
IPURE LABS INC. AND SUBSIDIARY
CONSOLIDATED FINANCIAL STATEMENTS

FOR THE SIX MONTHS ENDED
JUNE 30, 2017 AND 2016

(UNAUDITED)

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**IPURE LABS INC. AND SUBSIDIARY
CONSOLIDATED BALANCE SHEET
(UNAUDITED)**

ASSETS	June 30, 2017	December 31, 2016
ASSETS		
<u>Current assets:</u>		
Cash	\$ -	\$ -
Total current assets	-	-
Total assets	\$ -	\$ -
LIABILITIES AND STOCKHOLDERS' (DEFICIT)		
<u>Current liabilities</u>		
Accounts payable	\$ 70,236	\$ 67,835
Accrued interest payable	1,940,344	1,626,829
Convertible notes payable	7,266,190	7,266,190
Total current liabilities	\$ 9,276,770	\$ 8,960,854
<u>Stockholders' (deficit)</u>		
Preferred stock C (\$.001 par value, 5,000,000 shares authorized; 1,000,000 shares issued and outstanding at June 30, 2017 and December 31, 2016, respectively)	1,000	1,000
Common stock (\$.001 par value, 1,495,000,000 shares authorized; 23,654,545 shares issued and outstanding at June 30, 2017 and December 31, 2016, respectively)	23,654	23,654
Common stock to be issued	220	220
Additional paid in capital	39,898,698	39,898,698
Deferred compensation	-	-
Accumulated deficit	(49,200,342)	(48,884,426)
Total stockholders' (deficit)	(9,276,770)	(8,960,854)
Total liabilities and stockholders' (deficit)	\$ -	\$ -

The accompanying notes are an integral part of these financial statements.

<F1>

**IPURE LABS INC. AND SUBSIDIARY
CONSOLIDATED STATEMENT OF OPERATIONS
(UNAUDITED)**

	Three Months Ended June 30,		Six Months Ended June 30,	
	2017	2016	2017	2016
Revenues:				
Sales	\$ -	\$ -	\$ -	\$ -
Cost of sales	-	-	-	-
Gross profit (loss)	-	-	-	-
Expenses:				
Administrative expenses	1,219	940	2,401	1,705
Stock based compensation	-	-	-	500,000
Total operating expenses	1,219	940	2,401	501,705
Income (loss) from operations	<u>(1,219)</u>	<u>(940)</u>	<u>(2,401)</u>	<u>(501,705)</u>
Other (expense):				
Interest expense	(157,623)	(169,092)	(313,515)	(338,185)
Total other (expense)	(157,623)	(169,092)	(313,515)	(338,185)
Net loss	<u>\$ (158,842)</u>	<u>\$ (170,032)</u>	<u>\$ (315,916)</u>	<u>\$ (839,890)</u>
Basic and fully diluted net (loss) per common share:	<u>\$ (0.01)</u>	<u>\$ (0.01)</u>	<u>\$ (0.01)</u>	<u>\$ (0.04)</u>
Weighted average common shares outstanding	<u>23,654,518</u>	<u>23,654,518</u>	<u>23,654,518</u>	<u>23,654,518</u>

The accompanying notes are an integral part of these financial statements.

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**IPURE LABS INC. AND SUBSIDIARY
CONSOLIDATED STATEMENT OF CASH FLOWS
(UNAUDITED)**

	Six Months Ended March 31, 2017	Six Months Ended March 31, 2016
Cash flows from operating activities:		
Net income (loss)	\$ (315,916)	\$ (839,890)
Deferred Compensation	-	500,000
Changes in operating assets and liabilities:		
Accrued interest payable	315,515	338,186
Accounts payable	2,401	1,704
Net cash (used in) operating activities	\$ -	\$ -
Net increase (decrease) in cash and cash equivalents	-	-
Cash and cash equivalents:		
Beginning of period	\$ -	\$ -
End of period	\$ -	\$ -
Supplemental disclosure of cash flow information:		
Cash paid for income taxes	\$ -	\$ -
Cash paid for interest	\$ -	\$ -

The accompanying notes are an integral part of these financial statements.

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NOTE 1 – BASIS OF PRESENTATION

The accompanying unaudited financial statements have been prepared by management in accordance with accounting principles generally accepted in the United States (“GAAP”) under the accrual basis of accounting. The Company has adopted a December 31 year end.

NOTE 2 – ORGANIZATION AND BUSINESS BACKGROUND

iPure Labs Inc. (“IPLB” or the “Company”) was incorporated under the laws of the State of Nevada on June 30, 2000.

Shareholder Advocates, LLC obtained a court ordered custodianship of the Company October 21, 2010. The custodian appointed officers and directors thereafter and was discharged as custodian on January 28, 2011.

On June 1, 2011, the Company acquired PowerHouse Renewables, LLC for the purchase price of 100 shares Preferred Class C stock in the Company.

PowerHouse Renewables, LLC was focused on the development of a renewable energy infrastructure through the use of carbon reduction and solar projects.

On July 17, 2014, a Plan of Exchange (the “Exchange”) was entered into between and amongst the Company, IPure Labs, Inc. (“IPure”), a Florida corporation, the majority stockholder of the Company and the majority stockholder of IPure (“IPure Stockholders”), pursuant to which the Company acquired 100% of the Capital Shares of IPure Labs, Inc. in exchange for an issuance by the Company of 32,320,000 shares of Common Stock to IPure Stockholders, and/or their assigns. The above issuance gave IPure Stockholders and/or their assigns a 'controlling interest' in the Company representing approximately 99.6% of the then issued and outstanding shares of the Company’s Common Stock. The transaction resulted in a change in control of the Company. The Company and IPure Labs, Inc., the Florida Corporation, were hereby reorganized, such that the Company acquired 100% of the Capital Shares of IPure Labs, Inc., and IPure Labs, Inc. became a wholly-owned subsidiary of the Company. PowerHouse Renewables, LLC was no longer with the Company after the Closing.

The reorganization between the Company and, IPure Labs, Inc. has been accounted for as a reverse acquisition and recapitalization of the Company whereby, IPure Labs, Inc. is deemed to be the accounting acquirer (legal acquiree) and the Company to be the accounting acquiree (legal acquirer). The accompanying consolidated financial statements are in substance those of IPure Labs, Inc., with the assets, liabilities, revenues and expenses, of the Company being included effective from the date of stock exchange transaction. For the fiscal year 2016, the Company is deemed to be a continuation of the business of IPure Labs, Inc. IPure Labs, Inc. was administratively dissolved in September 2016 and its operations discontinued. Accordingly, the accompanying consolidated financial statements for the fiscal year 2016 only include the following:

- (1) The balance sheet consists of the net assets of the accounting acquirer at historical cost and the net assets of the accounting acquiree at historical cost;
- (2) The financial position, results of operations, and cash flows of the accounting acquirer for all periods presented as if the recapitalization had occurred at the beginning of the earliest period presented and the operations of the accounting acquiree from the date of stock exchange transaction.

The Company and its subsidiary IPure Labs, Inc., are hereinafter referred to as (the "Company").

NOTE 2 – ORGANIZATION AND BUSINESS BACKGROUND (CONTINUED)

The Company, through its subsidiary, a newly formed Florida corporation in February of 2014, acquired, developed and commercialized the licensed priority safe acid technology, low pH compositions, known as pHL 100® and pHL 104®, to be used in the treatment of skin problems. The Company's initial products were to be focused on the skin care market. During the year ended December 31, 2016, the Company's subsidiary iPure Labs, Inc. ceased operations and was later administratively dissolved. The Company does not currently have operations.

NOTE 3 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The accompanying unaudited condensed consolidated financial statements reflect the application of certain significant accounting policies as described in this note and elsewhere in the accompanying unaudited condensed consolidated financial statements and notes.

Use of estimates

In preparing financial statements in conformity with accounting principles generally accepted in the United States of America, management makes estimates and assumptions that affect the reported amounts of assets and liabilities and disclosures of contingent assets and liabilities at the dates of the financial statements, as well as the reported amounts of revenues and expenses during the reporting periods. These accounts and estimates include, but are not limited to, the valuation of accounts receivables, inventories, income taxes and the estimation on useful lives of property, plant and equipment. Actual results could differ from these estimates.

Basis of consolidation

The unaudited condensed consolidated financial statements include the accounts of the Company and its subsidiary, iPure Labs, Inc. All significant inter-company balances and transactions within the Company have been eliminated upon consolidation.

Cash and cash equivalents

The Company considers all highly liquid investments with original maturities of three months or less as cash equivalents. As of June 30, 2017, the Company had no cash or cash equivalent balances in excess of the federally insured amounts. The Company's policy is to invest excess funds in only well capitalized financial institutions.

Goodwill

Goodwill represents the excess of the purchase price over the fair value of the net tangible and identifiable intangible assets acquired in a business combination. Goodwill is not subject to amortization but is subject to annual assessment, at a minimum, for impairment in accordance with Financial Accounting Standards Board ("FASB") Accounting Standards Codification ("ASC") Topic 350, *Intangibles — Goodwill and Other* ("ASC 350"). The Company evaluates goodwill, at a minimum, on an annual basis and whenever events and changes in circumstances indicate that the carrying amount of an asset may not be recoverable. Impairment of goodwill is tested at the reporting unit level, which is one level below its operating segment level. The reporting units are identified in accordance with ASC 350-20-35-33 through 35-46.

NOTE 3 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Goodwill (continued)

The Company first assesses qualitative factors to determine whether the existence of events or circumstances leads to a determination that it is more likely than not that the fair value of a reporting unit is less than its carrying amount. If, after assessing the totality of events or circumstances, it is determined it is more likely than not that the fair value of a reporting unit is less than its carrying amount, then the Company performs the first step of the two-step impairment test by calculating the fair value of the reporting unit and comparing the fair value with the carrying amount of the reporting unit, including goodwill. If the carrying value of the reporting unit exceeds the fair value, goodwill is considered impaired and a second step is performed to measure the amount of the impairment loss, if any. Under this second step, the implied fair value of goodwill value is determined, in the same manner as the amount of goodwill recognized in a business combination, to assess level of goodwill impairment, if any. The implied fair value of goodwill as determined above is compared to the carrying value of goodwill. If the carrying value of goodwill exceeds the implied fair value of goodwill, an impairment loss is recognized equal to that excess (i.e., write goodwill down to the implied fair value of goodwill amount).

The Company determines the fair value of the reporting units using the income, or discounted cash flows, approach (“DCF model”) and verifies the reasonableness of such fair value calculations of the reporting units using the market approach, which utilizes comparable companies’ data. The completion of the DCF model requires that the Company makes a number of significant assumptions to produce an estimate of future cash flows. These assumptions include, but are not limited to, projections of future revenue, gross profit rates, working capital requirements, and discount rates. In determining an appropriate discount rate for each reporting unit, the Company makes assumptions about the estimated cost of capital and relevant risks, as appropriate. The projections used by the Company in its DCF model are updated at least annually and will change over time based on the historical performance and changing business conditions for each of the Company’s reporting units. The determination of whether goodwill is impaired involves a significant level of judgment in these assumptions, and changes in the Company’s business strategy, government regulations, or economic or market conditions could significantly impact these judgments. The Company will continue to monitor market conditions and other factors to determine if interim impairment tests are necessary in future periods.

Valuation of long-lived assets

In accordance with the provisions of ASC Topic 360-10-5, “*Impairment or Disposal of Long-Lived Assets*”, all long-lived assets such as plant and equipment and construction in progress held and used by the Company are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount of an asset may not be recoverable. Recoverability of assets to be held and used is evaluated by a comparison of the carrying amount of assets to estimated discounted net cash flows expected to be generated by the assets. If such assets are considered to be impaired, the impairment to be recognized is measured by the amount by which the carrying amounts of the assets exceed the fair value of the assets. There has been no impairment charge for the periods presented.

NOTE 3 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Fair value of financial instruments

The Company follows paragraph 825-10-50-10 of the FASB ASC for disclosures about fair value of its financial instruments and paragraph 820-10-35-37 of the FASB ASC (“Paragraph 820-10-35-37”) to measure the fair value of its financial instruments. Paragraph 820-10-35-37 establishes a framework for measuring fair value in U.S. GAAP, and expands disclosures about fair value measurements. To increase consistency and comparability in fair value measurements and related disclosures, Paragraph 820-10-35-37 establishes a fair value hierarchy which prioritizes the inputs to valuation techniques used to measure fair value into three broad levels. The fair value hierarchy gives the highest priority to quoted prices (unadjusted) in active markets for identical assets or liabilities and the lowest priority to unobservable inputs. The three levels of fair value hierarchy defined by Paragraph 820-10-35-37 are described below:

- Level 1 Quoted market prices available in active markets for identical assets or liabilities as of the reporting date.
- Level 2 Pricing inputs other than quoted prices in active markets included in Level 1, which are either directly or indirectly observable as of the reporting date.
- Level 3 Pricing inputs that are generally observable inputs and not corroborated by market data.

The carrying amounts of the Company’s financial assets and liabilities, such as cash and short term notes payable approximate their fair values because of the short maturity of these instruments.

The Company does not have any assets or liabilities measured at fair value on a recurring or a non-recurring basis, consequently, the Company did not have any fair value adjustments for assets and liabilities measured at fair value at June 30, 2017 nor gains or losses are reported in the statement of operations that are attributable to the change in unrealized gains or losses relating to those assets and liabilities still held at the reporting date for the year ended June 30, 2017.

Convertible note payable

The Company accounts for convertible note payable in accordance with the FASB Accounting Standards Codification No. 815, Derivatives and Hedging, since the conversion feature is not indexed to the Company’s stock and can’t be classified in equity. The Company allocates the proceeds received from convertible note payable between the liability component and conversion feature component. The conversion feature that is considered embedded derivative liabilities has been recorded at their fair value as its fair value can be separated from the convertible note and its conversion is independent of the underlying note value. The Company has also recorded the resulting discount on debt related to the conversion feature and is amortizing the discount using the effective interest rate method over the life of the debt instruments.

Revenue recognition

In accordance with ASC Topic 605, “*Revenue Recognition*”, the Company recognizes revenue when persuasive evidence of an arrangement exists, transfer of title has occurred or services have been rendered, the selling price is fixed or determinable and collectability is reasonably assured. Cost of goods sold consists primarily of material costs which are directly attributable to the manufacture of products.

NOTE 3 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Research and Development

Research and development expenses include third-party development and programming costs associated with product development expense incurred to the research findings or other knowledge into a plan or design for a new product or process or for a significant improvement to an existing product or process whether intended for sale or use. Such costs related to licensure development are included in research and development expense until the point that technological feasibility is reached.

Stock-based compensation

The Company accounts for stock-based compensation at fair value in accordance with the provisions of the Financial Accounting Standards Board's Accounting Standards Codification ("ASC") Topic 718, "Stock Compensation", which establishes accounting for stock-based payment transactions for employee services and goods and services received from non-employees. Under the provisions of ASC Topic 718, stock-based compensation cost is measured at the date of grant, based on the calculated fair value of the award, and is recognized as expense in the consolidated statements of operations pro ratably over the employee's or non-employee's requisite service period, which is generally the vesting period of the equity grant. The fair value of stock option awards is generally determined using the Black-Scholes option- pricing model. Restricted stock awards and units are valued using the market price of the Company's common stock on the grant date. Additionally, stock-based compensation cost is recognized based on awards that are ultimately expected to vest, therefore, the compensation cost recognized on stock-based payment transactions is reduced for estimated forfeitures based on the Company's historical forfeiture rates.

Income taxes

Income taxes are determined in accordance with ASC Topic 740, "Income Taxes" ("ASC 740"). Under this method, deferred tax assets and liabilities are recognized for the future tax consequences attributable to differences between the financial statement carrying amounts of existing assets and liabilities and their respective tax basis. Deferred tax assets and liabilities are measured using enacted income tax rates expected to apply to taxable income in the years in which those temporary differences are expected to be recovered or settled. Any effect on deferred tax assets and liabilities of a change in tax rates is recognized in income in the period that includes the enactment date.

ASC 740 prescribes a comprehensive model for how companies should recognize, measure, present, and disclose in their financial statements uncertain tax positions taken or expected to be taken on a tax return. Under ASC 740, tax positions must initially be recognized in the financial statements when it is more likely than not the position will be sustained upon examination by the tax authorities. Such tax positions must initially and subsequently be measured as the largest amount of tax benefit that has a greater than 50% likelihood of being realized upon ultimate settlement with the tax authority assuming full knowledge of the position and relevant facts.

For the three months ended June 30, 2017, the Company did not have any interest and penalties associated with tax positions. As of June 30, 2017, the Company did not have any significant unrecognized uncertain tax positions.

NOTE 3 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Net income (loss) per share

The Company calculates net income (loss) per share in accordance with ASC Topic 260, “Earnings *per Share*”. Basic income per share is computed by dividing the net income by the weighted-average number of common shares outstanding during the period. Diluted income per share is determined using the weighted-average number of common shares outstanding during the period, adjusted for the dilutive effect of common stock equivalents, consisting of shares that might be issued upon exercise of common stock options. In periods where losses are reported, the weighted-average number of common shares outstanding excludes common stock equivalents, because their inclusion will be anti-dilutive.

Uncertain tax positions

The Company did not take any uncertain tax positions and had no adjustments to unrecognized income tax liabilities or benefits pursuant to the provisions of Section 740-10-25 for the three months ended June 30, 2017.

Related parties

The Company follows subtopic 850-10 of the FASB Accounting Standards Codification for the identification of related parties and disclosure of related party transactions.

Pursuant to Section 850-10-20 the related parties include a. affiliates of the Company; b. Entities for which investments in their equity securities would be required, absent the election of the fair value option under the Fair Value Option Subsection of Section 825–10–15, to be accounted for by the equity method by the investing entity; c. trusts for the benefit of employees, such as pension and profit-sharing trusts that are managed by or under the trusteeship of management; d. principal owners of the Company; e. management of the Company; f. other parties with which the Company may deal if one party controls or can significantly influence the management or operating policies of the other to an extent that one of the transacting parties might be prevented from fully pursuing its own separate interests; and g. Other parties that can significantly influence the management or operating policies of the transacting parties or that have an ownership interest in one of the transacting parties and can significantly influence the other to an extent that one or more of the transacting parties might be prevented from fully pursuing its own separate interests.

The consolidated financial statements shall include disclosures of material related party transactions, other than compensation arrangements, expense allowances, and other similar items in the ordinary course of business. However, disclosure of transactions that are eliminated in the preparation of consolidated or combined financial statements is not required in those statements. The disclosures shall include: a. the nature of the relationship(s) involved; b. a description of the transactions, including transactions to which no amounts or nominal amounts were ascribed, for each of the periods for which income statements are presented, and such other information deemed necessary to an understanding of the effects of the transactions on the financial statements; c. the dollar amounts of transactions for each of the periods for which income statements are presented and the effects of any change in the method of establishing the terms from that used in the preceding period; and d. amounts due from or to related parties as of the date of each balance sheet presented and, if not otherwise apparent, the terms and manner of settlement.

NOTE 3 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Subsequent events

The Company adopted FASB Accounting Standards Codification 855 “Subsequent Events” (“ASC 855”) to establish general standards of accounting for and disclosure of events that occur after the balance sheet date, but before the financial statements are issued or available to be issued.

Recent accounting pronouncements

The Company has reviewed all recently issued, but not yet effective, accounting pronouncements up to ASU 2014-17, and does not believe the future adoption of any such pronouncements may be expected to cause a material impact on its consolidated financial condition or the consolidated results of its operations.

NOTE 4 – CONVERTIBLE NOTES PAYABLE

The Company had outstanding balances on its notes payable of the following amounts:

	June 30, 2017	December 31, 2016
Convertible promissory note, 18% interest rate, due on Demand ⁽¹⁾	19,600	19,600
Debt assumption for licenses granted, 10% interest rate, due on Demand ⁽²⁾	7,246,590	7,246,590
Total notes payable	7,266,190	7,266,190
Less: Current portion of notes payable	(7,266,190)	(7,266,190)
Total long-term notes payable	\$ -	\$ -

⁽¹⁾ The holder of this Note may, at his option, convert all or any portion of the accrued interest and unpaid principal balance of this Note into fully paid and non-assessable shares of common stock of the Company or its successors, at the conversion ratio of Six Tenth Cent (\$0.006) per share. The Company had nominal trading volume for its stock on the date of issuance and no beneficial conversion was recorded. As of June 30, 2017, the balance of convertible notes payable was \$19,600. The Company recorded interest expense related to this convertible promissory note in amount of \$1,749 during the six months ended June 30, 2017.

⁽²⁾ On June 5, 2014, the Company assumed aggregate debts of \$7,246,590 in connection of certain priority technology granted by Phtope LLC, a Delaware Limited Liability Company and/or its assigns (see Note 4). Pursuant to the license agreement, the aggregate debts of \$7,246,590 are convertible into 5,976,360 shares of common stock of the Company. The Company had nominal trading volume for its stock on the date of issuance and no beneficial conversion was recorded. As of June 30, 2017, the balance of the assumed debts was \$7,246,590. The Company recorded interest expense in amount of \$311,766 related to these aggregated debts during the six months ended June 30, 2017.

NOTE 5 – STOCKHOLDERS’ EQUITY

As of June 30, 2017, the Company was authorized to issue 1,495,000,000 shares of Common Stock, par value \$0.001, of which 23,654,518 shares were issued and outstanding.

As of June 30, 2017, the Company was authorized to issue 5,000,000 shares of Preferred Stock, par value \$0.001, of which 1,000,000 shares of Preferred Stock were designated as Convertible Preferred Series C Stock. Each share of Convertible Preferred Series C Stock shall be convertible, at the option of the holder thereof, into One Thousand (1,000) shares of fully paid and non-assessable shares of Common Stock of the Company. The 1,000,000 shares of Convertible Preferred Series C Stock were issued and outstanding.

NOTE 6 – STOCK BASED COMPENSATION

On September 19, 2014, the Board of Directors of the Company approved the issuance of 600,000 shares of common stock of the Company to the consultants for public relations, communications, advisory and consulting services rendered for 18 months. The fair value of this stock issuance was determined by the fair value of the Company's common stock on the grant date, at a price of approximately \$5 per share. Accordingly, the fair market value of the deferred compensation will be \$3,000,000. And the deferred compensation will be amortized over the services period. For the year ended December 31, 2015, the Company amortized \$2,166,680 of deferred compensation to stock based compensation. For the three months ended June 30, 2016, the Company amortized the remaining balance of \$500,000 of deferred compensation to stock based compensation.

NOTE 7 – COMMITMENTS

During the period ended June 30, 2017, the Company did not have any commitments.

NOTE 8 – GOING CONCERN UNCERTAINTIES

The accompanying unaudited condensed consolidated financial statements have been prepared using the going concern basis of accounting, which contemplates the realization of assets and the satisfaction of liabilities in the normal course of business. As of June 30, 2017, the Company was in default on the repayment of certain convertible notes with an aggregate principal amount of \$7,266,190 which is immediately due and payable. The continuation of the Company as a going concern is dependent upon the Company obtaining substantial additional funds.

These factors raise substantial doubt about the Company's ability to continue as a going concern. These consolidated financial statements do not include any adjustments to reflect the possible future effects on the recoverability and classification of assets and liabilities that may result in the Company not being able to continue as a going concern.

NOTE 9 – SUBSEQUESNT EVENTS

On July 25, 2017, a management group and the Pearce Family Trust, the holder of record of 1,000,000 shares of the Company's Convertible Preferred Series C Stock, entered into a Stock Purchase Agreement whereby the Pearce Family Trust agreed to sell and the management group agreed to purchase 1,000,000 shares of the Company's Convertible Preferred Series C Stock. On August 8, 2017, the Company filed reinstatement with the Secretary of State of Nevada to bring its status current with the state and to appoint new officers and directors of the company.

Investment in Digital2Go Media Networks, Inc.

On August 14, 2017, the Company entered into a Series AA Preferred Stock Subscription Agreement with Digital2Go Media Networks, Inc., a mobile engagement and technology platform company ("Digital2Go"), whereby the Company agreed to purchase 3,600,000 shares of Series AA-1 preferred stock for \$360,000, subject to a funding schedule through January 2018, and 1,800,000 shares of Series AA-2 preferred stock for \$360,000 to be funded on or before February 5, 2018, representing approximately 12% ownership interest in Digital2Go. The agreement is also subject to certain funding milestone and the appointment of a Company's representative to the Board of directors of Digital2Go. The Company has funded \$180,000 of the series AA-1 preferred stock purchase to date.

iPure Media Group, LLC

On September 9, 2017, the Company formed iPure Media Group, LLC ("iPure Media"), a Nevada limited liability company, and entered into an operating agreement for the same with eStreamTV, Inc., a consumer engagement technology company ("eStream"), whereby, the iPure Labs, Inc. will hold a 51% interest in iPure Media and has committed to provide \$250,000 in financing and eStream will hold a 49% interest in iPure Media and contribute certain assets including equipment, contracts and customer lists to iPure Media, subject to iPure media assuming certain liabilities from eStream. The Company issued to eStream warrants with a three-year term to purchase 10,000,000 shares of common stock of iPure Labs, Inc. at \$0.05 per share with an aggregate exercise price of \$500,000.

NOTE 9 – SUBSEQUENT EVENTS (CONTINUED)

Convertible Notes Payable

On August 8, 2017, the Company entered into a convertible note payable with an unrelated party for \$74,375 of which \$7,437.50 was an original issue discount resulting in net cash proceeds to the Company of \$66,937.50. The convertible note payable carries interest at a rate of 8% per annum, is due on February 1, 2018 and is convertible into common stock of the Company at the option of the noteholder six months after issuance at a rate equal to a 35% discount from the lowest trading price of the Company's common stock in the preceding 20 trading days.

On August 8, 2017, the Company entered into a convertible note payable with an unrelated party for \$74,375 of which \$7,437.50 was an original issue discount resulting in net cash proceeds to the Company of \$66,937.50. The convertible note payable carries interest at a rate of 8% per annum, is due on August 8, 2018 and is convertible into common stock of the Company at the option of the noteholder six months after issuance at a rate equal to a 35% discount from the lowest trading price of the Company's common stock in the preceding 20 trading days. On August 8, 2017, the company issued warrants with a three-year term to purchase 223,125 shares of common stock at \$0.05 per share with an aggregate exercise price of \$11,156.25. On August 8, 2017, the company issued warrants with a three-year term and a cashless exercise provision to purchase 223,125 shares of common stock at \$0.05 per share with an aggregate exercise price of \$11,156.25.

On August 14, 2017, the Company entered into a convertible note payable with an unrelated party for \$83,333.33 of which \$8,333.33 was an original issue discount resulting in net cash proceeds to the Company of \$75,000.00. The convertible note payable carries interest at a rate of 8% per annum, is due on August 14, 2018 and is convertible into common stock of the Company at the option of the noteholder six months after issuance at a rate equal to a 35% discount from the lowest trading price of the Company's common stock in the preceding 20 trading days. On August 14, 2017, the company issued warrants with a three-year term to purchase 249,999 shares of common stock at \$0.05 per share with an aggregate exercise price of \$12,499. On August 14, 2017, the company issued warrants and a cashless exercise provision with a three-year term to purchase 249,999 shares of common stock at \$0.05 per share with an aggregate exercise price of \$12,499.

On September 5, 2017, the Company entered into a convertible note payable with an unrelated party for \$74,375 of which \$7,437.50 was an original issue discount resulting in net cash proceeds to the Company of \$66,937.50. The convertible note payable carries interest at a rate of 8% per annum, is due on September 5, 2018 and is convertible into common stock of the Company at the option of the noteholder six months after issuance at a rate equal to a 35% discount from the lowest trading price of the Company's common stock in the preceding 20 trading days. On September 5, 2017, the company issued warrants with a three-year term to purchase 159,375 shares of common stock at \$0.05 per share with an aggregate exercise price of \$11,156.25. On September 5, 2017, the company issued warrants with a three-year term and a cashless exercise provision to purchase 159,375 shares of common stock at \$0.05 per share with an aggregate exercise price of \$11,156.25.

Common Stock Issuances

On various dates in August and September 2017, the Company issued a total of 5,434,000 shares of common stock for cash in the amount of \$81,700.

On July 26, 2017, the Company issued a total of 500,000 shares of common stock for services to an independent consultant valued at \$25,000.

Related Party Transactions

In September 2017, the Company received a loan from its Chief Executive Officer totaling \$20,000. The loan is non-interest bearing and due on demand.

I, Gary L. Killoran certify that:

1. I have reviewed the Consolidated Financial Statements for the six months ended June 30, 2017 and 2016 of iPure Labs Inc. and its subsidiary.

2. Based on the best of my knowledge, the financial statements, and other financial information included or incorporated by reference hereto, 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 hereto.

Date: October 16, 2017

/s/: Gary L. Killoran

Gary L. Killoran

President