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**UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549**

FORM 10-Q

QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For Quarterly Period Ended June 30, 2025

or

TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the transition period from _____ to _____

Commission File Number 000-54239



Hypha Labs, Inc.

(Exact name of registrant as specified in its charter)

Nevada

(State or other jurisdiction of
incorporation or organization)

27-3601979

(I.R.S. Employer
Identification No.)

5940 S. Rainbow Boulevard, Las Vegas, NV

(Address of principal executive offices)

89118

(Zip Code)

(702) 527-2060

(Registrant's telephone number, including area code)

Securities registered pursuant to Section 12(b) of the Act:

Title of each class	Trading Symbol(s)	Name of each exchange on which registered
N/A	N/A	N/A

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days.

Yes

No

Indicate by check mark whether the registrant has submitted electronically every Interactive Data File required to be submitted pursuant to Rule 405 of Regulation S-T (§232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit such files).

Yes

No

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, a smaller reporting company, or an emerging growth company. See definitions of "large accelerated filer," "accelerated filer," "smaller reporting company," and "emerging growth company" in Rule 12b-2 of the Exchange Act.

Large accelerated filer

Accelerated filer

Non-accelerated filer

Smaller reporting company

Emerging growth company

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act.

Indicate by check mark whether the Registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act).

Yes

No

The number of shares of the registrant's common stock outstanding as of August 21, 2025 was 145,121,825.

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PART I – FINANCIAL INFORMATION

ITEM 1. FINANCIAL STATEMENTS.

HYPHA LABS, INC. AND SUBSIDIARIES
CONSOLIDATED BALANCE SHEETS

	June 30, 2025 (Unaudited)	September 30, 2024
Assets		
Current assets:		
Cash	\$ 147,192	\$ 91,166
Prepays and other current assets	40,156	289,024
Deferred offering costs	153,032	30,000
Total current assets	340,380	410,190
Fixed assets, net		
Right-of-use asset	78,083	26,609
Total non-current assets	35,640	57,006
	113,723	83,615
Total Assets	\$ 454,103	\$ 493,805
Liabilities and Stockholders' Deficit		
Current liabilities:		
Accounts payable	\$ 383,256	\$ 86,348
Accrued expenses	223,034	166,726
Accrued expenses – related parties	59,901	25,923
Current maturities of notes payable	275,733	-
Current maturities of convertible notes payable, net of discounts	1,208,235	1,078,235
Lease liability – current	36,545	36,428
Total current liabilities	2,186,704	1,393,660
Non-current liabilities:		
Lease liability - long term	-	26,838
Total non-current liabilities	-	26,838
Total Liabilities	2,186,704	1,420,498
Series B convertible preferred stock, \$0.001 par value, 1,500,000 shares authorized; 333,600 shares issued and outstanding as of June 30, 2025 and September 30, 2024	333,600	333,600
Commitments and Contingencies	-	-
Stockholders' Deficit:		
Series A convertible preferred stock, \$0.001 par value, 6,000,000 shares authorized; 1,047,942 shares issued and outstanding as of June 30, 2025 and September 30, 2024	1,048	1,048
Series C preferred stock, \$0.001 par value, 1,000 shares authorized; 1,000 and no shares issued and outstanding as of June 30, 2025 and September 30, 2024, respectively	1	-
Series D preferred stock, \$0.001 par value, 60,000,000 shares authorized; no shares issued and outstanding as of June 30, 2025 and September 30, 2024, respectively	-	-
Common stock, \$0.001 par value, 880,000,000 shares authorized; 145,121,825 and 123,046,825 shares issued and outstanding as of June 30, 2025 and September 30, 2024, respectively	145,121	123,046
Additional paid-in capital	20,878,541	19,163,039
Accumulated deficit	(23,090,912)	(20,547,426)
Total Stockholders' Deficit	(2,066,201)	(1,260,293)
Total Liabilities and Stockholders' Deficit	\$ 454,103	\$ 493,805

See accompanying notes to unaudited consolidated financial statements.

HYPHA LABS, INC. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF OPERATIONS
(Unaudited)

	For the Three Months Ended		For the Nine Months Ended	
	June 30,		June 30,	
	2025	2024	2025	2024
Revenues	\$ -	\$ -	\$ -	\$ -
Cost of sales	-	-	-	-
Gross profit	-	-	-	-
Operating expenses:				
General and administrative	81,683	486,209	1,172,261	683,456
Professional fees	454,344	127,364	1,338,192	574,728
Total operating expenses	536,027	613,573	2,510,453	1,258,184
Operating loss	(536,027)	(613,573)	(2,510,453)	1,258,184
Other income (expense):				
Gain on sale of subsidiary assets	-	(94,441)	(20,003)	1,502,064
Interest income	-	-	8,000	-
Recovery of previously written off receivables	-	-	50,000	-
Other income	-	-	-	13,896
Loss on debt extinguishment	-	-	-	(956,494)
Interest expense	(25,996)	(21,631)	(71,030)	(179,902)
Total other income (expense)	(25,996)	(116,072)	(33,033)	379,564
Net loss from continuing operations before income taxes	(562,023)	(729,645)	(2,543,486)	(878,620)
Provision for income taxes	-	22,748	-	(25,966)
Net loss from continuing operations	(562,023)	(706,897)	(2,543,486)	(904,586)
Net income from discontinued operations, net of taxes	-	-	-	585,156
Net income (loss)	\$ (562,023)	\$ (706,897)	\$ (2,543,486)	\$ (319,430)
Weighted average number of common shares outstanding – basic	136,951,495	107,730,705	130,817,429	95,605,702
Weighted average number of common shares outstanding – fully diluted	136,951,495	107,730,705	130,817,429	95,605,702
Net loss per share from continuing operations – basic	\$ (0.00)	\$ (0.01)	\$ (0.02)	\$ (0.01)
Net income (loss) per share from discontinued operations – basic	\$ -	\$ 0.00	\$ -	\$ 0.01
Net income (loss) per share – basic	\$ (0.00)	\$ (0.01)	\$ (0.02)	\$ 0.00
Net loss per share from continuing operations – diluted	\$ (0.00)	\$ (0.01)	\$ (0.02)	\$ (0.01)
Net income (loss) per share from discontinued operations – diluted	\$ -	\$ 0.00	\$ -	\$ (0.00)
Net income (loss) per share – diluted	\$ (0.00)	\$ (0.01)	\$ (0.02)	\$ (0.00)

See accompanying notes to unaudited consolidated financial statements.

HYPHA LABS, INC. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF STOCKHOLDERS' DEFICIT
(Unaudited)

	Series B Convertible Preferred Stock		Series A Convertible Preferred Stock		Series C Preferred Stock		Common Stock		Additional Paid-in Capital	Accumulated Deficit	Total Stockholders' Deficit
	Shares	Amount	Shares	Amount	Shares	Amount	Shares	Amount			
Balance, September 30, 2024	333,600	\$ 333,600	1,047,942	\$ 1,048	-	\$ -	123,046,825	\$ 123,046	\$ 19,163,039	\$ (20,547,426)	\$ (1,260,293)
Stock-based compensation	-	-	-	-	-	-	3,500,000	3,500	63,500	-	67,000
Issuance of shares of Series C preferred stock	-	-	-	-	1,000	1	-	-	968,455	-	968,456
Net income	-	-	-	-	-	-	-	-	-	(1,339,641)	(1,339,641)
Balance, December 31, 2024	333,600	333,600	1,047,942	1,048	1,000	1	126,546,825	126,546	20,194,994	(21,887,067)	(1,564,478)
Stock-based compensation	-	-	-	-	-	-	10,075,000	10,075	378,988	-	389,063
Net income	-	-	-	-	-	-	-	-	-	(641,822)	(641,822)
Balance, March 31, 2025	333,600	333,600	1,047,942	1,048	1,000	1	136,621,825	136,621	20,573,982	(22,528,889)	(1,817,237)
Stock-based compensation	-	-	-	-	-	-	8,500,000	8,500	304,559	-	313,059
Net income	-	-	-	-	-	-	-	-	-	(562,023)	(562,023)
Balance, June 30, 2025	<u>333,600</u>	<u>\$ 333,600</u>	<u>1,047,942</u>	<u>\$ 1,048</u>	<u>1,000</u>	<u>\$ 1</u>	<u>145,121,825</u>	<u>\$ 145,121</u>	<u>\$ 20,878,541</u>	<u>\$ (23,090,912)</u>	<u>\$ (2,066,201)</u>
	Series B Convertible Preferred Stock		Series A Convertible Preferred Stock		Series C Preferred Stock		Common Stock		Additional Paid-in Capital	Accumulated Deficit	Total Stockholders' Deficit
	Shares	Amount	Shares	Amount	Shares	Amount	Shares	Amount			
Balance, September 30, 2023	333,600	\$ 333,600	1,047,942	\$ 1,048	-	\$ -	87,096,820	\$ 87,097	\$ 17,468,746	\$ (19,761,997)	\$ (2,205,106)
Stock-based compensation	-	-	-	-	-	-	-	-	1,153	-	1,153
Net Income	-	-	-	-	-	-	-	-	-	151,646	151,646
Balance, December 31, 2023	333,600	333,600	1,047,942	1,048	-	-	87,096,820	87,097	17,469,899	(19,610,351)	(2,052,307)
Shares issued for conversion of notes payable	-	-	-	-	-	-	4,000,000	4,000	36,000	-	40,000
Stock-based compensation	-	-	-	-	-	-	14,183,335	14,183	334,148	-	348,331
Modification of conversion price in debt extinguishment	-	-	-	-	-	-	-	-	956,494	-	956,494
Net income	-	-	-	-	-	-	-	-	-	235,821	235,821
Balance, March 31, 2024	333,600	\$ 333,600	1,047,942	\$ 1,048	-	\$ -	105,280,155	\$ 105,280	\$ 18,796,541	\$ (19,374,530)	\$ (471,661)
Stock-based compensation	-	-	-	-	-	-	7,433,335	7,433	180,631	-	188,064
Net income	-	-	-	-	-	-	-	-	-	(706,897)	(706,897)
Balance, June 30, 2024	<u>333,600</u>	<u>\$ 333,600</u>	<u>1,047,942</u>	<u>\$ 1,048</u>	<u>-</u>	<u>\$ -</u>	<u>112,713,490</u>	<u>\$ 112,713</u>	<u>\$ 18,977,172</u>	<u>\$ (20,081,427)</u>	<u>\$ (990,494)</u>

See accompanying notes to unaudited consolidated financial statements.

HYPHA LABS, INC. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CASH FLOWS
(Unaudited)

	For the Nine Months Ended	
	June 30,	
	2025	2024
Cash flows from operating activities		
Net loss from continuing operations	\$ (2,543,486)	\$ (904,586)
Adjustments to reconcile net loss to net cash used in operating activities:		
Depreciation	7,583	146
Gain on sale of subsidiary net assets	-	(1,502,064)
Loss on debt extinguishment	-	956,494
Stock-based compensation	1,737,478	537,548
Amortization of debt discounts	-	43,050
Amortization of right-of-use asset	21,366	-
Decrease (increase) in assets:		
Other current assets	248,868	(1,545)
Increase (decrease) in liabilities:		
Accounts payable	399,715	7,441
Accrued expenses	56,307	(116,036)
Accrued expenses – related parties	33,978	7,610
Lease liability	(26,721)	-
Net cash used in operating activities from continuing operations	(64,912)	(971,942)
Net cash provided by operating activities from discontinued operations	-	373,913
Net cash used in operating activities	(64,912)	(598,029)
Cash flows from investing activities		
Purchase of fixed assets	(1,730)	(17,467)
Cash received from sale of subsidiary net assets	-	2,126,934
Net cash provided by (used in) investing activities from continuing operations	(1,730)	2,109,467
Net cash used in investing activities from discontinued operations	-	(11,667)
Net cash provided by (used in) investing activities	(1,730)	2,097,800
Cash flows from financing activities		
Proceeds from notes payable	115,600	-
Repayments of notes payable	-	(595,965)
Proceeds from convertible notes payable	130,000	-
Repayments of convertible notes payable	-	(650,000)
Proceeds from sale of Series C Preferred shares	100	-
Payment of deferred offering costs	(123,032)	-
Net cash used in financing activities from continuing operations	122,668	(1,245,965)
Net cash used in financing activities from discontinued operations	-	(15,784)
Net cash used in financing activities	122,668	(1,261,749)
Net increase (decrease) in cash	56,026	238,022
Cash – beginning	91,166	271,006
Cash – ending	\$ 147,192	\$ 509,028
Supplemental disclosures:		
Interest paid	\$ -	\$ 266,533
Income taxes paid	\$ -	\$ -
Non-cash investing and financing activities:		
Accounts payable and accrued interest added to note principal balance	\$ -	\$ 39,965
Common stock issued for conversion of note payable	\$ -	\$ 40,000
Note payable issued for fixed assets and accounts payable	\$ 160,133	\$ -

See accompanying notes to unaudited consolidated financial statements.

HYPHA LABS, INC. AND SUBSIDIARIES
Notes to Consolidated Financial Statements
(Unaudited)

Note 1 – Nature of Business and Significant Accounting Policies

Nature of Business

Hypha Labs, Inc. was incorporated in Nevada on October 5, 2010. Hypha Labs, Inc. and its subsidiaries (“Hypha Labs,” the “Company,” “we,” “our” or “us”) was a service-oriented independent testing laboratory, data analytics and media firm focused on the developing cannabis and hemp markets and supported the cannabis industry’s best practices for reliable testing. Our mission was to provide pharmaceutical-grade analysis and testing to the cannabis industry, under ISO-17025:2017 guidelines, to ensure consumers and patients knew exactly what was in the cannabis they ingest and to help maximize the quality of our clients’ products through research, development, and standardization. Hypha Labs had been operating a cannabis-testing lab in Nevada since 2015.

On February 20, 2024, we completed the sale of the net assets of our wholly-owned subsidiary Digipath Labs, Inc. (“Digipath Labs”). As of that date, we were no longer in business as a service-oriented independent testing laboratory, data analytics and media firm focused on the developing cannabis and hemp markets, which supported the cannabis industry’s best practices for reliable testing, cannabis education and training. Following closing of the asset sale, the Company changed its name from Digipath, Inc. to Hypha Labs, Inc.

Hypha Products Inc., a wholly owned subsidiary of the Company, was formed on April 18, 2024 to engage in the research, development and commercialization of an accelerator, the Hypha Micropearl accelerator, a home appliance designed to accelerate the production of nutritionally beneficial mushrooms for human consumption. The Company’s easy-to-use device, together with its replacement cartridges, safely and effectively produces enriched mycelium of functional mushrooms, or Micropearls, in just eight days. These Micropearls contain active mushroom ingredients that offer a way to harness the medicinal properties of fungi in a concentrated, easy-to-handle, tasteless and odorless form. These Micropearls can be incorporated into various food and beverages without altering the flavor.

Our Hypha Micropearl accelerator will be sold with replaceable cartridges which are delivered pre-sterilized to the home and ready to be inserted into the device. These cartridges will be filled with powerful nutrient formulations which allow for the production of the Micropearls. The QR codes on the cartridges are scanned to the Hypha Labs app and inserted into the device and the Micropearls are produced and fully formed in eight days. After harvesting the Micropearls with a strainer, they are ready to be incorporated into a variety of foods. The cartridges help to minimize the risk of mold or yeast contamination and help improve the success of the at home mushroom growth. We believe that our innovative accelerator technology will disrupt traditional methods of mushroom production and bring lab-quality nutrient ingredients into the home with convenience and efficiency.

We intend to continue the design, development and testing of the Hypha Micropearl accelerator over the next six months. Initially, we will produce a limited number of accelerators at our headquarters for testing purposes, both with mycologists and experts in the functional mushroom industry. Upon completion of the design and successful testing of the Hypha Micropearl accelerator, we will seek to enter into a manufacturing arrangement outside the United States to manufacture the Hypha Micropearl accelerator for commercial sale. Our goal is to be in the position to market the Hypha Micropearl accelerator by the end of calendar year 2025, although there can be no assurance we will achieve our goal in this time period, or at all.

Basis of Presentation

The accompanying consolidated financial statements have been prepared in conformity with accounting principles generally accepted in the United States of America (“GAAP”). Intercompany accounts and transactions have been eliminated.

The unaudited condensed consolidated financial statements of the Company and the accompanying notes included in this Quarterly Report on Form 10-Q are unaudited. In the opinion of management, all adjustments necessary for a fair presentation of the Condensed Consolidated Financial Statements have been included. Such adjustments are of a normal, recurring nature. The Condensed Consolidated Financial Statements, and the accompanying notes, are prepared in accordance with GAAP and do not contain certain information included in the Company's Annual Report on Form 10-K for the fiscal year ended September 30, 2024. The interim Condensed Consolidated Financial Statements should be read in conjunction with that Annual Report on Form 10-K. Results for the interim periods presented are not necessarily indicative of the results that might be expected for the entire fiscal year.

Principles of Consolidation

The accompanying consolidated financial statements include the accounts of the following entities, all of which were under common control and ownership at June 30, 2025:

Name of Entity	Jurisdiction of Incorporation	Relationship
Hypha Labs, Inc. ⁽¹⁾	Nevada	Parent
Hypha Products Inc.	Nevada	Subsidiary
Digipath Labs, Inc.	Nevada	Subsidiary
Digipath Labs CA, Inc. ⁽²⁾	California	Subsidiary
Digipath Labs S.A.S. ⁽³⁾	Colombia	Subsidiary
VSSL Enterprises, Ltd. ⁽⁴⁾	Canada	Subsidiary

(1) Holding company, which owns each of the wholly-owned subsidiaries. All subsidiaries shown above are wholly-owned by Hypha Labs, Inc., the parent company.

(2) Formed during the second fiscal quarter of 2021, but has not yet commenced significant operations.

(3) Formed during the first fiscal quarter of 2019, but has not yet commenced significant operations.

(4) Acquired on March 11, 2020.

The consolidated financial statements herein contain the operations of the wholly-owned subsidiaries listed above. All significant inter-company transactions have been eliminated in the preparation of these financial statements. The parent company and subsidiaries will be collectively referred to herein as the "Company", "Hypha" or "FUNI". The Company's headquarters are located in Las Vegas, Nevada.

These statements reflect all adjustments, consisting of normal recurring adjustments, which in the opinion of management are necessary for fair presentation of the information contained therein.

Revenue Recognition

The Company recognizes revenue in accordance with ASC 606 — Revenue from Contracts with Customers. Under ASC 606, the Company recognizes revenue from the commercial sales of products, licensing agreements and contracts to perform pilot studies by applying the following steps: (1) identify the contract with a customer; (2) identify the performance obligations in the contract; (3) determine the transaction price; (4) allocate the transaction price to each performance obligation in the contract; and (5) recognize revenue when each performance obligation is satisfied.

Our historical revenue was primarily generated through our subsidiary, Digipath Labs, which recognized revenue from the analytical testing of cannabis products for licensed producers and cultivators within the state of Nevada on a determinable fixed fee per test, or panel of tests, basis. Revenue from the performance of those services was recognized upon completion of the tests, at which time test results were delivered to the customer, provided collectability of the fee is reasonably assured. We typically required payment within thirty days of the delivery of results.

The Company had no revenues for the three and nine months ended June 30, 2025. For the three and nine months ended June 30, 2024, all revenues are classified as part of *Net income from discontinued operations* in the accompanying consolidated statement of operations.

Discontinued Operations

On April 20, 2023, the Company and Digipath Labs entered into an Asset Purchase Agreement (the “Purchase Agreement”) with DPL NV, LLC (“Buyer”), pursuant to which Digipath Labs agreed to sell substantially all of its assets to Buyer for a cash purchase price of \$2,300,000 (the “Purchase Price”). The business of an entity that is in the process of disposing of its assets by sale, or that intends to cease operations, is reported as discontinued operations if the transaction represents a strategic shift that will have a major effect on an entity’s operations and financial results. As such, the Company’s lab testing business is now reported as discontinued operations.

The results of discontinued operations are aggregated and presented separately in the Consolidated Statements of Operations as net income from discontinued operations for the periods ended June 30, 2024. The cash flows of the discontinued operations are reflected as cash flows of discontinued operations within the Company’s Consolidated Statements of Cash Flows for the periods ended June 30, 2024.

Amounts presented in discontinued operations have been derived from our consolidated financial statements and accounting records using the historical basis of assets, liabilities, results of operations, and cash flows of Digipath Labs. The discontinued operations exclude general corporate allocations.

Basic and Diluted Loss Per Share

The basic net loss per common share is computed by dividing the net loss by the weighted average number of common shares outstanding. Diluted net loss per common share is computed by dividing the net loss adjusted on an “as if converted” basis, by the weighted average number of common shares outstanding plus potential dilutive securities. For the three and nine months ended June 30, 2025, 108,823,464 shares issuable upon conversion of convertible notes payable, 8,120,000 shares issuable upon exercise of options, 15,387,050 shares issuable upon exercise of warrants, and 13,579,710 shares issuable upon conversion of Series A Preferred and Series B Preferred shares, had an anti-dilutive effect and were not included in the calculation of diluted net loss per common share. For the three and nine months ended June 30, 2024, 104,490,131 shares issuable upon conversion of convertible notes payable, 8,120,000 shares of common stock issuable upon exercise of options, 15,387,050 shares issuable upon exercise of warrants, and 13,579,710 shares issuable upon conversion of Series A Preferred and Series B Preferred shares, had an anti-dilutive effect and were not included in the calculation of diluted net loss per common share.

Segment Reporting

The Company manages its operations as a single segment for the purposes of assessing performance and making operating decisions. The Company’s Chief Operating Decision Maker (“CODM”) is its Chief Executive Officer. The CODM allocates resources and evaluates the performance of the Company at the consolidated level using information about its operating expenses and income (loss) from operations. All significant operating decisions are based upon an analysis of the Company as one operating segment, which is the same as its reporting segment.

Recently Issued Accounting Pronouncements

In December 2023, the FASB issued ASU 2023-09, Income Taxes (Topic 740): Improvements to Income Tax Disclosures, which expands the disclosures required for income taxes. This ASU is effective for fiscal years beginning after December 15, 2024, with early adoption permitted. The pronouncement should be applied on a prospective basis while retrospective application is permitted. The Company is currently evaluating the effect of this pronouncement on its disclosures.

Note 2 – Going Concern

As shown in the accompanying consolidated financial statements, as of June 30, 2025, the Company had negative working capital of \$1,846,324, accumulated recurring losses of \$23,090,912, and \$147,192 of cash on hand, which may not be sufficient to sustain operations. These factors raise substantial doubt about the Company’s ability to continue as a going concern.

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

Note 3 – Fair Value of Financial Instruments

Under FASB ASC 820-10-5, fair value is defined as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date (an exit price). The standard outlines a valuation framework and creates a fair value hierarchy in order to increase the consistency and comparability of fair value measurements and the related disclosures. Under GAAP, certain assets and liabilities must be measured at fair value, and FASB ASC 820-10-50 details the disclosures that are required for items measured at fair value.

The following schedule summarizes the valuation of financial instruments at fair value on a recurring basis in the balance sheets as of June 30, 2025 and September 30, 2024, respectively:

	Fair Value Measurements at June 30, 2025		
	Level 1	Level 2	Level 3
Liabilities			
Convertible notes payable	-	-	\$ 1,208,235

	Fair Value Measurements at September 30, 2024		
	Level 1	Level 2	Level 3
Liabilities			
Convertible notes payable	-	-	\$ 1,078,235

There were no transfers of financial assets or liabilities between Level 1, Level 2 and Level 3 inputs for the nine months ended June 30, 2025.

Note 4 – Related Party Transactions

During the nine months ended June 30, 2025 the Company incurred compensation expense of \$90,000 for services provided by its sole officer. As of June 30, 2025, \$30,000 was owed to the sole officer for services provided.

During the nine months ended June 30, 2025 the Company accrued fees of \$15,000 for services provided by its directors. As of June 30, 2025, the Company has accrued a total of \$22,500 in fees for services provided by its directors.

As of June 30, 2025, the Company has accrued a total of \$7,401 in reimbursable expenses owed to the officer and directors.

During the nine months ended June 30, 2025, the Company entered into an agreement with the sole officer to purchase 1,000 shares of Series C Preferred for \$100 cash. See Note 9 for further details.

Note 5 – Note Receivable

On various dates between December 28, 2018 and June 13, 2019, we loaned Northwest Analytical Labs, Inc. a total of \$95,000. The loans bear interest at an annual rate of 10%, are evidenced by secured demand notes, and are secured by a lien on the borrower's assets. An allowance for doubtful accounts for the full value of the notes has been recorded due to the uncertainty of collectability.

On December 8, 2022, the Company entered into an Asset Purchase Agreement with Invictus Wealth Group (“Invictus”), whereby the Company agreed to sell certain collateralized equipment to Invictus for a total purchase price of \$900,000. The purchase price consisted of an upfront payment of \$275,000, and a note receivable (“Invictus Note”) in the amount of \$625,000. The Invictus Note originally had a maturity date of December 31, 2023, accrued interest at a rate of 10% per annum, and provided for principal payments of \$100,000 each due on June 30, 2023 and September 30, 2023, with the final payment of \$425,000 due on December 31, 2023. As of June 30, 2023, the Company received the full down payment of \$275,000. In April 2023, the Invictus Note was amended and restated to extend the maturity date to March 31, 2024, with principal payments of \$100,000 each due on September 30, 2023 and December 31, 2023, with the final payment of \$425,000 due on March 31, 2024. Subsequent to December 31, 2023, the Company amended the Invictus Note for a second time to extend the maturity date to December 31, 2025, with principal payments of \$50,000 each due on June 30, 2024, September 30, 2024 and December 31, 2024, \$100,000 due on March 31, 2025 and June 30, 2025, and \$125,000 due on September 30, 2025, with the final payment of \$216,780 due on December 31, 2025. As of the date of this Quarterly Report on Form 10-Q, the Company has received \$124,000 of payments from Invictus.

The Company has recorded a full allowance against the Invictus Note, as of the transaction date, as collectability was not reasonably assured as of the transaction date.

Note 6 – Fixed Assets

Fixed assets consist of the following at June 30, 2025 and September 30, 2024, respectively:

	As of	
	June 30, 2025	September 30, 2024
Lab equipment	\$ 86,712	\$ 27,655
Less: accumulated depreciation	(8,629)	(1,046)
Total	\$ 78,083	\$ 26,609

Note 7 –Notes Payable

Notes payable consists of the following at June 30, 2025 and September 30, 2024, respectively:

	June 30, 2025	September 30, 2024
On October 15, 2024, the Company entered into a secured credit facility with a third party (the “2024 Secured Credit Facility”). Under the facility, the Company is able to borrow up to \$200,000 which will incur interest at a rate of 12%, and is payable upon the earlier of February 28, 2025, or the date which the Company receives the escrow amount from the sale of the assets of Digipath Labs. As of the date of this Quarterly Report on Form 10-Q, the Company has borrowed \$86,900 against the facility. On February 10, 2025, the facility holder agreed to extend the maturity date of the facility to July 31, 2025 in exchange for a deferred payment of \$400. On August 18, 2025, the facility holder agreed to extend the maturity date of the facility to July 31, 2027 in exchange for a deferred payment of \$2,607.	\$ 86,900	\$ -
On January 25, 2025, the Company entered into a 12% secured credit facility for up to \$200,000 payable on the earlier of December 31, 2025 or the date the Company receives sufficient funds from the Invictus Note describe in Note 5 above. During the nine months ended June 30, 2025, the lender paid for certain services and equipment on behalf of the Company for an aggregate of \$160,133. In addition, the lender advanced \$23,000 of cash directly to the Company.	183,133	
Total notes payable	275,733	-
Less: current maturities	(275,733)	-
Notes payable	\$ -	\$ -

The Company recorded interest expense pursuant to the stated interest rate on the notes payable in the amount of \$4,329 and \$0 during the three months ended June 30, 2025 and 2024, respectively, and in the amount of \$6,102 and \$36,614 during nine months ended June 30, 2025 and 2024, respectively.

Note 8 – Convertible Notes Payable

Convertible notes payable consist of the following at June 30, 2025 and September 30, 2024, respectively:

	June 30, 2025	September 30, 2024
(1) On February 11, 2020, the Company completed the sale to an accredited investor of a 9% Secured Convertible Promissory Note in the principal amount of \$50,000. The Note matured on August 11, 2022, as amended, bears interest at a rate of 9% per annum, and was convertible into shares of the Company's common stock at a conversion price of \$0.15 per share. On December 28, 2020, the conversion price was amended to \$0.03 per share in exchange for an additional \$10,000 of proceeds and the promissory note was increased to \$60,000. The Company's obligations under the Note are secured by a lien on the assets of the Company and its wholly-owned subsidiary Digipath Labs, pursuant to a Security Agreement between the Company, Digipath Labs, Inc. and the investor. On December 29, 2020, the note holder converted \$10,000 of principal into 333,334 shares of common stock at a conversion price of \$0.03 per share. On August 8, 2022, the note holder agreed to extend the maturity date of the note to February 11, 2024. In exchange for the extension, the Company agreed to issue 650,000 common shares, which were recorded as debt discount, with a relative fair value of \$6,989. On February 14, 2025, the note holder agreed to further extend the maturity date of the note to July 31, 2025 in exchange for a deferred payment of \$1,000. On August 18, 2025, the note holder agreed to extend the maturity date of the note to July 31, 2027 in exchange for a deferred payment of \$1,500. See "Note 16" for details.	\$ 50,000	\$ 50,000
(2) On September 23, 2019, the Company received proceeds of \$200,000 on a senior secured convertible note that carries an 8% interest rate, which matured on August 10, 2022, as amended. The principal and interest were convertible into shares of common stock at the discretion of the note holder at a fixed conversion price of \$0.11 per share. On September 30, 2020, the maturity date was extended to August 10, 2022 and the conversion price was amended to \$0.03 per share. The Company's obligations under this Note are secured by a lien on the assets of the Company and its wholly-owned subsidiary Digipath Labs. On February 22, 2021, the noteholder converted \$90,000 of principal into 3,000,000 shares of common stock at a conversion price of \$0.03 per share. On September 30, 2021, the note was amended to add the outstanding short term notes and accrued interest into the principal balance, making the outstanding balance \$355,469, as amended. As a result of the modification, the Company recorded an additional debt discount of \$98,188, as a result of the beneficial conversion feature of the additional principal. On October 1, 2022, the Company further extended the maturity date to February 11, 2024. In connection with the modification, the Company issued warrants to purchase 4,621,105 shares of common stock, with a fair value of \$32,166, which was recorded as a debt discount. On January 22, 2024 the Company further amended the note to extend the maturity date to February 11, 2025 and reduced the conversion price to \$0.01. As a result of the modification of the conversion price, the Company recorded a loss on debt extinguishment of \$481,955. On February 10, 2025, the note holder agreed to further extend the maturity date of the note to July 31, 2025 in exchange for a deferred payment of \$4,000. On August 18, 2025, the note holder agreed to extend the maturity date of the note to July 31, 2027 in exchange for a deferred payment. See "Note 16" for details.	355,469	355,469
(3) On November 8, 2018, the Company received proceeds of \$350,000 on a senior secured convertible note that carries an 8% interest rate, which matured on August 10, 2022, as amended. The principal and interest were convertible into shares of common stock at the discretion of the note holder at a fixed conversion price of \$0.14 per share. On September 30, 2020, the maturity date was extended to August 10, 2022 and the conversion price was amended to \$0.03 per share. The Company's obligations under this Note are secured by a lien on the assets of the Company and its wholly-owned subsidiary Digipath Labs. On October 1, 2022, the Company further extended the maturity date to February 11, 2024. In connection with the modification, the Company issued warrants to purchase 4,550,000 shares of common stock, with a fair value of \$31,671 which was recorded as a debt discount. On January 29, 2024, the holder converted \$40,000 of this note into common shares. On January 22, 2024, the Company further amended the note to extend the maturity date to February 11, 2025 and reduced the conversion price to \$0.01. As a result of the modification of the conversion price, the Company recorded a loss on debt extinguishment of \$474,539. On February 10, 2025, the note holder agreed to further extend the maturity date of the note to July 31, 2025 in exchange for a deferred payment of \$7,000. On August 18, 2025, the note holder agreed to extend the maturity date of the note to July 31, 2027 in exchange for a deferred payment. See "Note 16" for details.	310,000	310,000
(4) On October 1, 2022, the Company entered into a senior secured convertible note that carries an 8% interest rate, which matured on February 11, 2024. The Note documented the advances made during the year ended September 30, 2022 in the amount of \$362,765. The principal and interest on the Note are convertible into common shares at a conversion price of \$0.01. In connection with the note, the Company issued warrants to purchase 4,715,945 shares of common stock, with a fair value of \$30,102, which was recorded as a debt discount. On January 22, 2024, the note holder agreed to extend the maturity date of the Note to February 11, 2025. On February 10, 2025, the note holder agreed to further extend the maturity date of the note to July 31, 2025 in exchange for a deferred payment of \$7,255.30. On August 18, 2025, the note holder agreed to extend the maturity date of the note to July 31, 2027 in exchange for a deferred payment. See "Note 16" for details.	362,765	362,765
(5) On June 5, 2025, the Company received proceeds of \$130,000 on a senior secured convertible note that carries an 8% interest rate, which matures on May 31, 2028. The principal and interest are convertible into shares of common stock at the discretion of the note holder at a fixed conversion price of \$0.03 per share.	130,000	-
Total convertible notes payable	\$ 1,208,235	\$ 1,078,235
Less: current maturities	(1,208,235)	(1,078,235)
Convertible notes payable	\$ -	\$ -

The Company recorded interest expense pursuant to the stated interest rates on the convertible notes in the amount of \$21,667 and \$21,630 for the three months ended June 30, 2025 and 2024, respectively. The Company recorded interest expense pursuant to the stated interest rates on the convertible notes in the amount of \$64,928 and \$100,238 for the nine months ended June 30, 2025 and 2024, respectively

The Company recognized interest expense for the nine months ended June 30, 2025 and 2024, respectively, as follows:

	June 30, 2025	June 30, 2024
Interest on notes payable	\$ 6,102	\$ 36,614
Amortization of debt discounts	-	43,050
Interest on convertible notes	64,928	100,238
Total interest expense	<u>\$ 71,030</u>	<u>\$ 179,902</u>

Note 9 – Stockholders’ Equity

Preferred Stock

As of June 30, 2025, the Company was authorized to issue 70,000,000 shares of preferred stock with a par value of \$0.001 per share. As of June 30, 2025, 6,000,000 shares of preferred stock have been designated as Series A Convertible Preferred Stock (“Series A Preferred”), 1,500,000 shares have been designated as Series B Convertible Preferred Stock (“Series B Preferred”), 1,000 shares have been designated as Series C Preferred Stock (“Series C Preferred”) and effective as of April 2, 2025, 60,000,000 shares have been designated as Series D Preferred Stock (“Series D Preferred”). The remaining 2,499,000 shares of preferred stock are available for designation from time to time by our board of directors as set forth below. As of June 30, 2025, there were 1,047,942 shares of Series A Preferred issued and outstanding, 333,600 shares of Series B Preferred issued and outstanding, and 1,000 shares of Series C Preferred issued and outstanding. There are currently no shares of Series D Preferred issued and outstanding. Our board of directors is authorized to determine any number of series into which the undesignated shares of preferred stock may be divided and to determine the rights, preferences, privileges and restrictions granted to any series of the preferred stock. Each share of Series A Preferred is currently convertible into five shares of common stock, each share of Series B Preferred is currently convertible into twenty-five shares of common stock, and each share of Series D Preferred is currently convertible into one share of common stock. The Series C Preferred is not convertible into common stock.

Series A Preferred

The conversion price is adjustable in the event of stock splits and other adjustments in the Company’s capitalization, and in the event of certain negative actions undertaken by the Company. At the current conversion price, the 1,047,942 shares of Series A Preferred outstanding at June 30, 2025 are convertible into 5,239,710 shares of the common stock of the Company. No holder is permitted to convert its shares of Series A Preferred if such conversion would cause the holder to beneficially own more than 4.99% of the issued and outstanding common stock of the Company immediately after such conversion, unless waived by such holder by providing at least sixty-five days’ notice.

Additional terms of the Series A Preferred include the following:

- The shares of Series A Preferred are entitled to dividends when, as and if declared by our board of directors as to the shares of the common stock of the Company into which such Series A Preferred may then be converted, subject to the 4.99% beneficial ownership limitation described above.
- Upon the liquidation or dissolution of the Company, or any merger or sale of all or substantially all of the assets, the shares of Series A Preferred are entitled to receive, prior to any distribution to the holders of common stock, 100% of the purchase price per share of Series A Preferred plus all accrued but unpaid dividends.

- The Series A Preferred plus all declared but unpaid dividends thereon automatically will be converted into common stock, at the then applicable conversion rate, upon the affirmative vote of the holders of a majority of the outstanding shares of Series A Preferred.
- Each share of Series A Preferred will carry a number of votes equal to the number of shares of common stock into which such Series A Preferred may then be converted, subject to the 4.99% beneficial ownership limitation described above. The Series A Preferred generally will vote together with the common stock and not as a separate class, except as provided below.
- Consent of the holders of the outstanding Series A Preferred, voting separately as a class, is required in order for the Company to: (i) amend or change the rights, preferences, privileges or powers of, or the restrictions provided for the benefit of, the Series A Preferred; (ii) authorize, create or issue shares of any class of stock having rights, preferences, privileges or powers superior to the Series A Preferred; (iii) reclassify any outstanding shares into shares having rights, preferences, privileges or powers superior to the Series A Preferred; or (iv) amend the Company's Articles of Incorporation or Bylaws in a manner that adversely affects the rights of the Series A Preferred.
- Pursuant to various Securities Purchase Agreements, holders of Series A Preferred are entitled to unlimited "piggyback" registration rights on registrations by the Company, subject to pro rata cutback at any underwriter's discretion.

Series C Preferred

The Series C Preferred stock was designated on July 20, 2022. The principal feature of the Series C Preferred is that it provides the holder thereof, so long as he or she is an executive officer of the Company, with the ability to vote with the holders of the Company's common stock on all matters presented to the holders of common stock, whether at a special or annual meeting, by written action in lieu of a meeting or otherwise, on the basis of 200,000 votes for each share of Series C Preferred. The shares of Series C Preferred are not convertible into common stock, are not entitled to dividends, are not subject to redemption, and have a stated value of \$0.10 per share payable on any liquidation of the Company in preference to any payment payable to the holders of common stock.

On December 10, 2024, the Company entered into a Securities Purchase Agreement with A. Stone Douglass (the "Douglass Purchase Agreement"), the Company's Chairman, President, Chief Executive Officer, Chief Financial Officer, Secretary and Director, pursuant to which Mr. Douglass purchased 1,000 shares of the Company's Series C Preferred stock for a purchase price of \$100. The Company determined that the shares had value in excess of the stated value in the amount of \$968,356, which the Company recorded as compensation expense to the officer.

Additional terms of the Series C Preferred include the following:

- The shares of Series C Preferred are not entitled to dividends.
- Upon the liquidation or dissolution of the Company, or any merger or sale of all or substantially all of the assets, or upon a change in control whereby a stockholder gains control of 50% or more of the outstanding shares of common stock, the shares of Series C Preferred are entitled to receive, prior to any distribution to the holders of common stock, 100% of the stated value per share of Series C Preferred.
- The shares of Series C Preferred have no conversion rights.

Series D Preferred

The Series D Preferred ranks, as to dividend rights and rights upon our liquidation, dissolution, or winding up, junior to the Series A Preferred and Series B Preferred and senior to the Series C Preferred and all classes or series of common stock. The terms of the Series D Preferred do not limit our ability to (i) incur indebtedness or (ii) issue additional equity securities that are equal or senior in rank to the shares of Series D Preferred as to distribution rights and rights upon our liquidation, dissolution or winding up.

The shares of Series D Preferred are not entitled to dividends, provided that if dividends are paid on the shares of common stock, the Series D Preferred will be entitled to dividends based on the number shares of common stock into which the Series D Preferred may then be converted.

The liquidation preference for each share of Series D Preferred is \$0.20. Upon a liquidation, dissolution or winding up of the Company, holders of shares of Series D Preferred will be entitled to receive out of the assets of the Company available to its stockholders before any payment is made to the holders of shares of common stock or other classes of shares of the Company ranking junior to the Series D Preferred, the liquidation preference with respect to their shares plus an amount equal to any accrued but unpaid dividends (if declared) to, but not including, the date of payment with respect to such shares. After the payment to the holders of the Series D Preferred of the amount payable to them as above provided, they shall not be entitled to share in any further distribution of the assets or property of the Company.

The shares of Series D Preferred have no maturity date, and the Company is not required to redeem shares of Series D Preferred at any time. Accordingly, the shares of Series D Preferred will remain outstanding indefinitely, unless otherwise converted at the option of the holder thereof or pursuant to a mandatory conversion described below.

At any time after issuance, each share of Series D Preferred is convertible into one share of common stock at the option of the holder. At any time after issuance upon the occurrence of any of the following events, the Company shall have a right to direct the mandatory conversion of the Series D Preferred: (a) a change in control, or (b) if the closing price of the common stock closes at or above \$0.40 per share for 10 consecutive trading days.

Holders of Series D Preferred generally have no voting rights. However, certain material and adverse changes to the terms of the Series D Preferred cannot be made without the affirmative vote of holders of at least a majority of the outstanding shares of Series D Preferred, voting as a separate class.

Common Stock

The common stock has a par value of \$0.001, and 880,000,000 shares were authorized as of June 30, 2025, of which 145,121,825 shares were issued and outstanding as of June 30, 2025.

Common Stock Transactions for the Nine Months Ended June 30, 2025

During the nine months ended June 30, 2025, the Company issued 19,075,000 shares of common stock to outside consultants in exchange for services performed. The shares were valued at the closing price on the date of issuance for an aggregate value of \$613,563.

During the nine months ended June 30, 2025, the Company issued an aggregate of 3,000,000 shares of common stock to the Board of Directors in exchange for services performed. The shares were valued at the closing price on the date of issuance for an aggregate value of \$90,000.

Note 10 – Mezzanine Equity

Series B Preferred

The shares of Series B Preferred were designated on December 29, 2021. Each share of Series B Preferred has a stated value of \$1.00 and is currently convertible into common stock at a conversion price equal to \$0.04. The conversion price of the Series B Preferred is subject to equitable adjustment in the event of a stock split, stock dividend or similar event with respect to the common stock, and in the event of the issuance of common stock by the Company below the conversion price, subject to customary exceptions. At the current conversion price, the 333,600 shares of Series B Preferred outstanding at June 30, 2025 are convertible into 8,340,000 shares of the common stock of the Company. No holder is permitted to convert its shares of Series B Preferred if such conversion would cause the holder to beneficially own more than 4.99% of the issued and outstanding common stock of the Company immediately after such conversion, unless waived by such holder by providing at least sixty-five days' notice.

Additional terms of the Series B Preferred include the following:

- The shares of Series B Preferred are not entitled to dividends, provided that if dividends are paid on the shares of common stock of the Company, the Series B Preferred will be entitled to dividends based on the number of shares of common stock into which the Series B Preferred may then be converted.
- Upon the liquidation or dissolution of the Company, or any merger or sale of all or substantially all of the assets, or upon a change in control whereby a stockholder gains control of 50% or more of the outstanding shares of common stock, the shares of Series B Preferred are entitled to receive, prior to any distribution to the holders of common stock and Series A Preferred, 100% of the purchase price per share of Series B Preferred plus all accrued but unpaid dividends.
- Each share of Series B Preferred carries a number of votes equal to the number of shares of common stock into which such shares of Series B Preferred may then be converted.

Due to the change in control provision of the Series B Preferred, the Series B Preferred is classified as temporary equity on the balance sheet.

Note 11 – Common Stock Options

Stock Incentive Plan

On June 21, 2016, we amended and restated our 2012 Stock Incentive Plan (the “2012 Plan”), which was originally adopted on March 5, 2012, and terminated on March 5, 2022. As amended, the 2012 Plan provided for the issuance of up to 11,500,000 shares of common stock pursuant to the grant of options or other awards, including stock grants, to employees, officers or directors of, and consultants to, the Company and its subsidiaries. Options granted under the 2012 Plan may either be intended to qualify as incentive stock options under the Internal Revenue Code of 1986, or may be non-qualified options, and are exercisable over periods not exceeding ten years from date of grant.

Common Stock Option Issuances

During the nine months ended June 30, 2025, the Company issued 6,000,000 options to an outside consultant with the following terms: (i) 2,000,000 options will have an exercise price of \$0.03 and will vest after two months from the date of issuance, (ii) 2,000,000 options will have an exercise price of \$0.10 and will vest after four months from the date of issuance, and (iii) 2,000,000 options will have an exercise price of \$0.10 and vest after six months from the date of issuance. All 6,000,000 options have a term of one year from the date of issuance. These options were not issued pursuant to any stock incentive plan.

Amortization of Stock-Based Compensation

A total of \$5,760 and \$1,153 of stock-based compensation expense was recognized during the nine months ended June 30, 2025 and 2024, respectively, as a result of the vesting of common stock options issued in prior periods. As of June 30, 2025, \$73,413 of unamortized expense remains to be amortized over the vesting period.

The following is a summary of information about the stock options outstanding at June 30, 2025.

Range of Exercise Prices	Shares Underlying Options Outstanding			Shares Underlying Options Exercisable	
	Shares Underlying Options Outstanding	Weighted Average Remaining Contractual Life	Weighted Average Exercise Price	Shares Underlying Options Exercisable	Weighted Average Exercise Price
\$.0056-0.13	13,920,000	2.33 years	\$ 0.062	7,920,000	\$ 0.051

The following is a summary of activity of outstanding common stock options:

	Number of Shares	Weighted Average Exercise Price
Balance, September 30, 2024	8,120,000	\$ 0.052
Options issued	6,000,000	0.077
Options forfeited	(200,000)	0.10
Balance, June 30, 2025	<u>13,920,000</u>	<u>\$ 0.052</u>
Exercisable, June 30, 2025	<u>7,920,000</u>	<u>\$ 0.052</u>

As of June 30, 2025, these options in the aggregate had \$51,540 of intrinsic value for the outstanding and exercisable options, based on the per share market price of \$0.028 of the Company's common stock as of such date.

Note 12 – Common Stock Warrants

Warrants to purchase a total of 17,387,050 shares of common stock were outstanding as of June 30, 2025.

During the nine months ended June 30, 2025, the Company issued 2,000,000 warrants to an outside consultant with an exercise price of \$0.03, and a term of ten years after the issuance date and which vest immediately. The Company valued the warrants at \$59,799.

The following is a summary of information about our warrants to purchase common stock outstanding at June 30, 2025 (including those issued to both investors and service providers).

Shares Underlying Warrants Outstanding				Shares Underlying Warrants Exercisable	
Range of Exercise Prices	Shares Underlying Warrants Outstanding	Weighted Average Remaining Contractual Life	Weighted Average Exercise Price	Shares Underlying Warrants Exercisable	Weighted Average Exercise Price
\$ 0.0074 -0.10	<u>17,387,050</u>	7.12 years	<u>\$ 0.017</u>	<u>17,387,050</u>	<u>\$ 0.017</u>

The following is a summary of activity of outstanding common stock warrants:

	Number of Shares	Weighted Average Exercise Price
Balance, September 30, 2024	15,387,050	\$ 0.016
Warrants granted	2,000,000	0.02
Warrants expired	-	-
Balance, June 30, 2025	<u>17,387,050</u>	<u>\$ 0.017</u>
Exercisable, June 30, 2025	<u>17,387,050</u>	<u>\$ 0.017</u>

As of June 30, 2025, these warrants in the aggregate had \$302,073 of intrinsic value as the per share market price of \$0.028 of the Company's common stock as of such date was greater than the exercise price of certain warrants.

Note 13 – Leases

On May 6, 2024, the Company entered into a lease to lease its operating and office facility under a non-cancelable real property lease agreement that expires on May 31, 2026. The real property lease contains provisions requiring payment of property taxes, utilities, insurance, maintenance and other occupancy costs applicable to the leased premise. As the Company's leases do not provide implicit discount rates, the Company uses an incremental borrowing rate based on the information available at the commencement date in determining the present value of lease payments.

The components of lease expense were as follows:

	For the Nine Months Ended June 30, 2025	For the Nine Months Ended June 30, 2024
Operating lease cost	\$ 30,354	\$ -
Total net lease cost	\$ 30,354	\$ -

Supplemental balance sheet information related to leases was as follows:

	June 30, 2025	September 30, 2024
Operating leases:		
Operating lease assets	\$ 35,640	\$ 57,006
Current portion of operating lease liabilities	36,545	\$ 36,428
Noncurrent operating lease liabilities	-	26,838
Total operating lease liabilities	\$ 36,545	\$ 63,266
Weighted average remaining lease term:		
Operating leases	0.92	1.75 years
Weighted average discount rate:		
Operating leases	7.9%	7.9%

Supplemental cash flow and other information related to leases was as follows:

	For the Nine Months Ended June 30, 2025	For the Nine Months Ended June 30, 2024
Cash paid for amounts included in the measurement of lease liabilities:		
Operating cash flows used for operating leases	\$ 26,721	\$ -
Financing cash flows used for finance leases	\$ -	\$ -
Leased assets obtained in exchange for lease liabilities:	-	-
Total operating lease liabilities	\$ -	\$ -
Total finance lease liabilities	\$ -	\$ -

The following is a maturity analysis of the annual undiscounted cash flows of the operating lease liabilities on a fiscal year basis, including common area maintenance fees, under non-cancelable operating leases as of June 30, 2025:

Fiscal Year Ending June 30,	Minimum Lease Commitments
2025 (3 months)	\$ 10,365
2026	27,639
2027	-
2028	-
2029	-
Total future undiscounted lease payments	38,004
Less interest	(1,459)
Present value of lease payments	36,545
Less current portion	(36,545)
Long-term operating lease liabilities	\$ -

Note 14 – Commitments and Contingencies

Legal Contingencies

There are no material pending legal proceedings to which we are a party or to which any of our property is subject, nor are there any such proceedings known to be contemplated by governmental authorities. None of our directors, officers or affiliates is involved in a proceeding adverse to our business or has a material interest adverse to our business.

Note 15 – Discontinued Operations

On April 20, 2023, the Company and Digipath Labs entered into the Purchase Agreement with Buyer pursuant to which Digipath Labs agreed to sell substantially all of its assets to Buyer for the Purchase Price as described in Note 1 above. The Purchase Price was subject to adjustments at closing based on, among other things, the amount by which the working capital of Digipath Labs at the closing was greater or less than \$150,000.

The Purchase Agreement included a number of representations, warranties, covenants and conditions to closing customary for this type of transaction. In addition, the closing of the transaction was subject to the approval of the Nevada Cannabis Compliance Board (the “CCB”). On January 18, 2024, the Company received approval from the CCB to transfer the assets pursuant to the Purchase Agreement.

Pursuant to the Purchase Agreement, the Buyer deposited \$230,000 into an escrow account upon the execution of the Purchase Agreement, and such amount was to continue to be held in escrow for a 12-month period following closing to satisfy any indemnification claims Buyer may have against Digipath Labs.

In connection with the transactions contemplated by the Purchase Agreement, the Company, Digipath Labs and Buyer entered into a Management Services Agreement (the “Management Services Agreement”), dated as of April 30, 2023, pursuant to which Buyer was engaged to manage the operation of Digipath Labs’ cannabis testing laboratory (the “Lab”). The effectiveness of the Management Services Agreement was subject to the approval of the CCB, which was obtained on October 17, 2023. Pursuant to the Management Services Agreement, after the payment of expenses to third parties and a payment of 15% of cash collections to Digipath Labs (but not less than \$15,000) in each month, Buyer was entitled to a management fee of \$10,000 per month. Any remaining cash generated from the operation of the Lab in any month was payable 45% to the Buyer and 55% to the Company.

On February 20, 2024, we completed the sale of the net assets of our subsidiary Digipath Labs to Buyer. On June 24, 2024, the Company and Buyer settled the final amount owed on the working capital adjustment for an additional payment of \$42,835. As a result of the closing, the Company recognized a gain on the sale of the assets in the amount of \$1,581,981 which includes the excess value of the Purchase Price above the net assets as well as the working capital adjustment. On November 27, 2024, the Company entered into an amendment to the Asset Purchase Agreement with Buyer. Pursuant to the amendment, the Company and Buyer agreed to an early release of the escrow deposit, whereby the escrow deposit was reduced to \$200,000 and released immediately to the Company. The Company received the escrow deposit amount on December 3, 2024. The settlement is recorded in other expenses in the accompanying statement of operations.

The statements of operations of Digipath Labs are summarized below:

	For the Three Months Ended		For the Nine Months Ended	
	June 30,		June 30	
	2025	2024	2025	2024
Revenues	\$ -	\$ -	\$ -	\$ 1,635,299
Cost of sales	-	-	-	650,524
Gross profit	-	-	-	984,775
Operating expenses:				
General and administrative	-	-	-	393,168
Professional fees	-	-	-	4,750
Total operating expenses	-	-	-	397,918
Operating income(loss)	-	-	-	586,857
Other income (expense):				
Interest expense	-	-	-	(1,701)
Total other income (expense)	-	-	-	(1,701)
Net income (loss)	\$ -	\$ -	\$ -	\$ 585,156

Note 16 – Subsequent Events

On August 18, 2025, (i) the holder of the 2024 Secured Credit Facility agreed to further extend the maturity date thereof to July 31, 2027 in exchange for a deferred payment by the Company of \$2,607, and (ii) the holders of the convertible promissory notes described in items #1-4 in Note 8 to the consolidated financial statements of the Company agreed to further extend the maturity dates thereof to July 31, 2027 in exchange for aggregate deferred payments by the Company totaling \$32,347.

ITEM 2. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS.

The information contained in this Quarterly Report on Form 10-Q is intended to update the information contained in our Annual Report on Form 10-K for the year ended September 30, 2024 and presumes that readers have access to, and will have read, the "Management's Discussion and Analysis of Financial Condition and Results of Operations" and other information contained in such Form 10-K. The following discussion and analysis also should be read together with our financial statements and the notes to the financial statements included elsewhere in this Quarterly Report on Form 10-Q.

The following discussion contains certain statements that may be deemed "forward-looking statements" within the meaning of the Private Securities Litigation Reform Act of 1995. Such statements appear in a number of places in this Report, including, without limitation, "Management's Discussion and Analysis of Financial Condition and Results of Operations." These statements are not guarantees of future performance and involve risks, uncertainties and requirements that are difficult to predict or are beyond our control. Forward-looking statements speak only as of the date of this Quarterly Report on Form 10-Q. You should not put undue reliance on any forward-looking statements. We strongly encourage investors to carefully read the factors described in our Annual Report on Form 10-K for the year ended September 30, 2024 in the section entitled "Risk Factors" for a description of certain risks that could, among other things, cause actual results to differ from these forward-looking statements. We assume no responsibility to update the forward-looking statements contained in this Quarterly Report on Form 10-Q. The following should also be read in conjunction with the unaudited financial statements and notes thereto that appear elsewhere in this Quarterly Report on Form 10-Q.

Overview

Hypha Labs, Inc. was incorporated in Nevada on October 5, 2010. Hypha Labs, Inc. and its subsidiaries ("Hypha Labs," the "Company," "we," "our" or "us") was a service-oriented independent testing laboratory, data analytics and media firm focused on the developing cannabis and hemp markets, and supported the cannabis industry's best practices for reliable testing. Our mission was to provide pharmaceutical-grade analysis and testing to the cannabis industry, under ISO-17025:2017 guidelines, to ensure consumers and patients knew exactly what was in the cannabis they ingest and to help maximize the quality of our clients' products through research, development, and standardization. Hypha Labs had been operating a cannabis-testing lab in Nevada since 2015.

On February 20, 2024, we completed the sale of the net assets of our wholly owned subsidiary Digipath Labs, Inc. ("Digipath Labs"). As of that date, we were no longer in the business as a service-oriented independent testing laboratory, data analytics and media firm focused on the developing cannabis and hemp markets, which supported the cannabis industry's best practices for reliable testing, cannabis education and training. Following closing of the asset sale, the Company changed its name from Digipath, Inc. to Hypha Labs, Inc.

Hypha Products Inc., a wholly owned subsidiary of the Company, was formed on April 18, 2024 to engage in the research, development and commercialization of an accelerator, the Hypha Micropearl accelerator, a home appliance designed to accelerate the production of nutritionally beneficial mushrooms for human consumption. The Company's easy-to-use device, together with its replacement cartridges, safely and effectively produces enriched mycelium of functional mushrooms, or Micropearls, in just eight days. These Micropearls contain active mushroom ingredients that offer a way to harness the medicinal properties of fungi in a concentrated, easy-to-handle, tasteless and odorless form. These Micropearls can be incorporated into various food and beverages without altering the flavor.

Our Hypha Micropearl accelerator will be sold with replaceable cartridges which are delivered pre-sterilized to the home and ready to be inserted into the device. These cartridges will be filled with powerful nutrient formulations which allow for the production of the Micropearls. The QR codes on the cartridges are scanned to the Hypha Labs app and inserted into the device and the Micropearls are produced and fully formed in eight days. After harvesting the Micropearls with a strainer, they are ready to be incorporated into a variety of foods. The cartridges help to minimize the risk of mold or yeast contamination and help improve the success of the at home mushroom growth. We believe that our innovative accelerator technology will disrupt traditional methods of mushroom production and bring lab-quality nutrient ingredients into the home with convenience and efficiency.

We intend to continue the design, development and testing of the Hypha Micropearl accelerator over the next six months. Initially, we will produce a limited number of accelerators at our headquarters for testing purposes, both with mycologists and experts in the functional mushroom industry. Upon completion of the design and successful testing of the Hypha Micropearl accelerator, we will seek to enter into a manufacturing arrangement outside the United States to manufacture the Hypha Micropearl accelerator for commercial sale. Our goal is to be in the position to market the Hypha Micropearl accelerator by the end of calendar year 2025, although there can be no assurance we will achieve our goal in this time period, or at all.

Results of Operations for the Three Months Ended June 30, 2025 and 2024:

The following table summarizes selected items from the statement of operations for the three months ended June 30, 2025 and 2024.

	Three Months Ended June 30,		Increase / (Decrease)
	2025	2024	
Operating expenses:			
General and administrative	81,683	486,209	(404,526)
Professional fees	454,344	127,364	326,980
Total operating expenses:	<u>536,027</u>	<u>613,573</u>	<u>(77,546)</u>
Operating loss	(536,027)	(613,573)	167,622
Total other income (expense)	<u>(25,996)</u>	<u>(116,072)</u>	<u>90,076</u>
Net income (loss)	<u>\$ (562,023)</u>	<u>\$ (706,897)</u>	<u>\$ 144,874</u>

General and Administrative Expenses

General and administrative expenses for the three months ended June 30, 2025 were \$81,683, compared to \$486,209 during the three months ended June 30, 2024, a decrease of \$404,526, or 83%. General and administrative expenses decreased primarily due to decreased corporate overhead activities.

Professional Fees

Professional fees for the three months ended June 30, 2025 were \$454,344, compared to \$127,364 during the three months ended June 30, 2024, an increase of \$326,980, or 257%. Professional fees included non-cash, stock-based compensation of \$313,059 and \$0 during the three months ended June 30, 2025 and 2024, respectively. Professional fees increased primarily due to corporate consulting services and legal fees during the current period as we increased our focus on developing our new business.

Other Income (expense)

Other expense, on a net basis, for the three months ended June 30, 2025 was \$25,996, compared to other expense, on a net basis, of \$116,072 during the three months ended June 30, 2024, a decrease of \$90,076 in other expenses. Other expense consisted of interest expense of \$25,996.

Results of Operations for the Nine Months Ended June 30, 2025 and 2024:

The following table summarizes selected items from the statement of operations for the nine months ended June 30, 2025 and 2024.

	Nine Months Ended June 30,		Increase / (Decrease)
	2025	2024	
Operating expenses:			
General and administrative	1,172,261	683,456	488,805
Professional fees	1,338,192	574,728	763,464
Total operating expenses:	2,510,453	1,258,184	1,252,269
Operating loss	(2,510,453)	(1,258,184)	(1,252,269)
Total other income (expense)	(33,033)	379,564	(412,597)
Net loss from continuing operations	(2,543,486)	(904,586)	(1,638,900)
Net income from discontinued operations	-	585,156	(585,156)
Net income (loss)	<u>\$ (2,543,486)</u>	<u>\$ (319,430)</u>	<u>\$ (2,224,056)</u>

General and Administrative Expenses

General and administrative expenses for the nine months ended June 30, 2025 were \$1,172,261, compared to \$683,456 during the nine months ended June 30, 2024, an increase of \$488,805, or 101%. General and administrative expenses increased primarily due to increased corporate overhead activities and the issuance of the Series C Preferred shares to our sole officer with a value in excess of the purchase price of \$968,356.

Professional Fees

Professional fees for the nine months ended June 30, 2025 were \$1,338,192, compared to \$574,728 during the nine months ended June 30, 2024, an increase of \$763,464, or 599%. Professional fees included non-cash, stock-based compensation of \$1,737,478 and \$537,548 during the nine months ended June 30, 2025 and 2024, respectively. Professional fees increased primarily due to corporate consulting services and legal fees during the current period as we increased our focus on developing our new business.

Operating Loss

Our operating loss for the nine months ended June 30, 2025 was \$2,510,453, compared to an operating loss of \$1,258,184 during the nine months ended June 30, 2024, an increase of \$1,252,269, or 204%. Our operating loss increased primarily due to our increased general and administrative expenses.

Other Income (Expense)

Other expense, on a net basis, for the nine months ended June 30, 2025 was \$33,000, compared to other income, on a net basis, of \$379,564 during the nine months ended June 30, 2024. Other expense consisted of interest expense of \$71,030 and loss on the settlement of the escrow deposit of \$20,003, offset by interest income of \$8,000 and the recovery of previously written off receivables of \$50,000 for the nine months ended June 30, 2025. Other income consisted of interest expense of \$179,902, loss on extinguishment of debt of \$956,494, the receipt from an insurance claim, and the gain on the sale of the net assets of Digipath Labs of \$1,502,064 for the nine months ended June 30, 2024.

Liquidity and Capital Resources

The following is a summary of the Company's cash flows provided by (used in) operating, investing, and financing activities for the nine months ended June 30, 2025 and 2024:

	2025	2024
Operating Activities	\$ (64,912)	\$ (598,029)
Investing Activities	(1,730)	2,097,800
Financing Activities	122,668	(1,261,749)
Net increase in Cash	<u>\$ 56,026</u>	<u>\$ 238,022</u>

Net Cash Used In Operating Activities

During the nine months ended June 30, 2025, net cash used in operating activities was \$64,912, compared to net cash used in operating activities of \$598,029 for the same period ended June 30, 2024, including cash used in operating activities from discontinued operations of \$0 for the nine months ended June 30, 2025 compared to cash provided by operating activities from discontinued operations of \$373,913 for the nine months ended June 30, 2024. The decrease in cash used in operating activities was primarily attributable to our increase in net loss related to the development of our new business, offset by the total stock based compensation expense of \$1,737,478.

Net Cash Provided by (Used in) Investing Activities

During the nine months ended June 30, 2025, net cash used in investing activities was \$1,730 compared to \$2,097,800 provided by investing activities for the same period ended June 30, 2024, including cash used in investing activities from discontinued operations of \$0 for the nine months ended June 30, 2025 compared to cash used in investing activities from discontinued operations of \$11,667 for the nine months ended June 30, 2024.

Net Cash Used in Financing Activities

During the nine months ended June 30, 2025, net cash provided by financing activities was \$122,668, compared to net cash used in financing activities of \$1,261,749 for the same period ended June 30, 2024, including cash used in financing activities from discontinued operations of \$0 for the nine months ended June 30, 2025 compared to cash used in financing activities from discontinued operations of \$15,784 for the nine months ended June 30, 2024. The cash provided by financing activities in the current period related to proceeds from notes payable of \$115,600 and proceeds from convertible notes payable of \$130,000 offset by the payment of deferred offering costs in the amount of \$123,032. The cash used in financing activities in the prior period related to the repayment of notes payable in the amount of \$595,965 and convertible notes payable of \$650,000.

Ability to Continue as a Going Concern

As of June 30, 2025, our balance of cash on hand was \$147,192, and we had negative working capital of \$1,846,324 and an accumulated deficit of \$23,090,912 resulting from recurring losses. These factors raise substantial doubt about the Company's ability to continue as a going concern. Until the agreement to sell the assets of the Company's lab testing business, management was actively pursuing new customers to increase revenues. In addition, the Company was seeking additional sources of capital to fund short term operations. The Company will seek to raise funds to complete the development and testing of its accelerator over the next 6 to 12 months and to fund the initial launch of commercial sales of its accelerator device. The Company intends to raise such funds through either the sale of equity or debt securities, including through a Regulation A offering, during such 6 to 12-month period to successfully execute its business plan. The Company is also currently evaluating future investments into potential acquisition targets. There can be no assurance that we will be successful in achieving these objectives, becoming profitable or continuing our business without either a temporary interruption or a permanent cessation. In addition, additional equity financing may result in substantial dilution to existing stockholders.

The accompanying consolidated financial statements have been prepared assuming that the Company will continue as a going concern, which contemplates continuity of operations, realization of assets, and liquidation of liabilities in the normal course of business. The unaudited consolidated financial statements do not include any adjustments related to the recoverability and classification of recorded asset amounts or the amounts and classification of liabilities that might be necessary should the Company be unable to continue as a going concern.

Off-Balance Sheet Arrangements

We have no outstanding off-balance sheet guarantees, interest rate swap transactions or foreign currency contracts. We do not engage in trading activities involving non-exchange traded contracts.

Critical Accounting Policies and Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States requires our management to make assumptions, estimates and judgments that affect the amounts reported, including the notes thereto, and related disclosures of commitments and contingencies, if any. We have identified certain accounting policies that are significant to the preparation of our financial statements. These accounting policies are important for an understanding of our financial condition and results of operations. Critical accounting policies are those that are most important to the presentation of our financial condition and results of operations and require management's subjective or complex judgment, often as a result of the need to make estimates about the effect of matters that are inherently uncertain and may change in subsequent periods. Certain accounting estimates are particularly sensitive because of their significance to financial statements and because of the possibility that future events affecting the estimate may differ significantly from management's current judgments.

While our significant accounting policies are more fully described in the notes to our consolidated financial statements appearing elsewhere in this Quarterly Report on Form 10-Q, we believe that the following accounting policies are the most critical to aid you in fully understanding and evaluating our reported financial results and affect the more significant judgments and estimates that we used in the preparation of our financial statements.

Revenue Recognition

The Company recognizes revenue in accordance with ASC 606 — *Revenue from Contracts with Customers*. Under ASC 606, the Company recognized revenue from the sale of lab testing services through our subsidiary Digipath Labs.

Our historical revenue was primarily generated through our subsidiary, Digipath Labs, which recognized revenue from the analytical testing of cannabis products for licensed producers and cultivators within the state of Nevada on a determinable fixed fee per test, or panel of tests, basis. Revenue from the performance of those services was recognized upon completion of the tests, at which time test results were delivered to the customer, provided collectability of the fee is reasonably assured. We typically required payment within thirty days of the delivery of results.

Stock-Based Compensation

The Company accounts for equity instruments issued to employees in accordance with the provisions of ASC 718 Stock Compensation (ASC 718) and Equity-Based Payments to Non-employees pursuant to ASC 2018-07 (ASC 2018-07). All transactions in which the consideration provided in exchange for the purchase of goods or services consists of the issuance of equity instruments are accounted for based on the fair value of the consideration received or the fair value of the equity instrument issued, whichever is more reliably measurable. The measurement date of the fair value of the equity instrument issued is the earlier of the date on which the counterparty's performance is complete or the date at which a commitment for performance by the counterparty to earn the equity instruments is reached because of sufficiently large disincentives for nonperformance.

ITEM 3. QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK.

As a "smaller reporting company" as defined by Item 10 of Regulation S-K, the Company is not required to provide the information required by this Item.

ITEM 4. CONTROLS AND PROCEDURES.

Disclosure Controls and Procedures

Our management, with the participation of our Chief Executive and Chief Financial Officer, evaluated the effectiveness of our disclosure controls and procedures as of June 30, 2025. The term "disclosure controls and procedures," as defined in Rules 13a-15(e) and 15d-15(e) under the Exchange Act, means controls and other procedures of a company that are designed to ensure that information required to be disclosed by a company in the reports that it files or submits under the Exchange Act is recorded, processed, summarized and reported, within the time periods specified in the SEC's rules and forms. Disclosure controls and procedures include, without limitation, controls and procedures designed to ensure that information required to be disclosed by a company in the reports that it files or submits under the Exchange Act is accumulated and communicated to the Company's management, including its principal executive and principal financial officers, as appropriate to allow timely decisions regarding required disclosure. Management recognizes that any controls and procedures, no matter how well designed and operated, can provide only reasonable assurance of achieving their objectives, and management necessarily applies its judgment in evaluating the cost-benefit relationship of possible controls and procedures. Based on the evaluation of our disclosure controls and procedures as of June 30, 2025, our Chief Executive and Chief Financial Officer concluded that, as of such date, our disclosure controls and procedures were not effective at the reasonable assurance level.

Changes in Internal Control over Financial Reporting

There have been no significant changes in our internal control over financial reporting (as defined in Rules 13a-15(f) and 15d-15(f) under the Exchange Act) or in other factors that occurred during the period of our evaluation or subsequent to the date we carried out our evaluation which have materially affected, or are reasonably likely to materially affect, our internal control over financial reporting. The design of any system of controls and procedures is based in part upon certain assumptions about the likelihood of future events. There can be no assurance that any system of controls and procedures will succeed in achieving its stated goals under all potential future conditions, regardless of how remote.

PART II - OTHER INFORMATION

ITEM 1. LEGAL PROCEEDINGS.

We are not a party to any legal or administrative proceedings that we believe, individually or in the aggregate, would be likely to have a material adverse effect on our financial condition or results of operations.

ITEM 1A. RISK FACTORS.

As a “smaller reporting company” as defined by Item 10 of Regulation S-K, the Company is not required to provide the information required by this Item.

ITEM 2. UNREGISTERED SALES OF EQUITY SECURITIES AND USE OF PROCEEDS.

On June 18, 2025, the Company issued 2,500,000 shares of common stock to outside consultants. The shares were valued at the closing price on the date of issuance for a value of \$67,500.

On June 23, 2025, the Company issued an aggregate of 3,000,000 shares of common stock to outside consultants. The shares were valued at the closing price on the date of issuance for an aggregate value of \$90,000.

On June 23, 2025, the Company issued an aggregate of 3,000,000 shares of common stock to its board of directors. The shares were valued at the closing price on the date of issuance for an aggregate value of \$90,000.

Such issuances were exempt from registration pursuant to Section 4(a)(2) of the Securities Act of 1933, as amended.

ITEM 3. DEFAULTS UPON SENIOR SECURITIES.

None.

ITEM 4. MINE SAFETY DISCLOSURES.

Not applicable.

ITEM 5. OTHER INFORMATION.

During the three months ended June 30, 2025, no director or officer of the Company adopted or terminated a “Rule 10b5-1 trading arrangement” or “non-Rule 10b5-1 trading arrangement,” as each term is defined in Item 408(a) of Regulation S-K.

ITEM 6. EXHIBITS.

<u>Exhibit</u>	<u>Description</u>
3.1	Certificate of Designation of the Series D Preferred Stock of the Company, filed with the Secretary of State of the State of Nevada on April 2, 2025 (incorporated by reference to Exhibit 2.11 of the Regulation A Offering Statement on Form 1-A/A filed with the Securities and Exchange Commission by the Company on April 21, 2025)
31.1*	Section 302 Certification of Principal Executive and Principal Financial Officer
32.1**	Section 1350 Certification of Principal Executive and Principal Financial Officer
101.INS*	Inline XBRL Instance Document +
101.SCH*	Inline XBRL Schema Document +
101.CAL*	Inline XBRL Calculation Linkbase Document +
101.DEF*	Inline XBRL Definition Linkbase Document +
101.LAB*	Inline XBRL Labels Linkbase Document +
101.PRE*	Inline XBRL Presentation Linkbase Document +
104	Cover Page Interactive Data File (Embedded within the Inline XBRL document and included in Exhibit)

* Filed herewith.

** Furnished herewith.

+ This information is furnished and not filed for purposes of Sections 11 and 13 of the Securities Act of 1933 and Section 18 of the Securities Exchange Act of 1934

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned thereunto duly authorized.

HYPHA LABS, INC.
(Registrant)

By: /s/ A. Stone Douglass
A. Stone Douglass
Chairman, President, Chief Executive Officer, Chief Financial Officer and Secretary
(Principal Executive Officer and
Principal Financial/Accounting Officer)

Dated: August 21, 2025

EXHIBIT 31.1

CERTIFICATION OF PRINCIPAL EXECUTIVE OFFICER AND PRINCIPAL FINANCIAL OFFICER PURSUANT TO
SECURITIES EXCHANGE ACT RULES 13A-14 AND 15D-14
AS ADOPTED PURSUANT TO
SECTION 302 OF THE SARBANES-OXLEY ACT OF 2002

I, A. Stone Douglass, certify that:

1. I have reviewed this quarterly report on Form 10-Q for the fiscal quarter ended June 30, 2025 of Hypha Labs, Inc.;
2. Based on my knowledge, this report 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 report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
 - a. Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
 - b. Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
 - c. Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
 - d. Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting.
5. The registrant's other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):
 - a. All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
 - b. Any fraud, whether or not material, that involves management or other employees who have a significant role in the small business issuer's internal control over financial reporting.

Date: August 21, 2025

/s/ A. Stone Douglass

A. Stone Douglass, Chief Executive Officer
Chairman, President, Chief Executive Officer, Chief Financial Officer and Secretary
(Principal Executive Officer and
Principal Financial/Accounting Officer)

EXHIBIT 32.1

CERTIFICATION PURSUANT TO
18 U.S.C. SECTION 1350,
AS ADOPTED PURSUANT TO
SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002

In connection with the Quarterly Report of Hypha Labs, Inc. (the "Company") on Form 10-Q for the fiscal quarter ended June 30, 2025 (the "Report"), I, A. Stone Douglass, certify, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that to the best of my knowledge and belief:

- (1) The Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934; and
- (2) The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

Dated: August 21, 2025

/s/ A. Stone Douglass

A. Stone Douglass, Chairman, President, Chief Executive Officer, Chief Financial Officer
and Secretary
(Principal Executive Officer and
Principal Financial/Accounting Officer)

This certification accompanies the Report pursuant to Section 906 of the Sarbanes-Oxley Act of 2002 and shall not, except to the extent required by the Sarbanes-Oxley Act of 2002, be deemed filed by the Company for purposes of Section 18 of the Securities Exchange Act of 1934, as amended.
