

South American Gold Corp

Quarterly Report

Ending December 31, 2017

Officer and Director Disclosure Statement

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

South American Gold Corp. (formerly Grosvenor Explorations Inc, name changed October 11, 2010)

2) Address of the issuer's principal executive offices

Company Headquarters

Address 1: 8275 S. Eastern Ave.

Address 2: Suite 200

Address 3: Las Vegas, NV 89123

Phone: 702-850-3386

Email: info@sagdcorp.co

Website(s): http://www.sagdcorp.co

3) Security Information

Trading Symbol: SAGD

Exact title and class of securities outstanding: Common

CUSIP: 836301101

Par or Stated Value: .00001

Total shares authorized: 5,000,000,000 as of: 01-31-18

Total shares outstanding: 652,350,021 as of: 01-31-18

Transfer Agent

Name: Transfer Online

Address: 512 SE Salmon Street

Portland, OR 97214-3444

Phone: 503-227-2950

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

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

List any restrictions on the transfer of security:

n/a

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

n/a

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

Spin-Off (anticipated): The Company anticipates to spin-off its non-cannabis related holdings into a new public entity to be known as Sarge Delphi, Inc., and as publicly announced on July 26, 2017; with a stock dividend right of 1:1 in the spin-off as publicly announced on August 3, 2017. Spin-Off date is TBA.

Acquisitions:

PotCircles (February 2017)

cNation (April 2017)

SmartLicensee (May 2017)

ASK A.B.E. (July 2017)

KushJournal (August 2017)

KindaHigh (September 2017)

Acquisitions (anticipated): The Company is presently in confidential discussions regarding future acquisitions, at this time the company has not received any countersigned LOIs or has it had any material event relating to this confidential discussions that would require public announcement. The company shall inform the public if and when a material event occurs in regards to these discussions.

4) Issuance History

At the beginning of the quarter the company had 652,350,021 issued common shares and at close of the quarter (12.31.17) the company had 652,350,021 issued. The company still has held at treasury for release the following shares as listed below (which are not included in the outstanding amount):

- A) The Company, in April, 2017, sold 5,000,000 shares, to be issued, of the company to Joseph Dan Cheek at \$0.0012 per share for the total sum of \$6,000.
- B) The Company, in May, 2017, granted for issuance to David Reeves 35,000,000 shares of the company.
- C) The Company, in June, 2017, granted for issuance to David Reeves 5,000,000 shares of the company.
- D) The Company, in June, 2017, granted and issued, by majority of shareholders rights, 500,000,000 shares to Ed Jang.
- E) The Company, in June, 2017, authorized for issuance to MBC Services, Inc. 5,000,000 shares for services rendered.
- A) The Company, in July, 2017, authorized for issuance 7,500,000 shares to Jay Mathews for the acquisition of ASK A.B.E.
- B) The Company, in August 2017, authorized for issuance 1,500,000 shares to Domain Media Corp for the acquisition of KushJournal and related services.
- C) The Company, in September, 2017, granted for issuance to Trey Melton 4,500,000 shares for services rendered.

5) Financial Statements

The Financial Statement for this report filling has been filed separate as “Annual Report” and as stated within are incorporated by reference.

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

The Company, South American Gold Corp., was incorporated under the laws of the State of Nevada on May 25, 2005 (as Grosvenor Explorations Inc.) with the authorized capital stock of 75,000,000 shares at \$0.001 par value. In January 2008, a majority of the shareholders agreed to an increase in the authorized capital stock to 450,000,000 shares at \$0.001 par value. In July 2015, a majority of the shareholders agreed to an increase in the authorized capital stock to 5,000,000,000 shares at \$0.00001 par value.

The Company was organized for the purpose of acquiring and developing mineral properties. The Company has not established the existence of a commercially minable ore deposit and therefore is considered to be in the exploration stage.

The Company refocused its efforts on the growing cannabis market with movement into supplying the cannabis growers within the country of Uruguay. In February, 2017, the company pulled away from the Uruguay supply market and moved its operations into the social lifestyle market of the cannabis industry.

South American Gold Corp has continued to grow its position within the cannabis market by adding cannabis related social platforms in 2017. In the second quarter of 2017, the company agreed to pursue non-cannabis related acquisition to increase corporate value.

South American Gold Corp, in July of 2017, in attempt to increase individual shareholder value, agreed to spin-off all non-cannabis related products into a new public entity providing a 1:1 stock dividend to shareholders of record. As of the date of this document the shareholder of record date has yet to be determined.

A. Date and State (or Jurisdiction) of Incorporation:

May 25, 2005; Nevada

B. the issuer's primary and secondary SIC Codes;

1000

C. the issuer's fiscal year end date;

06/30

D. principal products or services, and their markets;

The Company has been deeply entrenched in increasing corporate value through acquisitions and developing its social products.

On Feb. 14, 2017, the Company acquired a social media platform called PotCircles which allows both medical and recreational users and supporters of cannabis to interact, share and communicate via a dedicated online platform. PotCircles is a proprietary, social network project that is wholly owned by the Company and is designed and dedicated to the cannabis lifestyle. PotCircles seeks to be the leading social network for cannabis users and advocates to express their opinions, lifestyle, create circles of friends, and share cannabis related news and laws. PotCircles present development plan is to develop and market itself in the market place as a android and iOS mobile application.

On Feb 15, 2017, The Company appointed a new President and COO, Mr. David Reeves. Mr. Reeves possess a vast knowledge and expertise in Corporate Management, Structure, and Operations. Over his Career, Mr. Reeves has been an instrumental part of development growth from representing an Automotive Manufacture to the retail market as a third party, to developing and launching multiple businesses as the founder, a consultant, or a Board Member. In March of 2017, Mr. Reeves was appointed also hold the position of CEO.

On March 16, 2017, the Company announced the formation of a subsidiary in the State of Arkansas; Arkansas Medical Cannabis, Inc. As of the date of this report the company has not developed this subsidiary.

On April 5, 2017 the company entered an acquisition of membership interests in Arkham Greenway, LLC, a cannabis operation in the State of Oregon. Prior to payment for the acquisition of membership interests, the company rescinded the agreement on the grounds of misrepresentation by the seller's. The company has divested itself of any cultivation operation at this time.

On April 12, 2017, the company launched "weedfeed.live" cannabis online news site. The company is continuing to develop this site and its content to attract readers and advertisers.

On April 17, 2017, the company took operational control of cNation, a online cannabis news and information site. The company is still furthering the control and development of this site and the image of cNation.

On May 1, 2017, the company announced it shall sponsor with PotCircles, the national road trip of MyWeedRights.com, as of the date of this report My WeedRights has not launched their national road trip.

During the first week of May, 2017, the company tested its cryptocurrency mining project named "BITmineshaft" which generated \$1,092 on its first day and a total of \$1,945 for the week test. Due to system constrains the company halted the test and is determining if this is a viable project to continue.

On June 7, 2017, the company announced the acquisition and launch of SmartLicensee, a territorial based sales network. The company is continuing to develop SmartLicensee for launch.

On June 9, 2017 the company announced that it has come to terms with the management of Rehaba, a medical device company, for acquisition. On July 20, 2017, the company determined that the management structure of Rehaba would not provide for a positive forward movement for the company and the company ceased the acquisition process of Rehaba.

On June 13, 2017 the company announced the initiation of a \$1,500,000 Private Placement Memorandum pursuant to Rule 506c of Regulation D. This PPM, which had a set per share price, is effected by market activity. With the decrease in

share price in the market activity, the company halted the issuance of this PPM, to be reissued at a later date or issued at a different offering price.

On July 24th the company acquired the rights to ASK A.B.E., and automotive buyer's educational program, presently set to launch in the third quarter of 2017, with this acquisition of ASK A.B.E the company acquired the rights to CarRights.com to be the marketing portal of ASK A.B.E.

On July 26, 2017, the company announced that it is in the process of spinning of the non-cannabis products, known as ASK A.B.E., CarRights.com, SmartLicensee, and BITmineshaft. The Company intends to spin these projects off in one public entity to be filed by the close of the 3rd quarter and the entity is to be known as Sarge Delphi, Inc.

On August 21, 2017, the company appointed Gary Austin, Jr, as Chairman of the Board.

On August 29, 2017, the company announced the acquisition of KushJournal.com; a developing internet community site for medical cannabis.

On September 7, 2017 the company announced the acquisition of KindaHigh.com. KindaHigh.com is an ecommerce site dedicated to the lifestyle essentials of cannabis users. The company's plan is to expand the visibility of KindaHigh.com throughout the cannabis community.

In December, 2017, the company moved forward with the formation of the subsidiary PotPons, Inc., an Arkansas corporation. PotPons, Inc., shall offer merchant services to the legal marijuana industry utilizing the PotPons cryptocurrency as an alternative to cash. As of the date of this report the PotPons cryptocurrency is not tradable on an exchange. Note: the PotPons cryptocurrency holds no rights to the company.

In January, 2018, the company created the PotCircles cryptocurrency which is designed to be utilized as forms of payment within the future PotCircles application. As of the date of this report the PotCircles cryptocurrency is tradable on Waves DEX. Note: the PotCircles cryptocurrency holds no rights to the company.

Our common stock is currently quoted over-the-counter (the "OTC") under the trading symbol "SAGD".

Our business plan is highly contingent on our ability to secure financing under acceptable terms which is not assured.

Substantially, all of our efforts will be put into developing web and mobile based products, and pursuing viable acquisitions. Accordingly, any adverse circumstances that affect these projects would affect us financially. If any adverse circumstances were to arise, we would need to consider alternatives, both in terms of our prospective operations and for the financing of our activities. Management cannot provide assurance that we will ultimately achieve profitable operations or become cash-flow positive, or raise additional debt and/or equity capital. If we are unable to raise additional capital, we will continue to experience liquidity problems and management expects that we will need to curtail operations, liquidate assets, seek additional capital on less favorable terms and/or pursue other remedial measures including ceasing operations. We may also consider entering into a joint venture arrangement to provide the required funding to continue the growth of our projects. We have not undertaken any efforts to locate a joint venture participant. Even if we determine to pursue a joint venture participant, there is no assurance that any third party would enter into a joint venture agreement with us in order to fund the growth. If we enter into a joint venture arrangement, we would likely have to assign a percentage of of our rights to the joint venture participant.

Convertible Note Transactions

On July 11, 2016, the Company entered in convertible note agreement with a private and accredited investor, Prometheus Capital Solutions, in the amount of \$30,000, unsecured, with principal and interest amounts due and payable upon maturity on April 4, 2017 (the "PROMETHEUS #1"). After six months, the note holder has the option to convert any portion of the unpaid principal balance into the Company's common shares at any time. The Company has determined that the conversion feature in this note is not indexed to the Company's stock, and is considered to be a derivative that requires bifurcation. The Company calculated the fair value of

this conversion feature using the Black-Scholes model and the following assumptions: Risk-free interest rates ranging from .03% to .08%; Dividend rate of 0%; and, historical volatility rates ranging from 875.95% to 887.82%. This note was structured to cover 6 months of consulting services which were contracted from January 1 2016 through June 30 2016, a contract that was signed and executed on January 31, 2016 and was for \$5,000 per month for six months. At the time of contract completion, the company was unable to make payment and therefore issued a convertible note for the amount in full. This contract was issued to assist the company in arranging financing as well as help complete several acquisition and revenue generating opportunities.

On November 19, 2016, the Company entered in convertible note agreement with a private and accredited investor, Marp, LLC., in the amount of \$30,000, unsecured, with principal and interest amounts due and payable upon maturity on November 19, 2017 (the "MARP#1"). After six months, the note holder has the option to convert any portion of the unpaid principal balance into the Company's common shares at any time. The Company has determined that the conversion feature in this note is not indexed to the Company's stock, and is considered to be a derivative that requires bifurcation. The Company calculated the fair value of this conversion feature using the Black-Scholes model and the following assumptions: Risk-free interest rates ranging from .03% to .08%; Dividend rate of 0%; and, historical volatility rates ranging from 875.95% to 887.82%. This note was structured to cover 6 months of consulting services which were contracted from April 1 2016 October 31 2016, a contract that was signed and executed on January 31, 2016 and was for \$ 5,000 per month for six months. At the time of contract completion, the company was unable to make payment and therefore issued a convertible note for the amount in full. This contract was issued to South American Gold Corp with their efforts to provide fuel and fuel products to farmers in and throughout South and Central America.

On January 9, 2017, the Company entered in convertible note agreement with a private and accredited investor, Chienn Consulting, LLC., in the amount of \$48,000, unsecured, with principal and interest amounts due and payable upon maturity on January 9, 2018 (the "Chienn #2"). After six months, the note holder has the option to convert any portion of the unpaid principal balance into the Company's common shares at any time. The Company has determined that the conversion feature in this note is not indexed to the Company's stock, and is considered to be a derivative that requires bifurcation. The Company calculated the fair value of this conversion feature using the Black-Scholes model and the following assumptions: Risk-free interest rates ranging from .03% to .08%; Dividend rate of 0%; and, historical volatility rates ranging from 875.95% to 887.82%. This note was structured to cover 6 months of consulting services which were contracted from July 1 2016 December 31 2016, a contract that was signed and executed on June 30, 2016 and was for \$ 8,000 per month for six months. At the time of contract completion, the company was unable to make payment and therefore issued a convertible note for the amount in full. This contract was issued to South American Gold Corp with their efforts to provide fuel and fuel products to farmers in and throughout South and Central America.

On April 11, 2017, the Company entered in convertible note agreement with a private and accredited investor, Chienn Consulting, LLC., in the amount of \$59,000, unsecured, with principal and interest amounts due and payable upon maturity on April 11, 2018 (the "Chienn #3"). After six months, the note holder has the option to convert any portion of the unpaid principal balance into the Company's common shares at any time. The Company has determined that the conversion feature in this note is not indexed to the Company's stock, and is considered to be a derivative that requires bifurcation. The Company calculated the fair value of this conversion feature using the Black-Scholes model and the following assumptions: Risk-free interest rates ranging from .03% to .08%; Dividend rate of 0%; and, historical volatility rates ranging from 875.95% to 887.82%.

On June 30, 2017, the Company entered in convertible note agreement with a private and accredited investor, E. R. Gates, in the amount of \$50,000, unsecured, with principal and interest amounts due and payable upon maturity on June 30, 2018 (the "Gates #1"). After six months, the note holder has the option to convert any portion of the unpaid principal balance into the Company's common shares at any time. The Company has

determined that the conversion feature in this note is not indexed to the Company's stock, and is considered to be a derivative that requires bifurcation. The Company calculated the fair value of this conversion feature using the Black-Scholes model and the following assumptions: Risk-free interest rates ranging from .03% to .08%; Dividend rate of 0%; and, historical volatility rates ranging from 875.95% to 887.82%. This note was issued to serve as compensation for services rendered.

In August and September (up until the date of this document), 2017, the company relieved \$80,000.00 in company debt relating to previously stated convertible notes. After this conversion the company still has \$117,000 in principal balance of convertible note debt still on its books.

7) Describe the Issuer's Facilities

All present assets in the company are held as Intellicentual Property. This IP consists of rights to and the software coding behind; PotPons, PotCircles, WeedFeed.live, cNation, BITmineshaft, SmartLicensee, ASK A.B.E., CarRights.com, GambellIllinois.com, GambleNevada.com, KushJournal.com, and KindaHigh.com.

The principle offices for the company consist of a leased office in the Las Vegas area.

8) Officers, Directors, and Control Persons

A. Names of Officers, Directors, and Control Persons. In responding to this item, please provide the names of each of the issuer's executive officers, directors, general partners and control persons (control persons are beneficial owners of more than five percent (5%) of any class of the issuer's equity securities), as of the date of this information statement.

Director and Chairman: Gary Austin, Jr
8725 S. Eastern Ave. Suite 200
Las Vegas, NV 89123

President/CEO/COO: David Reeves
8725 S. Eastern Ave. Suite 200
Las Vegas, NV 89123

Control Person Over 10%: Ed Jang
8725 S. Eastern Ave. Suite 200
Las Vegas, NV 89123

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

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

n/a

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;

n/a

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

n/a

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.

n/a

- C. **Beneficial Shareholders.** Provide a list of the name, address and shareholdings or the percentage of shares owned by all persons beneficially owning more than ten percent (10%) of any class of the issuer's equity securities. If any of the beneficial shareholders are corporate shareholders, provide the name and address of the person(s) owning or controlling such corporate shareholders and the resident agents of the corporate shareholders. *For the purposes of this document, all beneficial shareholder addresses are assumed to be the corporate office address.*

Ed Jang
579,000,000 Restricted Common Shares

8725 S. Eastern Ave. Suite 200
Las Vegas, NV 89123

9) Third Party Providers

Legal Counsel

James Garrett
8 East Broadway
Ste 615
Salt Lake City, UT 84111
SJGarret@aol.com
801.581.1144

Accountant or Auditor

Investor Relations

info@sagdcorp.co

10) Issuer Certification

The issuer shall include certifications by the chief executive officer and chief financial officer of the issuer (or any other persons with different titles, but having the same responsibilities).

The certifications shall follow the format below:

I, Gary Austin, Jr. certify that:

1. I have reviewed this Quarterly Disclosure statement of South American Gold 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]

/s/ Gary Austin, Jr.
[Director's Signature]

Director
[Title]

SOUTH AMERICAN GOLD CORP. AND SUBSIDIARIES

(An Exploration Stage Company)
Condensed Consolidated Balance Sheets
(Unaudited)

	(Unaudited) December 31, 2017	(Unaudited) December 31, 2016
	<u>2017</u>	<u>2016</u>
Assets		
Current Assets		
Cash and cash equivalents	\$ 924	\$ -
Prepaid Expenses	0	0
Total current assets	<u>924</u>	<u>0</u>
Equipment net of depreciation	0	0
Investments	<u>17,745</u>	<u>22,040</u>
Total Assets	<u>\$ 18,669</u>	<u>\$ 22,040</u>
Liabilities and Stockholders' Equity (Deficit)		
Current Liabilities		
Accounts payable and accrued expenses	499,575	473,830
Convertible Notes Payable	188,000	188,000
Notes Payable (Current)	12,500	12,500
Derivative Liability	<u>512,180</u>	<u>512,180</u>
Current Liabilities	<u>1,212,255</u>	<u>1,186,510</u>
Notes Payable	-	-
Total Liabilities	<u>1,212,255</u>	<u>1,186,510</u>
Stockholders' Equity (Deficit)		
Common stock, \$0.001 par value, 5,000,000,000 shares authorized, 107,850,021 & 52,350,021 issued & outstanding as of September 30, 2016 & September 30, 2015 respectively	107,850	107,850
Additional paid-in capital	3,912,304	3,942,304
Accumulated other comprehensive income	(7,817)	(8,701)
Deficit accumulated during the exploration stage	<u>(5,205,923)</u>	<u>(5,205,923)</u>
Total Stockholders' Equity (Deficit)	(1,193,586)	(1,164,470)
Total liabilities and stockholders' equity (deficit)	<u>\$ 18,669</u>	<u>\$ 22,040</u>

The accompanying notes are an integral part of these condensed consolidated financial statements

SOUTH AMERICAN GOLD CORP. AND SUBSIDIARIES

(Exploration Stage Company)

Condensed Consolidated Statements of Operations and Comprehensive Income
(Unaudited)

	For the three months ended December 31,		For the six months ended December 31,	
	2017	2016	2017	2016
Revenues	\$ 5,650	\$ 42,197	\$ 22,890	\$ 59,437
Operating Expenses				
Exploration Expense	-	-	-	-
Stock Based Compensation	-	-	-	-
Impairment loss on Goodwill	-	-	-	-
Impairment loss on Mining Lease	-	-	-	-
Depreciation	-	-	-	-
General & Administrative Expense	19,274	38,124	49,115	67,965
Total Operating Expense	19,274	38,124	49,115	67,965
Income (loss) from operations	(13,624)	4,073	(26,225)	(8,528)
Other Income (Expense)				
Gain (Loss) on derivative liability	(45,079)	(64,500)	(109,579)	(129,000)
Gain on sale of mining lease	-	-	-	-
Interest Expense	109,424	139,034	216,424	246,034
Interest income	-	-	-	-
Total Other Income	(154,503)	(203,534)	106,845	117,034
Net Loss	(168,127)	(199,461)	80,620	108,506
Net loss attributable to non-controlling interest	-	-	-	-
Net loss attributable to South American Gold Corp.	\$ (168,127)	\$ (199,461)	\$ 80,620	\$ 108,506
Net Loss	(168,127)	(199,461)	80,620	108,506
Other comprehensive income (loss)				
Unrealized gain on Investments	-	-	-	-
Foreign currency translation adjustment	-	-	-	-
Foreign currency translation adjustment	-	-	-	-
Total other comprehensive income (loss)	-	-	-	-
Comprehensive income (loss)	(168,127)	(199,461)	80,620	108,506

SOUTH AMERICAN GOLD CORP. AND SUBSIDIARIES

(Exploration Stage Company)

Consolidated Statement of Cash Flows

	For the three months ended	
	December 31,	
	<u>2017</u>	<u>2016</u>
Cash Flows Used in Operating Activities:		
Net Income (Loss)	\$ (13,624)	\$ 4,073
Adjustments to reconcile net loss to net cash used in operations:		
Expenses paid by shareholders	10,400	9,600
Stock Based Compensation	0	0
Gain on sale of Mining Lease	0	0
(Gain) Loss on derivative liability	(45,079)	(64,500)
Amortization of debt discount and interest expense	59,264	44,952
Depreciation	0	0
Changes in operating assets and liabilities:		
Prepaid Expenses	0	0
Accounts Payable and accrued expenses	499,575	473,830
	<u>510,536</u>	<u>467,955</u>
Net Cash Provided by (Used In) Operating Activities	510,536	467,955
Net Cash Used In Investing Activities		
Acquisition of Equipment	0	0
Proceeds from Business Acquisition	0	0
	<u>0</u>	<u>0</u>
Net Cash Provided by (Used In) Investing Activities	0	0
Cash Flows From Financing Activities:		
Proceeds from convertible note payable	0	0
Proceeds from issuance of common stock	0	0
	<u>0</u>	<u>0</u>
Net Cash Provided by (Used In) Financing Activities	0	0
Effect of Foreign Currency on Cash	0	0
Net Increase (Decrease) in Cash	510,536	467,955
Cash at Beginning of Period	0	0
	<u>0</u>	<u>0</u>
Cash at End of Period	\$ 925	\$ 467,955
	<u>\$ 925</u>	<u>\$ 467,955</u>
<u>Supplemental disclosure of cash flow information :</u>		
Expenses paid by shareholders	\$ 10,400	\$ 9600
Shares issued for debt	<u>\$ 0</u>	<u>\$ 0</u>
Derivative liability extinguished due to debt conversions	\$ 22,950	\$ 23,900
	<u>\$ 22,950</u>	<u>\$ 23,900</u>

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