

CAPITAL GROUP HOLDINGS, INC.
Condensed Consolidated Balance Sheets

	December 31, 2011	June 30, 2011	June 30, 2010	June 30, 2009
	(unaudited)	(unaudited)	(unaudited)	(unaudited)
ASSETS				
Current assets:				
Cash	\$ 3,392	\$ 298	\$ 13,626	\$ 359
Marketable securities	950	950	2,275	75
Security deposit	7,500	7,500	7,500	775
Prepaid expenses	5,000	5,000	5,000	-
Notes receivable	10,000	10,000	-	-
Stock subscription receivable	183,804	94,638	-	49,576
Total current assets	210,646	118,386	28,401	50,785
Fixed assets:				
Property and equipment, net of depreciation	11,739	81,811	15,199	3,808
Total fixed assets	11,739	81,811	15,199	3,808
Other assets:				
DSG working capital advance	135,573	146,336	-	-
Total other assets	135,573	146,336	-	-
TOTAL ASSETS	\$ 357,958	\$ 346,533	\$ 43,600	\$ 54,593
LIABILITIES AND STOCKHOLDERS' EQUITY (DEFICIT)				
Current liabilities:				
Accounts payable	\$ 227,139	\$ 211,983	\$ 135,622	\$ 86,627
Accounts payable to related party (Note 8)	4,665	4,665	3,665	5,067
Executive salaries payable	240,693	240,693	240,693	187,593
Accrued liabilities	79,200	25,000	25,000	25,000
Accrued interest payable	55,130	55,749	16,508	-
Convertible notes payable	362,757	470,929	844,438	-
Total current liabilities	969,584	1,009,019	1,265,926	304,288
STOCKHOLDERS' EQUITY (DEFICIT) (Note 3)				
Common stock, 100,000,000 shares authorized, \$.01 par value, 19,596,208 shares issued and outstanding as of June 30, 2009				
22,761,208 shares issued and outstanding as of June 30, 2010				
41,467,199 shares issued and outstanding as of June 30, 2011				
50,902,161 shares issued and outstanding as of December 31, 2011	511,302	414,672	227,612	195,962
Additional Paid In Capital	7,314,481	7,116,814	4,668,604	4,531,235
Services prepaid with common stock	(125,000)	(125,000)	(125,000)	(62,500)
Retained deficit	(7,499,992)	(7,256,555)	(5,181,125)	(4,101,975)
Accumulated (deficit) during development stage	(812,417)	(812,417)	(812,417)	(812,417)
TOTAL STOCKHOLDERS' EQUITY (DEFICIT)	(611,626)	(662,486)	(1,222,326)	(249,695)
TOTAL LIABILITIES AND STOCKHOLDERS' EQUITY (DEFICIT)	\$ 357,958	\$ 346,533	\$ 43,600	\$ 54,593

See accompanying notes to financial statements

CAPITAL GROUP HOLDINGS, INC.
CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS

	For the Six Months Ended December 31, 2011 (unaudited)	For the Year Ended June 30, 2011 (unaudited)	For the Year Ended June 30, 2010 (unaudited)	For the Year Ended June 30, 2009 (unaudited)
Revenues:				
Sales	\$ -	\$ -	\$ -	\$ -
Total revenues	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Expenses:				
General and administrative	39,381	970,815	432,573	298,818
Compensation expense (Note 11)	<u>34,571</u>	<u>659,274</u>	<u>344,344</u>	<u>260,554</u>
Total operating expenses	73,952	1,630,089	776,917	559,372
Loss from operations	<u>(73,952)</u>	<u>(1,630,089)</u>	<u>(776,917)</u>	<u>(559,372)</u>
Other Income and Expense				
Realized loss	-	176,419	267,769	3,315
Interest income	-	-	-	-
Interest expense	<u>11,463</u>	<u>268,922</u>	<u>34,464</u>	<u>-</u>
	11,463	445,341	302,233	3,315
NET LOSS	<u>\$ (85,415)</u>	<u>\$ (2,075,430)</u>	<u>\$ (1,079,150)</u>	<u>\$ (562,687)</u>
Basic loss per common share	<u>\$ (0.00)</u>	<u>\$ (0.08)</u>	<u>\$ (0.05)</u>	<u>\$ (0.04)</u>
Diluted loss per common share	<u>\$ (0.00)</u>	<u>\$ (0.08)</u>	<u>\$ (0.05)</u>	<u>\$ (0.04)</u>
Weighted average common shares outstanding - Basic	<u>50,920,637</u>	<u>25,983,003</u>	<u>20,721,080</u>	<u>14,690,759</u>
Weighted average common shares outstanding - Diluted	<u>50,920,637</u>	<u>25,983,003</u>	<u>20,721,080</u>	<u>14,690,759</u>

See accompanying notes to financial statements

CAPITAL GROUP HOLDINGS, INC.
CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN STOCKHOLDERS' DEFICIT

	Common Stock		Additional Paid In Capital	Services Prepaid with Common Stock	Retained Deficit	Accumulated Deficit During Development Stage	Total Stockholders' Deficit
	Shares	Amount					
Balance at July 1, 2005	2,430,162	\$ 24,302	\$ 3,514,987	\$ -	\$ (3,539,288)	\$ -	-
Net loss for the period July 1, 2005 through June 30, 2006	-	-	-	-	-	-	-
Balance at June 30, 2006	<u>2,430,162</u>	<u>\$ 24,302</u>	<u>\$ 3,514,987</u>	<u>\$ -</u>	<u>\$ (3,539,288)</u>	<u>\$ -</u>	<u>-</u>
Issuance of common stock for cash at \$0.0025 per share on December 4, 2006	10,000,000	100,000	(80,000)	-	-	-	20,000
Net loss for the period July 1, 2006 through June 30, 2007	-	-	-	-	-	(24,166)	(24,166)
Balance at June 30, 2007	<u>12,430,162</u>	<u>\$ 124,302</u>	<u>\$ 3,434,987</u>	<u>\$ -</u>	<u>\$ (3,539,288)</u>	<u>\$ (24,166)</u>	<u>(4,166)</u>
Issuance of common stock for cash at \$1.00 per share	51,046	510	50,536	-	-	-	51,046
Issuance of common stock for investment in marketable securities at \$0.75 per share on October 22, 2007	990,000	9,900	732,600	-	-	-	742,500
Additional Paid-in-capital	-	-	5,363	-	-	-	5,363
Net loss for the period July 1, 2007 through June 30, 2008	-	-	-	-	-	(788,251)	(788,251)
Balance at June 30, 2008	<u>13,471,208</u>	<u>\$ 134,711</u>	<u>\$ 4,223,486</u>	<u>\$ -</u>	<u>\$ (3,539,288)</u>	<u>\$ (812,417)</u>	<u>6,492</u>
Stock issued for stock subscription	1,000,000	10,000	114,000	-	-	-	124,000
Shares issued for services	4,625,000	46,250	138,749	(62,500)	-	-	122,500
Shares issued for director's fees	500,000	5,000	55,000	-	-	-	60,000
Net loss for the period July 1, 2008 through June 30, 2009	-	-	-	-	(562,687)	-	(562,687)
Balance at June 30, 2009	<u>19,596,208</u>	<u>\$ 195,962</u>	<u>\$ 4,531,235</u>	<u>\$ (62,500)</u>	<u>\$ (4,101,975)</u>	<u>\$ (812,417)</u>	<u>(249,695)</u>
Stock issued for stock subscription	-	-	-	-	-	-	-
Shares issued for services	3,165,000	31,650	137,369	(62,500)	-	-	106,519
Net loss for the period July 1, 2009 through June 30, 2010	-	-	-	-	(1,079,150)	-	(1,079,150)
Balance at June 30, 2010	<u>22,761,208</u>	<u>\$ 227,612</u>	<u>\$ 4,668,604</u>	<u>\$ (125,000)</u>	<u>\$ (5,181,125)</u>	<u>\$ (812,417)</u>	<u>(1,222,326)</u>
Stock issued for cash	10,088,826	100,889	306,250	-	-	-	407,139
Stock issued for note conversions	8,617,165	86,171	2,141,960	-	-	-	2,228,131
Net loss for the period July 1, 2010 through June 30, 2011	-	-	-	-	(2,075,430)	-	(2,075,430)
Balance at June 30, 2011	<u>41,467,199</u>	<u>\$ 414,672</u>	<u>\$ 7,116,814</u>	<u>\$ (125,000)</u>	<u>\$ (7,256,555)</u>	<u>\$ (812,417)</u>	<u>(662,486)</u>

CAPITAL GROUP HOLDINGS, INC.
CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS

	<u>For the</u> <u>Six Months Ended</u> <u>December 31, 2011</u> <u>(unaudited)</u>	<u>For the</u> <u>Year Ended</u> <u>June 30, 2011</u> <u>(unaudited)</u>	<u>For the</u> <u>Year Ended</u> <u>June 30, 2010</u> <u>(unaudited)</u>	<u>For the</u> <u>Year Ended</u> <u>June 30, 2009</u> <u>(unaudited)</u>
CASH FLOWS FROM OPERATING ACTIVITIES				
Net loss	\$ (243,437)	\$ (2,075,430)	\$ (1,079,150)	\$ (562,687)
Adjustments to reconcile net income to net cash provided by (used in) operating activities:				
Depreciation and amortization	2,046	4,059	(511)	1,077
Stock based compensation	-	-	-	195,674
Increase in accounts receivable	(89,165)	(250,974)	-	-
Loss on marketable securities	-	1,325	(2,200)	3,315
Interest expense	-	(268,922)	16,508	-
Increase in accounts payable and accrued expenses	(28,473)	12,015	945,130	269,086
NET CASH PROVIDED BY (USED IN) OPERATING ACTIVITIES	<u>(359,029)</u>	<u>(2,577,927)</u>	<u>(120,223)</u>	<u>(93,535)</u>
CASH FLOWS FROM INVESTING ACTIVITIES				
Furniture and equipment	68,026	(70,671)	(10,880)	-
Security deposits	-	-	(11,725)	-
Investment advance	(200)	-	-	-
Cash received from sale of Available for sale securities	-	-	-	23,485
NET CASH USED IN INVESTING ACTIVITIES	<u>67,826</u>	<u>(70,671)</u>	<u>(22,605)</u>	<u>23,485</u>
CASH FLOWS FROM FINANCING ACTIVITIES				
Issuance of Common Stock for Cash	96,630	187,060	156,094	61,251
Additional paid in capital	197,667	2,448,210	-	-
	<u>294,297</u>	<u>2,635,270</u>	<u>156,094</u>	<u>61,251</u>
NET CASH PROVIDED BY (USED IN) FINANCING ACTIVITIES	<u>294,297</u>	<u>2,635,270</u>	<u>156,094</u>	<u>61,251</u>
NET CHANGE IN CASH	3,094	(13,328)	13,266	(8,799)
CASH BALANCES				
Beginning of year	<u>298</u>	<u>13,626</u>	<u>360</u>	<u>9,159</u>
End of year	<u>\$ 3,392</u>	<u>\$ 298</u>	<u>\$ 13,626</u>	<u>\$ 360</u>
SUPPLEMENTAL DISCLOSURE OF CASH FLOW INFORMATION:				
CASH PAID DURING THE YEAR FOR:				
Interest	\$ -	\$ -	\$ -	\$ -
Income taxes	\$ -	\$ -	\$ -	\$ -
SUPPLEMENTAL SCHEDULE OF NON-CASH TRANSACTIONS:				
Issuance of common stock in exchange for marketable securities	\$ -	\$ -	\$ -	\$ -

See accompanying notes to financial statements

Capital Group Holdings, Inc.
NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
December 31, 2011

(1) Summary of Accounting Policies, and Description of Business

This summary of significant accounting policies of Capital Group Holdings, Inc. (formerly Oasis Online Technologies Corp) (Company), is presented to assist in understanding the Company's financial statements. The financial statements and notes are representations of the Company's management who is responsible for their integrity and objectivity. These accounting policies conform to generally accepted accounting principles in the United States of America and have been consistently applied in the preparation of the financial statements.

(a) Organization and Description of Business

The Company was incorporated as Implant Technologies, Inc. in 1980 under the laws of the State of Minnesota.

On June 15, 1995, the Company was suspended from being a Minnesota corporation as a result of non-filing of required documents by the state of Minnesota.

Effective April 26, 2006, the Company revived its character and commenced activities to become a reporting company with the SEC with the intention to become a publicly trading company.

On September 19, 2007, the Company filed a certificate of amendment to the Company's Articles of Incorporation with the Secretary of State of the State of Minnesota to (i) change its name from Implant Technologies, Inc. to Oasis Online Technologies Corp and (ii) give notice of a one-for-eight reverse stock split of the Company's common shares.

The Company acquired the Master License Agreement from Transend International as settlement for advance payments that were made to Transend in anticipation of an acquisition of Transend by the Company on November 06, 2008. After thorough due diligence on Transend, it was determined that acquiring Transend was not in the best interest of the Company as Transend was experiencing a rapid decline in revenues due to losing a primary customer.

After acquiring the Pocketserver license, the Company began developing 2 new applications based on the Pocketserver software and utilized the development team from Transend with financial assistance being provided by Big Eye Capital, at the time the largest shareholder of Oasis Online. Some payments were made from Oasis to the development team and other payments were made on behalf of Oasis by Big Eye Capital.

AmberCard: AmberCard is a smart-card and USB application which stores high resolution images and data which can be used to quickly retrieve and disseminate critical time-sensitive information on abducted children. The application highly compresses the images so that they can be fit on very small storage devices (such as a 32k EMV smart chip) which are fully encrypted and require 2-factor authentication protocols to unlock. The information is stored on the chip via a USB smart-card reader which is connected to the user's personal computer and/or a USB dongle which contains an internal processing chip. The application would be used to store children's images and information on a card or USB device which can be carried by a parent at all times.

Smart ID Card: The Smart ID card was a proof-of-concept development which stored a person's image and personal and travel information securely on the card (again using 2 factor authentication protocols for security) which could be used for quick retrieval of the data. The card would be useful for travelers as well as within closed groups (such as secure business environments) where ID would have to be presented and data collected simply by inserting the card into a

reader so identity could be verified and any other corresponding information could be obtained simply by inserting the card into a reader.

The information what was stored with these two applications could be managed by a centralized system which is very similar to the PHR (Personal Health Record) component that we are now developing with OneHealthPass. The Company could possibly utilize the Pocketserver software in the future development of OneHealthPass as the 2-factor authentication and the processing-on-chip capabilities of Pocketserver could be useful for storing data and value on the OneHealthPass membership cards that will be used.

Neither application which was developed was ever sold or produced any revenue and the Company still has possession and retains all the rights to the software.

The revenue sharing agreement with SVC cards did not produce any revenue as SVC cards experienced a financial decline and was not operational long after. Oasis also was not able to secure any paying customers in the prepaid debit card space.

Throughout much of 2009, the Company had limited operations as it was unable to secure the required capital to execute its business plan and had to seek other business opportunities.

In January of 2010, the Company began discussions with various businesses and entities within the healthcare industry. Management started researching the emerging field of Telemedicine (the delivery of healthcare services at a distance) and began planning its current business model to develop a comprehensive telemedicine technology platform as well as telemedicine services to be delivered using the platform. The Company decided to utilize its knowledge and resources it gained from development of online security applications related to the credit card and payment and apply it to the emerging field of Personal Health Record management. In January of 2010, the Company had identified a potential acquisition candidate named Access My Records, Inc (AMR). AMR had a customer base and was looking to expand. The Company had advanced funds to purchase AMR but discovered during the due diligence period that AMR had misrepresented its actual customer count, resulting in a far lower actual revenue number than it had previously represented to management. The Company initiated a lawsuit against AMR in November of 2010 which resulted in a settlement agreement whereby the Company acquired the Intellectual Property and Rights to AccessMyRecords.Com from AMR. In April of 2010 The Company formed a new wholly-owned subsidiary named OneHealthPass Inc, in which the Company will sell medical services and build its telemedicine platform. In addition to the formation of OneHealthPass Inc, the Company also decided this was to be the go-to-market brand as well, resulting in the Trademarking of OneHealthPass, OHP, "One Life, One Login" as well as corresponding logos.

The Company has contracted with two physician network providers so OHP customers can consult with Board Certified physicians on a 24/7/365 basis. The Company decided sales of physician network services would be the most efficient path to significant and consistent revenue and has decided to sell the services in advance of the OHP platform being rolled-out. The Company has contracted with a Production Company based in Los Angeles CA to produce multiple video assets as well as Direct Response Television Commercials in order to sell the physician network services direct to consumer starting in the Southern California market and then expanding into other states. The Company plans to board all of its customers onto the OHP technology platform as it is completed in multiple phases. Development of the OHP platform was begun in July of 2010 and is expected to be rolled out in phases beginning 2nd quarter of 2012.

The OHP platform does not have a completion date as it is designed to be infinitely extensible utilizing open-source development to accommodate emerging technologies from 3rd party providers. The Company plans on marketing the physician network services via direct response advertising in local markets in southern California within the 1st quarter of 2012. The core of the OHP platform (PHR) requires extensive testing and certifications due to the nature of the information being stored and managed, and could cause delays in the deployment of the OHP platform in order to be

compliant with all state and federal regulations.

(b) Use of Estimates in the Preparation of Financial Statements

The preparation of financial statements in conformity with generally accepted accounting principles in the United States of America 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 revenue and expenses during the reporting period. Actual results could differ from those estimates.

(c) Per Share Information

On September 19, 2007, the Company effected a one-for-eight reverse stock split of the Company's common shares. Accordingly, all references to shares in the accompanying financial statements reflect the reverse stock split. In accordance with ASC 260 – "Earnings Per Share," the basic loss per common share is computed by dividing net loss available to common stockholders by the weighted average number of common shares outstanding. In addition, per share calculations reflect the effect of any reverse stock splits. Diluted loss per common share is computed similar to basic loss per common share except that the denominator is increased to include the number of additional common shares that would have been outstanding if the potential common shares had been issued and if the additional common shares were dilutive. At September 30, 2011 and June 30, 2010, the Company had no stock equivalents that were anti-dilutive and excluded in the earnings per share computation.

(d) Basis of Presentation – Going Concern

The accompanying financial statements have been prepared in conformity with generally accepted accounting principles in the United States of America, which contemplates continuation of the Company as a going concern. However, the Company has minimal business operations, has recurring losses and has negative working capital and a stockholders' deficit, which raise substantial doubt about its ability to continue as a going concern.

In view of these matters, continuation as a going concern is dependent upon continued operations of the Company, which in turn is dependent upon the Company's ability to meet its financial requirements, raise additional capital, and the success of its future operations.

(e) Recent Accounting Pronouncements

Goodwill Impairment - In September 2011, the FASB issued new accounting guidance simplifying how all entities test goodwill for impairment. The new guidance is effective for interim and annual goodwill impairment tests performed for fiscal years beginning after December 15, 2011. The Company does not believe the adoption of the new guidance will have an impact on its consolidated financial position, results of operations or cash flows.

Comprehensive Income – In June 2011, the FASB issued new guidance on the presentation of comprehensive income. Specifically, the new guidance allows an entity to present components of net income or other comprehensive income in one continuous statement, referred to as the statement of comprehensive income, or in two separate, but consecutive statements. The new guidance eliminates the current option to report other comprehensive income and its components in the statement of changes in equity. While the new guidance changes the presentation of comprehensive income, there are no changes to the components that are recognized in net income or other comprehensive income under current accounting guidance. This new guidance is effective for fiscal years and interim periods beginning after

December 15, 2011. The Company does not believe the adoption of the new guidance will have an impact on its consolidated financial position, results of operations or cash flows.

Fair Value Measurement – In April 2011, the Financial Accounting Standards Board (“FASB”) issued new guidance to achieve common fair value measurement and disclosure requirements between GAAP and International Financial Reporting Standards. This new guidance amends current fair value measurement and disclosure guidance to include increased transparency around valuation inputs and investment categorization. The new guidance is effective for fiscal years and interim periods beginning after December 15, 2011. The Company does not believe the adoption of the new guidance will have an impact on its consolidated financial position, results of operations or cash flows.

The Company has reviewed all other recently issued, but not yet adopted, accounting standards in order to determine their effects, if any, on its consolidated results of operation, financial position or cash flows. Based on that review, the Company believes that none of these pronouncements will have a significant effect on its consolidated financial statements.

(f) Risks and Uncertainties

The Company is subject to substantial business risks and uncertainties inherent in starting a new business. There is no assurance that the Company will be able to complete a business combination. Management is currently evaluating opportunities to complete a business combination and management believes that they will be able to complete a combination and that this plan provides an opportunity for the Company to continue as a going concern.

(g) Concentration of Credit Risk

Financial instruments that potentially subject the Company to concentrations of credit risk consist primarily of temporary cash investments. The Company places its temporary cash investments with financial institutions. As of the period ended December 31, 2011 and the year ended June 30, 2011, 2010, and 2009, the company did not have a concentration of credit risk since it had no temporary cash investments in bank accounts in excess of the FDIC insured amounts.

(h) Revenue Recognition

The Company has had no revenue since its corporate charter was reinstated.

(i) Cash and Cash Equivalents

The Company considers cash and cash equivalents to consist of cash on hand and demand deposits in banks with an initial maturity of 90 days or less.

(j) Property and Equipment

Property and equipment are stated at cost less accumulated depreciation and amortization. Depreciation is computed principally on the straight-line method over the estimated useful life of each type of asset which ranges from three to seven years. Leasehold improvements are amortized over the remaining term of the applicable leases or their useful lives, whichever is shorter. Maintenance and repairs are charged to expense as incurred; improvements and betterments are capitalized. Upon retirement or disposition, the related costs and

Below is a summary of premises and equipment:

Asset Type	Life in Years	December 31, 2011
Office Equipment and Furniture	7	\$18,910

Subtotal	\$18,910
Less Accumulated Depreciation	<u>\$7,171</u>
Net Book Value	<u><u>\$11,739</u></u>

(k) Fair Value of Financial Instruments

Financial Accounting Standards Board (“FASB”) issued Statement of Financial Accounting Standards No. 107 (“SFAS 107”), “Disclosures about Fair Value of Financial Instruments”, which on July 1, 2009 was codified as Accounting Standards Codification 820-Fair Value Measurement and Disclosure (“ASC 820”). ASC 820 requires disclosure of fair value information about financial instruments when it is practicable to estimate that value. The carrying amount of the Company’s cash, investment in marketable securities, accounts payable, and accounts payable-related party approximate their estimated fair values due to their short-term maturities.

(l) Income Taxes

The Company records deferred taxes in accordance with Statement of Financial Accounting Standards (SFAS) 109, “Accounting for Income Taxes”, which on July 1, 2009 was codified as Accounting Standards Codification 740 – Income Taxes. ASC 740 requires recognition of deferred tax assets and liabilities for temporary differences between the tax bases of assets and liabilities and the amounts at which they are carried in the financial statements, the effect of net operating losses, based

(l) Income Taxes, continued

upon the enacted tax rates in affect for the year in which the differences are expected to reverse. A valuation allowance is established when necessary to reduce deferred tax assets to the amount expected to be realized.

(m) Loss Per Share

Basic loss per share is calculated by dividing net loss available to common shareholders by the weighted-average number of common shares outstanding during each period. Diluted loss per share is similarly calculated, except that the weighted-average number of common shares outstanding would include common shares that may be issued subject to existing rights with dilutive potential when applicable. There were no potentially issuable shares.

(n) Other

The Company has selected June 30 as its fiscal year end. The Company has paid no dividends. No advertising expense has been incurred. The Company consists of one reportable business segment.

(2) Income Taxes

Deferred income taxes arise from temporary timing differences in the recognition of income and expenses for financial reporting for tax purposes. The Company’s deferred tax assets consist entirely of the benefit from net operating loss (NOL) and capital loss carry forwards. The net operating loss carry forward, if not used, will expire in various years through 2029, and is severely restricted as per the Internal Revenue code due to the change in ownership. The capital loss carry forward, if not used, will expire in 2012. The Company’s deferred tax assets are offset by a valuation allowance due to the uncertainty of the realization of the net operating and capital loss carry forwards. Net operating and capital loss carry forwards may be further limited by other

provisions of the tax laws.

The Company's deferred tax assets, valuation allowance, and change in valuation allowance are as follows:

Year Ending	Estimated NOL & capital loss carry-forward	Estimated Tax Benefit from NOL	Valuation Allowance	Change in Valuation Allowance	Net Tax Benefit
June 30, 2007	24,166	4,471	(4,471)	(-)	--
June 30, 2008	812,417	150,297	(150,297)	(145,826)	--
June 30, 2009	562,687	104,097	(104,097)	41,729	--
June 30, 2010	1,079,150	199,643	(199,643)	(241,372)	--
June 30, 2011	2,075,430	383,955	(383,955)	(142,583)	--

(2) Income Taxes, continued

Income taxes at the statutory rate are reconciled to the Company's actual income taxes as follows:

Income tax benefit at statutory rate resulting from net operating loss carry forward	(15.0 %)
State tax (benefit) net of Federal benefit	(3.5%)
Deferred income tax valuation allowance	<u>18.5%</u>
Actual tax rate	<u>0.0%</u>

(3) Common Stock

Pursuant to the Articles of Incorporation as amended on September 19, 2007, the Company is authorized to issue 100,000,000 common shares, which a par value of \$.01 per share. In connection with the Capital Base Funding Agreement as discussed in Note 8, which ended on December 31, 2007, the Company issued 51,046 shares of the Company's common stock in exchange for funding totaling \$51,046. On October 22, 2007, the Company issued 990,000 shares of common stock in exchange for 99,000 freely trading registered shares of Immunosyn Corporation, a Delaware corporation, from Argyll, as further discussed in Note 9.

On November 4, 2008 the Company issued 1,000,000 shares for a stock subscription at \$.10 per share. At June 30, 2009, there remained a balance of \$49,576 in stock subscriptions receivable, which was subsequently received in the year ended June 30, 2010. On December 1, 2008, the Company issued 500,000 shares for directors fees at \$.12 per share. On December 31, 2008 the Company issued 4,625,000 shares for services at a value of \$.04 per share of which \$62,500 was earned and \$62,500 was unearned. On December 31, 2009 the Company issued 3,125,000 shares for services at a par value of \$0.01 per share. On April 30, 2010 the Company issued 40,000 shares for legal services as a partial payment for services at a par value of \$0.01 per share. On November 5, 2010 the Company issued 50,000 shares for cash at a par value of \$0.01 per share. On December 1, 2010 the Company issued 25,000 shares for cash at a par value of \$0.01 per share. On December 6, 2010 the Company issued 50,000 shares for cash at a par value of \$0.01 per share. On December 10, 2010 the Company issued 250,000 shares for cash at a par value of \$0.01 per share. On December 23, 2010 the Company issued 25,000 shares for cash at a par value of \$0.01 per share. On December 27, 2010 the Company issued 25,000 shares for cash at a par value of \$0.01 per share. On December 27, 2010 the Company issued 75,000 shares for cash at a par value of \$0.01 per share. On December 30, 2010 the Company issued 50,000 shares for cash at a par value of \$0.01 per share. There were 51,130,161 shares of common stock issued and outstanding at December 31, 2011.

(4) Name Change and Reverse Stock Split

On September 19, 2007, the Company filed a certificate of amendment to the Company's Articles of Incorporation with the Secretary of State of the State of Minnesota to (i) change its name from Implant Technologies, Inc. to Oasis Online Technologies Corp and (ii) give notice of a one-for-eight reverse stock split of the Company's common shares.

Upon effectiveness of the one-for-eight reverse stock split, all issued and outstanding shares, as of the effective date, were reduced from 99,438,464 prior to the reverse split to 12,429,808 following the reverse stock split. No fractional shares were issued. In lieu of issuing fractional shares, the Company will issue to any stockholder who otherwise would have been entitled to receive a fractional share as a result of the reverse stock split an additional full share of its Common Stock.

(4) Name Change and Reverse Stock Split, continued

The number of authorized shares of common stock of the Company was reduced by the same eight for one ratio as the issued and outstanding shares of common stock. The name change became effective and the Company began using the new name on September 19, 2007. The reverse split became effective on September 26, 2007. All references in the accompanying financial statements to the number of common shares and per share amounts have been retroactively adjusted to reflect the reverse stock split.

(5) Change in Control

Pursuant to a Stock Purchase Agreement, effective July 10, 2007, two of the Company's directors sold 10,000,000 shares (approximately 80.48% of the total issued and outstanding shares) of the Company's common stock to an entity, resulting in a change in control of the Company.

In connection with the Stock Purchase Agreement, on July 10, 2007 the Company received a letter of resignation from Michael Friess resigning as an officer and Director of the Company and a letter of resignation from Sanford Schwartz resigning as a Director of the Company both effective immediately.

On July 21, 2011 John Venette resigned as Director and CFO. On July 21, 2011 the board of directors accepted the resignation letter from Mr. Venette. The board of directors also appointed Eric Click as Director, Secretary/Treasurer and COO.

(6) Investments – Marketable Securities

On July 1, 2009, ASC 320 requires that the primary issue in accounting and reporting for debt and equity investments is the appropriate use of fair value. Generally accepted accounting principles (GAAP) require that investments in equity securities that have readily determinable fair values and all investments in debt securities be classified in three categories (held to maturity, trading securities, and available for sale) and be given specific accounting treatments.

The Company determines the appropriate classification of its investments in debt and equity securities at the time of purchase and reevaluates such determinations at each balance sheet date. Debt securities are classified as held to maturity when the Company has the positive intent and ability to hold the securities to maturity. Debt securities for which the Company does not have the intent or ability to hold to maturity are classified as available for sale. Held-to-maturity securities are recorded as either short term or long term on the Balance Sheet, based on contractual maturity date and are stated at amortized cost. Marketable securities that are bought and held principally for the purpose of selling them in the near term are classified as trading securities and are reported at fair value, with unrealized gains and losses recognized in earnings. Debt and marketable equity securities not classified as held to maturity or as trading, are classified as available for sale, and are carried at fair market value, with the unrealized gains and losses, net of tax, included in the determination of comprehensive income and reported in shareholders' equity.

The fair value of substantially all securities is determined by quoted market prices. The estimated fair value of securities for which there are no quoted market prices is based on similar types of securities that are traded in the market.

When a decline in the value of a specific investment is considered to be “other than temporary,” a provision for impairment is charged to earnings (accounted for as a realized loss) and the cost basis of that investment is reduced. The determination of

(6) Investments – Marketable Securities, continued

whether unrealized losses are “other than temporary” requires judgment based on subjective as well as objective factors. Factors considered and resources used by management include:

- The extent to which fair value is less than cost basis.
- Historical operating, balance sheet and cash flow data contained in issuer SEC filings and news releases.
- Near-term prospects for improvement in the user and/or its industry.
- Third party research and communications with industry specialists
- Financial models and forecasts,
- Discussions with issuer management and
- Ability and intent to hold the investment for a period of time sufficient to allow for any anticipated recovery in fair value.

Based on its analysis of the factors enumerated above, management believes (i) the Company will recover its cost basis in the securities with unrealized losses and (ii) that the Company has the ability and intent to hold the securities until they recover in value. Although the Company has the ability to continue holding its investments with unrealized losses, its intent to hold them may change due to decisions to lessen exposure to a particular issuer or industry, asset/liability management decisions, market movements, changes in views about appropriate asset allocation or the desire to offset taxable realized gains. Should the Company’s ability or intent change with regard to a particular security, a charge for impairment would likely be required. While it is not possible to accurately predict if or when a specific security will become impaired, charges for other than temporary impairment could be material to results of operations in a future period. Management believes it is not likely that future impairment charges will have a significant effect on the Company’s liquidity.

On October 4, 2007 the Company and Argyll Equities LLC (Argyll) entered into and on October 22nd closed a stock purchase agreement (“Purchase Agreement”). Pursuant to the terms of the Purchase Agreement, the Company acquired 99,000 freely trading registered shares of Immonosyn Corporations, a Delaware corporation, from Argyll in consideration for 990,000 newly issued shares of the Company’s common stock (the “Exchange Shares”) valued at \$742,500.

The company received proceeds of \$286,297 from the sale of 86,500 shares of marketable securities, and recorded gross realized losses on those sales of \$362,453 during the year ended June 30, 2008. The Company evaluated the likelihood that the impairment in the stock price of this investment would be permanent and it was determined that this was likely to be a permanent impairment for the remaining time that the Company intended to hold these securities and thus the Company has recorded a loss for the entire remaining amount of realized loss in the amount of \$3,315 at June 30, 2009 and \$66,875 at June 30, 2008 for a total realized loss of \$432,643 at June 30, 2009.

At December 31, 2011, the Company had marketable securities in the following company:

Name: Immunosyn (IMYN)

Exchange: OCTBB

<u>Total Recorded Cost</u>	<u>Total Market Value</u>	<u>Total Realized Loss</u>
\$8,805	\$ 950	\$7,885

(7) Convertible Notes

In March of 2010 the Company issued a series of Convertible Notes to raise capital with investments continuing through March 31, 2011. The Purchasers shall be issued Series A Warrants to purchase a number of shares of Common Stock equal to twenty-five percent (25%) of the number of Conversion Shares issuable upon conversion of such Purchaser's Notes purchased pursuant to the Purchase Agreement. The Warrants shall expire three (3) years following the Closing Date and shall have an exercise price of twenty cents (\$0.20) or twenty-five cents (\$0.25). The warrant values were calculated using the Black Scholes method using fair value of the stock, stock volatility and interest rates based on a three (3) year yield of zero coupon treasury bills on the date of Purchase. The Convertible Notes bear an interest rate of twelve percent (12%) which is accrued quarterly on the Convertible Notes. The Black Scholes method resulted in a Beneficial Conversion feature that is recorded as a Debt Discount at the time of the Purchase and amortized over three (3) years or until Conversion of the Convertible Note. If converted before maturity, the unamortized Debt Discount would be charged to Equity. The Debt Discount Amortization is recorded quarterly.

(8) Leases

A new lease for the facility was executed on March 5, 2010 for a period of two years with the lease ending March 5, 2012. Rent will be \$2500 per month with a security deposit of \$7,250. Under the terms of the lease agreement, the Company is responsible for its share of normal operating costs, including maintenance expenses, property taxes and insurance.

Future minimum lease payments are as follows:

2011	\$30,000
2012	\$ 7,500

The Company incurred rent expense on the headquarters facility of \$10,250 and \$33,925 for the six months ended December 31, 2011 and for the year ended June 30, 2011 respectively.

(9) Related Party Transactions

On August 9, 2007, the Company entered into a Capital Base Funding Agreement with its largest single shareholder, Big Eye Capital, Inc. ("Big Eye") whereby Big Eye would make available to the Company up to one hundred thousand dollars (\$100,000) in working capital in exchange for newly issued common stock of the Company. The amount of common stock of the Company to be issued to Big Eye would be based on the greater of the previous day's closing market prices or \$1.00 per share. The Company would give Big Eye ten days advance notice prior to requesting funds (when possible) so that not all funds would be advanced at any one time.

In connection with the Capital Base Funding Agreement which ended on December 31, 2007, Big Eye Capital, Inc. provided a total of \$51,046 of funding to the Company resulting in Big Eye Capital, Inc. being issued 51,046 shares of the Company's common stock accordingly.

(10) Agreements

On October 2, 2007 the company entered into a non-binding Letter of Intent to acquire 100% of the outstanding shares of TranSend International, Inc. ("TranSend") Under the terms of the Letter of Intent, the Company would issue one share of its common stock for each of the approximately 15 million outstanding shares of TranSend's common stock. Closing of this transaction was subject to customary conditions which will include, among other things, the completion of an audit of TranSend for at least the past two years, as well as completion of definitive agreements between the parties. The Company has terminated the Letter of Intent but does not preclude completing a transaction with TranSend should they be able to resolve these items.

On April 23, 2008 the Company entered into a Line of Credit Funding Agreement with TranSend International, Inc. ("TranSend") whereby the Company will make available to TranSend up to one hundred thousand dollars (\$100,000) in an available Line of Credit to be used for the working capital needs of TranSend. The Line of Credit is uncollateralized, and bears interest at an annual rate of ten percent on the outstanding monthly balance.

On July 18, 2008, the Company terminated the Letter of Intent to acquire TranSend International, Inc. as well as the Line of Credit Funding Agreement with TranSend International, Inc. Under the funding agreement, the Company has advanced a total of \$59,900 to TranSend International, Inc. Management anticipates that this amount will be applied to any license agreement between the companies. The Company has accrued interest in the amount of \$1,092 for the outstanding period through June 30, 2008. Management evaluated the collectability of this notice and determined that the Company should write off the entire principle and accrued interest to bad debt expense. The amount of the bad debt expense was \$-0- and \$60,992 for the year ended June 30, 2011 and 2010, respectively.

(11) Subsequent Events

The Company has evaluated subsequent events and has concluded that no recognized subsequent events have occurred since the period ended December 31, 2011.