

BLUE EARTH RESOURCES, INC.

303 S. Concord Street, Suite 311

Knoxville, Tennessee 37919

(888) 462-2374

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SIC Code 5172

Quarterly Report For the Period Ended May 31, 2021 (the “Reporting Period”)

As of May 31, 2021, the number of shares outstanding of our Common Stock was: **51,639,252**

As of February 28, 2021, the number of shares outstanding of our Common Stock was: **47,189,252**

Indicate by check mark whether the company is a shell company (as defined in Rule 405 of the Securities Act of 1933 and Rule 12b-2 of the Exchange Act of 1934):

Yes: ☐ No: ☒

Indicate by check mark whether the company's shell status has changed since the previous reporting period:

Yes: ☐ No: ☒

Indicate by check mark whether a Change in Control¹ of the company has occurred over this reporting period:

Yes: ☐ No: ☒

¹ “Change in Control” shall mean any events resulting in:

(i) Any “person” (as such term is used in Sections 13(d) and 14(d) of the Exchange Act) becoming the “beneficial owner” (as defined in Rule 13d-3 of the Exchange Act), directly or indirectly, of securities of the Company representing fifty percent (50%) or more of the total voting power represented by the Company's then outstanding voting securities;

(ii) The consummation of the sale or disposition by the Company of all or substantially all of the Company's assets;

(iii) A change in the composition of the Board occurring within a two (2)-year period, as a result of which fewer than a majority of the directors are directors immediately prior to such change; or

(iv) The consummation of a merger or consolidation of the Company with any other corporation, other than a merger or consolidation which would result in the voting securities of the Company outstanding immediately prior thereto continuing to represent (either by remaining outstanding or by being converted into voting securities of the surviving entity or its parent) at least fifty percent (50%) of the total voting power represented by the voting securities of the Company or such surviving entity or its parent outstanding immediately after such merger or consolidation.

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

In answering this item, provide the current name of the issuer and any names used by predecessor entities, along with the dates of the name changes.

Blue Earth Resources, Inc.- Effective March 15, 2010

Century Controls International, Inc. – Effective June 26, 1991

ReaLife Technology, Inc. - Effective March 4, 1987

Happy Trails, Inc. – Formation March 15, 1984

The state of incorporation or registration of the issuer and of each of its predecessors (if any) during the past five years; Please also include the issuer's current standing in its state of incorporation (e.g. active, default, inactive):

Utah - Active

Describe any trading suspension orders issued by the SEC concerning the issuer or its predecessors since inception:

None

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

None

The address(es) of the issuer's principal executive office:

303 S. Concord Street
Suite 311
Knoxville, TN 37919

The address(es) of the issuer's principal place of business:

Check box if principal executive office and principal place of business are the same address: ☒

Has the issuer or any of its predecessors been in bankruptcy, receivership, or any similar proceeding in the past five years?

Yes: ☐

No: ☒

If this issuer or any of its predecessors have been the subject of such proceedings, please provide additional details in the space below:

N/A

2) Security Information

Trading symbol:	BERI
Exact title and class of securities outstanding:	Common Stock
CUSIP:	09547W209
Par or stated value:	\$0.004

Total shares authorized:	200,000,000	as of date: 05/31/21
Total shares outstanding:	51,639,252	as of date: 05/31/21
Number of shares in the Public Float ² :	8,777,952	as of date: 05/31/21
Total number of shareholders of record:	395	as of date: 05/31/21

All additional class(es) of publicly traded securities (if any): **Series A, B, C & D Convertible Preferred Stock are not currently publicly traded, but they are convertible into publicly traded common stock of the Company.**

Trading symbol:	N/A	
Exact title and class of securities outstanding:	Series A Convertible Preferred Stock	
CUSIP:	None	
Par or stated value:	\$0.004	
Total shares authorized:	56,000,000	as of date: 05/31/21
Total shares outstanding:	-0-	as of date: 05/31/21

Trading symbol:	N/A	
Exact title and class of securities outstanding:	Series B Convertible Preferred Stock	
CUSIP:	None	
Par or stated value:	\$0.004	
Total shares authorized:	10,000,000	as of date: 05/31/21
Total shares outstanding:	1,000	as of date: 05/31/21

Trading symbol:	N/A	
Exact title and class of securities outstanding:	Series C Convertible Preferred Stock	
CUSIP:	None	
Par or stated value:	\$0.004	
Total shares authorized:	17,000,000	as of date: 05/31/21
Total shares outstanding:	9,364,150	as of date: 05/31/21

Trading symbol:	N/A	
Exact title and class of securities outstanding:	Series D Convertible Preferred Stock	
CUSIP:	None	
Par or stated value:	\$0.004	
Total shares authorized:	17,000,000	as of date: 05/31/21
Total shares outstanding:	9,614,150	as of date: 05/31/21

Transfer Agent

Name: Pacific Stock Transfer Company
Phone: (800) 785-7782
Email: info@pacificstocktransfer.com
Address: 6725 Via Austi Pkwy #300, Las Vegas, NV 89119

Is the Transfer Agent registered under the Exchange Act?³ Yes: ☒ No: ☐

² "Public Float" shall mean the total number of unrestricted shares not held directly or indirectly by an officer, director, any person who is the beneficial owner of more than 10 percent of the total shares outstanding (a "control person"), or any affiliates thereof, or any immediate family members of officers, directors and control persons.

³ To be included in the Pink Current Information tier, the transfer agent must be registered under the Exchange Act.

3) Issuance History

The goal of this section is to provide disclosure with respect to each event that resulted in any direct changes to the total shares outstanding of any class of the issuer's securities **in the past two completed fiscal years and any subsequent interim period**.

Disclosure under this item shall include, in chronological order, all offerings and issuances of securities, including debt convertible into equity securities, whether private or public, and all shares, or any other securities or options to acquire such securities, issued for services. Using the tabular format below, please describe these events.

A. Changes to the Number of Outstanding Shares

Check this box to indicate there were no changes to the number of outstanding shares within the past two completed fiscal years and any subsequent periods: ☐

Shares Outstanding as of Second Most Recent Fiscal Year End: <u>Opening Balance</u> Date 02/29/20 Common: 25,789,252 Preferred: 18,978,300			*Right-click the rows below and select "Insert" to add rows as needed.						
Date of Transaction	Transaction type (e.g. new issuance, cancellation, shares returned to treasury)	Number of Shares Issued (or cancelled)	Class of Securities	Value of shares issued (\$/per share) at Issuance	Were the shares issued at a discount to market price at the time of issuance ? (Yes/No)	Individual/ Entity Shares were issued to (entities must have individual with voting / investment control disclosed).	Reason for share issuance (e.g. for cash or debt conversion) - OR- Nature of Services Provided	Restricted or Unrestricted as of this filing.	Exemption or Registration Type.
08/12/20	Issuance	3,000,000	Common	\$0.033	Yes	Kevin Byrd	Cash	Restricted	4(a)(2)
08/12/20	Issuance	3,000,000	Common	\$0.033	Yes	Karim Boghani	Cash	Restricted	4(a)(2)
08/24/20	Issuance	3,000,000	Common	\$0.033	Yes	Kevin Byrd	Cash	Restricted	4(a)(2)
08/24/20	Issuance	3,000,000	Common	\$0.033	Yes	Karim Boghani	Cash	Restricted	4(a)(2)
10/05/20	Issuance	500,000	Common	\$0.02	Yes	Scott M. Boruff, CEO and Director	Current and future BOD fees	Restricted	4(a)(2)
10/05/20	Issuance	500,000	Common	\$0.02	Yes	Charles B. Lobetti, III, CFO and Director	Current and future BOD fees	Restricted	4(a)(2)
10/05/20	Issuance	500,000	Common	\$0.02	Yes	Peter Veillon, Director	Current and future BOD fees	Restricted	4(a)(2)
10/16/20	Issuance	1,000	Series B Preferred	\$2.00	No	Scott M. Boruff, CEO and Director	Cash Per SPA dated 06/27/18	Restricted	4(a)(2)
10/23/20	Issuance	200,000	Common	\$0.035	No	Charles B. Lobetti, III, CFO and Director	Vesting of Restricted Stock Grant	Restricted	4(a)(2)

11/02/20	Issuance	5,000,000	Common	\$0.03	Yes	Scott M. Boruff, CEO and Director	Partial payment of amounts owed under contract	Restricted	4(a)(2)
12/02/20	Issuance	200,000	Common	\$0.10	Yes	Jeffrey Abbott	Consulting Services	Restricted	4(a)(2)
02/26/21	Issuance	2,500,000	Common	\$0.03	Yes	Gary W. Ford, Jr., COO	Cash	Restricted	4(a)(2)
03/15/21	Issuance	1,000,000	Common	\$0.03	Yes	Anthony P. Cappiello, Jr.	Cash	Restricted	4(a)(2)
04/22/21	Issuance	300,000	Common	\$0.167	Yes	Bradley H. Hodge	Legal Services	Restricted	4(a)(2)
05/10/21	Issuance	500,000	Common	\$0.20	Yes	William H. Freeman TTEE U/A DTD 7-1-20	Cash	Restricted	4(a)(2)
05/31/21	Issuance	250,000	Common	\$0.03	Yes	Dickinson Wright PLLC	Payment of amounts owed for legal services	Restricted	4(a)(2)
05/31/21	Issuance	150,000	Common	\$0.033	Yes	Gary W. Ford, Jr., COO	Cash	Restricted	4(a)(2)
05/31/21	Issuance	1,500,000	Common	\$0.033	Yes	Kevin Byrd	Cash	Restricted	4(a)(2)
05/31/21	Issuance	750,000	Common	\$0.033	Yes	Karim Boghani	Cash	Restricted	4(a)(2)
Shares Outstanding on Date of This Report:									
<u>Ending Balance:</u>									
Date 05/31/21 Common: 51,639,252 Preferred: 18,979,300									

Example: A company with a fiscal year end of December 31st, in addressing this item for its quarter ended September 30, 2020, would include any events that resulted in changes to any class of its outstanding shares from the period beginning on January 1, 2018 through September 30, 2020 pursuant to the tabular format above.

Use the space below to provide any additional details, including footnotes to the table above:

On August 17, 2020, we granted Gary W. Ford, Jr., our Chief Operating Officer, an option to purchase 1,500,000 shares of the Company's common stock at an exercise price of \$0.08 per share, the closing price on the day immediately preceding the date of the employment agreement. The option vested 25% immediately upon execution of Mr. Ford's employment agreement with the remaining options vesting annually in equal amounts over a three-year period. The options expire on the fifth anniversary of the grant date.

On August 17, 2020, we granted Billy W. Phipps, Jr., our Chief Marketing Officer, an option to purchase 1,000,000 shares of the Company's common stock at an exercise price of \$0.08 per share, the closing price on the day immediately preceding the date of the employment agreement. The option vested 25% immediately upon execution of Mr. Phipps' employment agreement with the remaining options vesting annually in equal amounts over a three-year period. The options expire on the fifth anniversary of the grant date.

On April 30, 2021, we entered into a common stock Securities Purchase Agreement ("SPA") with an accredited investor. Under the terms of the SPA, the investor agreed to purchase of 6,000,000 shares of our common stock at a purchase price of \$200,000, or \$0.033 per share, through a series of payments, with the initial payment of \$50,000 due upon execution of the SPA. After receipt of the investor's initial \$50,000 payment, Stock subscriptions receivable at May 31, 2021 was \$150,000. The common stock will not be issued until the Company receives cash proceeds for the full amount of the stock subscription.

On June 25, 2021, we issued 3,000,000 shares of common stock at \$0.033 per share to an accredited investor resulting in net proceeds to the Company of \$100,000. We incurred no cost related to the private transaction. The net proceeds were used for working capital. The issuance of the shares was exempt from registration under the Securities Act of 1933 in reliance on an exemption provided by Section 4(a)(2) of that act.

B. Debt Securities, Including Promissory and Convertible Notes

Use the chart and additional space below to list and describe all outstanding promissory notes, convertible notes, convertible debentures, or any other debt instruments that may be converted into a class of the issuer's equity securities.

Check this box if there are no outstanding promissory, convertible notes or debt arrangements: ☒

Date of Note Issuance	Outstanding Balance (\$)	Principal Amount at Issuance (\$)	Interest Accrued (\$)	Maturity Date	Conversion Terms (e.g. pricing mechanism for determining conversion of instrument to shares)	Name of Noteholder (entities must have individual with voting / investment control disclosed).	Reason for Issuance (e.g. Loan, Services, etc.)
_____	_____	_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	_____	_____	_____

Use the space below to provide any additional details, including footnotes to the table above:

4) Financial Statements

A. The following financial statements were prepared in accordance with:

- ☒ U.S. GAAP
☐ IFRS

B. The financial statements for this reporting period were prepared by (name of individual)⁴:

Name: **Charles B. Lobetti, III**
Title: **CPA (Inactive)**
Relationship to Issuer: **Chief Financial Officer**

⁴ The financial statements requested pursuant to this item must be prepared in accordance with US GAAP or IFRS by persons with sufficient financial skills.

Provide the financial statements described below for the most recent fiscal year or quarter. For the initial disclosure statement (qualifying for Pink Current Information for the first time) please provide reports for the two previous fiscal years and any subsequent interim periods.

- C. Balance sheet;
- D. Statement of income;
- E. Statement of cash flows;
- F. Statement of Retained Earnings (Statement of Changes in Stockholders' Equity)
- G. Financial notes; and
- H. Audit letter, if audited

You may either (i) attach/append the financial statements to this disclosure statement or (ii) file the financial statements through OTCIQ as a separate report using the appropriate report name for the applicable period end. ("Annual Report," "Quarterly Report" or "Interim Report").

If you choose to publish the financial statements in a separate report as described above, you must state in the accompanying disclosure statement that such financial statements are incorporated by reference. You may reference the document(s) containing the required financial statements by indicating the document name, period end date, and the date that it was posted to OTCIQ in the field below. Financial Statements must be compiled in one document.

Financial Statements for the Quarter Ended May 31, 2021 (Posted to OTCIQ 07/08/21)

Financial statement information is considered current until the due date for the subsequent report (as set forth in the qualifications section above). To remain qualified for Current Information, a company must post its Annual Report within 90 days from its fiscal year-end date and Quarterly Reports within 45 days of each fiscal quarter-end date.

5) Issuer's Business, Products and Services

The purpose of this section is to provide a clear description of the issuer's current operations. In answering this item, please include the following:

- A. Summarize the issuer's business operations (If the issuer does not have current operations, state "no operations")

Blue Earth Resources, Inc. provides solutions to refined fuel procurement (branded and private Label), supply, and logistics challenges for organizations across the Southern United States. We also provide a customized composite of risk management tools. We specialize in the computation of industry, financial, and geo-political information to assist in delivering real time market decisions. We focus our attention on the risk palate of each client, utilizing purchase and sales contract review (both purchasing and selling), bulk inventory management (shipping, terminaling, and hedging), retail margin protection, as well as any requested ad hoc reporting.

- B. Please list any subsidiaries, parents, or affiliated companies.

None

- C. Describe the issuers' principal products or services.

Wholesale products supplied and distributed are various grades of refined fuels including, but not limited to Gasoline, Diesel, Kerosene, Biofuels, Ethanol, and aviation fuel. These products will be marketed in the Southern United States along multiple supply points within the pipeline and rail systems.

6) Issuer's Facilities

The goal of this section is to provide a potential investor with a clear understanding of all assets, properties or facilities owned, used or leased by the issuer and the extent in which the facilities are utilized.

In responding to this item, please clearly describe the assets, properties or facilities of the issuer, give the location of the principal plants and other property of the issuer and describe the condition of the properties. If the issuer does not have complete ownership or control of the property (for example, if others also own the property or if there is a mortgage on the property), describe the limitations on the ownership.

If the issuer leases any assets, properties or facilities, clearly describe them as above and the terms of their leases.

The Issuer leases its corporate office at 303 S. Concord Street, Suite 311 in Knoxville, Tennessee. The lease term began June 1, 2021 and expires May 31, 2022 at a monthly rental rate of \$1,466 per month. Provided we are not in default under any of the provisions or covenants of the lease, and the lease has not been previously terminated by the landlord, the lease term may be extended for one (1) year at our option.

7) Company Insiders (Officers, Directors, and Control Persons)

The goal of this section is to provide an investor with a clear understanding of the identity of all the persons or entities that are involved in managing, controlling or advising the operations, business development and disclosure of the issuer, as well as the identity of any significant or beneficial shareholders.

Using the tabular format below, please provide information, as of the period end date of this report, regarding any person or entity owning 5% or more of any class of the issuer's securities, as well as any officer, and any director of the company, or any person that performs a similar function, regardless of the number of shares they own. **If any insiders listed are corporate shareholders or entities, provide the name and address of the person(s) beneficially owning or controlling such corporate shareholders, or the name and contact information (City, State) of an individual representing the corporation or entity in the note section.**

Name of Officer/Director or Control Person	Affiliation with Company (e.g. Officer Title /Director/Owner of more than 5%)	Residential Address (City / State Only)	Number of shares owned	Share type/class	Ownership Percentage of Class Outstanding	Note
Scott M. Boruff	CEO & Director	1462 Rudder Lane Knoxville, TN 37919	8,500,000	Common	16.26%	Includes shares owned by Spouse Julie Boruff
Gary W. Ford, Jr.	COO	110 E Inskip Dr Knoxville, TN 37912	3,025,000	Common	5.79%	Number of shares includes 375,000 vested options
Charles B. Lobetti, III	CFO & Director	814 Evolve Way Apt 108, Knoxville, TN 37915	900,000	Common	1.72%	
Billy W. Phipps, Jr.	CMO	10116 Longford Dr Knoxville, TN 37922	250,000	Common	0.48%	Number of shares includes 250,000 vested options
Peter Veillon	Director	284 Willow St Apt #2 New Haven, CT 06511	1,000,000	Common	1.91%	
Julie Boruff	Spouse of CEO	1462 Rudder Lane Knoxville, TN 37919	2,500,000	Common	4.78%	Spouse of CEO & Director Scott M. Boruff
Black Swan Holdings LLC / Brant Enderle	>5% Owner	312 Gay Street Knoxville, TN 37902	3,500,000	Common	6.70%	

Kevin Byrd	>5% Owner	10518 Coward Mill Rd Knoxville, TN 37931	8,214,825	Common	15.72%	
Karim Boghani	>5% Owner	708 Melford Lane Knoxville, TN 37934	6,750,000	Common	12.92%	
Scott M. Boruff	CEO & Director	1462 Rudder Lane Knoxville, TN 37919	1,000	Series B Preferred (Unlisted)	100.00%	Series B Preferred, as a class, has 51% of votes eligible to be cast by all stockholders on all matters brought before a vote.
Joe Scott	>5% Owner of Pref C Class	P.O. Box 2983 Casper, WY 82602	1,069,583	Series C Preferred (Unlisted)	11.42%	Represents <5% of eligible voting shares
Judy Marchessault Rev Living Trust – Judy Marchessault	>5% Owner if Pref C Class	3218 Butternut Cir NW Prior Lake, MN 55372	701,800	Series C Preferred (Unlisted)	7.49%	Represents <5% of eligible voting shares
Robert A. Storm	>5% Owner of Pref C Class	13252 Williamsburg Dr Savage, MN 55378	500,000	Series C Preferred (Unlisted)	5.34%	Represents <5% of eligible voting shares
Joe Scott	>5% Owner of Pref D Class	P.O. Box 2983 Casper, WY 82602	1,069,583	Series D Preferred (Unlisted)	11.13%	Represents <5% of eligible voting shares
Judy Marchessault Rev Living Trust	>5% Owner of Pref D Class	3218 Butternut Cir NW Prior Lake, MN 55372	701,800	Series D Preferred (Unlisted)	7.30%	Represents <5% of eligible voting shares
Robert A. Storm	>5% Owner of Pref D Class	13252 Williamsburg Dr Savage, MN 55378	500,000	Series D Preferred (Unlisted)	5.20%	Represents <5% of eligible voting shares

8) Legal/Disciplinary History

A. Please identify whether any of the persons or entities listed above have, in the past 10 years, been the subject of:

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

None

2. The entry of an order, judgment, or decree, not subsequently reversed, suspended or vacated, by a court of competent jurisdiction that permanently or temporarily enjoined, barred, suspended or otherwise limited such person's involvement in any type of business, securities, commodities, or banking activities;

None

3. A finding or judgment by a court of competent jurisdiction (in a civil action), the Securities and Exchange Commission, the Commodity Futures Trading Commission, or a state securities regulator of a violation of federal or state securities or commodities law, which finding or judgment has not been reversed, suspended, or vacated; or

None

4. The entry of an order by a self-regulatory organization that permanently or temporarily barred, suspended, or otherwise limited such person's involvement in any type of business or securities activities.

None

- B. Describe briefly any material pending legal proceedings, other than ordinary routine litigation incidental to the business, to which the issuer or any of its subsidiaries is a party or of which any of their property is the subject. Include the name of the court or agency in which the proceedings are pending, the date instituted, the principal parties thereto, a description of the factual basis alleged to underlie the proceeding and the relief sought. Include similar information as to any such proceedings known to be contemplated by governmental authorities.

None

9) Third Party Providers

Please provide the name, address, telephone number and email address of each of the following outside providers:

Securities Counsel

Name: Stephen Mills, Esq.
Firm: Steve Mills Law, LLP
Address 1: 315 Deadrick Street, Suite 1550
Address 2: Nashville, TN 37203
Phone: (615) 476-1151
Email: stevemillslaw@gmail.com

Accountant or Auditor

Name: Rick Swafford, CPA
Firm: Rodefer Moss & Co, PLLC
Address 1: 104 Continental Place, Suite 150
Address 2: Brentwood, TN 37027
Phone: (615) 370-3663
Email: rswafford@rodefermoss.com

Investor Relations

Name: N/A

Other Service Providers

Provide the name of any other service provider(s) that **that assisted, advised, prepared or provided information with respect to this disclosure statement**. This includes counsel, broker-dealer(s), advisor(s) or consultant(s) or provided assistance or services to the issuer during the reporting period.

Name: N/A

10) Issuer Certification

Principal Executive Officer:

I, Scott M. Boruff certify that:

1. I have reviewed this quarterly disclosure statement of Blue Earth Resources, Inc.;
2. Based on my knowledge, this disclosure statement does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this disclosure statement; and
3. Based on my knowledge, the financial statements, and other financial information included or incorporated by reference in this disclosure statement, fairly present in all material respects the financial condition, results of operations and cash flows of the issuer as of, and for, the periods presented in this disclosure statement.

July 8, 2021

/s/ Scott M. Boruff

Chief Executive Officer

Principal Financial Officer:

I, Charles B. Lobetti, III certify that:

1. I have reviewed this quarterly disclosure statement of Blue Earth Resources, Inc.;
2. Based on my knowledge, this disclosure statement does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this disclosure statement; and
3. Based on my knowledge, the financial statements, and other financial information included or incorporated by reference in this disclosure statement, fairly present in all material respects the financial condition, results of operations and cash flows of the issuer as of, and for, the periods presented in this disclosure statement.

July 8, 2021

/s/ Charles B. Lobetti, III

Chief Financial Officer