modules in response to client needs and requests. Included in our projected development-pipeline are booking systems for private corporate executive jets and regional air flights, air cargo carriers, railroad travel, ferries, private clubs and bed and breakfast establishments.

Our plans, including the above potential acquisitions, are dependent upon our ability to obtain financing on terms that are not further detrimental to the Company.

B. Off-Balance Sheet Arrangements

We have no off-balance sheet arrangements or transactions.

Part E Issuance History

Item 17 List of Securities offerings and shares issued for services in the past two years.

In July 2008, Richardson and Patel accepted 363,621 shares of stock as payment, pursuant to Section 701 of the Securities Act, on account towards the balance due from May through June of 2008. The value of the payment was \$58,599 using prices ranging from \$0.11 to \$0.32, less a 15%-25% discount to market on the average closing date for the first five days of June and July 2008.

On June 9, 2008, pursuant to Section 701 of the Securities Act, Richardson and Patel accepted 395,525 shares of stock as payment on account towards the balance due from January through April of 2008. The value of the payment was \$55,832 using prices ranging from \$0.13 to \$0.17, less a 15% discount to market on the average closing date for the first five days of April and May 2008.

On May 28, 2008, pursuant to Section 701 of the Securities Act, we set aside 2,000,000 common shares of stock from the 2006 Equity Incentive Plan for payments towards qualified legal fees incurred in 2008.

On January 17, 2008, pursuant to Section 701 of the Securities Act, Richardson and Patel accepted 112,168 shares of common stock as payment on account towards the balance due as of December 31, 2007. The value of the payment was \$38,137 prices at \$0.34, \$0.40 less a 15% discount to market on the closing date of January 16, 2008.

In addition 57,156 common shares valued at \$0.34, \$0.40 less 15% discount to market on January 16, 2008 were issued, pursuant to Section 701 of the Securities Act, as payment toward a retainer used in the defense of the Terry et al vs. Triton matter. Total value of the payment was \$29,592.

In November 2007, the Company issued, pursuant to Section 701 of the Securities Act, to a consulting firm 1,000,000 shares of common stock. The Company valued the shares on grant date based on the closing price on that date. The total value of the shares issued was \$630,000.

Pursuant to a private placement under Section 4(2) of the Securities Act of 1933 (the "Securities Act"), in September 2007 the Company issued 186,875 shares of common stock at \$0.80 per share for the exercise of warrants for total consideration of \$149,501.

From July to September 2007, pursuant to a private placement under Section 4(2) of the Securities Act, the Company issued 38,478 shares of common stock at \$0.80 per share for cashless exercise of employee stock options

Pursuant to a private placement under Section 4(2) of the Securities Act, in June 2007 the Company issued 61,000 shares of common stock at \$0.80 per share for the exercise of employee stock options for total consideration of \$48,800.

Pursuant to a private placement under Section 4(2) of the Securities Act, in July 30, 2009 the Company issued 6,851,100 shares to Bookeeper International Equities Corp. for accounting services rendered to the company.

On July 9, 2010, 35,000,000,000 shares were issued to Mr. Lykiardopoulos for services rendered to the Company. Of those shares, 25,000,000,000 were later returned to treasury.

Part F **Exhibits**

Item 18 **Material Contracts**

None.

Item 19 **Articles of Incorporation and Bylaws**

Please see Articles of Incorporation and Bylaws filed October 23, 2009 under separate online postings on the OTC/Pink Sheets Disclosure Service.

Item 20 **Purchases of Equity Securities by the Issuer and Affiliated Purchasers.**

During our fiscal year-ended December 31, 2010, there have been no purchases of our equity securities by us or any Affiliated Purchaser.

Item 21 Issuer's Certifications.

I, Gregory E. Lykiardopoulos, certify that:

I have reviewed this Annual Report of Triton Distribution Systems, 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.

Date: December 31, 2010

By: /s/Gregory Lykiardopoulos
Gregory Lykiardopoulos

Chief Executive Officer

EXHIBIT "A"

Year End 2010 Financial Reports

Triton Distribution Systems, Inc.
(a Development Stage Company)
Consolidated Balance Sheets

	December 31, 2010 (unaudited)	December 31, 2009 (unaudited)
ASSETS		
CURRENT ASSETS		
Cash and cash equivalents	\$ -	\$ -
Other current assets	732,281	732,281
Prepaid consulting	669,975	669,975
TOTAL CURRENT ASSETS	<u>1,402,256</u>	<u>1,402,256</u>
FURNITURE AND EQUIPMENT, net	80,992	172,992
INVESTMENTS	-	-
WEBSITE DEVELOPMENT COSTS, net	-	-
INTELLECTUAL PROPERTY, net	142,691	142,691
TOTAL ASSETS	<u><u>\$ 1,625,939</u></u>	<u><u>\$ 1,717,939</u></u>
LIABILITIES AND STOCKHOLDERS' EQUITY		
CURRENT LIABILITIES		
Deferred Income	\$ 25	\$ 25
Accounts payable	2,203,937	2,203,937
Accrued expenses	689,682	516,555
Accrued payroll	3,453,477	2,539,393
Accrued lease liability	11,284	11,284
Loan Payable	6,733,500	7,483,500
TOTAL CURRENT LIABILITIES	<u>13,091,905</u>	<u>12,754,694</u>
STOCKHOLDERS' EQUITY		
Preferred A stock ; no par value; 100 shares authorized; 1 shares issued and outstanding	5,000,000	5,000,000
Preferred B stock ; no par value; 6,000,000 shares authorized; 1,508,500 shares issued and outstanding	9,051,000	9,051,000
Preferred C stock ; no par value; 6,000,000 shares authorized; 0 shares issued and outstanding		
Preferred D stock ; no par value; 2,000,000 shares authorized; 0 shares issued and outstanding		
Preferred E stock ; no par value; 4,000,000 shares authorized; 580,000 shares issued and outstanding	580,000	580,000
Preferred F stock ; no par value; 60,000,000 shares authorized; 12,000,000 shares issued and outstanding		
Preferred G stock ; no par value; 40,000,000 shares authorized; 0 shares issued and outstanding		
Common stock; no par value; 1,000,000,000 shares authorized; 190,010,713 shares issued and outstanding	64,908,877	64,758,877
Additional paid-in capital	4,500,588	4,500,588
Deficit accumulated during the development stage	(95,488,985)	(94,909,774)
Accumulated balance of other comprehensive income	(17,447)	(17,447)
TOTAL STOCKHOLDERS' EQUITY	<u>(11,465,967)</u>	<u>(11,036,756)</u>
TOTAL LIABILITIES AND STOCKHOLDERS' EQUITY	<u><u>\$ 1,625,939</u></u>	<u><u>\$ 1,717,939</u></u>

Triton Distribution Systems, Inc.
(a Development Stage Company)
Consolidated Statements of Operations

	12 Months Ended December 31, 2010 (unaudited)	12 Months Ended December 31, 2009 (unaudited)	12 Months Ended December 31, 2008 (unaudited)	(January 10, 2006) to December 31, 2010 (unaudited)	(January 10, 2006) to December 31, 2009 (unaudited)
NET SALES	\$ -	\$ 2,134	\$ 620	\$ 2,754	\$ 2,754
COST OF SALES	-	1,916	1,809	3,725	3,725
GROSS PROFIT	-	218	(1,189)	(971)	(971)
OPERATING EXPENSES:					
Payroll and related benefits	914,084	59,275,630	4,042,152	73,262,996	72,348,912
Professional fees	114,000	4,974,978	1,383,668	10,916,611	10,802,861
Marketing and advertising	-	6,025	47,102	610,909	610,909
Other general and administrative expenses	151,127	402,808	1,016,389	4,773,694	4,622,317
TOTAL OPERATING EXPENSES	1,179,211	64,659,441	6,489,311	89,564,210	88,384,999
LOSS FROM OPERATIONS	(1,179,211)	(64,659,223)	(6,490,500)	(89,565,181)	(88,385,970)
OTHER INCOME (EXPENSE)					
Debt forgiveness	600,000	-	-	600,000	-
Interest income	-	-	31	67,818	67,818
Interest Expense	-	(268,565)	(2,525,127)	(4,513,979)	(4,513,979)
Finance expense	-	(959,899)	(929,243)	(2,077,643)	(2,077,643)
TOTAL OTHER INCOME (EXPENSE)	600,000	(1,228,464)	(3,454,339)	(5,923,804)	(6,523,804)
LOSS BEFORE PROVISION FOR INCOME TAXES	(579,211)	(65,887,687)	(9,944,839)	(95,488,985)	(94,909,774)
PROVISION FOR INCOME TAXES	-	-	-	-	-
NET LOSS	(579,211)	(65,887,687)	(9,944,839)	(95,488,985)	(94,909,774)
OTHER COMPREHENSIVE INCOME					
Foreign currency translation adjustment	-	-	(4,735)	-	-
COMPREHENSIVE LOSS	<u>\$ (579,211)</u>	<u>\$ (65,887,687)</u>	<u>\$ (9,949,574)</u>	<u>\$ (95,488,985)</u>	<u>\$ (94,909,774)</u>

Triton Distribution Systems, Inc. (a Development Stage Company)
Consolidated Statement of Stockholders' Equity
For the Period from Inception (January 10, 2006) to December 31, 2010

	Preferred Stock		Common Stock		Additional	Deficit	Accumulated	Total
	Shares	Par Value	Shares	Par Value	Paid-in	Accumulated	other	Shareholders
					Capital	During the	comprehensive	Equity (Deficit)
						Stage	income	
						Restated		
Balance at inception (January 10, 2006)	-	\$ -	-	\$ -	\$ -	\$ -	\$ -	\$ -
Issuance of common stock for cash and contribution of intellectual property in January 2006			35,821,198	338,625				338,625
Issuance of common stock in private			7,148,710	4,924,598				4,924,598
Issuance of common stock to placement agent			598,029	-				-
Cancellation of investor shares in July 2006			(6,218,958)	-				-
Issuance of common stock in connection with Repurchase of shares from Petramerica Oil,			2,087,910	-				-
Issuance of shares to investor relation firms			(400,000)	(400,000)				(400,000)
Issuance of common stock in private			2,238,824	1,800,000				1,800,000
Fair value of employee stock compensation			3,737,500	2,840,500				2,840,500
Net loss					139,979			139,979
Balance at December 31, 2006	-	-	45,013,213	9,503,723	139,979	(6,552,079)	-	(6,552,079)
Issuance of shares to investor relations firm			1,100,000	2,271,156				2,271,156
Fair value of employee stock compensation			860,147	1,607,047				1,607,047
Cancellations of stock compensation			(260,147)	(554,113)				(554,113)
Fair value of employee stock options					897,663			897,663
Exercise of Employee Stock Options			99,478	79,582				79,582
Exercise of Warrants			186,875	149,501				149,501
Issuance of Warrant for Short Term Loan					2,884,381			2,884,381
Issuance of shares to consultants			1,000,000	630,000				630,000
Capital contribution					188,500			188,500
Cancellations and terminations					(119,405)			(119,405)
Net loss						(12,525,169)		(12,525,169)
Foreign currency translation gain (loss)							(12,712)	(12,712)
Balance at December 31, 2007	-	-	47,999,566	13,686,896	3,991,118	(19,077,248)	(12,712)	(1,411,946)
Fair value of employee stock options					195,248			195,248
Exercise of Employee Stock Options Q2					183,309			183,309
Counsel and Accounts Payable Vendors			1,805,543	295,690				295,690
Capital contribution				1,430,983	882,853			2,313,836
Cancellations and terminations					(983,787)			(983,787)
Net loss						(9,944,839)		(9,944,839)
Foreign currency translation gain (loss)							(4,735)	(4,735)
Balance at December 31 2008	-	-	49,805,109	15,413,569	4,268,741	(29,022,087)	(17,447)	(9,357,224)
Exercise of Employee Stock Options			398,904	15,996				15,996
Issuance of restricted stock to employee			10,000,000	401,008				401,008
Counsel and Accounts Payable Vendors			16,210,130	4,983,304				4,983,304
Capital contribution					172,129			172,129
Issuance of Preferred A share	1	5,000,000						5,000,000
Issuance of preferred B shares	1,500,000	9,000,000						9,000,000
Effect of reverse split 1 for 150			(75,906,646)					-
Issuance of restricted stock			649,500,000	43,945,000				43,945,000
Issuance of common shares			50,000,000	-				-
Capital contribution				-	59,718			59,718
Issuance of preferred B shares	8,500	51,000						51,000
Issuance of preferred E shares	580,000	580,000						580,000
Issuance of common shares			55,000,000	-				-
Net loss						(65,887,687)		(65,887,687)
Foreign currency translation gain (loss)								-
Balance at December 31 2009	2,088,501	14,631,000	755,007,497	64,758,877	4,500,588	(94,909,774)	(17,447)	(11,036,756)
Effect of reverse split 1 for 100			(754,996,784)					-
Issuance of restricted stock			100,000,000					-
Issuance of common shares			90,000,000	150,000				150,000
Issuance of preferred F shares	12,000,000							-
Net loss						(579,211)		(579,211)
Balance at December 31 2010	14,088,501	14,631,000	190,010,713	64,908,877	4,500,588	(95,488,985)	(17,447)	(11,465,967)

Triton Distribution Systems, Inc. (a Development Stage Company)
Consolidated Statements of Cashflows

	For the Twelve Months Ended December 31 2010	Inception (January 10, 2006) to December 31 2009	Inception (January 10, 2006) to December 31 2010
	(unaudited)	(unaudited)	(unaudited)
CASH FLOWS FROM OPERATING ACTIVITIES:			
Net loss	\$ (579,211)	\$ (94,909,774)	\$ (95,488,985)
Adjustments to reconcile net loss to net cash used in operating activities:			
Amortization of discount on note	-	119,999	119,999
Depreciation and amortization expense	92,000	404,935	496,935
Amortization of prepaid consulting	-	6,390,116	6,390,116
Finance Fee	-	826,757	826,757
Stock compensation for consultants	-	5,613,304	5,613,304
Fair value of employee stock options & comp expense	-	60,958,736	60,958,736
Changes in assets and liabilities			
Prepaid insurance	-	(31,328)	(31,328)
Other current assets	-	(700,952)	(700,952)
Deferred income	-	25	25
Accounts payable	-	2,203,683	2,203,683
Accrued expenses	1,087,211	3,422,735	4,509,946
Lease Liability	-	11,284	11,284
Net cash used in operating activities	<u>600,000</u>	<u>(15,690,480)</u>	<u>(15,090,480)</u>
CASH FLOWS FROM INVESTING ACTIVITIES:			
Deposit for acquisition	-	(250,000)	(250,000)
Purchase of furniture and equipment	-	(541,949)	(541,949)
Payment for web development costs	-	(19,700)	(19,700)
Net cash used in investing activities	<u>-</u>	<u>(811,649)</u>	<u>(811,649)</u>
CASH FLOWS FROM FINANCING ACTIVITIES:			
Proceeds from the issuance of common stock	-	8,999,626	8,999,626
Proceeds from the issuance of preferred stock	-	51,000	51,000
Payment of offering costs	-	(972,402)	(972,402)
Repurchase of shares of common stock	-	(400,000)	(400,000)
Proceeds from issuance of notes payable	-	10,966,269	10,966,269
Repayment on notes payable	(600,000)	(2,146,867)	(2,746,867)
Net cash provided by financing activities	<u>(600,000)</u>	<u>16,497,626</u>	<u>15,897,626</u>
NET DECREASE IN CASH AND EFFECT OF EXCHANGE RATES ON CASH	-	4,503	4,503
NET DECREASE IN CASH AND CASH EQUIVALENTS	-	-	-
Beginning of period	<u>-</u>	<u>-</u>	<u>-</u>
End of period	<u>\$ -</u>	<u>-</u>	<u>-</u>

SUPPLEMENTAL DISCLOSURES OF CASH FLOW INFORMATION:

TRITON DISTRIBUTION SYSTEMS, INC. AND SUBSIDIARY
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
DECEMBER 31, 2010

(UNAUDITED)

Note 1 - Basis of presentation, organization and significant accounting policies

Basis of presentation

The unaudited consolidated financial statements have been prepared by Triton Distribution Systems, Inc. (the Company). The information furnished herein reflects all adjustments (consisting of normal recurring accruals and adjustments) which are, in the opinion of management, necessary to fairly present the operating results for the respective periods.

Organization and line of business

Triton Distribution Systems, Inc. (TDS) was incorporated in the State of Nevada on January 10, 2006. On July 10, 2006, TDS entered into an exchange agreement with Petramera Oil, Inc. (Petra), a publicly traded company. Subsequent to the exchange agreement, the acquisition was accounted for as a reverse acquisition of Petra by TDS resulting in a recapitalization of TDS for accounting purposes, the Company changed its name to Triton Distribution Systems, Inc.

The Company is a commercially established, next generation web-based travel services distribution business. The Company has developed a proprietary technology platform that provides considerable pricing advantages, better distribution methods and superior travel product offerings compared to established competitors. The travel marketplace is a global arena in which millions of buyers (travel agents and consumers) and sellers (hotels, airlines, car rental agencies, cruise ship lines, tour operators and entertainment companies) intersect.

Our core competency is designed for the electronic distribution of travel inventory from airlines, car rental companies, hotels, tour and cruise operators, and other travel sellers to travel agencies and their clients.

The Company is currently a development stage company under the as defined by Statement of Financial Accounting Standards ("SFAS") No. 7 *Accounting and Reporting by Development Stage Enterprises* as it has not generated revenues since its inception. The accompanying financial information has been prepared in accordance with accounting principles generally accepted in the United States of America (US GAAP)

Principles of consolidation

The accompanying consolidated financial statements include the accounts of Triton Distribution Systems, Inc. (formerly Petramera Oil, Inc.), a Colorado corporation and its wholly owned subsidiaries; Triton Distribution Systems Philippines, Inc. (Triton Philippines), a corporation organized under the laws of the Philippines; and Triton Distribution Systems Beijing (Triton Beijing), a Chinese Corporation. All inter-company accounts and transactions have been eliminated in consolidation. Triton Distribution Systems Philippines Inc. was formed in May 2006 with an office in Manila, Philippines. In August 2007, as a consequence of these internal issues with Philippine Airlines, we ceased our operations in the Philippines until these issues are resolved. In September 2007 we dissolved our Philippine subsidiary. Triton Distribution Systems (Beijing) was formed in November 2006. Since November 2006 operations have been primarily involved sales and marketing activities.

On December 12, 2006 the Company opened an office in Manila, Philippines. The subsidiary in the Philippines, Triton Distribution Systems Philippines Inc. (Triton Philippines), was formed on May 29, 2006 as a corporation (60% Filipino owned, 40% foreign owned), organized under the laws of the Republic of the Philippines. Triton Philippines had an authorized capital stock of two million pesos (PHP) (US\$40,000) divided into 20,000 shares with a par value of 100 pesos per share. The original ownership group of five individuals was issued 5,000 shares in the aggregate and included the President of the Company as a 20% owner. Thus, there remained unissued and unsubscribed shares of 15,000 in the amount of 1.5 million pesos (US\$30,000) available for subscription by foreign subscribers which was subsequently subscribed for in January of 2007 and fully paid by inward remittances that had occurred subsequent to June 2006 by the Company. To complete the process of establishing TDS as the majority foreign equity holder in Triton Philippines, the authorized capital stock of Triton Philippines was increased from two million Pesos (US\$40,000) to thirty million Pesos (US\$600,000) as of August 23, 2006. Under Philippine law, inward remittances by TDS towards the operations of its subsidiary, Triton Philippines, may be treated as an increase in authorized capital stock. Under this increase, the minority stockholders waived their rights to subscribe to their proportionate share in the issuance of 280,000 shares of stock with total par value of Twenty Eight Million Pesos (US\$560,000). This resulted in the Company owning approximately 98% of Triton Philippines and this transaction was completed in February 2007. The President of Triton Philippines still currently owns 0.33% of Triton Philippines.

During the initial discovery phase of our project at Philippine Airlines we encountered certain internal issues that put the project in jeopardy. As a consequence in order to conserve resources, we ceased our operations in the Philippines and provided Philippines Airlines an opportunity to resolve their internal issues. In August of 2007 the Company ceased operation in the Philippines and as a result its legal entity will be dissolved.

In September of 2006 the Company opened another office in Beijing, China. The subsidiary in China, Triton Distribution Systems (Beijing) (Triton Beijing) was formed November of 2006 as a Wholly Foreign Owned Enterprise under the laws

and regulations of the government of the People's Republic of China. The Company is required to make a total investment in Triton Beijing of \$250,000 U.S. Dollars (USD). The registered capital of Triton Beijing is to be \$175,000 USD of which 15% of this amount was required to be contributed within 90 days of formation. The Company has complied with this requirement by making the initial funding in January of 2007. On February 08, 2007 the Company transferred \$26,250 USD as the initial deposit. The remaining amount (\$148,750) must be contributed within 2 years of the issuance of the business license. The business license was issued on April 26, 2007. Triton Beijing's business license has a term of 20 years that is renewable upon appropriate approval.

Use of estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosures of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the reporting periods. Actual results could differ from these estimates.

Fair value of financial instruments

For certain of the Company's financial instruments, including cash and cash equivalents, accounts payable and accrued expenses, the carrying amounts approximate fair value due to their short maturities.

Cash and cash equivalents

For purposes of the statements of cash flows, the Company defines cash equivalents as all highly liquid debt instruments purchased with a maturity of three months or less.

Concentration of credit risk

Financial instruments, which potentially subject the Company to concentrations of credit risk, consist of cash and cash equivalents. From time to time we exceed the FDIC \$100,000 insurance limit. The deposits made in foreign banks are not insured which amounted to \$1202 as of March 31, 2008. The Company has not experienced any losses, nor do we anticipate incurring any losses related to this credit risk. The Company had \$0 that exceeded insurance limits as of December 31, 2009.

Furniture and equipment

Furniture and equipment are stated at cost and are depreciated using the straight-line method over their estimated useful lives of 3-7 years. Expenditures for maintenance and repairs are charged to operations as incurred while renewals and betterments are capitalized. Gains and losses on disposals are included in the results of operations.

The estimated service lives of furniture and equipment are as follows:

Computer equipment	5 years
Software	5 years
Office equipment	5 years
Furniture and fixtures	7 years
Tenant improvements	3-7 years

Website development costs

Website development costs are for the development of the Company's Internet website. These costs have been capitalized when put into service, and are being amortized over three years. The Company accounts for these costs in accordance with Emerging Issues Task Force (EITF) 00-2, "Accounting for Website Development Costs," which specifies the appropriate accounting for costs incurred in connection with the development and maintenance of websites.

Intangible assets

The Company's intangible asset was acquired and is carried at its purchase price, net of accumulated amortization, which approximates fair value. In accordance with SFAS No. 142, *Goodwill and Other*

Intangible Assets, the Company evaluates its intangible assets for impairment, on a periodic basis and whenever events or changes in circumstances indicate that the carrying value may not be recoverable from its estimated future cash flows. Recoverability of intangible assets is measured by comparing their net book value to the related projected undiscounted cash flows from these assets, considering a number of factors including past operating results, budgets, economic projections, market trends and product development cycles. If the net book value of the asset exceeds the related undiscounted cash flows, the asset is considered impaired, and is written down to its appropriate fair value on the date of impairment. Amortization is computed using the straight-line method over the estimated useful life of the intellectual property of ten years.

Revenue recognition

The Company applies the guidance within SEC Staff Accounting Bulletin No. 104, Revenue Recognition in Financial Statements (SAB 104) to determine when to properly recognize revenue. SAB 104 states that revenue generally is realized or realizable and earned when persuasive evidence of an arrangement exists, services have been rendered, the seller's price to the buyer is fixed or determinable and collectability is reasonably assured.

In order to simplify its business process, the Company provides electronic travel distribution services through its travel distribution system. These services are provided for airlines, car rental companies, hotels, tour and cruise operators, and other travel sellers to travel agencies and their clients: (1) the Company charges a fee for reservations booked through its distribution system; (2) revenue is recognized at the time the transactions are processed; (3) however, if a transaction is subsequently canceled, the transaction fee or fees must be credited or refunded; (4) therefore, revenue is recorded net of an estimated amount reserved to account for cancellations which may occur in a future

months; (5) this reserve is calculated based on industry historical cancellation rates and will be based on the Company's own cancellation rates once a sufficient history of cancellations is established; and (6) in estimating the amount of future cancellations that will require a transaction fee to be refunded, the Company assumes that a significant percentage of cancellations are followed by an immediate re-booking of the transaction, without a net loss of revenue.

Leases

The Company accounts for its leases under the provisions of SFAS No. 13, *Accounting for Leases*, and subsequent amendments, which require that leases be evaluated and classified as operating or capital leases for financial reporting purposes. The Company's office leases are treated as current operating expenses. The office leases contain certain rent escalation clauses over the life of the leases. The total amount of rental payments due over the lease term is being charged to rent expense on a straight-line method over the term of the lease. The difference between rent expense recorded and the amount paid is credited or charged to accrued lease liability on the accompanying consolidated balance sheet.

Foreign currency translation

The Company's reporting currency is the US dollar (USD). The Company's Chinese subsidiary's financial records and books are maintained in its local currency, Renminbi (RMB), as its functional

currency. The Company's former Philippines subsidiary's financial records and books are maintained in its local currency, Peso (PESO), as its functional currency. Results of operations and cash flow are translated at average exchange rates during the period, and assets and liabilities are translated at the unified exchange rate, at the end of the period. Translation adjustments resulting from this process are included in accumulated other comprehensive income in the statement of shareholders equity. Since cash flows are translated at average translation rates for the period, amounts reported on the statement of cash flows will not necessarily agree with changes in the corresponding balances on the balance sheet.

Transaction gains and losses that arise from exchange rate fluctuations on transactions denominated in a currency other than the functional currency are included in the results of operations as incurred. These amounts are immaterial to the consolidated financial statements.

Stock based compensation

The Company accounts for stock option grants in accordance with SFAS No. 123(R), *Share-Based Payment*. The Company records the cost of employee and non-employee services received in exchange for an award of equity instruments based on the grant-date fair value of the award. That cost is recognized over the period during which an employee is required to provide service in exchange for the award the requisite service period (usually the vesting period). No compensation cost is recognized for equity instruments for

which employees do not render the requisite service. The grant-date fair value of employee share options and similar instruments is estimated using a Black-Scholes option-pricing model. If an equity award is modified after the grant date, incremental compensation cost will be recognized in an amount equal to the excess of the fair value of the modified award, if any, over the fair value of the original award.

Income taxes

The Company accounts for income taxes in accordance with SFAS No. 109, "Accounting for Income Taxes." Deferred taxes are provided on the liability method whereby deferred tax assets are recognized for deductible temporary differences, and deferred tax liabilities are recognized for taxable temporary differences. Temporary differences are the differences between the reported amounts of assets and liabilities and their tax bases. 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. Deferred tax assets and liabilities are adjusted for the effects of changes in tax laws and rates on the date of enactment.

On January 1, 2007, the Company adopted Financial Accounting Standards Board (FASB) Interpretation No. 48, *Accounting for Uncertainty in Income Taxes an interpretation of FASB Statement No. 109* (FIN 48). The Interpretation gives guidance related to the financial statement recognition and measurement of a tax position taken or expected to be taken in a tax return, and requires that we recognize in our financial statements the impact of a tax position, if that position is more likely than not to be sustained upon an examination, based on the technical merits of the position.

Comprehensive Income

The Company reports comprehensive income / (loss) and its components in accordance with SFAS No. 130, *Reporting Comprehensive Income* . The Company's comprehensive income / (loss) is comprised of net income / (loss) and foreign currency translation adjustments.

Loss per share

The Company reports loss per share in accordance with SFAS No. 128, *Earnings per Share* . Basic loss per share is computed by dividing the net loss by the weighted average number of common shares outstanding. Diluted loss per share is computed by dividing net income by the weighted average number of common shares used in the basic earnings per share calculation plus the number of common shares that would be issued assuming exercise or conversion of all potentially dilutive common shares outstanding. The Company excludes equity instruments from the calculation of diluted weighted average shares outstanding if the effect of including such instruments is anti-dilutive to earnings per share. For the periods presented, all equity instruments are considered anti-dilutive.

Note 2 - Development Stage Company

The Company is subject to risks and uncertainties, including new product development, actions of competitors, reliance on the knowledge and skills of its employees to be able to service customers, and availability of sufficient capital and a limited operating history. Accordingly, the Company presents its financial statements in accordance with the accounting principles generally accepted in the United States of America that apply in establishing new operating enterprises. As a development stage enterprise, the Company discloses the deficit accumulated during the development stage and the accumulated statement of operations and cash flows from inception of the development stage to the date on the current balance sheet. Contingencies exist with respect to this matter, the ultimate resolution of which cannot presently be determined.

Note 3 - Acquisitions

On September 24, 2009, the Company completed the acquisition of BAUD Acquisition Trust by issuing 300,000,000 shares for all of the outstanding shares of BAUD Acquisition Trust. The Company plans on using the Trust as an acquisition platform.

Note 4 - Notes payable - related party

SEE DISCLOSURE STATEMENT DATED MARCH 31, 2010

The Company has not repaid any loans and accrued interest as of December 31, 2009.

Note 5 - Stockholders' equity

SEE DISCLOSURE STATEMENT 2009 ANNUAL REPORT

On August 03, 2009, Triton's Board of Directors approved a 150 to 1 reverse split of its \$.001 par common stock.

On August 10, 2009, Triton's Board of Directors approved amendments to our Articles of Incorporation to increase our authorized shares of \$.001 par value common stock to 1,000,000,000.

During the quarter ending December 31, 2009, Triton's Board of Directors approved the issuance of 349,500,000 restricted shares of the Company's common stock to Gregory Lykiardopoulos, the Company's CEO for services rendered.

On September 24, 2009, the Company completed the acquisition of BAUD Acquisition Trust by issuing 300,000,000 shares for all of the outstanding shares of BAUD Acquisition Trust.

On October 8, 2009 the Company issued 580,000 shares of Series E Preferred Shares and 50,000,000 Common Shares in exchange for cancellation of Promissory Notes in the amount of \$580,000.

The Company sold 8,500 Preferred Shares to accredited investors for \$51,000 during the three months ended December 31, 2009.

Note 6 - Commitments and contingencies

Contracts

In order to obtain and distribute travel products, the Company has entered into agreements with travel sellers and telecommunications service and infrastructure providers. All of these agreements may be terminated by either party on 30 days written notice to the other. Each agreement provides for the payment by travel sellers of customary travel commissions to the Company's travel agent buyers and to the Company. All of the agreements are non-exclusive to the Company. There are no minimums or required monthly obligations for any of these agreements.

Note 7 - Related parties

SEE DISCLOSURE STATEMENT 2009 ANNUAL REPORT.

Management's Discussion and Analysis or Plan of Operations

Special Note Regarding Forward-Looking Information

This Report of Triton Distribution Systems, Inc. contains certain forward-looking statements. All statements in this Report other than statements of historical fact are forward-looking statements for purposes of these provisions, including any statements of the plans and objectives for future operations and any statement of assumptions underlying any of the foregoing. Statements that include the use of terminology such as may, will, expects, believes, plans, estimates, potential, or continue, or the negative thereof or other and similar expressions are forward-looking statements. Forward-looking statements in this report include, but are not limited to, statements regarding expanding the use of our technologies in existing and new markets; diversification of sources of potential revenue; our expected profit margin from all product sales; the future impact of our critical accounting policies, including those regarding revenue recognition, allowance for doubtful accounts, accounting for income taxes, and stock-based compensation; statements regarding the sufficiency of our cash reserves; and our expected rate of return on investments, if any. Actual results may differ materially from those discussed in these forward looking statements due to a number of factors, including: the rate of growth of the markets for our technology; the accuracy of our identification of critical accounting policies and the accuracy of the assumptions we make in implementing such policies; the accuracy of our estimates regarding our taxable income and cash needs for the next twelve months; and fluctuations in interest rate and foreign currencies. These forward-looking statements involve risks and uncertainties, and it is important to note that our actual results could differ materially from those projected or assumed in such forward-looking statements.

As used herein, unless the context otherwise requires, Triton Distribution Systems, Inc., together with our Chinese subsidiary, Triton Distribution Systems (Beijing) and our Philippine subsidiary, Triton Distribution Systems Philippines Inc. are referred to in this Annual Report as Triton, Company, we, us and our.

Overview

We are an emerging, next generation Web-based travel services distribution company. Our core business is the electronic distribution of travel inventory from airlines, car rental companies, hotels, tour and cruise operators, and other travel sellers to travel agencies and their clients on a global basis.

We commenced operations in January 2006 with an initial emphasis on Southeast Asia and intend to expand to other international locations, including South America and Europe. Unlike the travel industry in the United States, which is highly fragmented and decentralized, emerging countries in Asia have only one or two flagship airlines for international routes, the airlines are controlled by the government, the travel agencies are clustered in large associations, and the government has considerable influence over decisions which affect bookings and the issuance of tickets to domestic and foreign travelers.

Critical Accounting Policy and Estimates

Our discussion and analysis of our financial condition and results of operations are based on our financial statements, which have been prepared in accordance with accounting principles generally accepted in the United States of America. The preparation of the financial statements requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Since these estimates are inherently uncertain, actual results may materially differ.

The following is a discussion of our accounting policies that are both most important to the portrayal of our financial condition and results, and that require management's most difficult, subjective, or complex judgments.

Intangible Assets

The determination of the fair value of certain acquired intangible assets is subjective in nature and often involves the use of significant estimates and assumptions. Further, estimating the useful lives of these assets requires the exercise of judgment due to the rapidly changing technology environment. Historically, we have estimated the fair value of our intangible assets based on the purchase price.

In accordance with SFAS No. 142, Goodwill and Other Intangible Assets, we evaluate our intangible assets and other long-lived assets for impairment, at least on an annual basis and whenever events or changes in circumstances indicate that the carrying value may not be recoverable from our estimated future cash flows. If the net book value of the asset exceeds the related undiscounted cash flows, the asset is considered impaired and it is written down to the undiscounted

cash flow value. We have determined, at the acquisition date, the useful life of our currently held intellectual property was 10 years. We amortize intellectual property using the straight-line method.

As of December 31, 2009 we have no internally developed intangible assets.

Stock Based Compensation

We estimate the fair value of stock option awards to employees using a Black-Scholes pricing model on the grant date in accordance with SFAS No. 123(R) *Share Based Payment*. The pricing model requires us to make assumptions related to the expected term of the options, which generally differs from the contractual term; expected volatility of our stock price, accounting for known significant events which may have a material impact on the market value of our stock; the risk free interest rate on the grant date for instruments with maturities commensurate with the expected term of the options; and the dividend yield.

Due to the limited history of our company, for all options granted in 2006 we have estimated that the expected term of the employee options to be three years. We currently do not have a trading history that allows us to reasonably estimate the expected volatility of our common stock, therefore the expected volatility of our stock was based on the historical volatility of public companies with similar characteristics. These characteristics include industry, stage of life cycle, size, financial leverage, and other factors. We periodically review and adjust these assumptions in determining the fair value of future option grants.

Liquidity and Capital Resources

We have generated very little revenue from our operations since our inception on January 10, 2006. As a result, our primary source of liquidity is through debt and equity financing arrangements with independent third party investors, as well as related parties. Further, we have been successful at entering into agreements with several of our service providers to accept shares of our common stock in consideration for services received.

Debt issuances throughout the period ended December 31, 2009, all of which are short-term, has resulted in a working capital deficit. As of December 31, 2009 we had approximately \$7.5 million in loans that are beyond their maturity date.

Our current and historic liquidity concerns have resulted in our focus being near term based. Our efforts are concentrated on developing revenue generating activities in geographical areas that appear most likely for success. Initially, these areas appear to be Southeast Asia, China, and Europe.

Our current forecasts are that our 2010 operations will be insufficient to meet our current debt obligations, or our other working capital needs. We are actively pursuing longer term debt financing arrangements on terms that are more favorable to the Company. In addition to seeking the above debt financing, we are contemplating raising additional capital through equity issuances in 2010. Any additional equity issuances will be dependent upon market conditions,

achievement of certain milestones in our technology development, and identification of specific needs.

Results of Operations

Revenue

We have not generated any meaningful revenue since our inception on January 10, 2006. We have made significant progress in the development of our technology and have entered into a series of distribution agreements. Based on these agreements and improvements we have made to our technology our objective is to emerge from the development stage during fiscal year 2011.

Operating Expenses

Our operating expenses from inception to December 31, 2009 were \$88,384,999 which consisted of payroll and related benefits of \$63,317,782, professional fees of \$ 6,358,646, marketing and advertising of \$53,127 and other general and administrative expenses of \$1,419,197.

Related Parties

During the fiscal years ending December 31, 2007, December 31, 2008 and December 31, 2009, we borrowed money from share holders and officers to meet operating cash flow, see Disclosure Statement.

Plan of Operation

At December 31, 2009 our cash resources were insufficient to fund the Company's current and expected operations. Throughout the fourth quarter of 2009 and the first quarter of 2010 our concentration was centered on obtaining the necessary funding to meet our current obligations and expected additional 2010 needs. Additionally, we have focused on reducing and reallocating our expenses to activities that are essential to distributing our products and services to our target markets. To that end, we have reduced our workforce from 45 to 20; limited travel and related expenses; and entered into equity payment arrangements with several of our service providers.

As noted in our Description of Business, our initial emphasis was on Southeast Asia and China. Our current plans consist of continued focus in China and Europe. The lack of decentralization of the travel industry in these geographic areas remains attractive for the implementation and use of our electronic distribution system of travel inventory from airlines, travel agencies, cruise operators, and other travel related service providers.

Additionally, we are concentrating our efforts on the business to business (B2B) market which appears to be relatively un-tapped by our significant competitors. Current estimates indicate 80% of global airline tickets and 70% of all travel is booked by service providers in our target markets. *Travel and Tourism Forecast World*, as of May 2006, estimated the global travel distribution market at over \$10 billion.

We believe our internet-based distribution platform and low-fee structure provides us certain advantages in penetrating our target markets since our main competitors distribution systems generally operate on high-cost, legacy mainframe technology platforms. This appears to be particularly true in less technologically advanced countries such as China.

We expect to continue to devote funding and personnel to research and product development as well as to the enhancement of existing product lines and the fulfillment of foreign joint ventures. We plan to develop new add-ons and extension modules in response to client needs and requests. Included in the our development pipeline are booking systems for private corporate executive jets and regional air flights, air cargo carriers, railroad travel, ferries, private clubs and bed and breakfast establishments.

Employees

Our employee head count was 20 as of December 31, 2010.

Off-Balance Sheet Arrangements

There are no off balance sheet arrangements that have or are reasonably likely to have a current or future effect on our financial condition, changes in financial condition, revenues or expenses, results of operations, liquidity, capital expenditures or capital resources that are material to investors.

EXHIBIT "B"

Year End 2008 AND 2009 Financial Reports

**Triton Distribution Systems, In
(a Development Stage Company)
Consolidated Balance Sheets**

	December 31, 2009	December 31, 2008
	(unaudited)	(unaudited)
ASSETS		
CURRENT ASSETS		
Cash and cash equivalents	\$ -	\$ 5,297
Other current assets	732,281	763,022
Prepaid consulting	669,975	669,975
TOTAL CURRENT ASSETS	1,402,256	1,438,294
FURNITURE AND EQUIPMENT, net	172,992	258,122
INVESTMENTS	65,950,000	-
WEBSITE DEVELOPMENT COSTS, net	-	821
INTELLECTUAL PROPERTY, net	142,691	166,967
TOTAL ASSETS	\$ 67,667,939	\$ 1,864,204
LIABILITIES AND STOCKHOLDERS' EQUITY		
CURRENT LIABILITIES		
Deferred Income	\$ 25	\$ 25
Accounts payable	2,203,937	1,821,534
Accrued expenses	516,555	184,339
Accrued payroll	2,539,393	1,213,827
Accrued lease liability	11,284	13,702
Loan Payable	7,483,500	7,988,000
TOTAL CURRENT LIABILITIES	12,754,694	11,221,427
STOCKHOLDERS' EQUITY		
Preferred A stock ; no par value; 100 shares authorized; 1 shares issued and outstanding	5,000,000	
Preferred B stock ; no par value; 6,000,000 shares authorized; 1,508,500 shares issued and outstanding	9,051,000	
Preferred C stock ; no par value; 6,000,000 shares authorized; 0 shares issued and outstanding		
Preferred D stock ; no par value; 2,000,000 shares authorized; 0 shares issued and outstanding		
Preferred E stock ; no par value; 4,000,000 shares authorized; 580,000 shares issued and outstanding	580,000	
Common stock; no par value; 1,000,000,000 shares authorized; 755,007,497 shares issued and outstanding	130,708,877	15,413,569
Additional paid-in capital	4,500,588	4,268,741
Deficit accumulated during the development stage	(94,909,774)	(29,022,087)
Accumulated balance of other comprehensive income	(17,447)	(17,447)
TOTAL STOCKHOLDERS' EQUITY	54,913,244	(9,357,224)
TOTAL LIABILITIES AND STOCKHOLDERS' EQUITY	\$ 67,667,939	\$ 1,864,204

Triton Distribution Systems, Inc.
(a Development Stage Company)
Consolidated Statements of Operations

	12 Months Ended December 31, 2009 (unaudited)	12 Months Ended December 31, 2008 (unaudited)	12 Months Ended December 31, 2007 (unaudited)	(January 10, 2006) to December 31, 2009 (unaudited)	(January 10, 2006) to December 31, 2008 (unaudited)
NET SALES	\$ 2,134	\$ 620	\$ -	\$ 2,754	\$ 620
COST OF SALES	1,916	1,809	-	3,725	1,809
GROSS PROFIT	<u>218</u>	<u>(1,189)</u>	<u>-</u>	<u>(971)</u>	<u>(1,189)</u>
OPERATING EXPENSES:					
Payroll and related benefits	59,275,630	4,042,152	6,186,165	72,348,912	63,317,782
Professional fees	4,974,978	1,383,668	2,769,580	10,802,861	6,358,646
Marketing and advertising	6,025	47,102	255,558	610,909	53,127
Other general and administrative expenses	402,808	1,016,389	1,461,319	4,622,317	1,419,197
TOTAL OPERATING EXPENSES	<u>64,659,441</u>	<u>6,489,311</u>	<u>10,672,622</u>	<u>88,384,999</u>	<u>71,148,752</u>
LOSS FROM OPERATIONS	<u>(64,659,223)</u>	<u>(6,490,500)</u>	<u>(10,672,622)</u>	<u>(88,385,970)</u>	<u>(71,149,941)</u>
OTHER INCOME (EXPENSE)					
Interest income	-	31	25,326	67,818	30
Interest Expense	(268,565)	(2,525,127)	(1,689,372)	(4,513,979)	(2,525,127)
Finance expense	(959,899)	(929,243)	(188,500)	(2,077,643)	(929,243)
TOTAL OTHER INCOME (EXPENSE)	<u>(1,228,464)</u>	<u>(3,454,339)</u>	<u>(1,852,546)</u>	<u>(6,523,804)</u>	<u>(3,454,340)</u>
LOSS BEFORE PROVISION FOR INCOME TAXES	<u>(65,887,687)</u>	<u>(9,944,839)</u>	<u>(12,525,168)</u>	<u>(94,909,774)</u>	<u>(74,604,281)</u>
PROVISION FOR INCOME TAXES	-	-	-	-	-
NET LOSS	<u>(65,887,687)</u>	<u>(9,944,839)</u>	<u>(12,525,168)</u>	<u>(94,909,774)</u>	<u>(74,604,281)</u>
OTHER COMPREHENSIVE INCOME					
Foreign currency translation adjustment	-	(4,735)	(12,712)	-	(4,735)
COMPREHENSIVE LOSS	<u><u>\$ (65,887,687)</u></u>	<u><u>\$ (9,949,574)</u></u>	<u><u>\$ (12,537,880)</u></u>	<u><u>\$ (94,909,774)</u></u>	<u><u>\$ (74,609,016)</u></u>

Triton Distribution Systems, Inc. (a Development Stage Company)
Consolidated Statement of Stockholders' Equity
For the Period from Inception (January 10, 2006) to December 31, 2009

	Preferred Stock		Common Stock		Additional	Deficit	Accumulated	Total
	Shares	Par Value	Shares	Par Value	Paid-in	During the	other	Shareholders
					Capital	Development	comprehensive	Equity (Deficit)
						Stage	income	
						Restated		
Balance at inception (January 10, 2006)	-	\$ -	-	\$ -	\$ -	\$ -	\$ -	\$ -
Issuance of common stock for cash and contribution of intellectual property in January 2006			35,821,198	338,625				338,625
Issuance of common stock in private			7,148,710	4,924,598				4,924,598
Issuance of common stock to placement agent			598,029	-				-
Cancellation of investor shares in July 2006			(6,218,958)	-				-
Issuance of common stock in connection with Repurchase of shares from Petramerica Oil,			2,087,910	-				-
Issuance of shares to investor relation firms			(400,000)	(400,000)				(400,000)
Issuance of common stock in private placement			2,238,824	1,800,000				1,800,000
Fair value of employee stock compensation			3,737,500	2,840,500				2,840,500
Net loss					139,979			139,979
						(6,552,079)		(6,552,079)
Balance at December 31, 2006	-	-	45,013,213	9,503,723	139,979	(6,552,079)	-	3,091,623
Issuance of shares to investor relations firm for			1,100,000	2,271,156				2,271,156
Fair value of employee stock compensation			860,147	1,607,047				1,607,047
Cancellations of stock compensation			(260,147)	(554,113)				(554,113)
Fair value of employee stock options					897,663			897,663
Exercise of Employee Stock Options			99,478	79,582				79,582
Exercise of Warrants			186,875	149,501				149,501
Issuance of Warrant for Short Term Loan					2,884,381			2,884,381
Issuance of shares to consultants			1,000,000	630,000				630,000
Capital contribution					188,500			188,500
Cancellations and terminations					(119,405)			(119,405)
Net loss						(12,525,169)		(12,525,169)
Foreign currency translation gain (loss)							(12,712)	(12,712)
Balance at December 31, 2007	-	-	47,999,566	13,686,896	3,991,118	(19,077,248)	(12,712)	(1,411,946)
Fair value of employee stock options					195,248			195,248
Exercise of Employee Stock Options Q2					183,309			183,309
Counsel and Accounts Payable								
Vendors			1,805,543	295,690				295,690
Capital contribution				1,430,983	882,853			2,313,836
Cancellations and terminations					(983,787)			(983,787)
Net loss						(9,944,839)		(9,944,839)
Foreign currency translation gain (loss)							(4,735)	(4,735)
Balance at December 31 2008	-	-	49,805,109	15,413,569	4,268,741	(29,022,087)	(17,447)	(9,357,224)
Exercise of Employee Stock Options			398,904	15,996				15,996
Issuance of restricted stock to employee			10,000,000	401,008				401,008
Counsel and Accounts Payable								
Vendors			16,210,130	4,983,304				4,983,304
Capital contribution					172,129			172,129
Issuance of Preferred A share	1	5,000,000						5,000,000
Issuance of preferred B shares	1,500,000	9,000,000						9,000,000
Effect of reverse split 1 for 150			(75,906,646)					-
Issuance of restricted stock			649,500,000	104,395,000				104,395,000
Issuance of common shares			50,000,000	5,500,000				5,500,000
Capital contribution				-	59,718			59,718
Issuance of preferred B shares	8,500	51,000						51,000
Issuance of preferred E shares	580,000	580,000						580,000
Issuance of common shares			55,000,000	-				-
Net loss						(65,887,687)		(65,887,687)
Foreign currency translation gain (loss)								-
Balance at December 31 2009	2,088,501	14,631,000	755,007,497	130,708,877	4,500,588	(94,909,774)	(17,447)	54,913,244

Triton Distribution Systems, Inc. (a Development Stage Company)
Consolidated Statements of Cashflows

	For the Twelve Months Ended December 31 2009	Inception (January 10, 2006) to December 31 2008	Inception (January 10, 2006) to December 31 2009
	(unaudited)	(unaudited)	(unaudited)
CASH FLOWS FROM OPERATING ACTIVITIES:			
Net loss	\$ (65,887,687)	\$ (29,022,087)	\$ (94,909,774)
Adjustments to reconcile net loss to net cash used in operating activities:			
Amortization of discount on note	-	119,999	119,999
Depreciation and amortization expense	50,387	354,548	404,935
Amortization of prepaid consulting	-	6,390,116	6,390,116
Finance Fee	-	826,757	826,757
Stock compensation for consultants	4,983,304	630,000	5,613,304
Fair value of employee stock options & comp expense	58,362,404	2,596,332	60,958,736
Changes in assets and liabilities			
Prepaid insurance	-	(31,328)	(31,328)
Other current assets	30,741	(731,693)	(700,952)
Deferred income	-	25	25
Accounts payable	382,403	1,821,280	2,203,683
Accrued expenses	2,024,569	1,398,166	3,422,735
Lease Liability	(2,418)	13,702	11,284
Net cash used in operating activities	<u>(56,297)</u>	<u>(15,634,183)</u>	<u>(15,690,480)</u>
CASH FLOWS FROM INVESTING ACTIVITIES:			
Deposit for acquisition	-	(250,000)	(250,000)
Purchase of furniture and equipment	-	(541,949)	(541,949)
Payment for web development costs	-	(19,700)	(19,700)
Net cash used in investing activities	<u>-</u>	<u>(811,649)</u>	<u>(811,649)</u>
CASH FLOWS FROM FINANCING ACTIVITIES:			
Proceeds from the issuance of common stock	-	8,999,626	8,999,626
Proceeds from the issuance of preferred stock	51,000	-	51,000
Payment of offering costs	-	(972,402)	(972,402)
Repurchase of shares of common stock	-	(400,000)	(400,000)
Proceeds from issuance of notes payable	-	10,966,269	10,966,269
Repayment on notes payable	-	(2,146,867)	(2,146,867)
Net cash provided by financing activities	<u>51,000</u>	<u>16,446,626</u>	<u>16,497,626</u>
NET DECREASE IN CASH AND EFFECT OF EXCHANGE RATES ON CASH	-	4,503	4,503
NET DECREASE IN CASH AND CASH EQUIVALENTS	(5,297)	5,297	-
Beginning of period	<u>5,297</u>	<u>-</u>	<u>-</u>
End of period	<u>\$ -</u>	<u>5,297</u>	<u>-</u>

TRITON DISTRIBUTION SYSTEMS, INC. AND SUBSIDIARY
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
DECEMBER 31, 2009

(UNAUDITED)

Note 1 - Basis of presentation, organization and significant accounting policies

Basis of presentation

The unaudited consolidated financial statements have been prepared by Triton Distribution Systems, Inc. (the Company). The information furnished herein reflects all adjustments (consisting of normal recurring accruals and adjustments) which are, in the opinion of management, necessary to fairly present the operating results for the respective periods.

Organization and line of business

Triton Distribution Systems, Inc. (TDS) was incorporated in the State of Nevada on January 10, 2006. On July 10, 2006, TDS entered into an exchange agreement with Petramera Oil, Inc. (Petra), a publicly traded company. Subsequent to the exchange agreement, the acquisition was accounted for as a reverse acquisition of Petra by TDS resulting in a recapitalization of TDS for accounting purposes, the Company changed its name to Triton Distribution Systems, Inc.

The Company is a commercially established, next generation web-based travel services distribution business. The Company has developed a proprietary technology platform that provides considerable pricing advantages, better distribution methods and superior travel product offerings compared to established competitors. The travel marketplace is a global arena in which millions of buyers (travel agents and consumers) and sellers (hotels, airlines, car rental agencies, cruise ship lines, tour operators and entertainment companies) intersect.

Our core competency is designed for the electronic distribution of travel inventory from airlines, car rental companies, hotels, tour and cruise operators, and other travel sellers to travel agencies and their clients.

The Company is currently a development stage company under the as defined by Statement of Financial Accounting Standards ("SFAS") No. 7 *Accounting and Reporting by Development Stage Enterprises* as it has not generated revenues since its inception. The accompanying financial information has been prepared in accordance with accounting principles generally accepted in the United States of America (US GAAP)

Principles of consolidation

The accompanying consolidated financial statements include the accounts of Triton Distribution Systems, Inc. (formerly Petramera Oil, Inc.), a Colorado corporation and its wholly owned subsidiaries; Triton Distribution Systems Philippines, Inc. (Triton Philippines), a corporation organized under the laws of the Philippines; and Triton Distribution Systems Beijing (Triton Beijing), a Chinese Corporation. All inter-company accounts and transactions have been eliminated in consolidation. Triton Distribution Systems Philippines Inc. was formed in May 2006 with an office in Manila, Philippines. In August 2007, as a consequence of these internal issues with Philippine Airlines, we ceased our operations in the Philippines until these issues are resolved. In September 2007 we dissolved our Philippine subsidiary. Triton Distribution Systems (Beijing) was formed in November 2006. Since November 2006 operations have been primarily involved sales and marketing activities.

On December 12, 2006 the Company opened an office in Manila, Philippines. The subsidiary in the Philippines, Triton Distribution Systems Philippines Inc. (Triton Philippines), was formed on May 29, 2006 as a corporation (60% Filipino owned, 40% foreign owned), organized under the laws of the Republic of the Philippines. Triton Philippines had an authorized capital stock of two million pesos (PHP) (US\$40,000) divided into 20,000 shares with a par value of 100 pesos per share. The original ownership group of five individuals was issued 5,000 shares in the aggregate and included the President of the Company as a 20% owner. Thus, there remained unissued and unsubscribed shares of 15,000 in the amount of 1.5 million pesos (US\$30,000) available for subscription by foreign subscribers which was subsequently subscribed for in January of 2007 and fully paid by inward remittances that had occurred subsequent to June 2006 by the Company. To complete the process of establishing TDS as the majority foreign equity holder in Triton Philippines, the authorized capital stock of Triton Philippines was increased from two million Pesos (US\$40,000) to thirty million Pesos (US\$600,000) as of August 23, 2006. Under Philippine law, inward remittances by TDS towards the operations of its subsidiary, Triton Philippines, may be treated as an increase in authorized capital stock. Under this increase, the minority stockholders waived their rights to subscribe to their proportionate share in the issuance of 280,000 shares of stock with total par value of Twenty Eight Million Pesos (US\$560,000). This resulted in the Company owning approximately 98% of Triton Philippines and this transaction was completed in February 2007. The President of Triton Philippines still currently owns 0.33% of Triton Philippines.

During the initial discovery phase of our project at Philippine Airlines we encountered certain internal issues that put the project in jeopardy. As a consequence in order to conserve resources, we ceased our operations in the Philippines and provided Philippines Airlines an opportunity to resolve their internal issues. In August of 2007 the Company ceased operation in the Philippines and as a result its legal entity will be dissolved.

In September of 2006 the Company opened another office in Beijing, China. The subsidiary in China, Triton Distribution Systems (Beijing) (Triton Beijing) was formed November of 2006 as a Wholly Foreign Owned Enterprise under the laws

and regulations of the government of the People's Republic of China. The Company is required to make a total investment in Triton Beijing of \$250,000 U.S. Dollars (USD). The registered capital of Triton Beijing is to be \$175,000 USD of which 15% of this amount was required to be contributed within 90 days of formation. The Company has complied with this requirement by making the initial funding in January of 2007. On February 08, 2007 the Company transferred \$26,250 USD as the initial deposit. The remaining amount (\$148,750) must be contributed within 2 years of the issuance of the business license. The business license was issued on April 26, 2007. Triton Beijing's business license has a term of 20 years that is renewable upon appropriate approval.

Use of estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosures of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the reporting periods. Actual results could differ from these estimates.

Fair value of financial instruments

For certain of the Company's financial instruments, including cash and cash equivalents, accounts payable and accrued expenses, the carrying amounts approximate fair value due to their short maturities.

Cash and cash equivalents

For purposes of the statements of cash flows, the Company defines cash equivalents as all highly liquid debt instruments purchased with a maturity of three months or less.

Concentration of credit risk

Financial instruments, which potentially subject the Company to concentrations of credit risk, consist of cash and cash equivalents. From time to time we exceed the FDIC \$100,000 insurance limit. The deposits made in foreign banks are not insured which amounted to \$1202 as of March 31, 2008. The Company has not experienced any losses, nor do we anticipate incurring any losses related to this credit risk. The Company had \$0 that exceeded insurance limits as of December 31, 2009.

Furniture and equipment

Furniture and equipment are stated at cost and are depreciated using the straight-line method over their estimated useful lives of 3-7 years. Expenditures for maintenance and repairs are charged to operations as incurred while renewals and betterments are capitalized. Gains and losses on disposals are included in the results of operations.

The estimated service lives of furniture and equipment are as follows:

Computer equipment	5 years
Software	5 years
Office equipment	5 years
Furniture and fixtures	7 years
Tenant improvements	3-7 years

Website development costs

Website development costs are for the development of the Company's Internet website. These costs have been capitalized when put into service, and are being amortized over three years. The Company accounts for these costs in accordance with Emerging Issues Task Force (EITF) 00-2, "Accounting for Website Development Costs," which specifies the appropriate accounting for costs incurred in connection with the development and maintenance of websites.

Intangible assets

The Company's intangible asset was acquired and is carried at its purchase price, net of accumulated amortization, which approximates fair value. In accordance with SFAS No. 142, *Goodwill and Other*

Intangible Assets, the Company evaluates its intangible assets for impairment, on a periodic basis and whenever events or changes in circumstances indicate that the carrying value may not be recoverable from its estimated future cash flows. Recoverability of intangible assets is measured by comparing their net book value to the related projected undiscounted cash flows from these assets, considering a number of factors including past operating results, budgets, economic projections, market trends and product development cycles. If the net book value of the asset exceeds the related undiscounted cash flows, the asset is considered impaired, and is written down to its appropriate fair value on the date of impairment. Amortization is computed using the straight-line method over the estimated useful life of the intellectual property of ten years.

Revenue recognition

The Company applies the guidance within SEC Staff Accounting Bulletin No. 104, Revenue Recognition in Financial Statements (SAB 104) to determine when to properly recognize revenue. SAB 104 states that revenue generally is realized or realizable and earned when persuasive evidence of an arrangement exists, services have been rendered, the seller's price to the buyer is fixed or determinable and collectability is reasonably assured.

In order to simplify its business process, the Company provides electronic travel distribution services through its travel distribution system. These services are provided for airlines, car rental companies, hotels, tour and cruise operators, and other travel sellers to travel agencies and their clients: (1) the Company charges a fee for reservations booked through its distribution system; (2) revenue is recognized at the time the transactions are processed; (3) however, if a transaction is subsequently canceled, the transaction fee or fees must be credited or refunded; (4) therefore, revenue is recorded net of an estimated amount reserved to account for cancellations which may occur in a future

months; (5) this reserve is calculated based on industry historical cancellation rates and will be based on the Company's own cancellation rates once a sufficient history of cancellations is established; and (6) in estimating the amount of future cancellations that will require a transaction fee to be refunded, the Company assumes that a significant percentage of cancellations are followed by an immediate re-booking of the transaction, without a net loss of revenue.

Leases

The Company accounts for its leases under the provisions of SFAS No. 13, *Accounting for Leases*, and subsequent amendments, which require that leases be evaluated and classified as operating or capital leases for financial reporting purposes. The Company's office leases are treated as current operating expenses. The office leases contain certain rent escalation clauses over the life of the leases. The total amount of rental payments due over the lease term is being charged to rent expense on a straight-line method over the term of the lease. The difference between rent expense recorded and the amount paid is credited or charged to accrued lease liability on the accompanying consolidated balance sheet.

Foreign currency translation

The Company's reporting currency is the US dollar (USD). The Company's Chinese subsidiary's financial records and books are maintained in its local currency, Renminbi (RMB), as its functional

currency. The Company's former Philippines subsidiary's financial records and books are maintained in its local currency, Peso (PESO), as its functional currency. Results of operations and cash flow are translated at average exchange rates during the period, and assets and liabilities are translated at the unified exchange rate, at the end of the period. Translation adjustments resulting from this process are included in accumulated other comprehensive income in the statement of shareholders equity. Since cash flows are translated at average translation rates for the period, amounts reported on the statement of cash flows will not necessarily agree with changes in the corresponding balances on the balance sheet.

Transaction gains and losses that arise from exchange rate fluctuations on transactions denominated in a currency other than the functional currency are included in the results of operations as incurred. These amounts are immaterial to the consolidated financial statements.

Stock based compensation

The Company accounts for stock option grants in accordance with SFAS No. 123(R), *Share-Based Payment*. The Company records the cost of employee and non-employee services received in exchange for an award of equity instruments based on the grant-date fair value of the award. That cost is recognized over the period during which an employee is required to provide service in exchange for the award the requisite service period (usually the vesting period). No compensation cost is recognized for equity instruments for

which employees do not render the requisite service. The grant-date fair value of employee share options and similar instruments is estimated using a Black-Scholes option-pricing model. If an equity award is modified after the grant date, incremental compensation cost will be recognized in an amount equal to the excess of the fair value of the modified award, if any, over the fair value of the original award.

Income taxes

The Company accounts for income taxes in accordance with SFAS No. 109, "Accounting for Income Taxes." Deferred taxes are provided on the liability method whereby deferred tax assets are recognized for deductible temporary differences, and deferred tax liabilities are recognized for taxable temporary differences. Temporary differences are the differences between the reported amounts of assets and liabilities and their tax bases. 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. Deferred tax assets and liabilities are adjusted for the effects of changes in tax laws and rates on the date of enactment.

On January 1, 2007, the Company adopted Financial Accounting Standards Board (FASB) Interpretation No. 48, *Accounting for Uncertainty in Income Taxes an interpretation of FASB Statement No. 109* (FIN 48). The Interpretation gives guidance related to the financial statement recognition and measurement of a tax position taken or expected to be taken in a tax return, and requires that we recognize in our financial statements the impact of a tax position, if that position is more likely than not to be sustained upon an examination, based on the technical merits of the position.

Comprehensive Income

The Company reports comprehensive income / (loss) and its components in accordance with SFAS No. 130, *Reporting Comprehensive Income* . The Company's comprehensive income / (loss) is comprised of net income / (loss) and foreign currency translation adjustments.

Loss per share

The Company reports loss per share in accordance with SFAS No. 128, *Earnings per Share* . Basic loss per share is computed by dividing the net loss by the weighted average number of common shares outstanding. Diluted loss per share is computed by dividing net income by the weighted average number of common shares used in the basic earnings per share calculation plus the number of common shares that would be issued assuming exercise or conversion of all potentially dilutive common shares outstanding. The Company excludes equity instruments from the calculation of diluted weighted average shares outstanding if the effect of including such instruments is anti-dilutive to earnings per share. For the periods presented, all equity instruments are considered anti-dilutive.

Note 2 - Development Stage Company

The Company is subject to risks and uncertainties, including new product development, actions of competitors, reliance on the knowledge and skills of its employees to be able to service customers, and availability of sufficient capital and a limited operating history. Accordingly, the Company presents its financial statements in accordance with the accounting principles generally accepted in the United States of America that apply in establishing new operating enterprises. As a development stage enterprise, the Company discloses the deficit accumulated during the development stage and the accumulated statement of operations and cash flows from inception of the development stage to the date on the current balance sheet. Contingencies exist with respect to this matter, the ultimate resolution of which cannot presently be determined.

Note 3 - Acquisitions

On September 24, 2009, the Company completed the acquisition of BAUD Acquisition Trust by issuing 300,000,000 shares for all of the outstanding shares of BAUD Acquisition Trust. The Company plans on using the Trust as an acquisition platform.

Note 4 - Notes payable - related party

SEE DISCLOSURE STATEMENT DATED MARCH 31, 2010

The Company has not repaid any loans and accrued interest as of December 31, 2009.

Note 5 - Stockholders' equity

SEE DISCLOSURE STATEMENT 2009 ANNUAL REPORT

On August 03, 2009, Triton's Board of Directors approved a 150 to 1 reverse split of its \$.001 par common stock.

On August 10, 2009, Triton's Board of Directors approved amendments to our Articles of Incorporation to increase our authorized shares of \$.001 par value common stock to 1,000,000,000.

During the quarter ending December 31, 2009, Triton's Board of Directors approved the issuance of 349,500,000 restricted shares of the Company's common stock to Gregory Lykiardopoulos, the Company's CEO for services rendered.

On September 24, 2009, the Company completed the acquisition of BAUD Acquisition Trust by issuing 300,000,000 shares for all of the outstanding shares of BAUD Acquisition Trust.

On October 8, 2009 the Company issued 580,000 shares of Series E Preferred Shares and 50,000,000 Common Shares in exchange for cancellation of Promissory Notes in the amount of \$580,000.

The Company sold 8,500 Preferred Shares to accredited investors for \$51,000 during the three months ended December 31, 2009.

Note 6 - Commitments and contingencies

Contracts

In order to obtain and distribute travel products, the Company has entered into agreements with travel sellers and telecommunications service and infrastructure providers. All of these agreements may be terminated by either party on 30 days written notice to the other. Each agreement provides for the payment by travel sellers of customary travel commissions to the Company's travel agent buyers and to the Company. All of the agreements are non-exclusive to the Company. There are no minimums or required monthly obligations for any of these agreements.

Note 7 - Related parties

SEE DISCLOSURE STATEMENT 2009 ANNUAL REPORT.

Management's Discussion and Analysis or Plan of Operations

Special Note Regarding Forward-Looking Information

This Report of Triton Distribution Systems, Inc. contains certain forward-looking statements. All statements in this Report other than statements of historical fact are forward-looking statements for purposes of these provisions, including any statements of the plans and objectives for future operations and any statement of assumptions underlying any of the foregoing. Statements that include the use of terminology such as may, will, expects, believes, plans, estimates, potential, or continue, or the negative thereof or other and similar expressions are forward-looking statements. Forward-looking statements in this report include, but are not limited to, statements regarding expanding the use of our technologies in existing and new markets; diversification of sources of potential revenue; our expected profit margin from all product sales; the future impact of our critical accounting policies, including those regarding revenue recognition, allowance for doubtful accounts, accounting for income taxes, and stock-based compensation; statements regarding the sufficiency of our cash reserves; and our expected rate of return on investments, if any. Actual results may differ materially from those discussed in these forward looking statements due to a number of factors, including: the rate of growth of the markets for our technology; the accuracy of our identification of critical accounting policies and the accuracy of the assumptions we make in implementing such policies; the accuracy of our estimates regarding our taxable income and cash needs for the next twelve months; and fluctuations in interest rate and foreign currencies. These forward-looking statements involve risks and uncertainties, and it is important to note that our actual results could differ materially from those projected or assumed in such forward-looking statements.

As used herein, unless the context otherwise requires, Triton Distribution Systems, Inc., together with our Chinese subsidiary, Triton Distribution Systems (Beijing) and our Philippine subsidiary, Triton Distribution Systems Philippines Inc. are referred to in this Annual Report as Triton, Company, we, us and our.

Overview

We are an emerging, next generation Web-based travel services distribution company. Our core business is the electronic distribution of travel inventory from airlines, car rental companies, hotels, tour and cruise operators, and other travel sellers to travel agencies and their clients on a global basis.

We commenced operations in January 2006 with an initial emphasis on Southeast Asia and intend to expand to other international locations, including South America and Europe. Unlike the travel industry in the United States, which is highly fragmented and decentralized, emerging countries in Asia have only one or two flagship airlines for international routes, the airlines are controlled by the government, the travel agencies are clustered in large associations, and the government has considerable influence over decisions which affect bookings and the issuance of tickets to domestic and foreign travelers.

Critical Accounting Policy and Estimates

Our discussion and analysis of our financial condition and results of operations are based on our financial statements, which have been prepared in accordance with accounting principles generally accepted in the United States of America. The preparation of the financial statements requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Since these estimates are inherently uncertain, actual results may materially differ.

The following is a discussion of our accounting policies that are both most important to the portrayal of our financial condition and results, and that require management's most difficult, subjective, or complex judgments.

Intangible Assets

The determination of the fair value of certain acquired intangible assets is subjective in nature and often involves the use of significant estimates and assumptions. Further, estimating the useful lives of these assets requires the exercise of judgment due to the rapidly changing technology environment. Historically, we have estimated the fair value of our intangible assets based on the purchase price.

In accordance with SFAS No. 142, Goodwill and Other Intangible Assets, we evaluate our intangible assets and other long-lived assets for impairment, at least on an annual basis and whenever events or changes in circumstances indicate that the carrying value may not be recoverable from our estimated future cash flows. If the net book value of the asset exceeds the related undiscounted cash flows, the asset is considered impaired and it is written down to the undiscounted

cash flow value. We have determined, at the acquisition date, the useful life of our currently held intellectual property was 10 years. We amortize intellectual property using the straight-line method.

As of December 31, 2009 we have no internally developed intangible assets.

Stock Based Compensation

We estimate the fair value of stock option awards to employees using a Black-Scholes pricing model on the grant date in accordance with SFAS No. 123(R) *Share Based Payment*. The pricing model requires us to make assumptions related to the expected term of the options, which generally differs from the contractual term; expected volatility of our stock price, accounting for known significant events which may have a material impact on the market value of our stock; the risk free interest rate on the grant date for instruments with maturities commensurate with the expected term of the options; and the dividend yield.

Due to the limited history of our company, for all options granted in 2006 we have estimated that the expected term of the employee options to be three years. We currently do not have a trading history that allows us to reasonably estimate the expected volatility of our common stock, therefore the expected volatility of our stock was based on the historical volatility of public companies with similar characteristics. These characteristics include industry, stage of life cycle, size, financial leverage, and other factors. We periodically review and adjust these assumptions in determining the fair value of future option grants.

Liquidity and Capital Resources

We have generated very little revenue from our operations since our inception on January 10, 2006. As a result, our primary source of liquidity is through debt and equity financing arrangements with independent third party investors, as well as related parties. Further, we have been successful at entering into agreements with several of our service providers to accept shares of our common stock in consideration for services received.

Debt issuances throughout the period ended December 31, 2009, all of which are short-term, has resulted in a working capital deficit. As of December 31, 2009 we had approximately \$7.5 million in loans that are beyond their maturity date.

Our current and historic liquidity concerns have resulted in our focus being near term based. Our efforts are concentrated on developing revenue generating activities in geographical areas that appear most likely for success. Initially, these areas appear to be Southeast Asia, China, and Europe.

Our current forecasts are that our 2010 operations will be insufficient to meet our current debt obligations, or our other working capital needs. We are actively pursuing longer term debt financing arrangements on terms that are more favorable to the Company. In addition to seeking the above debt financing, we are contemplating raising additional capital through equity issuances in 2010. Any additional equity issuances will be dependent upon market conditions,

achievement of certain milestones in our technology development, and identification of specific needs.

Results of Operations

Revenue

We have not generated any meaningful revenue since our inception on January 10, 2006. We have made significant progress in the development of our technology and have entered into a series of distribution agreements. Based on these agreements and improvements we have made to our technology our objective is to emerge from the development stage during fiscal year 2011.

Operating Expenses

Our operating expenses from inception to December 31, 2009 were \$88,384,999 which consisted of payroll and related benefits of \$63,317,782, professional fees of \$ 6,358,646, marketing and advertising of \$53,127 and other general and administrative expenses of \$1,419,197.

Related Parties

During the fiscal years ending December 31, 2007, December 31, 2008 and December 31, 2009, we borrowed money from share holders and officers to meet operating cash flow, see Disclosure Statement.

Plan of Operation

At December 31, 2009 our cash resources were insufficient to fund the Company's current and expected operations. Throughout the fourth quarter of 2009 and the first quarter of 2010 our concentration was centered on obtaining the necessary funding to meet our current obligations and expected additional 2010 needs. Additionally, we have focused on reducing and reallocating our expenses to activities that are essential to distributing our products and services to our target markets. To that end, we have reduced our workforce from 45 to 20; limited travel and related expenses; and entered into equity payment arrangements with several of our service providers.

As noted in our Description of Business, our initial emphasis was on Southeast Asia and China. Our current plans consist of continued focus in China and Europe. The lack of decentralization of the travel industry in these geographic areas remains attractive for the implementation and use of our electronic distribution system of travel inventory from airlines, travel agencies, cruise operators, and other travel related service providers.

Additionally, we are concentrating our efforts on the business to business (B2B) market which appears to be relatively un-tapped by our significant competitors. Current estimates indicate 80% of global airline tickets and 70% of all travel is booked by service providers in our target markets. *Travel and Tourism Forecast World*, as of May 2006, estimated the global travel distribution market at over \$10 billion.

We believe our internet-based distribution platform and low-fee structure provides us certain advantages in penetrating our target markets since our main competitors distribution systems generally operate on high-cost, legacy mainframe technology platforms. This appears to be particularly true in less technologically advanced countries such as China.

We expect to continue to devote funding and personnel to research and product development as well as to the enhancement of existing product lines and the fulfillment of foreign joint ventures. We plan to develop new add-ons and extension modules in response to client needs and requests. Included in the our development pipeline are booking systems for private corporate executive jets and regional air flights, air cargo carriers, railroad travel, ferries, private clubs and bed and breakfast establishments.

Employees

Our employee head count was 20 as of December 31, 2009.

Off-Balance Sheet Arrangements

There are no off balance sheet arrangements that have or are reasonably likely to have a current or future effect on our financial condition, changes in financial condition, revenues or expenses, results of operations, liquidity, capital expenditures or capital resources that are material to investors.