



True North Energy Corp. (TNEN)
A Nevada Corporation

Quarterly Report

Prepared in accordance with
OTC Pink Basic Disclosure Guidelines

*For Period ending
July 31, 2017*

True North Energy Corp.
24624 I-45 North, Suite 200
Spring, Texas 77386

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

The name of the Issuer is True North Energy Corp. (“True North”, the “Issuer” or “Company”). True North was originally incorporated as Ameriprint International, Ltd. In the state of Nevada on April 7, 2004.

2) The address of the issuer’s principal executive offices

The Issuer’s principal executive offices are located at 24624 I-45 N., St. 200, Spring, TX 77386. The Issuer’s telephone number is 281-719-1996.

3) Security Information

Trading Symbol: TNEN

Exact title and class of securities outstanding: Common

CUSIP: 89784T200

Par or Stated Value: \$0.0001

Total shares authorized: 2,500,000,000 as of July 31, 2017

Total shares outstanding: 11,036,699 as of: July 31, 2017

Exact title and class of securities outstanding: Preferred Series A

CUSIP: None

Par or Stated Value: \$0.0001

Total shares authorized: 1,000 as of: July 31, 2017

Total shares outstanding: 1,000 as of: July 31, 2017

Exact title and class of securities outstanding: Preferred Series B

CUSIP: None

Par or Stated Value: \$0.0001

Total shares authorized: 50,000 as of: July 31, 2017

Total shares outstanding: 50,000 as of: July 31, 2017

There are 20,000,000 authorized shares of preferred stock. Series A shares have the right to vote on all shareholder matters equal to 51% of the total vote. Series B shares are convertible into shares of the Company’s common stock and carry the right to vote 1/100th of one voting share.

Empire Stock Transfer Inc.

1859 Whitney Mesa Dr.

Henderson, NV 89014

Telephone (702) 818-5898 Facsimile (702) 974-1444

Empire Stock Transfer Inc. is registered with the Securities and Exchange Commission as a transfer agent pursuant to Section 17A(c) of the Exchange Act.

There are no restrictions on the transfer of our securities.

There have been no trading suspension orders issued by the SEC in the past 12 months.

On January 12, 2015, the then current outstanding shares of common stock of the Company were reversed on a 1 for 500 basis. The reverse split was effective July 20, 2015.

4) Issuance History

On October 10, 2013, the Circuit Court of the Second Judicial District in and for Leon County, Florida (the "Court") entered an Order Granting Approval of Settlement Agreement and Stipulation (the "Order") in the matter titled ASC Recap, LLC ("ASC Recap") v. True North Energy Corporation. The Order and the Stipulation for Settlement of Claims, dated September 5, 2013, between the Company and ASC Recap (the "Stipulation"), provides for the full and final settlement of ASC Recap's \$1,124,000 claim against the Company in connection with past due amounts owed to creditors in connection with attorney's fees, consulting fees, unpaid wages, and acquisition services which ASC Recap purchased from third parties pursuant to Receivable Purchase Agreements, between July 19, 2013 and July 24, 2013 (the "Claim").

Pursuant to the terms of the Order, the Company has issued a total of 8,090,000 in the past two years in settlement of the Claim. The shares of common stock issued to ASC Recap, Tarpon Bay, and Black Arch were exempt from registration pursuant to an exemption provided by Section 3(a)(10) of the Securities Act of 1933, as amended, as the issuance of securities was in exchange for bona fide outstanding claims, where the terms and conditions of such issuance were approved by a court after a hearing upon the fairness of such terms and conditions. The shares were issued without a restrictive legend.

5) Financial Statements

The Issuer has posted to www.otcm Markets.com the financial statements for the period ending July 31, 2017 which includes a Balance sheet, Statement of income, Statement of cash flows, and Financial notes. These financial statements are incorporated by reference herein and attached as Exhibit 1.

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

True North Energy Corporation (the "Company" or "True North"), formerly Ameriprint International, Ltd. ("Ameriprint"), was incorporated in the state of Nevada in April 2004. Ameriprint provided printing, advertising and graphic design services to commercial customers. During January 2006 Ameriprint underwent a change of control and operation of its prior business activities was discontinued. Immediately thereafter, Ameriprint was renamed True North and commenced operation as an independent oil and gas entity.

True North has been engaged in the acquisition, exploration, development and production of oil and gas properties in Alaska, Colorado and Texas since February of 2006. All of our oil and gas properties were divested through either foreclosure or sales between July 2009 and August 2011. On June 28, 2013, the Company changed control and the new management intends to revive more extensive oil and gas activities. Recently, True North has undergone exciting changes, which complement its core philosophy to build an energy company by continuously evaluating the bottom line. From bedrock to barrels: phase projects, establish positive earnings, and move methodically forward.

True North's strategy is to continue to build its operations under a two Phased approach. Phase I includes acquiring assets to establish positive earnings and underpin operating expenses with low risk producing assets. Phase II focuses on acquiring production and leasehold in low risk proven fields and implement workover and drilling programs including activating behind pipe, "stranded," reserves; increasing operational efficiency; and drilling infill locations on proven fields.

A. A description of the issuer's business operations;

True North is engaged in the acquisition, exploration, development and production of oil and gas and focused on Colorado, Oklahoma and Texas. The Company first became an oil and gas exploration and development company in February 2006, and until September 2007 had no developed reserves or production, nor revenues from its operations. Our producing properties acquired from September of 2007 were foreclosed upon in July of 2009, and we had not held any producing properties until the purchase of a .051416% royalty interest in Oklahoma effective August 2014.

Colorado Properties

In June 2007 True North acquired certain non-producing oil and gas interests and properties in northwest Colorado in an area covering more than 17,000 acres. The Company held a 100% working interest in the underlying oil and gas leases, which expire in 2016. On April 27, 2010, four of the eleven leases were suspended by the U.S. Department of the Interior Bureau of Land Management pending an Environmental Assessment which has not yet been completed. On June 20, 2010, the Company sold these leases for total proceeds of \$350,000, resulting in a loss of \$1,074,235 on the sale during the year ended April 30, 2011. The Company retained an Overriding Royalty Interest of 0.375% on the leasehold interests.

Oklahoma Properties

On September 1, 2014, the Company, through its TN Energy, Inc. subsidiary, purchased a .051416% royalty interest in the producing wellbore of the K Farm 9-18N-1W #1WH located in Section 9-T18N-R1W, Payne County, Oklahoma. Operated by Devon Energy Corporation of Oklahoma City, Oklahoma.

Marco Capital Limited

On June 4, 2014, the Company acquired all of the outstanding shares of a recently formed and inactive corporation, Marco Capital Limited, which was organized pursuant to the Hong Kong Companies Ordinance. On June 19, 2017, the Company sold and transferred its ownership of one share in MCL to a convertible promissory note holder in exchange for the cancellation of a note dated August 1, 2014. The transaction cancels the Company's ownership of MCL.

On July 30, 2014, the Company formed a wholly owned subsidiary, TN Energy, Inc., in the state of Texas, for the purpose of acquiring, owning and/or operating oil and gas properties. On July 30, 2014, the Company's overriding royalty interests in its Colorado properties were assigned to this subsidiary.

B. Date and State (or Jurisdiction) of Incorporation: Incorporated on April 7, 2004 in Nevada.

C. The issuer's primary SIC code is 1311; there is no secondary SIC code.

D. The issuer's fiscal year end date: April 30th

E. Principal products or services, and their markets: Since the Company is not currently engaged in production or sales of oil and gas it does not offer products or services. As such, there is no market.

7) Describe the Issuer's Facilities

Not applicable.

8) Officers, Directors, and Control Persons

A. Names of Officers, Directors, and Control Persons.

<u>Name</u>	<u>Position</u>	<u>Share Ownership</u>
William M. Simmons	CEO, President, Director	1,000 Series A Preferred

On April 3, 2017, the Company retained Mr. Simmons, the previous interim Chief Executive Officer, to serve as the Chief Executive Officer, President and Director of the Company. Mr. Simmons entered into an executive employment agreement with the Company for the period from April 3, 2017 through July 3, 2017 and shall automatically renew additional quarterly period until either party provides notice not to renew the contract. The Company shall provide monthly compensation to the Executive of \$500 to be paid quarterly in arrears.

B. Legal/Disciplinary History.

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 Securities and Exchange Commission, the Commodity Futures Trading Commission, or a state securities regulator of a violation of federal or state securities or commodities law, which finding or judgment has not been reversed, suspended, or vacated; or
4. The entry of an order by a self-regulatory organization that permanently or temporarily barred suspended or otherwise limited such person's involvement in any type of business or securities activities.

None of the above applies to the Company's sole officer and Director.

C. Beneficial Shareholders. None.

9) Third Party Providers

Legal Counsel

The McGeary Law Firm, P.C.
1600 Airport Fwy., Suite 300
Bedford, Texas 76022

Accountant or Auditor

Turner, Stone & Company, LLP
12700 Park Central Drive, Suite 1400
Dallas, Texas 75251

10) Issuer Certification

I, William M. Simmons, certify that:

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

Date: September 14, 2017

/s/ William M. Simmons
William M. Simmons

Exhibit 1

**TRUE NORTH ENERGY CORPORATION
AND SUBSIDIARY**

**Consolidated Financial Statements
as of July 31, 2017 and April 30, 2017
and for the Three Months Ended July 31, 2017 and 2016
(Unaudited)**

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True North Energy Corporation and Subsidiaries
Consolidated Balance Sheets
July 31, 2017 and April 30, 2017
(unaudited)

	July 31, 2017	April 30, 2017
Assets		
Current assets:		
Cash	\$ 97	\$ 5,908
Accounts receivable	43	47
Advances receivable	11,250	9,750
Prepaid expenses	275	275
Total current assets	11,665	15,980
Property:		
Oil and gas properties at cost, net of depletion of \$3,455 and \$2,633 at July 31, 2017 and April 30, 2017, respectively	4,247	5,069
Other:		
Investments (Note 1)	-	1
Total Assets	\$ 15,912	\$ 21,050
Liabilities and Stockholders' Deficit		
Current liabilities:		
Accounts payable	\$ 82,366	\$ 75,529
Advances payable	2,325	2,325
Accrued expenses	313,358	301,450
Accrued expenses, related parties	2,000	500
Convertible settlements payable	615,438	615,439
Convertible notes payable, net of discount of \$2,061 and \$51,089 at July 31, 2017 and April 30, 2017, respectively	650,302	714,273
Notes payable	212,150	212,150
Derivative liabilities	765,866	825,465
Total current liabilities	2,643,805	2,747,131
Commitments and contingencies (Note 8)		
Stockholders' Deficit:		
Preferred stock, \$0.0001 par value, 20,000,000 shares authorized:		
Series A shares, \$0.0001 par value, 1,000 and 1,000 shares issued and outstanding at July 31, 2017 and April 30, 2017	-	-
Series B shares, \$0.0001 par value, 50,000 and 50,000 shares issued and outstanding at July 31, 2017 and April 30, 2017	5	5
Common stock, \$0.0001 par value, 2,500,000,000 shares authorized; 11,036,699 shares issued and outstanding at July 31, 2017 and April 30, 2017	1,104	1,104
Additional paid in capital	24,305,264	24,305,264
Accumulated deficit	(26,934,266)	(27,032,454)
Total Stockholders' Deficit	(2,627,893)	(2,726,081)
Total Liabilities and Stockholders' Deficit	\$ 15,912	\$ 21,050

See accompanying notes to consolidated financial statements.

True North Energy Corporation and Subsidiaries
Consolidated Statements of Operations
For the Three Months Ended July 31, 2017 and 2016
(unaudited)

	July 31,	
	2017	2016
Revenue, consulting services	\$ -	\$ -
Revenue, royalty interests	43	68
Total revenues	43	68
Cost of operations:		
Oil and gas expenses	7	9
Distribution rights	-	-
Total cost of operations	7	9
Gross Margin	36	59
Expenses:		
Depletion	822	252
Depreciation and amortization	-	-
General and administrative	11,188	5,409
Officer and director compensation	1,500	2,667
Total operating expenses	13,510	8,328
Loss from operations	(13,474)	(8,269)
Other income (expense):		
Loss on debt extinguishment	-	(13,371)
Gain on derivative liability	48,887	-
Amortization of debt discount	(38,317)	-
Gain on forgiveness of note payable	105,000	-
Gain on sale of investment	10,250	-
Gain on deconsolidation of subsidiary	-	-
Adjustment for non controlling subsidiary net loss	-	-
Interest expense	(14,158)	(27,352)
Net loss	\$ 98,188	\$ (48,992)
Weighted average number of common shares outstanding - basic	11,036,699	4,899,721
shares outstanding - fully diluted	544,021,371	4,899,721
Net loss per share - basic	\$ 0.01	\$ (0.01)
Net loss per share - fully diluted	\$ 0.00	\$ (0.01)

See accompanying notes to consolidated financial statements.

True North Energy Corporation and Subsidiaries
Consolidated Statements of Cash Flows
For the Three Months Ended July 31, 2017 and 2016
(unaudited)

	July 31,	
	2017	2016
Cash flows from operating activities		
Net loss	\$ 98,188	\$ (48,992)
Adjustments to reconcile net loss to net cash used in operating activities:		
Depletion expense	822	252
Amortization of debt discount	38,317	-
Loss (gain) on debt extinguishment	(105,000)	-
Gain on exchange of investment for notes payable	(8,000)	-
Change in fair value of derivative liability	(48,887)	13,371
Decrease (increase) in assets:		
Accounts receivable	4	(58)
Prepaid expenses	-	201
Increase (decrease) in liabilities:		
Accounts payable	6,837	2,322
Accrued expenses	11,908	27,351
Accrued expenses, related parties	1,500	2,667
Net cash used in operating activities	(4,311)	(2,886)
Cash flows from financing activities		
Advances from others	-	2,500
Advances to others	(1,500)	-
Repayment of advances to others	-	-
Proceeds from convertible notes payable	-	-
Net cash provided by financing activities	(1,500)	2,500
Net increase (decrease) in cash	(5,811)	(386)
Cash, at beginning of period	5,908	1,771
Cash, at end of period	\$ 97	\$ 1,385
Supplemental disclosures:		
Interest paid	\$ -	\$ -
Income taxes paid	\$ -	\$ -
Non-cash investing and financing activities:		
Discounts recognized for embedded derivative on convertible notes payable forgiveness	\$ 10,711	\$ -
Accrued expenses exchanged for sale of investment	\$ 2,250	\$ -

See accompanying notes to consolidated financial statements.

True North Energy Corporation & Subsidiary
Notes to Consolidated Financial Statements
For the Three Months Ended July 31, 2017 and 2016
(unaudited)

Note 1 – Basis of Presentation and Significant Accounting Policies

Organization and Basis of Presentation

The accompanying interim unaudited consolidated financial statements and footnotes of True North Energy Corporation and its subsidiary (the “Company”), have been prepared in accordance with accounting principles generally accepted in the United States (“GAAP”) and applicable rules and regulations of the Securities and Exchange Commission regarding interim financial reporting. The financial statements reflect all adjustments that are, in the opinion of management, necessary to fairly present such information. All such adjustments are of a normal recurring nature. Although the Company believes that the disclosures are adequate to make the information presented not misleading, certain information and footnote disclosures, including a description of significant accounting policies normally included in financial statements prepared in accordance with GAAP have been condensed or omitted pursuant to such rules and regulations. These financial statements should be read in conjunction with the financial statements and the notes thereto included in the Company’s Annual Report filed on the OTC Markets. The accompanying unaudited financial statements reflect all normal recurring adjustments necessary to present fairly the financial position, results of operations, and cash flows for the interim periods, but are not necessarily indicative of the results for any subsequent quarter or the entire year ending April 30, 2018.

On June 28, 2013, True North Energy Corporation (the “Company” or “True North”) had a change of control and management. The Company’s common stock is traded on the Over the Counter Pink Sheets (“OTC PK”) under the symbol, (“TNEN”).

On June 4, 2014, the Company acquired all of the outstanding shares of a recently formed and inactive corporation, Marco Capital Limited (MCL), organized pursuant to the Hong Kong Companies Ordinance. Headquartered in Hong Kong, MCL is exploring emerging market opportunities in various industries, including those in China. Effective April 30, 2016 MCL issued additional common shares to new investors which reduced the Company’s ownership to 9.1% of the then outstanding shares of MCL. As of April 30, 2016, MCL was deconsolidated from the reporting of the Company. On June 19, 2017, the Company sold and transferred its ownership of one share in MCL to a convertible promissory note holder in exchange for the cancellation of a note dated August 1, 2014. The transaction cancels the Company’s ownership of MCL.

On July 30, 2014, the Company formed a wholly owned subsidiary, TN Energy, Inc., under the laws of the state of Texas for the purpose of acquiring, owning and/or operating oil and gas properties. On July 30, 2014, the Company’s overriding royalty interests in its Colorado properties were assigned to this subsidiary (Note 4). All significant inter-company transactions have been eliminated in the preparation of these consolidated financial statements.

Use of Estimates

The preparation of financial statements in conformity with U.S. generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amount of revenues and expenses during the reporting period. Actual results could differ from those estimates.

True North Energy Corporation & Subsidiary
Notes to Consolidated Financial Statements
For the Three Months Ended July 31, 2017 and 2016
(unaudited)

Note 1 – Basis of Presentation and Significant Accounting Policies (continued)

Basic and Diluted Loss Per Share

Basic earnings per share (EPS) are computed by dividing net income (the numerator) by the weighted average number of common shares outstanding for the period (the denominator). Diluted EPS is computed by dividing net income by the weighted average number of common shares and potential common shares outstanding (if dilutive) during each period. Potential common shares include stock options, warrants and restricted stock. The number of potential common shares outstanding relating to stock options, warrants and restricted stock is computed using the treasury stock method. For the three months ended July 31, 2016, approximately 742,000,000 potentially dilutive securities, were excluded from the EPS calculation because they would have had an anti-dilutive effect.

Income Taxes

The Company recognizes deferred tax assets and liabilities based on differences between the financial reporting and tax basis of assets and liabilities using the enacted tax rates and laws that are expected to be in effect when the differences are expected to be recovered. The Company provides a valuation allowance for deferred tax assets for which it does not consider realization of such assets to be more likely than not.

Recently Issued Accounting Pronouncements

During the three months ended July 31, 2017 and through September 15, 2017, there were several new accounting pronouncements issued by the Financial Accounting Standards Board and/or the Securities and Exchange Commission. Each of these pronouncements, as applicable, has been or will be adopted by the Company. Management does not believe the adoption of any of these accounting pronouncements has had or will have a material impact on the Company's consolidated financial statements.

Note 2 – Going Concern

As shown in the accompanying consolidated financial statements, the Company has incurred recurring losses from operations resulting in an accumulated deficit of approximately \$26,934,266, and as of July 31, 2017, the Company's current and total liabilities exceeded its current and total assets by approximately \$2,632,140. These factors raise substantial doubt about the Company's ability to continue as a going concern. Management is actively pursuing new ventures to recommence operations, set up an operating subsidiary, in addition to holding its over-riding royalty interests in oil and gas assets. In addition, the Company currently seeks additional sources of capital to fund short term operations.

Management plans to raise additional capital through loans, private offerings, and potentially through public offerings of its common stock.

The consolidated financial statements do not include any adjustments that might result from the outcome of any uncertainty as to the Company's ability to continue as a going concern. These consolidated financial statements also do not include any adjustments relating to the recoverability and classification of recorded asset amounts, or amounts and classifications of liabilities that might be necessary should the Company be unable to continue as a going concern.

True North Energy Corporation & Subsidiary
Notes to Consolidated Financial Statements
For the Three Months Ended July 31, 2017 and 2016
(unaudited)

Note 3 – Related Party Transactions

On June 20, 2016, Mr. Gilbert Steedley, our CEO, President, Secretary, Treasurer, Chief Financial Officer and Sole Director tendered his resignation as Officer and Sole Director of the Company and its Subsidiary. Mr. William M. Simmons was appointed to act as interim CEO, President and Sole Director for an initial term of June 20, 2016 through September 30, 2016, renewable monthly. Mr. Simmons entered into an executive employment agreement in exchange for a fee of Two Thousand Dollars (\$2,000) monthly and warrants to purchase 100,000 shares of the Company's common stock, which was terminated upon his resignation.

On September 20, 2016, Mr. Simmons appointed Mr. Nicolo' Bedendo, to serve as the Chief Executive Officer, President and Director of the Company. Mr. Bedendo entered into an executive employment agreement with the Company for the period from September 20, 2016 through September 20, 2019. This Agreement supersedes and replaces the Consulting Agreement the Parties entered Effective February 1, 2016 for the Executive to act as True North's Team Leader in the Fashion Sector. The Agreement auto-renewed for one-month terms until termination by either party. Mr. Bedendo's agreement provided for annual compensation of One Dollar (\$1) and a warrant to purchase 10% of the Company's then outstanding common stock in exchange for \$15,000, should he continue to serve at the end of his three-year term. On April 3, 2017 Mr. Bedendo resigned and the executive employment agreement was terminated cancelling all obligations of the agreement.

On April 3, 2017, the Company retained Mr. Simmons, the previous interim Chief Executive Officer, to serve as the Chief Executive Officer, President and Director of the Company. Mr. Simmons entered into an executive employment agreement with the Company for the period from April 3, 2017 through July 3, 2017 and shall automatically renew additional quarterly period until either party provides notice not to renew the contract. The Company shall provide monthly compensation to the Executive of \$500 to be paid quarterly in arrears.

Note 4 – Convertible Settlements Payable

On October 10, 2013, the Circuit Court of the Second Judicial Circuit in and for Leon County, Florida approved a Settlement Agreement entered into between the Company and ASC Recap LLC (Recap) whereby a total of \$1,124,000 of outstanding debts that were acquired by Recap from various creditors. In satisfaction of the outstanding debts acquired by Recap, we agreed to issue Recap shares of our common stock (Settlement Shares) in various tranches and from which 75% of the proceeds from the sale of these shares by Recap would be used to satisfy the outstanding debts until such time as the debts are satisfied. The exact number of Settlement Shares to be issued pursuant to the Settlement Agreement is indeterminable, and Recap is precluded from owning more than 9.99% of the Company's common stock in aggregate at any given time. Recap does not bear the risk of market loss. The difference between the amount of proceeds used to satisfy the outstanding debts and the fair value of the common stock shares issued will result in a gain or loss on debt settlement. During the year ended April 30, 2016, Recap assigned its rights under the Settlement Agreement to Tarpon Bay Partners (Tarpon).

At July 31, 2017, the convertible settlements payable outstanding totaled \$615,439.

True North Energy Corporation & Subsidiary
Notes to Consolidated Financial Statements
For the Three Months Ended July 31, 2017 and 2016
(unaudited)

Note 5 – Convertible Notes Payable

ASC Recap LLC (Note 4)

In conjunction with the Settlement Agreement and subsequent Court Order on October 10, 2013 as disclosed in Note 7, above, we issued Recap a non-interest bearing convertible promissory note, in the amount of \$56,500 payable on May 1, 2014. As of May 1, 2016 the holder and its assigns had exercised its conversion rights and converted principal in the amount of \$44,350.

Effective March 24, 2015 the Company and Recap executed an amended and restated promissory note in the amount of the remaining principal balance of the original convertible note of \$12,150 waiving the conversion feature of the original note and advancing the maturity date for the amended and restated promissory note until May 1, 2016. Effective September 1, 2016 the holders agreed to an extension of the maturity date of the note until August 31, 2017. At July 31, 2017, the outstanding balance of the note totaled \$12,150.

Other convertible promissory notes

On January 1, 2015 issued a Convertible Preferred Note to our then CEO, Gilbert Steedley in exchange for accrued and unpaid executive compensation earned for the calendar year 2014 in the principal amount of \$26,750. The note accrues interest at the rate of 6% per annum and matured on January 1, 2016. Mr. Steedley has the option to convert any unpaid principal and accrued interest due on the note into common stock of the Company at a price equaling the greater of 50% of the lowest closing bid for the prior twenty trading days and \$0.00001. On August 31, 2016, Mr. Steedley agreed to a one-year extension of the note until August 31, 2017.

On varying dates between August 1, 2014 and April 30, 2016 the Company issued convertible promissory notes to unrelated parties totaling \$444,522 in exchange for cash advances, settlement of accounts payable and services provided to the Company. The notes bear interest at a rate of 6% per annum and are due on various dates from September 1, 2014 through April 1, 2016. The principal balance and any accrued interest associated with these notes is convertible at the option of the holder at the lesser of \$0.00001 per share and 50% of the lowest closing bid price of the Company's common stock for the previous twenty days. These notes were in default and carried an interest rate of 15% upon default. On August 31, 2016, the noteholders agreed to a one-year extension of the notes until August 31, 2017. As of April 30, 2016, \$68,782 of principal and \$8,778 of accrued interest of these convertible promissory notes were purchased from the unrelated parties by the previous subsidiary, MCL. MCL agreed to a one-year extension of its notes until August 31, 2017.

On June 19, 2017, the Company sold and transferred its ownership of one share in MCL to a convertible promissory note holder in exchange for the cancellation of a note dated August 1, 2014 in the principal amount of \$8,000 plus accrued interest through June 10, 2017 of \$2,250.67.

On January 20, 2014, the Company granted an unrelated party a convertible promissory note in the amount of \$117,290 bearing interest at 6.0% and maturing on July 30, 2015. The notes were assumed from the unrelated parties by the Company's previous subsidiary, MCL. The note was in default and carried an interest rate of 6% upon default. On August 31, 2016, MCL agreed to a one-year extension of the note until August 31, 2017

True North Energy Corporation & Subsidiary
Notes to Consolidated Financial Statements
For the Three Months Ended July 31, 2017 and 2016
(unaudited)

Note 5 – Convertible Notes Payable (continued)

On July 8, 2014, the Company received \$50,000 from an unrelated party and issued a convertible promissory note payable in exchange. The note bears no interest, is nonredeemable by the Company and matures on July 8, 2015 at which time the note automatically converts into the Company's common stock shares at a conversion price equal to 65% of the average closing prices of the shares for the 5 trading days preceding the conversion date. On August 31, 2016, the noteholder agreed to a one-year extension of the note until August 31, 2017.

On August 31, 2016, the Company issued a convertible promissory note, maturing on August 31, 2017 to our former Chief Executive Officer and President, Gilbert Steedley in settlement of the outstanding liability for his services during his tenure in the amount of \$21,800. The note carries an interest rate of 1% and is convertible into shares of the Company's common stock at a rate of the lesser of 50% of the Market Price for twenty days prior to conversion or \$0.0145 per share.

On October 25, 2016, the Company issued a four-year \$105,000 convertible promissory note to an unrelated party carrying no interest and maturing on October 25, 2020. The note is convertible at maturity only, except for certain acceleration events, into shares of the Company's common stock at a price of 80% of the closing price of the stock on October 25, 2020; or shares of LeCrown Holdings, Ltd, and the holder shall be entitled to no more than 15 shares of LeCrown Holdings, Ltd. Effective July 25, 2017 the noteholder agreed to waive and cancel the convertible promissory note, releasing the Company from all terms of the note.

Note 6 – Notes Payable

On July 7, 2009, the Company granted Valens U.S. SPVI, LLC an unsecured promissory note, bearing interest at 8% in the amount of \$200,000, maturing on July 7, 2012. The note is currently in default and the holder has made no demand for settlement of the note which carries a 15% interest rate upon default.

Note 7 – Changes in Stockholders' Deficit

Common Stock

No shares of common stock were issued during the three months ended July 31, 2017 and 2016

Note 8 – Warrants

Costs attributable to the issuance of stock options and share purchase warrants are measured at fair value at the date of issuance and offset with a corresponding increase in 'Additional Paid in Capital' at the time of issuance. When the options or warrants are exercised, the receipt of consideration is an increase in stockholders' equity.

On June 20, 2016, in connection with the employment agreement with its interim CEO, the Company granted its CEO a warrant to purchase up to 100,000 common stock shares at a purchase price of \$0.01 per share. The warrant expires June 20, 2018. On September 20, 2016, the CEO resigned and terminated his contract which included the warrant and no shares were exercised.

True North Energy Corporation & Subsidiary
Notes to Consolidated Financial Statements
For the Three Months Ended July 31, 2017 and 2016
(unaudited)

Note 9 – Commitments and Contingencies

Although the Company is unaware of any legal matters, the Company may be involved in various inquiries, administrative proceedings and litigation relating to matters arising from our operations prior to the change in management on June 28, 2013. The Company is not currently a defendant in any litigation and is not aware of any threatened litigation that could have a material effect on the Company. Management is not able to estimate the minimum loss to be incurred, if any, as a result of the final outcome of these matters but believes they are not likely to have a material adverse effect upon the Company's financial position or results of operations and, accordingly, no provision for loss has been recorded.

Note 10 – Subsequent Events

On September 1, 2017, the Company amended and restated the designation of its Series A Preferred Stock to increase the voting rights assigned to the Series A Preferred Stock from fifty-one percent (51%) of the total vote on all shareholder matters to sixty-seven percent (67%) of the total vote on all shareholder matters.

As of August 31, 2017 the Company's Notes Payable and Convertible Notes Payable outstanding are due and carry interest rates of between 0 to 15%. As of September 15, 2017 the holders have made no demand for repayment. The Company is in the process of negotiating additional amendments to these notes to extend the due dates thereof.

The Company entered into a consulting services agreement effective July 1, 2013 with an unrelated party to provide services for a base fee of \$8,000 per month. On May 1, 2016 the parties mutually agreed to temporarily suspend the accrual of the monthly base fee. On August 4, 2017 the Company and the consulting firm agreed to cancel the agreement in exchange for a negotiated fee.

Effective August 4, 2017, the Company entered into a new consulting services agreement with the unrelated party described above to provide consulting services for a base fee of \$8,000 per month for a period of one year, with provisions for renewal.

On August 4, 2017, the Company issued two convertible promissory notes in the principal amount of \$150,000 each for a total of \$300,000, which notes mature on April 30, 2018. Each note carries no interest and is automatically convertible into 5,518,350 shares of the Company's common stock upon maturity.

On September 7, 2017, the Company paid in full the note payable to Recap (see Note 5) in the principal amount of \$12,150.

In September 2017, True North executed an amended Term Sheet with a third party. Pursuant to the Term Sheet, as amended, the parties have until September 22, 2017 to close the transactions contemplated by the Term Sheet, which relate to our acquisition of an entity in exchange for certain of our securities. A required condition of the Term Sheet is that the third party is required to raise \$750,000 in convertible notes prior to September 22, 2017, including \$50,000 by September 15, 2017, of which \$300,000 has previously been sold and to use its good faith efforts to raise up to \$1 million from the sale of convertible notes. The closing of the transactions contemplated by the Term Sheet is subject to certain closing conditions and there is no assurance that such transactions as contemplated in the Term Sheet will be completed timely, if at all. The closing is subject to the negotiation of mutually acceptable closing agreements and approval of mutually acceptable terms and conditions as well as due diligence.

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Note 10 – Subsequent Events (continued)

On September 1, 2017, the Company lent \$100,000 to the third party who is a party to the Term Sheet with the Company as described above. The \$100,000 was evidenced by a promissory note that has a principal value of \$100,000, accrues interest at 10% and in the event default occurs interest accrues at 14% per annum thereafter, and is due and payable on demand.