

**UNITED AMERICAN CORP.
CONSOLIDATED FINANCIAL STATEMENTS
FOR THE 3 MONTH PERIOD ENDED**

June 30, 2021

(UNAUDITED)

(IN US\$)

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UNITED AMERICAN CORP.
FINANCIAL STATEMENTS
3 MONTHS ENDED JUNE 30, 2021
(UNAUDITED)

UNITED AMERICAN CORP.
CONSOLIDATED BALANCE SHEETS
JUNE 30, 2021 AND 2020
(UNAUDITED)
(IN US\$)

<u>ASSETS</u>	<u>June 30 2021</u>	<u>June 30, 2020</u>
Current Assets:		
Cash	\$ 58	\$ -
Accounts receivable	40,101	71,233
Tax receivable	442,678	296,656
Deposits on potential acquisitions	1,635,773	1,458,948
Security deposits	946,081	527,729
Total Current Assets	3,064,691	2,354,566
Fixed assets, net	6,334,203	4,557,678
Licences	1,725,000	1,725,000
Goodwill	5,250,000	5,250,000
TOTAL ASSETS	\$ 16,373,894	\$ 13,887,244

LIABILITIES AND STOCKHOLDERS' EQUITY

LIABILITIES

Current Liabilities:

Accounts payable and accrued liabilities	1,836,742	1,512,877
Bank Indebtedness	-	2,982
Loans payable	203,340	703,345
Advances payable	203,340	194,764
Total Current Liabilities	4,730,743	2,413,968
Loans payable	2,339,720	3,516,905
Liability for shares to be issued	-	5,250,000
Total Liabilities	7,070,463	11,180,873

STOCKHOLDERS' EQUITY (DEFICIT)

Common stock, par value, \$0.001, 200,000,000 shares authorized, 126,072,417 and 114,572,417 issued and outstanding, respectively	151,072	126,072
Additional paid in capital	12,879,796	7,404,796
Accumulated deficit	(3,727,438)	(4,824,497)
Total Stockholders' Equity	9,303,432	2,706,371

**TOTAL LIABILITIES AND
STOCKHOLDERS' EQUITY**

	\$ 16,373,984	\$ 13,877,244
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The accompanying notes are an integral part of these consolidated financial statements.

**UNITED AMERICAN CORP.
FINANCIAL STATEMENTS
3 MONTHS ENDED JUNE 30, 2021
(UNAUDITED)**

**UNITED AMERICAN CORP.
CONSOLIDATED STATEMENTS OF OPERATIONS
FOR THE 3 AND 6 MONTHS ENDED, 2021 AND 2010
(UNAUDITED)
(IN US\$)**

	3 Months Ended June 30		6 Months Ended June 30	
	2021	2020	2021	2020
OPERATING REVENUES				
Sales	\$ -	\$ 60,784	31,596	\$ 924,170
Other income	3,418	-	6,972	-
Mining revenue	800,097	395,7621	1,280,495	651,329
Interest	46	-	46	-
Total Revenues	<u>803,560</u>	<u>456,545</u>	<u>1,319,109</u>	<u>1,575,499</u>
Cost of Revenues	<u>675,345</u>	<u>486,145</u>	<u>1,036,456</u>	<u>1,059,812</u>
GROSS PROFIT	<u>128,216</u>	<u>(29,600)</u>	<u>282,654</u>	<u>515,687</u>
OPERATING EXPENSES				
Selling and promotion	-	-	-	-
Repairs and maintenance	-	-	-	-
Amortization	209,298.28	87,305	412,478.61	177,222
Professional and consulting fees	27,665.80	42,789	88,642.92	98,599
General and admin expense	25,952.96	5,098	65,136.57	14,539
Interest on Loans	58,614.88	-	90,210.09	63,440
Bank Charges	914.77	319	1,304.19	452
Travel	-	16,445	-	38,747
Foreign exchange (gain)	(67,028)	305,514	(416,406)	(164,986)
Total Expenses	<u>255,419</u>	<u>457,470</u>	<u>241,367</u>	<u>228,013</u>
NET PROFIT (LOSS) BEFORE PROVISION FOR INCOME TAXES	<u>(127,203)</u>	<u>(487,070)</u>	<u>41,287</u>	<u>287,673</u>
Provision for income taxes	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
NET PROFIT (LOSS)	<u><u>\$ (127,203)</u></u>	<u><u>\$ (487,070)</u></u>	<u><u>\$ 41,287</u></u>	<u><u>\$ 287,673</u></u>

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

**UNITED AMERICAN CORP.
FINANCIAL STATEMENTS
3 MONTHS ENDED JUNE 30, 2021
(UNAUDITED)**

**UNITED AMERICAN CORP.
CONSOLIDATED STATEMENTS OF CASH FLOWS
FOR THE 6 MONTHS ENDED JUNE 30, 2021 AND 2020
(UNAUDITED)
(IN US\$)**

CASH FLOW FROM OPERATING ACTIVITIES	2021	2020
Net earnings	<u>41,287</u>	<u>287,673</u>
Adjustments to reconcile net loss to net cash used in operating activities		
Depreciation	412,479	177,222
Common stock issued for acquisition TNW	(25,000)	-
Changes in assets and liabilities		
Decrease (Increase) in accounts receivable	(100,077)	(6,950)
Decrease (Increase) in taxes receivable	75,024	(46,539)
Deferred revenue	-	(408,003)
(Decrease) increase accounts payable and accrued expenses	<u>(15,490)</u>	<u>67,228</u>
Total adjustments	<u>346,936</u>	<u>(217,042)</u>
Net cash used in operating activities	<u>388,223</u>	<u>73,612</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of fixed assets	(23,984)	-
Security Deposits	(367,641)	-
Deposits on potential acquisitions	<u>(17,143)</u>	<u>(9,494)</u>
Net cash used in investing activities	<u>(408,768)</u>	<u>(9,494)</u>
CASH FLOWS FROM FINANCING ACTIVITIES		
(Decrease) Increase from loan payable	(3,288,233)	22,878
Proceeds from liability of stock to be issued	3,750,000	-
Proceeds from sale of common stock	25,000	-
(Decrease), Increase in advances payable	<u>2,392</u>	<u>(8,195)</u>
Net cash provided by financing activities	<u>489,159</u>	<u>14,683</u>
Effect of exchange rate on cash	<u>(357,751)</u>	<u>(489,131)</u>
NET INCREASE IN CASH	110,863	(410,330)
CASH - BEGINING OF PERIOD	<u>(44)</u>	<u>17,487</u>
CASH - END OF PERIOD	<u>110,819</u>	<u>(395,824)</u>

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

**UNITED AMERICAN CORP.
FINANCIAL STATEMENTS
3 MONTHS ENDED JUNE 30, 2021
(UNAUDITED)**

NOTE 1 – ORGANIZATION AND NATURE OF OPERATIONS

United American Corp. (the “Company”) was incorporated under the laws of the State of Florida on July 17, 1992 under the name American Financial Seminars, Inc. with authorized common stock of 1,000 shares at \$1.00 par value. Since its inception the Company has made several name changes as noted below and on November 22, 2010 increased the authorized common stock to 200,000,000 shares with a par value of \$0.001.

The following is a history of name changes in the past five years:

Period	Name
January 12, 2017 to Present	United American Corp.
July 16, 2014 to January 12, 2017	Telephone USA Corp.
January 13, 2011 to July 16, 2014	New York Telecom Exchange Inc.

On December 27, 2017, the Company formed Blockchain Data Centers Inc. (“BDC”), a Delaware corporation. BDC was an inactive company from inception through December 31, 2018.

On April 1, 2018, the Company entered into a Share Exchange Agreement with 9688137 Canada Inc., a Canadian company (currently doing business as Corporation d’Energie Thermique Agricole du Canada (“CETAC”). At the time of acquisition, CETAC was inactive and had no assets or liabilities. Pursuant to the Share Exchange Agreement with CETAC, the Company acquired 100% of the shares of CETAC in exchange for \$2 (CD\$). Subsequent to the acquisition of CETAC, the Company transferred all of the rights under its hosting agreement (“Hosting Agreement”) with a Vancouver-based technology company on March 6, 2018 to CETAC.

The Company, effective March 2018, owns and operates data centers which will serve as heat stations for greenhouses operations (collectively referred to as Data Center Heat Stations). Within the Data Center Heat Stations, the Company currently owns and operates approximately 5,000 cryptocurrency miners and hosts an additional 750 miners on behalf of a client for a total operation as of March 31, 2021 of approximately 52 petahash. The total petahash capacity is function of the efficiency of miner in use and the total capacity of current facilities is 8.4 megawatts which includes 1.5 megawatts reserved for greenhouse operations. The Company also several projects under various stages of development related to its experience in telecommunications. This includes projects related to mobile connectivity through the acquisition of TNW Wireless Inc., social network posting technology, all of which are described more fully in this note.

The Company also provides consulting to clients based on its expertise. This service is provided to clients on an *ad hoc* basis and as such this revenue stream fluctuates with demand.

While in 2017 the Company was focused on the acquisition and development of a number of technologies related to telecommunications and information technologies it began full operations in 2018.

Data Center Dome Heat Stations™

On January 11, 2018 the Company announced that it had developed a technology known as “BlockchainDomes” which has subsequently been renamed “Data Center Dome Heat Stations” and that the

UNITED AMERICAN CORP.
FINANCIAL STATEMENTS
3 MONTHS ENDED JUNE 30, 2021
(UNAUDITED)

NOTE 1 – ORGANIZATION AND NATURE OF OPERATIONS (CONTINUED)

Company's President had filed a Patent Application with the United States Patent and Trademark Office (USPTO application number 62,616,382 – this patent application needs to be re-filed) on behalf of the Company for the technology which uses Canadian well and chimney effect principles combined with a technique for utilizing negative air pressure generated by servers within sealed docking stations or server cabinets. The heat generated from the mining rigs can then be used to provide heat for greenhouses and other agricultural activities such as drying hay, grains and other agricultural materials.

The Data Center Heat Stations currently generate revenue from their own mining operations as well as hosting and management fees charged for hosting in its facilities and will generate revenue from heat generated by the domes to adjacent greenhouse operations that are currently in development. The Company does not currently hold any cryptocurrency and converts mining proceeds to fiat currency

On January 24, 2018 the Company issued a Request for Proposal (“RFP”) to manufacturers and operators of mining rigs for the installation and/or transfer of mining rigs to a Data Center Heat Station facility to be erected in the Province of Quebec which at the time was on a leased site beneficially owned by the children of the Company's President.

As a result, on March 6, 2018, BDC entered into a hosting agreement (“Hosting Agreement”) with a Vancouver-based technology company. (“Tech”) a Canadian cryptocurrency mining company to host Tech's mining servers 1,000 servers at the Company's Data Center Heat Station. On June 21, 2018 the Hosting Agreement was amended to include 3,000 additional servers and on July 13, 2018 a second amendment to the Hosting Agreement was executed for a further 1,000 servers for a total of 5,000 to be deployed progressively from July to November 2018. In July 2019 the Company began installation of 650 additional servers on behalf of a second client. The maximum capacity on the existing site for the Data Center Heat Stations in order to supply heat to the greenhouses to be built is 5,650 servers.

On April 1, 2018 the Company acquired 9688137 Canada Inc. (currently doing business as Corporation d'Énergie Thermique Agricole du Canada “CETAC”), a shelf company incorporated under the laws of Canada for total consideration of CD\$2.00 as the operating company for the Hosting Agreement and all rights for the Hosting Agreement were transferred to CETAC on April 1, 2018. Under the terms of the Hosting Agreement, CETAC entered into electrical power contracts for up to 12.3 megawatts that is sufficient to meet the current demand of the BlockchainDomes contracts and future expansion. In addition, BDC and Tech entered into negotiations to enter into a license agreement (“License Agreement”) whereby BDC would grant Tech the exclusive license and use rights for the BlockchainDome system as described in the patent application filed January 11, 2018 in North America with an option to acquire these rights worldwide. The license fee as contemplated would be on a sliding scale based on the number of kilowatt hours of electricity utilized by the domes and the number of domes installed. BDC and Tech had until September 8, 2018 to formalize the license agreement. BDC and Tech mutually agreed to terminate the License Agreement and have entered into a consulting agreement that replaces this License Agreement.

UNITED AMERICAN CORP.
FINANCIAL STATEMENTS
3 MONTHS ENDED JUNE 30, 2021
(UNAUDITED)

NOTE 1 – ORGANIZATION AND NATURE OF OPERATIONS (CONTINUED)

Construction of the first Data Center Dome Heat Station was commenced on March 23, 2018 under the construction management of a company controlled by the Company's President and CEO and this company continues to manage day to day operations of the Domes. The first Data Center Dome Heat Station was operational by late April and 3 subsequent Data Center Dome Heat Stations were completed and fully deployed on September 19, November 8 and November 13, 2018 respectively.

The four Data Center Dome Heat Stations can produce up to 25 million BTUs (British Thermal Units) of heat per hour and up to 60 million cubic feet of heated air per hour available for agricultural purposes.

In September 2018, pre-installation of 1.5 megawatts of electrical service was completed to be used for photosynthetic lighting in greenhouses adjacent to the Data Center Domes with such greenhouses to be heated from the Data Center Dome Heat Stations.

In consideration of the services that the Company performs through CETAC, Tech agreed to pay management and hosting fees as a per diem based on type of mining rig is performing the service. Management and hosting fees are exclusive of electrical charges which are billed separately.

The Company had received advances from Tech equivalent to a minimum equivalent of three months of revenue (management, hosting and power) at the commencement of the agreement and each amendment which is repayable to the client over periods of 36-48 months and are reported as interest free loans in the financial statements.

Up to February 12, 2020, the Company did not mine on any blockchain network and only acted as a hosting service provider for servers in its Data Center Domes which is the underlying heat source for agricultural operations. Subsequently on February 12, 2020, the Company announced that it had completed a transaction with Tech for CD\$2.1 million in debt forgiveness as well as access to Tech's servers installed in the Domes for Company's mining activities for consideration of \$1 per month pending a more formal agreement for acquisition of the servers. On December 1, 2020 the Company acquired Tech's servers which had a market value of \$1.75 million in exchange of 1.75 million common shares of the company to be issued to Investel Capital Corporation, a company controlled by the Company's President.

The Company cannot predict if blockchain networks changes or associated currency market volatilities or any other market factor will affect its operations or those of its current and future clients. However the Data Center Heat Stations are designed to be multipurpose and can be adapted to changing market conditions. As an example, in May 2019 the Company completed development of a negative pressure server cabinet technology which gives the BlockchainDome Heat Stations the ability to host a variety of more traditional data center servers (non-blockchain) and is currently examining providing traditional data center services within the Data Center Dome Heat Stations. Management is of the opinion that the data center market will increase significantly over the next few years, particularly with the deployment of 5G wireless telecommunications and increased use of smartphone applications.

UNITED AMERICAN CORP.
FINANCIAL STATEMENTS
3 MONTHS ENDED JUNE 30, 2021
(UNAUDITED)

NOTE 1 – ORGANIZATION AND NATURE OF OPERATIONS (CONTINUED)

On July 9, 2019 the Company announced plans for a greenhouse and hyperscale data center heat station campus in Beauharnois, Quebec. The project has already been approved for Hydro-Québec’s economic development rate which provides initial discounts of 20% on power which decrease over time to 5% to March 2027. The Company has put this project on hold as it focusses on its current Heat Station Dome operations.

On February 6, 2019 CETAC completed the purchase of the property where the current Data Center Dome Heat Stations are located for a total consideration of CD\$ 1,000,000 which was deemed to be market value for the property. The property was purchased from a company that is related through common ownership with the family trust which is a majority shareholder in the Company. The purchase was financed through a CD\$ 1 million private mortgage at 16% and is repayable at any time without penalty.

In April 2018 the Company’s landlord at the time received notice of infraction from the Commission de Protection du Territoire Agricole de Quebec (“CPTAQ”), the provincial body which oversees agricultural land in Quebec. The notice related to whether the Data Center Dome Heat Station was an appropriate use on agricultural land based on their perception that the Data Center Dome Heat Station was a non-agricultural commercial operation. On June 27, 2018, the Company and its legal counsel addressed the complaint at a hearing of the CPTAQ and stated its position that the operation was fully compliant with all existing rules and regulations as the operation’s final output was for agricultural purposes. Furthermore the Data Center Dome Heat Station technology is consistent with the province’s sustainable development guidelines and policies of encouraging more local food production. The matter was then transferred to an independent provincial administrative tribunal for further review. On March 26, 2019, The Company, its Counsel and its agricultural experts addressed the Tribunal Administratif du Québec (the “Tribunal”) at a hearing on this matter. The Tribunal is an independent provincial body which is intended to be a non-judicial arbitrator for matters regarding provincial boards. The Tribunal has no judicial or injunctive powers and decisions are appealable by companies and individuals to judicial courts up to and including the Québec Court of Appeal. On April 25, 2019 the Company received notification that the Tribunal had rejected the Company’s position and supported the CPTAQ complaint. The Company and its Counsel were of the belief that the Tribunal erred both in fact and in law in rendering its decision and as such the Company has filed permission for leave to appeal the decision to the Quebec Court which subsequently was heard on August 15, 2019. On November 11, 2019 the Company received notification that leave to appeal had been denied. As a result the Company sought a judicial review of the decision which was denied on August 23, 2021. The Company has subsequently filed to seek leave of appeal of the decision with the Quebec Court of Appeal.

On a parallel track and on a without prejudice basis to the judicial review, the Company has filed an application for formal authorization of its heat stations as an accessory use with the CPTAQ which has been co-signed by the local municipality. The Company has not timeline for completion of this process. Should the original infraction be maintained after all appeals are exhausted, the Company would incur significant costs to move the BlockchainDome Heat Stations and related equipment moved to another location.

UNITED AMERICAN CORP.
FINANCIAL STATEMENTS
3 MONTHS ENDED JUNE 30, 2021
(UNAUDITED)

NOTE 1 – ORGANIZATION AND NATURE OF OPERATIONS (CONTINUED)

On June 14, 2018 Hydro-Québec, the government-owned supplier of electricity in the Province of Quebec made application to the Quebec Régie de l'énergie (the "Régie") to fix and potentially increase electricity tariffs and set conditions of service for operations related to cryptocurrency mining. Although the Company does not received power directly from Hydro-Québec, it does receive power from an independent electrical cooperative (the "COOP") which in turn purchases power from Hydro-Québec. Hydro-Québec argued that this was necessary due to the sudden and massive number of requests for power related to cryptocurrency received over the previous year (in the order of several thousand megawatts) and that it could not meet this demand. UnitedCorp through its Data Center Dome Heat Station operation in Quebec, was one of the intervenors at the hearings of the Régie on this matter.

On April 29, 2019 the Régie rejected Hydro-Québec's application to amongst other things, launch a tariff auction and a CD\$ 0.01 per kWh markup for cryptocurrency operations. It also mandated a 300-megawatt block of power for cryptocurrency operations which meet certain economic benefit criteria (which include a heat recovery component as suggested by the Company) and grandfathered existing power contracts for operators. This means that the Company's contract for 12.5 megawatts of power will remain valid for the foreseeable future at its contracted rate. Current operations utilize up to approximately 8.5 megawatts of power.

In February 2020 a dispute arose between the Company and the COOP over issues surrounding the COOP's billing practices to the Company. The Company became aware that according to the tariff published by the COOP that it should have been entitled to a high-volume discount on electrical consumption after the Company exceeded power demand of 5 megawatts. Furthermore, the Company believes that according to the COOP tariff, that it was entitled to compensation for a process known as "power shedding" whereby the electrical provider can reduce supply during peak demand in winter. Furthermore the Company believes it is eligible for an economic development rebate which is currently in place and all of which the COOP has refused to provide. These rates, rebates and incentives are a key component necessary for the feasibility of the operation when prices for cryptocurrency are low. As a result of this and coupled with low cryptocurrency prices, on March 11, 2020, 9688 filed for creditor protection to prevent the COOP from disconnecting service. The resulting protection order allowed 9688 to maintain operations on the basis of weekly prepayment of electrical services. Nevertheless, on May 25, 2020 due to falling prices, the Company elected to suspend operations until such time as prices returned to levels where operations were profitable. Company filed suit against the COOP to pursue remedies to claim the other financial benefits it believes it is entitled to including seeking retroactive payments of such benefits.

On February 10, 2021 the 9688 reached an agreement with the COOP to resume operations including conditions for reduced rates for power and operations resumed on February 12, 2021. As part of the agreement, the 9688 paid the COOP CD\$296,773.29 in penalties for power it did not consume in 2020 and this payment was disputed and was appealed before the Quebec Energy Board. Over the month of June 2021, the 9688 settled all disputes with the COOP in a series of agreements. Under the settlement, the COOP will provide the 9688 with a CD\$500,000 credit on its power invoice over 12 months and will

**UNITED AMERICAN CORP.
FINANCIAL STATEMENTS
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(UNAUDITED)**

NOTE 1 – ORGANIZATION AND NATURE OF OPERATIONS (CONTINUED)

provide 9688 with a CD\$500,000 interest free loan to be repaid over 12 months. 9688 will also receive the lower LG power rate after installation of a mid-tension measuring unit on its facility. The COOP will also permit consolidation of all the 9688's power contracts to the current facility, providing it with 3.9 megawatts of reserve capacity on the site. 9688 for its part, has withdrawn its lawsuit against the COOP.

The only issue remaining between the parties is related to potential compensation for power shedding. As this matter is currently before the Quebec Energy Board, the parties have agreed to abide by the eventual ruling from the board which will determine; if power shedding is mandatory and if so, whether the 9688 needs to be compensated for providing this service.

Subsequently on July 13, 2021, with the approval of a settlement agreement with the majority of 9688 creditors, 9688 emerged from CCAA. The settlement provides for full payment to all 9688 secured creditors and 50% payment to non-secured creditors over 36 months.

Intellectual Property Development

On May 1, 2017, the Company began the development of its business plan to commence operations in the areas of mobile connectivity, social media posting technology and the development of a new form of blockchain network which uses the PSTN. The PSTN project is currently on hold as management focusses on Data Center Dome Heat Stations and greenhouses.

TNW Wireless Inc.

On June 28, 2017, the Company announced its intent to acquire TNW Wireless Inc. ("TNW Wireless") through a share exchange agreement with Investel Capital Corporation (Canada) ("Investel"), a company controlled by the Company's President. TNW Wireless Inc. is a licensed wireless operator in Canada. It currently holds 25MHz bandwidth tier-2 850 MHz spectrum licenses in areas of Whitehorse, Yukon and parts of Northern British Columbia issued by Innovation Science and Economic Development Canada ("ISED" – formerly Industry Canada) and license fees are paid to March 2022. TNW Wireless is a registered wireless carrier and is licensed to provide wireless services in Canada. TNW Wireless would also provide global communication services through proprietary iPCS (Internet Personal Communications System) Smartphone-over-IP cloud spectrum technology which operates while connected to any Wi-Fi Internet or mobile Internet connection. TNW Wireless also holds a *License for the Provision of Basic International Telecommunications Services* (also known as a "BITS licence", number 8190-R63-201700443) issued by the Canadian Radio-Television and Telecommunications Commission (the "CRTC") and is valid to June 30, 2027.

The Company had been waiting to close on this transaction as it awaited rulings from the CRTC related to roaming agreements with Bell Mobility Inc. ("Bell") and Telus Communications Company ("Telus") which are mandated by the CRTC but have not been provided by these companies. On July 3, 2017, TNW Wireless submitted a Part 1 Application to the CRTC to compel Bell and Telus to provide the roaming

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3 MONTHS ENDED JUNE 30, 2021
(UNAUDITED)

NOTE 1 – ORGANIZATION AND NATURE OF OPERATIONS (CONTINUED)

agreements as mandated by the CRTC. The decision was initially put on hold pending the outcome of a CRTC consultation which the Commission deemed relevant to the TNW Wireless application.

Specifically, on July 20, 2017, the Commission launched Telecom Notice of Consultation CRTC 2017-259 (TNC 2017-259), following the issuance of Order in Council (“OIC”) P.C. 2017-0557 by the Governor in Council. The OIC referred Telecom Decision CRTC 2017-56 back to the Commission for reconsideration by March 31, 2018. Specifically, the OIC directed the Commission to reconsider whether, for the purposes of the final terms and conditions for wholesale mobile wireless roaming service, the definition of “home network” should be broadened to include other forms of connectivity besides licensed wireless spectrum provisioned through a radio access network, such as what the CRTC refers to as “Wi-Fi first” applications.

On October 23, 2017, the Commission issued a decision letter where it suspended consideration of TNW Wireless’ July 3, 2017 application for final relief until the completion of the TNC 2017-259 proceeding and denied the application for interim relief.

On March 22, 2018, the Commission issued its decision CRTC 2018-97 with respect to TNC 2017-259 and as a result, the CRTC invited TNW Wireless to continue with the application if it so desired based on this decision.

TNW Wireless was of the view that CRTC 2018-97 did not impact its application and on April 13, 2018 submitted further information in support of the application followed by a response to interventions on May 15, 2018. On July 13, 2018 the Commission issued a request for further information to be provided by August 27, 2018. The submission process was completed on October 16, 2018.

On February 28, 2019, the CRTC issued Telecom Decision 2019-56 (“2019-56” with respect to the Part 1 Application. In the Decision the Commission ruled that TNW Wireless was eligible to operate as a wireless carrier subject to the Commission’s approval of a 911 plan and that Bell and Telus were required to provide local and national roaming services as mandated by the regulations. However the CRTC did not approve the use of iPCS within the existing regulations regarding mandated roaming.

On February 28, 2019 immediately following 2019-56 the CRTC issued a Notice of Consultation 2019-57. Citing the TNW Wireless Part 1 Application as part of the basis for the consultation, 2019-57 will review and revise Canada’s regulatory framework for wireless services and has already stated that an appropriate outcome for the proceeding would be to mandate that national wireless carriers provide national wholesale access to smaller carriers. TNW Wireless has stated its intent to participate fully in the consultation process and filed its initial intervention with the CRTC on May 15, 2019 and then several follow up interventions which are all publicly available on the CRTC website.

On January 21, 2020, after in invitation by the CRTC, Company management presented its position in person during public hearings.

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NOTE 1 – ORGANIZATION AND NATURE OF OPERATIONS (CONTINUED)

Subsequently on April 15, 2021 the CRTC released the result of the consultation which was published under Regulatory Policy 2021-130 (“2021-130”). The policy supports facilities-based competition mandates the provision of a wholesale services to facilities-based mobile virtual network operator (MVNO) to enable regional wireless carriers to use the networks of national carriers such as Bell, Rogers, Telus and SaskTel where these companies exercise market power. The stated intent is to enable regional carriers to serve new areas while they build out their networks. The service will be mandated for a period of 7 years. The CRTC clarified that access to mandated services is to be based on a regional carrier’s license tier level. As per paragraph 313 of the policy:

...the Commission considers that a simpler, more objective, and ultimately more reasonable approach is to provide mandated access to the service to regional wireless carriers in areas where they have secured a spectrum licence at the tier 4 level or higher. (Footnote28) Given what is involved in the acquisition of spectrum, the Commission [the CRTC] considers that investment in spectrum is sufficiently demonstrative of a wireless carrier’s commitment to maintaining and expanding its operations to make it eligible for access.

Footnote 28

That is, spectrum at the tier 4, tier 3, tier 2, or tier 1 levels, as defined by ISED. For example, if a regional wireless carrier holds tier 3 spectrum that covers multiple tier 4 areas, that carrier would be eligible for the service in those tier 4 areas.

TNW Wireless holds tier 2 licenses within the Province of British Columbia (ISED service area 2-013) and the Yukon Territory (ISED service area 2-014). As such it is management’s understanding is that TNW Wireless has mandated access and can operate as a regional carrier in the entirety of these regions (this is different from its licensed spectrum areas which represent geographical areas where it is permitted to transmit radio signals). National coverage remains available to TNW Wireless under 2019-56.

The Company is reviewing its business plan based this new regulatory framework.

On March 22, 2019 the Company announced the completion of the acquisition of TNW Wireless subject to regulatory approval by ISED under a deemed transfer process. Under the agreement, Investel receives 35 million common shares of the Company in exchange for all issued and outstanding shares of TNW Wireless and the Company assumed CD\$2.5 million in promissory notes. TNW Wireless also has a CD\$1.5 million promissory note in favour of a family trust whose beneficiaries are the children of its Director.

On March 25, 2019 the Company announced that CD \$2.1 million of the CD \$2.5 million in promissory notes plus accrued interest would be converted by the note holder, RuralCom Capital Corporation (“RCAP”), into shares of the Company. Subsequently on April 12, 2019 RCAP was issued 11,500,000 shares of the Company.

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NOTE 1 – ORGANIZATION AND NATURE OF OPERATIONS (CONTINUED)

On April 26, 2019 the Company received written confirmation from ISED that it had approved the deemed transfer of TNW Wireless to the Company and the Company is currently developing a revised business plan for TNW Wireless based on current circumstances.

Any professional fees incurred for TNW Wireless from June 28, 2017 through to the acquisition date, related to the Part 1 Application, legal/license fees and administration paid for by the Company as agreed to, are reflected in the consolidated balance sheet as of March 31, 2021 are included in “Deposits on potential acquisitions”.

TNW Networks Corp.

On June 30, 2017 the Company announced the intent to acquire TNW Networks Corp. (“TNW Networks”) from Fiducie Familiale JAMA (“JAMA”), a family trust registered in the Province of Quebec and whose beneficiaries are children of the Company’s President. TNW is a provider of telecommunications and cloud services. The acquisition of TNW Networks will represent an acquisition of entities under common control under Accounting Standard Codification (“ASC”) 805. As a result, the value of the assets and liabilities that will be acquired will be at book value. TNW Networks provides turnkey operational support for its clients. The Company was previously provided banking services to TNW Networks.

The potential acquisition of TNW Network’s assets is deemed by Management to support the Company’s development plan including TNW Wireless and iFramed (see below).

The Company was aware that on November 18, 2016, two of TNW Networks’ clients, 8640025 Canada Inc. (“8640”) and its wholly-owned subsidiary Telephone Data Centers Inc. (“TDC”) filed a Notice of Intention to make a Proposal pursuant to the Bankruptcy and Insolvency Act and on November 25, 2016 proceedings (“Proceedings”) were commenced by 8640 and TDC under the Companies’ Creditors Arrangement Act (“CCAA”) however it was non-Petitioner assets which were of interest to the Company. As a result of the Proceedings, certain of TNW client relationships and 3rd party assets which the Company believes were not assets of the Petitioners were nevertheless claimed in the Proceedings by the CCAA Monitor. In two instances during in the course of the Proceedings, the determination of ownership by Monitor was appealed to the British Columbia Court of Appeal and in both instances the Court of Appeal ruled unanimously against the Monitor. On March 18, 2019 a portion of certain 3rd party assets were released by the Monitor and was transferred to the Company. On April 23, 2019 the British Columbia Court of Appeal (“BCA”) granted a third leave to appeal related to determination of ownership of assets in question and the appeal was heard on October 15 and 16, 2019.

On December 28, 2019 the BCA denied the appeal and subsequently on February 25, 2020 TNW Networks filed a leave to appeal with the Supreme Court of Canada and such leave was denied on November 5, 2020. As a result, TNW Networks is currently seeking payment for services it has provided to 8640 in the course of business.

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NOTE 1 – ORGANIZATION AND NATURE OF OPERATIONS (CONTINUED)

Subsequently, on August 13, 2021 the Monitor filed a Notice of Application approving the sale, assignment, transfer, and conveyance all of the remaining assets of the Petitioner. Subsequently on September 1, 2021, TNW Networks and affiliates file a Notice of Response to the Court, arguing that the Monitor cannot rely on its arguments at paragraphs 63 and 64 its nineteenth report to clothe the court with jurisdiction to vest property in a purchaser when the title to that property is unclear and sought an adjournment of the sales process. The adjournment was granted by the Court and it will hear full arguments on the issue later in 2021.

The Company agreed as part of the acquisition process to provide limited financial support for the litigation process related to the release of assets back to TNW Networks and certain operating costs of the TNW Networks assets. This support is at the full discretion of the Company.

The charges incurred for this support are included in the consolidated balance sheet as of March 31, 2021 are included as “Deposits on potential acquisitions”. Under the terms of the agreement the final purchase price will be determined via an independent appraisal upon release of any assets and any financial support provided to the Company would be applied against the purchase price. Should the assets received be valued below the amount advanced, the Company will be required to write off some or all of these deposits based on the difference between the value of the deposits less the value of the assets received. Should the Company decide not to acquire TNW Networks, the entire advance would be written off.

iFramed

On June 28, 2017, the Company announced that it had entered into a Rights Transfer Agreement (the “Rights Transfer Agreement”) for the iFramed social media posting technology on June 23, 2017. The Rights Transfer Agreement assigned to the Company from iFramed Canada Inc. and Investel Capital Corporation (Canada), a company beneficially controlled by the majority shareholders of the Company, the license rights and litigation rights to the technology related to iFramed as well as rights for iFramed in their patent infringement lawsuit with Snap Inc. in the Federal Court of Canada. Benoit Laliberte, the Company’s President is the inventor of the patent and Investel Capital Corporation (Canada) is the iFramed patent owner of record with the Canadian and United States Patent Office. Both iFramed and Investel Capital Corporation are related parties through common ownership.

Under the Rights Transfer Agreement, the Company was granted all rights to the iFramed technology including all commercialization rights held by iFramed Canada and rights to protect the technology via existing or future litigation and the proceeds from any such litigation. As a result of the transfer of these rights, the Company assumed responsibility for patent infringement litigation against Snap Inc. (“Snap”).

Subsequently, ownership was challenged by third parties claiming the iFramed intellectual property resided in Investel Capital Corporation (BVI) (“Investel BVI”), a company registered in the British Virgin Islands and which on March 2, 2018 was placed into receivership. All records showed that the iFramed patent was

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NOTE 1 – ORGANIZATION AND NATURE OF OPERATIONS (CONTINUED)

owned by Investel Canada. On October 27, 2020 the receivership was lifted and all third-party claims to the iFramed patent were withdrawn.

During the second quarter of 2021 after reviewing the cost and effort required to pursue the actions against Snap, the Company withdrew actions on a without prejudice basis.

As part of the Rights Transfer Agreement, the Company had until June 23, 2018 to complete a share exchange agreement (“Share Exchange Agreement”) with iFramed. The Share Exchange Agreement could not be entered into as the Company needed to execute certain provisions of the Rights Transfer Agreement that have taken longer than previously anticipated. As a result, on June 1, 2018, the Company and iFramed and Investel Capital Corporation executed an extension to enter into the Share Exchange Agreement to

December 31, 2018. On December 31, 2018, the Company and iFramed and Investel Capital Corporation executed an extension to enter into a Share Exchange Agreement until December 31, 2019.

Subsequently on January 1, 2020 the Company, iFramed and Investel Capital Corporation agreed to extend the Share Exchange Agreement to December 31, 2022.

On January 31, 2018, the Company along with Investel, filed a patent infringement suit against Facebook Inc. in the Federal Court of Canada alleging amongst other things that Facebook’s “Frames” and “Geostickers” which use the geolocation of social media users in order to provide on demand insertion of external content in the form of a frame or overlay on pictures or videos, infringes upon several claims held by the iFramed patent. Facebook had previously been sent a notice to cease and desist the use of the alleged infringing technology by United American Corp on October 12, 2017. On December 6, 2020 the Company received confirmation that Facebook (and by extension, Instagram as a wholly-owned subsidiary), had executed a limited license agreement for iFramed through its membership in Unified Patents LLC which provides use of iFramed technology as it pertains to non-smartphone applications. The key issue of Geostickers was not addressed in the license and as such the matter remains pending.

Action Against Bitmain *et al.*

On December 6, 2018 the Company launched a suit for damages and injunctive relief against Bitmain, Bitcoin.com, Roger Ver, the Kraken Bitcoin Exchange and other individuals that are related to what the Company alleges to have been a well-planned scheme to take control of the Bitcoin Cash network for personal gain and which caused a global capitalization meltdown of the Bitcoin Cash network at the expense of others.

The suit was launched in the US District Court for the Southern District of Florida alleges that the defendants collectively engaged in unfair methods of competition and through a series of unconscionable, deceptive and unfair practices, manipulated the Bitcoin Cash network for their benefit and to the detriment of UnitedCorp and other Bitcoin Cash stakeholders. UnitedCorp believes that the defendants colluded to

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NOTE 1 – ORGANIZATION AND NATURE OF OPERATIONS (CONTINUED)

effectively hijack the Bitcoin Cash network after the November, 15, 2018 scheduled software update with the intent of centralizing the network.

The defendants filed a motion to dismiss the complaint in its entirety which was denied but the defendants were granted the opportunity to refile their motion. On April 1, 2021 the defendant's motion to dismiss was granted on grounds of jurisdiction. Management will not likely pursue further action on the matter as market conditions have materially changed since the suit was initially launched and any potential outcome of the suit would no longer be relevant to the Company's operations.

Cease Trade Order in the Province of Quebec

On March 26, 2020 the Quebec Autorité des marchés financiers ("AMF") issued a cease trade order ("Order") against the Company citing failure to file documents and information required if a company is a reporting issuer in Quebec under section 73 of the Securities Act, CQLR, c. V-1.1 (the "Law") and section 5 of Regulation 51-105 (the "default"). The Order applies to trading of the Company's securities in Canada. Under 51-105 a reporting issuer is an issuer that:

- (a) on or after July 31, 2012, its business has been directed or administered in or from the local jurisdiction,
- (b) on or after July 31, 2012, promotional activities have been carried on in or from the local jurisdiction,
- (c) the ticker-symbol date is on or after July 31, 2012, and, on or before the ticker-symbol date, the issuer distributed a security to a person resident in the local jurisdiction and that security is of the class of securities that became the issuer's OTC-quoted securities.

The Company responded that;

With respect to (a), the company is administered from Miami, Florida. There were no Directors who are residents of Québec. Directors were based in the United States, Ontario, and British Columbia. Mr. Joseph Côté who was resident of Québec, resigned in October 2019.

With respect to (b), there have not been any promotional activities in the Province of Québec on or after July 31, 2012.

With respect to (c), the UAMA ticker-symbol date precedes July 31, 2012 by several years.

As such the Company on May 8, 2020 and March 22, 2021 requested that the AMF reverse its decision 2020-IC-0005 on the grounds that United American Corp did not meet the designation and determination

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NOTE 1 – ORGANIZATION AND NATURE OF OPERATIONS (CONTINUED)

of being a reporting issuer under the published guidelines or in the alternative that it revoke its status as a reporting issuer.

The matter remains under discussion with the AMF.

NOTE 2 – BASIS OF PRESENTATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Presentation

The accompanying consolidated financial statements have been prepared in accordance with accounting principles generally accepted in the United States of America (“U.S. GAAP”) and the regulations of the United States Securities and Exchange Commission. The consolidated financial statements and accompanying notes are the representations of the Company’s management, who are responsible for their integrity and objectivity.

Principles of Consolidation

The consolidated financial statements include the accounts and activities of United American Corp., and its wholly-owned subsidiary CETAC. All intercompany transactions have been eliminated in consolidation.

Use of Estimates

The preparation of financial statements in conformity with GAAP 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 amounts of revenues and expenses during the reporting periods. These estimates include, but are not limited to, management’s estimate of the valuation allowances of our deferred tax assets and depreciation on our fixed assets. Actual results could differ from those estimates.

Cash

Cash and cash equivalents include cash on hand and on deposit at banking institutions as well as all highly liquid short-term investments with original maturities of 90 days or less. The Company has no cash equivalents as of June 30, 2021 and 2020.

Accounts Receivable and Concentration of Credit Risk

The Company’s policy is to consider accounts receivable, net of allowance for returns and doubtful accounts, to be fully collectible. The Company would record an allowance based on management’s estimate of the overall collectability of accounts receivable, considering historical losses and economic conditions. Based on these same factors, individual accounts would be charged off against the allowance when

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NOTE 2 – BASIS OF PRESENTATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

management determines those individual accounts are uncollectible. Credit extended to customers is generally uncollateralized. Past-due status is based on contractual terms. As of December 31, 2019 the Company had two major customers and as such high customer concentration. The Company has mitigated this risk through contractual terms which typically include payment up to 45 days in advance of services and through advances and deposits from the customer (see Note 1).

Subsequently on February 12, 2020, the Company had one customer and it began to undertake its own mining activities and as such significantly reduced its accounts receivable.

As of June 30, 2021, the Company had \$41,101 in Accounts Receivable which represents the amount due as a rebate from its supplier of electricity.

Fixed Assets and Long-Lived Assets

Fixed assets are stated at cost. Depreciation on fixed assets is computed using the straight-line method over the estimated useful lives of the assets.

The Company has the following fixed assets:

Computer equipment	3 years estimated life
Blockchain Dome	25 years estimated life

FASB Codification Topic 360 “Property, Plant and Equipment” (ASC 360), requires that long-lived assets and certain identifiable intangibles held and used by an entity be reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount of an asset may not be recoverable. The application of ASC 360 has not materially affected the Company’s reported earnings, financial condition or cash flows.

Intangible assets with definite useful lives are stated at cost less accumulated amortization.

The Company will assess the impairment of identifiable intangibles whenever events or changes in circumstances indicate that the carrying value may not be recoverable at the time they do have intangible assets. Factors the Company considers to be important which could trigger an impairment review include the following:

1. Significant underperformance relative to expected historical or projected future operating results;
2. Significant changes in the manner of use of the acquired assets or the strategy for the overall business; and
3. Significant negative industry or economic trends.

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NOTE 2 – BASIS OF PRESENTATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

When the Company determines that the carrying value of intangibles may not be recoverable based upon the existence of one or more of the above indicators of impairment and the carrying value of the asset cannot be recovered from projected undiscounted cash flows, the Company records an impairment charge. The Company will measure any impairment based on a projected discounted cash flow method using a discount rate determined by management to be commensurate with the risk inherent in the current business model.

Significant management judgment is required in determining whether an indicator of impairment exists and in projecting cash flows.

Revenue Recognition

The Company's policy is to recognize revenue when the following criteria have been met:

Evidence of an arrangement exists. The Company will consider a customer purchase order, service agreement, contract, or equivalent document to be evidence of an arrangement.

Delivery has occurred. Delivery is considered to have occurred when the Company has delivered the items detailed in the PO or contract.

The fee is fixed or determinable. The Company will consider the fee to be fixed or determinable if the fee is not subject to refund or adjustment and payment terms are standard, which will be generally 30-60 days.

Collection is deemed reasonably assured. Collection will be deemed reasonably assured if it is expected that the customer will be able to pay amounts under the arrangement as payments become due.

The Company will adopt ASC 606 commencing January 1, 2018 and is evaluating the current contracts in place under the Hosting Agreement on the impact that this standard will have on their financial position and results of operation.

Deferred Revenues

We record payments we receive in advance, including upfront non-refundable payments, as deferred revenues until we provide the service or deliver the product to customers. Typically, the Company bills its clients 30-45 days in advance of delivery of service.

Deferred revenues also include amounts billed under multiple-element sales contracts where the conditions to account separately for each product or service sold have not been met.

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NOTE 2 – BASIS OF PRESENTATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Accounts Receivable

The Company conducts business and extends credit based on an evaluation of the customers' financial condition, generally without requiring collateral.

Exposure to losses on receivables is expected to vary by customer due to the financial condition of each customer. The Company monitors exposure to credit losses and maintains allowances for anticipated losses considered necessary under the circumstances. The Company has no allowance for doubtful accounts at June 30, 2021.

Segment Information

The Company follows the provisions of ASC 280-10, "Disclosures about Segments of an Enterprise and Related Information". This standard requires that companies disclose operating segments based on the manner in which management disaggregates the Company in making internal operating decisions. Up to December 31, 2017, the Company had not segregated the business

With completion of the first phase of development by the Company's subsidiary CETAC in November 2018, the Company elected to segregate revenues and expenses of these operations from those of the parent.

Furthermore, since consulting revenues are provided on an ad hoc basis, these revenues have been further segregated from regular operations when these occur and should be viewed as an extraordinary revenue item as the Company cannot predict this revenue stream.

For the quarter ended June 30, 2021, all revenues accrued from Data Center Dome Heat Station operations (either as a miner or a hosting provider). As such, beginning fiscal year 2020 the Company has not segregated its revenues.

Income Taxes and Uncertain Tax Positions

The Company follows ASC 740-10, "Accounting for Uncertainty in Income Taxes". This requires recognition and measurement of uncertain income tax positions using a "more-likely-than-not" approach. Management evaluates their tax positions on an annual basis.

The Company files income tax returns in the U.S. federal tax jurisdiction and various state tax jurisdictions. The federal and state income tax returns of the Company are subject to examination by the IRS and state taxing authorities, generally for three years after they were filed.

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NOTE 2 – BASIS OF PRESENTATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

On December 22, 2017, Public Law 115-97, informally referred to as the Tax Cuts and Jobs Act (“the TCJA”) was enacted into law. The TCJA provides for significant changes to the U.S. Internal Revenue Code of 1986, as amended, that impact corporate taxation requirements. Effective January 1, 2018, the federal tax rate for corporations was reduced from 34% to 21% for US taxable income and requires one-time re-measurement of deferred taxes to reflect their value at a lower tax rate of 21%. Also, mandatory repatriation of untaxed foreign earnings and profits will be taxed at 15.5% to the extent the underlying assets are liquid and 8% on the remaining balance. There are other provisions to the TCJA, such as conversion of a worldwide system to a territorial system, limitations on interest expense and domestic production deductions, which will be effective in fiscal 2019. The Company anticipates its effective tax rate to be 28% to 30%, excluding the one-time impact of the TCJA for fiscal 2018 primarily due to the reduction in the federal tax rate. The Company’s actual effective tax rate for fiscal 2018 may differ from management’s estimate due to changes in interpretations and assumptions.

Due to the timing of enactment and complexity of the TCJA, the Company is unable to estimate a reasonable range of the one-time impact associated with mandatory repatriation, re-measurement of deferred taxes and other provisions of the TCJA.

Fair Value of Financial Instruments

ASC 825, “*Financial Instruments*,” requires the Company to disclose estimated fair values for its financial instruments. Fair value estimates, methods, and assumptions are set forth below for the Company’s financial instruments: The carrying amount of cash, accounts receivable, prepaid and other current assets, accounts payable and accrued expenses, stockholder advances, short term financing and debt when the Company will recognize each of these will approximate fair value because of the short-term maturity of those instruments. The Company does not utilize derivative instruments.

Recoverability of Long-Lived Assets

The Company will review recoverability of long-lived assets on a periodic basis whenever events and changes in circumstances have occurred which may indicate a possible impairment. The assessment for potential impairment is based primarily on the Company’s ability to recover the carrying value of its long-lived assets from expected future cash flows from its operations on an undiscounted basis. If such assets are determined to be impaired, the impairment recognized is the amount by which the carrying value of the assets exceeds the fair value of the assets. Fixed assets to be disposed of by sale will be carried at the lower of the then current carrying value or fair value less estimated costs to sell.

Earnings (Loss) Per Share of Common Stock

Basic net income (loss) per common share is computed using the weighted average number of common shares outstanding. Diluted earnings per share (EPS) may include additional dilution from common stock equivalents, such as convertible notes, preferred stock, stock issuable pursuant to the exercise of stock

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NOTE 2 – BASIS OF PRESENTATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

options and warrants. Common stock equivalents are not included in the computation of diluted earnings per share when the Company reports a loss because to do so would be anti-dilutive for periods presented. The shares underlying the warrants that have been issued have been excluded from the computation of loss per share because their impact was anti-dilutive.

Related Party Transactions

Parties are considered to be related to the Company if the parties directly or indirectly, through one or more intermediaries, control, are controlled by, or are under common control with the Company. Related parties also include principal stockholders of the Company, its management, members of the immediate families of principal stockholders of the Company and its management and other parties with which the Company may deal where 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. The Company discloses all related party transactions. All transactions shall be recorded at fair value of the goods or services exchanged.

Property purchased from a related party is recorded at the cost to the related party and any payment to or on behalf of the related party in excess of the cost is reflected as compensation or distribution to related parties depending on the transaction. The Company has identified potential acquisitions of companies under common control in Note 1.

Research and Development

The Company's policy is to expense research and development expenses as they are incurred. Any such cost is included in the Company's consolidated statements of operations for the periods ended June 30, 2021 and 2020, respectively.

The Company's President has filed patents on behalf of the Company and its subsidiary. These patents have been assigned to the Company. There is no value placed on the patent applications that have been assigned to the Company.

Recently Issued Accounting Standards

In August 2016, the Financial Accounting Standards Board (FASB) issued Accounting Standard Update (ASU) No. 2016-15, "*Statement of Cash Flows (Topic 230), Classification of Certain Cash Receipts and Cash Payments*". The amendments in this update provided guidance on eight specific cash flow issues.

This update is to provide specific guidance on each of the eight issues, thereby reducing the diversity in practice in how certain transactions are classified in the statement of cash flows. ASU 2016-15 is effective for fiscal years and interim periods beginning after December 31, 2017. Early adoption is permitted. The Company is assessing the impact, if any, of implementing this guidance on its financial position, results of operations and liquidity.

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NOTE 2 – BASIS OF PRESENTATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

In February 2016, the FASB issued ASU No. 2016-02, “*Leases (Topic 842)*”. ASU 2016-02 changes the accounting for leased assets, principally by requiring balance sheet recognition of assets under lease arrangements. It is effective for annual reporting periods, and interim periods within those years, beginning after December 15, 2018. The Company is currently in the process of evaluating the impact of the adoption of ASU 2016-02 on its financial statements.

In May 2014, August 2015 and May 2016, the FASB issued ASU 2014-09, “*Revenue from Contracts with Customers*”, ASU 2015-14, “*Revenue from Contracts with Customers, Deferral of the Effective Date*”, and ASU 2016-12, “*Revenue from Contracts with Customers, Narrow-Scope Improvements and Practical Expedients*”, respectively, which implement ASC Topic 606. ASC Topic 606 outlines a single comprehensive model for entities to use in accounting for revenue arising from contracts with customers and supersedes most current revenue recognition guidance under US GAAP, including industry-specific guidance. It also requires entities to disclose both quantitative and qualitative information that enable financial statements users to understand the nature, amount, timing, and uncertainty of revenue and cash flows arising from contracts with customers.

The amendments in these ASUs are effective for annual periods beginning after December 15, 2017, and interim periods therein. Early adoption is permitted for annual periods beginning after December 15, 2016.

These ASUs may be applied retrospectively with accumulative adjustment to retained earnings in the year of adoption. The Company is currently assessing the impact of the recognition of revenue with respect to the Hosting Agreement in implementing this guidance on its financial position, results of operations and liquidity.

In January 2017, the FASB issued ASU 2017-04 *Intangibles – Goodwill and Other (Topic 350), Simplifying the Test for Goodwill Impairment*. The amendments in this update are required for public business entities that have goodwill reported in their financial statements and have not elected the private company alternative for the subsequent measurement of goodwill. The update is intended to simplify the annual or interim goodwill impairment test. A public business entity that is a U.S. SEC filer must adopt the amendments in this update for its annual or interim goodwill impairment tests in fiscal years beginning after December 15, 2019. Early adoption is permitted for interim or annual goodwill impairment tests performed on testing dates after January 1, 2017. The Company is assessing the impact, if any, of implementing this guidance on its financial position, results of operations and liquidity.

In January 2017, the FASB issued ASU 2017-01 *Business Combinations (Topic 805), Clarifying the Definition of a Business*. The amendments in this update are required for public business entities that have goodwill reported in their financial statements and have not elected the private company alternative for the subsequent measurement of goodwill. The update is intended to clarify the definition of a business with the objective of adding guidance to assist entities with evaluating whether transactions should be accounted for as acquisitions (or disposals) of assets or businesses. The definition of a business affects many areas of accounting including acquisitions, disposals, goodwill, and consolidation. Public business entities must apply the amendments in this update to annual periods beginning after December 15, 2017. Early application is permitted under certain conditions. The Company has determined that there will be no material impact, in the implementation of this guidance on its financial position, results of operations and liquidity.

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NOTE 2 – BASIS OF PRESENTATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

There were other updates recently issued, most of which represent technical corrections to the accounting literature or application to specific industries or transactions that are not expected to have a material impact on the Company's financial position, results of operations or cash flows.

Going Concern

The Company had an accumulated deficit of \$3,727,438 and \$4,824,497 as of June 30, 2021 and 2020, respectively. In March 2018 the Company, through CETAC commenced operations related to its BlockchainDomes technology. While there continues to be certain commercial, technical and regulatory risks as disclosed, related to the development and operations of the DataCenter Dome business and inherent risks related to fluctuations in the value of cryptocurrency, the Company believes that its overall low costs of operations and the increasing liquidity of cryptocurrencies will allow the Company to continue as a going concern. The Company cannot predict the outcome or any regulatory hearings or legal proceedings which may affect its operations however the Company intends to vigorously defend its position with respect to any such actions. The market for underlying currencies in blockchain operations is volatile and while the Company does not hold or transact in any of these virtual currencies, its profitability is dependent on the respective virtual currency markets. As such the Company is indirectly (related to its hosting client(s)) and directly affected by profitability of virtual currency mining. The Company is mitigating this risk through the development of technologies related to traditional data center operations and is pursuing opportunities in this market as well as in greenhouse operations.

These financial statements of the Company have been prepared assuming that the Company will among other things, execute its business plan. The financial statements of the Company do not include any adjustments that may result from the outcome of the uncertainties described except for disputed penalties paid to its electrical supplier as detailed in Note 1.

The Company plans to raise additional capital to carry out its business plan. Although the Company has been successful in raising sufficient financing in the past to meet its cash requirements through equity and debt, the Company's ability to raise additional capital through future equity and debt securities issuances is unknown. Obtaining additional financing, the successful development of the Company's contemplated plan of operations, ultimately, to profitable operations are necessary for the Company to continue operations.

NOTE 3 – COST OF REVENUES

Primary cost of revenues or Data Center Dome Heat Stations are related to the cost of electricity which is provided by a local electrical cooperative. As a cooperative, the power supplier provides rebates in on the cost of power based on profitability of its operations. The Company records the full cost of power as incurred and as invoiced. If and when the Company receives rebates on its electrical consumption, they are recorded against electrical charges at the time of receipt the rebate as the timing and amount of a given rebate is not predictable. Where the company can predict the such rebates, they are recorded in accounts receivable. As these rebates can be significant, certain periods may show significantly reduced cost of revenues relative to other periods or negative cost of revenues.

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NOTE 4 - ADVANCES PAYABLE

On September 1, 2017, the Company entered into an agreement with 9541, a Canadian company doing business as “TNW” to provide 9541 with banking services in the United States for its US customers. This agreement superseded a similar arrangement with TNW Networks Inc. dated April 1, 2017 and previously with Telephone Navigata-Westel Communication Inc. dated June 14, 2014 for the same customers. Under the agreement, the Company collected certain of 9541’s receivables in the Company’s bank account and remitted the funds to 9541 or its assign net of any direct charges (including bank fees, processing charges, merchant fees, etc.) and net of any payments made from the bank account on 9541’s behalf. This agreement was terminated on September 30, 2018 however 9541 does provide payment services for the Company on an *ad hoc* basis.

Additionally, the Company has \$203,340 in advances due to a former Director of the Company for payments made for goods and services rendered on behalf of the Company.

NOTE 5 - STOCKHOLDERS’ EQUITY

Common Stock

As of March 31, 2021 and 2020 the Company had 200,000,000 shares of common stock authorized with a par value of \$0.001.

As of March 31, 2021 and 2020, the Company had 151,072,417 and 126,072,417 shares issued and outstanding respectively.

On March 21, 2019 the company entered into a final agreement with Investel Capital Corporation (Canada) (“Investel”) for the acquisition of TNW Wireless in a share exchange agreement. The Company received all issued and outstanding shares of TNW Wireless and assumed CD \$2.5 million in promissory notes in exchange of 35,000,000 common shares to be issued to Investel. Twenty-five million shares which were issued on March 19, 2021 and 10,000,000 shares will be issued later in 2021.

On March 22, 2019 the Company entered into an agreement with RCAP to convert a CD \$2.1 million promissory note with TNW Wireless plus accrued interest for 11,500,000 shares of common stock. These shares were subsequently issued to RCAP on April 12, 2019.

On December 7, 2019, as part of an agreement with Kai Commercial Trust related to a \$400,000 promissory note due on December 31, 2019 from TNW Wireless Inc., one of the Company’s wholly owned subsidiary, the Company issued 2,500,000 warrants exercisable for common shares at US\$0.10 per share with an expiry date of June 30, 2024

On December 1, 2020 the Company acquired Tech’s servers which had a market value of \$1.75 million in exchange of 1.75 million common shares of the company to be issued to Investel Capital Corporation, a company controlled by the Company’s President.

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NOTE 5 - STOCKHOLDERS' EQUITY (CONTINUED)

Warrants

As part of the subscription agreements noted herein, the following warrants were issued in 2017 to 2020:

Date of Issue	Number of Warrants Issued	Exercise Price	Expiry Date
May 26, 2017	750,000	\$ 0.10	May 26, 2019
June 1, 2017	250,000	\$ 0.10	June 1, 2019
June 14, 2017	400,000	\$ 0.10	June 14, 2019
June 22, 2017	750,000	\$ 0.10	June 22, 2019
December 19, 2017	1,600,000	\$ 0.10	December 19, 2019
January 12, 2018	1,275,000	\$ 0.10	January 12, 2020
March 9, 2018	570,000	\$ 0.10	March 9, 2020
December 7, 2019	2,500,000	\$ 0.10	June 3, 2024
	<u>8,095,000</u>		

In addition, 500,000 warrants (included in above table) were exercised for cash of \$50,000 on February 12, 2018.