AMERICAN ECOFUELS, INC

401 N Carroll Ave., Ste. 192
Southlake, TX 76092
+1 480-788-7420
ecoinnovations.info@gmail.com
SIC Code: 8742 (Primary); 8748 (Secondary)

Quarterly Report

For the quarter ending June 30, 2026 (the "Reporting Period")

Outstanding Shares
The number of shares outstanding of our Common Stock was:

9,075,744,139 as of June 30, 2026

7,426,124,405 as of December 31, 2025

Shell Status
Indicate by check mark whether the company is a shell company (as defined in Rule 405 of the Securities Act of 1933, Rule 12b-2 of the Exchange Act of 1934 and Rule 15c2-11 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: ☒

Change in Control
Indicate by check mark whether a Change in Control[4] of the company has occurred during this reporting period:

Yes: ☐ No: ☒

[5] "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 names used by predecessor entities, along with the dates of the name changes.

Current name of the issuer: Effective June 23, 2026, the Company completed its corporate name change from ECO Innovation Group, Inc. to American EcoFuels Inc. and FINRA processed the related ticker symbol change from ECOX to AEFI.

Current State and Date of Incorporation or Registration: Nevada
Standing in this jurisdiction: (e.g. active, default, inactive): Active

Prior Incorporation Information for the issuer and any predecessors during the past five years:

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

None

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

Summary of Proposed and Terminated WRA Transaction; Subsequent Completed Transaction

On November 7, 2025, Eco Innovation Group, Inc. (the "Company" or "ECOX") executed a non-binding Letter of Intent with WRA Holdings, Inc. ("WRA") to pursue a proposed share-exchange merger transaction, pursuant to which WRA's operating business would combine with the Company.

On December 4, 2025, the Company and WRA entered into definitive agreements, including a Stock Purchase Agreement, Share Exchange Agreement, and Master Sales Agreement, which contemplated a change of control and reverse merger transaction. The contemplated transaction was expressly subject to customary closing conditions, including, among other things, the delivery and substantiation of financing, completion of due diligence, and satisfaction of regulatory and contractual requirements.

The proposed transaction was not consummated. The counterparty did not deliver financing, did not substantiate funding, and did not satisfy the required closing conditions. As a result, no closing occurred, no transfer of control was effected, and no ownership or governance rights vested.

On February 2, 2026, the Company formally terminated and unwound the transaction.

Following termination of the WRA transaction, the Company pursued alternative strategic opportunities. On March 5, 2026, the Company entered into and consummated a separate transaction with Kepler GTL Technologies Inc., which included the acquisition of 100% of the equity interests of Kepler and the transfer of control of the Company through its Series A Preferred Stock. The transaction has been accounted for as a reverse recapitalization

As a result of the Kepler transaction, the Company is now operating under a new business direction. Effective June 23, 2026, the Company completed its corporate name change from ECO Innovation Group, Inc. to American EcoFuels Inc. and FINRA processed the related ticker symbol change from ECOX to AEFI.

Address of the issuer's principal executive office:

401 N Carroll Ave., Ste. 192
Southlake, TX 76092

Address of the issuer's principal place of business: Same

☒ *Check 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?

No: ☒ Yes: ☐ If Yes, provide additional details below:

2) Security Information

Transfer Agent

Name: Nevada Agency and Transfer Company
Phone: +1 (775) 322-0626
Email: info@natco.com
Address: 50 W. Liberty St., Suite 880, Reno, NV 89501

Publicly Quoted or Traded Securities:

The goal of this section is to provide a clear understanding of the share information for its publicly quoted or traded equity securities. Use the fields below to provide the information, as applicable, for all outstanding classes of securities that are publicly traded/quoted.

Trading symbol:	AEFI
Exact title and class of securities outstanding:	Common Stock
CUSIP:	27888Q 102
Par or stated value:	$0.0001
Total shares authorized:	12,000,000,000 as of date: June 30, 2026
Total shares outstanding	9,075,744,139 as of date: June 30, 2026,
2026 Total number of shareholders of record:	73 as of date: June 30, 2026

Please provide the above-referenced information for all other publicly quoted or traded securities of the issuer.

Other classes of authorized or outstanding equity securities that do not have a trading symbol:

The goal of this section is to provide a clear understanding of the share information for its other classes of authorized or outstanding equity securities (e.g., preferred shares that do not have a trading symbol). Use the fields below to provide the information, as applicable, for all other authorized or outstanding equity securities.

Exact title and class of the security:	Series A Preferred
CUSIP (if applicable):	27888Q 102
Par or stated value:	$0.0001
Total shares authorized:	69,000,000 as of date: June 30, 2026 Total
shares outstanding (if applicable):	69,000,000 as of date: June 30, 2026
Total number of shareholders of record	1 as of date: June 30, 2026

Exact title and class of the security:	Series B Preferred
CUSIP (if applicable):	27888Q 102
Par or stated value:	$0.0001
Total shares authorized:	240,000,000 as of date: June 30, 2026
Total shares outstanding (if applicable):	240,000,000 as of date: June 30, 2026
Total number of shareholders of record	1 as of date: June 30, 2026

Exact title and class of the security:	Series C Preferred
CUSIP (if applicable):	27888Q 102

Par or stated value:	$0.0001
Total shares authorized:	1,000,000 as of date: June 30, 2026 Total
shares outstanding (if applicable):	5,770 as of date: June 30, 2026 Total
number of shareholders of record	1 as of date: June 30, 2026

Security Description:

The goal of this section is to provide a clear understanding of the material rights and privileges of the securities issued by the company. Please provide the below information for each class of the company's equity securities, as applicable

1. **For common equity, describe any dividend, voting and preemption rights.**

Common Stock: Holders of shares of common stock are entitled to share ratably in dividends, if any, as may be declared, from time to time, by the Board of Directors in its discretion, from funds legally available therefore. The Company does not currently anticipate paying any dividends on its common stock. In the event of a liquidation, dissolution or winding up of the Company, the holders of shares of common stock are entitled to share pro rata all assets remaining after payment in full of all liabilities. Holders of common stock have no preemptive rights to purchase the Company's common stock. There are no conversion rights or redemption or sinking fund provisions with respect to the common stock. All of the outstanding shares of common stock are fully paid and non-assessable.

2. **For preferred stock, describe the dividend, voting, conversion, and liquidation rights as well as redemption or sinking fund provisions.**

Series A Preferred Stock

Holders of Series A Convertible Preferred Stock are entitled to vote together with holders of Common Stock on all matters submitted to shareholders, with each share of Series A Preferred Stock entitled to 100 votes. Each share of Series A Preferred Stock is convertible, at the option of the holder, into one share of Common Stock following the applicable conversion eligibility period set forth in the Certificate of Designation. Holders are entitled to participate in dividends or other distributions declared on the Common Stock on an as-converted basis. In the event of any liquidation, dissolution or winding up of the Company, holders of Series A Preferred Stock are entitled to receive, prior to any distribution to holders of Common Stock, an amount equal to the consideration paid for such shares. The Series A Preferred Stock ranks senior to the Common Stock with respect to distributions upon liquidation, dissolution or winding up. The Series A Preferred Stock does not contain any redemption or sinking fund provisions.

Series B Preferred Stock

Holders of Series B Preferred Stock are not entitled to dividends except as may be declared by the Board of Directors in its discretion. The Series B Preferred Stock votes together with the Common Stock as a single class on matters submitted to shareholders, with each share entitled to the number of votes equal to the number of shares of Common Stock into which such share would then be convertible, determined as if conversion were permitted on such date. Holders also have certain separate class voting rights with respect to actions that would adversely affect the Series B Preferred Stock.

The Series B Preferred Stock is not convertible into Common Stock unless and until the Company completes a reverse stock split or restructuring event or is approved for and commences trading on the OTCQB, Texas Stock Exchange or Nasdaq Stock Market, as provided in the Certificate of Designation. Following satisfaction of the applicable conversion condition, holders may convert their shares into Common Stock in whole or in part.

In the event of any liquidation, dissolution or winding up of the Company, the Series B Preferred Stock ranks senior to the Common Stock and, subject to the rights of any senior preferred stock, holders are

entitled to receive the par value of their Series B Preferred Stock plus any declared but unpaid dividends prior to any distribution to holders of Common Stock. The Series B Preferred Stock has no sinking fund provision and does not provide for mandatory redemption.

Series C Preferred Stock

The Series C Convertible Preferred Stock has a stated value of $1.00 per share and ranks senior to the Common Stock with respect to dividend and liquidation rights and junior to the Company's existing and future indebtedness and any outstanding preferred stock ranking senior thereto. Each share carries a cumulative annual dividend equal to 10% of its stated value, payable upon redemption, liquidation or conversion, with the dividend rate increasing to 22% upon an Event of Default.

Except for certain protective provisions, holders of Series C Preferred Stock have no general voting rights. The consent of holders of a majority of the outstanding Series C Preferred Stock is required for certain actions adversely affecting the rights or preferences of the Series C Preferred Stock and certain other specified corporate actions.

Beginning 180 days following issuance, holders have the right to convert Series C Preferred Stock into Common Stock at a conversion price equal to 63% of the average of the two lowest trading prices of the Common Stock during the 15 trading days preceding conversion, subject to a 4.99% beneficial ownership limitation and the other terms of the Certificate of Designation.

Upon liquidation, dissolution or winding up of the Company, or certain deemed liquidation events, holders are entitled, prior to distributions to holders of Common Stock or junior securities, to receive the stated value of their shares plus accrued but unpaid dividends and other applicable amounts provided under the Certificate of Designation. The Company had an optional right to redeem the Series C Preferred Stock during the first 180 days following issuance at specified premiums, and the Series C Preferred Stock is subject to mandatory redemption on the earlier of 12 months following issuance or the occurrence of an Event of Default, in each case pursuant to the terms of the Certificate of Designation. There is no sinking fund provision.

3. **Describe any other material rights of common or preferred stockholders.**

N/A

4. **Describe any material modifications to rights of holders of the company's securities that have occurred over the reporting period covered by this report.**

N/A

3) Issuance History

The goal of this section is to provide disclosure with respect to each event that resulted in any 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 for the two most recently completed fiscal years and any subsequent period.

Indicate by check mark whether there were any changes to the number of outstanding shares within the past two completed fiscal years☐

No: ☐ Yes: ☒ (If yes, you must complete the table below)

Shares Outstanding as of Second Most Recent Fiscal Year End: Opening Balance Date 01/01/2024 Common: 2,213,242,371 Preferred A: 30,000,000 Preferred C: 99,500			*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.** ***You must disclose the control person(s) for any entities listed.**	**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.**
03/27/24	New Issuance	219,110,995	Common	$0.0001	Yes	Pinnacle Consulting Services, Inc - Robert L Hymers III	Debt Conversion	Unrestricted	Rule 144
4/18/2024	New Issuance	240,802,983	Common	0.0001	Yes	Pinnacle Consulting Services, Inc - Robert L Hymers III	Debt Conversion	Unrestricted	Rule 144
5/15/2024	New Issuance	133,349,206	Common	0.0001	Yes	Geneva Roth Remark Holdings Inc. - Seth Kramer	Debt Conversion	Unrestricted	Rule 144
5/15/2024	Retirement	-4,566	Preferred C	N/A		Geneva Roth Remark Holdings Inc. - Seth Kramer	Debt Conversion	Unrestricted	Rule 144
5/20/2024	New Issuance	264,642,479	Common	0.0001	Yes	Pinnacle Consulting Services, Inc - Robert L Hymers III	Debt Conversion	Unrestricted	Rule 144
5/21/2024	New Issuance	71,095,238	Common	0.0001	Yes	Geneva Roth Remark Holdings Inc. - Seth Kramer	Debt Conversion	Unrestricted	Rule 144
5/21/2024	Retirement	-2,434	Preferred C	N/A		Geneva Roth Remark Holdings Inc. - Seth Kramer	Debt Conversion	Unrestricted	Rule 144
1/29/2025	New Issuance	200,000,000	Common	0.00009	Yes	Coventry Enterprises LLC - Jack Bodenstein	Debt Conversion	Unrestricted	Rule 144
04/30/2025	New Issuance	166,761,905	Common	0.0001	Yes	Geneva Roth Remark Holdings Inc. - Seth Kramer	Conversion of Series C	Unrestricted	Rule 144
4/30/2025	Retirement	-4,618	Preferred C	N/A		Geneva Roth Remark Holdings Inc. - Seth Kramer	Conversion of Series C	Unrestricted	Rule 144
4/30/2025	New Issuance	330,882,084	Common	0.00062	Yes	Pinnacle Consulting Services, Inc - Robert L Hymers III	Debt Conversion	Unrestricted	Rule 144
05/01/2025	New Issuance	166,761,905	Common	0.00063	Yes	Geneva Roth Remark Holdings Inc. - Seth Kramer	Conversion of Series C	Unrestricted	Rule 144

5/1/2025	Retirement	-4,618	Preferred C	N/A		Geneva Roth Remark Holdings Inc. - Seth Kramer	Conversion of Series C	Unrestricted	Rule 144
05/05/2025	New Issuance	100,000,000	Common	0.0001	Yes	Geneva Roth Remark Holdings Inc. - Seth Kramer	Conversion of Series C	Unrestricted	Rule 144
5/5/2025	Retirement	-2,770	Preferred C	N/A		Geneva Roth Remark Holdings Inc. - Seth Kramer	Conversion of Series C	Unrestricted	Rule 144
05/06/2025	New Issuance	166,761,905	Common	0.00063	Yes	Geneva Roth Remark Holdings Inc. - Seth Kramer	Conversion of Series C	Unrestricted	Rule 144
5/6/2025	Retirement	-4,618	Preferred C	N/A		Geneva Roth Remark Holdings Inc. - Seth Kramer	Conversion of Series C	Unrestricted	Rule 144
07/11/2025	New Issuance	213,023,810	Common	0.00063	Yes	Geneva Roth Remark Holdings Inc. - Seth Kramer	Conversion of Series C	Unrestricted	Rule 144
7/11/2025	Retirement	-5,835	Preferred C	N/A		Geneva Roth Remark Holdings Inc. - Seth Kramer	Conversion of Series C	Unrestricted	Rule 144
11/7/2025	Retirement	-5,408	Preferred C	N/A		Geneva Roth Remark Holdings Inc. - Seth Kramer	Conversion of Series C	Unrestricted	Rule 144
11/07/2025	New Issuance	200,000,000	Common	0.00063	Yes	Geneva Roth Remark Holdings Inc. - Seth Kramer	Conversion of Series C	Unrestricted	Rule 144
11/10/2025	New Issuance	95,000,000	Common	0.00063	Yes	Geneva Roth Remark Holdings Inc. - Seth Kramer	Conversion of Series C	Unrestricted	Rule 144
11/10/2025	Retirement	-2,157	Preferred C	N/A		Geneva Roth Remark Holdings Inc. - Seth Kramer	Conversion of Series C	Unrestricted	Rule 144
11/11/2025	New Issuance	424,880,000	Common	0.0001	Yes	Pinnacle Consulting Services, Inc - Robert L Hymers III	Debt Conversion	Unrestricted	Rule 144
11/11/2025	New Issuance	105,000,000	Common	0.00063	Yes	Geneva Roth Remark Holdings Inc. - Seth Kramer	Conversion of Series C	Unrestricted	Rule 144
11/11/2025	Retirement	-2,384	Preferred C	N/A		Geneva Roth Remark Holdings Inc. - Seth Kramer	Conversion of Series C	Unrestricted	Rule 144
11/11/2025	New Issuance	201,000,000	Common	0.000063	Yes	Coventry Enterprises LLC - Jack Bodenstein	Debt Conversion	Unrestricted	Rule 144
11/12/2025	Retirement	-6,322	Preferred C	N/A		Geneva Roth Remark Holdings Inc. - Seth Kramer	Conversion of Series C	Unrestricted	Rule 144
11/12/2025	New Issuance	233,809,524	Common	0.00063	Yes	Geneva Roth Remark Holdings Inc. - Seth Kramer	Conversion of Series C	Unrestricted	Rule 144

11/13/2025	New Issuance	100,000,000	Common	0.000063	Yes	Coventry Enterprises LLC - Jack Bodenstein	Debt Conversion	Unrestricted	Rule 144
11/14/2025	New Issuance	39,000,000	Preferred A	N/A	N/A	Richard C. Hawkins	Officer/Director Compensation	Restricted	Section 4(a)(2)
11/17/2025	New Issuance	200,000,000	Common	0.000063	Yes	Coventry Enterprises LLC - Jack Bodenstein	Debt Conversion	Unrestricted	Rule 144
11/18/2025	New Issuance	575,000,000	Common	0.0001	Yes	Pinnacle Consulting Services, Inc - Robert L Hymers III	Debt Conversion	Unrestricted	Rule 144
11/21/2025	New Issuance	200,000,000	Common	0.000063	Yes	Coventry Enterprises LLC - Jack Bodenstein	Debt Conversion	Unrestricted	Rule 144
12/02/2025	New Issuance	200,000,000	Common	0.0001	Yes	Coventry Enterprises LLC - Jack Bodenstein	Debt Conversion	Unrestricted	Rule 144
12/08/2025	New Issuance	405,000,000	Common	0.0001	Yes	Pinnacle Consulting Services, Inc - Robert L Hymers III	Debt Conversion	Unrestricted	Rule 144
01/20/2026	New Issuance	730,000,000	Common	0.0001	Yes	Robert L Hymers	Debt Conversion	Unrestricted	Rule 144
02/12/2026	New Issuance	75,000,000	Common	0.0001	Yes	StockVest, Inc. – Art Brent	Professional Services	Restricted	Rule 144
04/16/2026	Retirement	-15,415	Preferred C	N/A		Pinnacle Consulting Services, Inc - Robert L Hymers III	Conversion of Series C	Unrestricted	Rule 144
04/16/2026	New Issuance	679,997,246	Common	0.000063	Yes	Pinnacle Consulting Services, Inc - Robert L Hymers III	Conversion of Series C	Unrestricted	Rule 144
04/17/2026	New Issuance	164,622,488	Common	0.0016	Yes	Costaldo Law- Evan Costaldo	Professional Services	Restricted	Rule 144
04/24/2024	Retirement	-32,585	Preferred C	N/A		N/A	Transfer Agent Reconciliation		
Shares Outstanding on Date of This Report: Ending Balance: Date 06/30/2026 Common: 9,075,744,139 Preferred A: 69,000,000 Preferred C: 5,770									

Any additional material details, including footnotes to the table are below:

N/A

B. **Convertible Debt**

The following is a complete list of the Company's Convertible Debt which includes all promissory notes, convertible notes, convertible debentures, or any other debt instruments convertible into a class of the issuer's equity securities. The table includes all issued or outstanding convertible debt at any time during the last complete fiscal year and any interim period between the last fiscal year end and the date of this Certification.

[☐] Check this box to confirm the Company had no Convertible Debt issued or outstanding at any point during this period.

Date of Note Issuance	Outstanding Balance ($)	Principal Amount at Issuance ($)	Maturity Date	Conversion Terms (e.g. pricing mechanism for determining conversion of instrument to shares)	# Shares Converted to Date	# of Potential Shares to be	Name of Noteholder. *You must disclose the control person(s) for any entities listed.	Reason for Issuance (e.g. Loan, Services, etc.)
12/09/19	$12,892	$40,000	4/1/21	The note is convertible at the option of the holder, into such number of fully paid and non-assessable shares of common stock as is determined by dividing that portion of the outstanding principal balance under the note by the Conversion Price, which is a 35% discount of the lowest reported sale price of the common stock for the 15 trading days immediately prior to the date of conversion.	980,000,000	131,550,182	Pinnacle Consulting Services Inc. (Robert Hymers)	Loan
3/22/2021	$45,863	$30,000	3/22/22	Convertible at a fixed price of $0.06 a share into a total of 500,000 common shares	0	467,991,054	Claudia Villalta	Loan
8/23/2021	$148,518	$150,000	8/23/22	Convertible at a fixed price of $0.02 a share into common shares	153,799,047	1,515,493,878	Blue Lake Partners LLC - Craig Kesselman	Loan
2/4/2022	$92,679	$120,000	2/4/25	Convertible at the lower of $0.0033 or 85% of the lowest per-share during the 5-trading day period before the conversion.	33,689,840	28,084,545	SRAX, Inc. - Chris Miglino	Services
4/21/2022	$22,882	$60,000	10/18/22	Convertible at a fixed price of $0.02 a share into common shares	730,000,000	11,441,095	Robert Hymers	Loan
3/25/2022	$27,455	$23,000	7/13/22	Convertible on default	0	280,153,061	Alma Otey	Loan
Total Outstanding Balance:	$350,289		**Total Shares:**		1,897,488,887	2,154,560,754		

Any additional material details, including footnotes to the table are below:
N/A

4) Issuer's Business, Products and Services

The purpose of this section is to provide a clear description of the issuer's current operations.

Ensure that these descriptions are updated on the Company's Profile on www.OTCMarkets.com.

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

American EcoFuels Inc. (OTC: AEFI), is a Nevada-based public company focused on building a scalable platform in the advanced energy and fuels sector. The Company is pursuing strategic opportunities involving next-generation fuel production, gas-to-liquids (GTL) technologies, synthetic fuels, modular energy infrastructure, and related energy transition initiatives intended to address growing domestic and international demand for reliable, scalable, and economically viable energy solutions. As part of this strategic evolution, the Company is actively evaluating and pursuing business combinations, technology partnerships, acquisitions, and commercialization opportunities aligned with its long-term objective of establishing American EcoFuels as a differentiated public platform in the evolving energy sector.

B. List any subsidiaries, parent company, or affiliated companies.

None

5) Issuer's Facilities

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

In responding to this item, please clearly describe the assets, properties or facilities of the issuer. Describe the location of office space, data centers, principal plants, and other property of the issuer and describe the condition of the properties. Specify if the assets, properties, or facilities are owned or leased and the terms of their leases. If the issuer does not have complete ownership or control of 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 does not lease or own any assets, properties or facilities as of the period ended June 30, 2026.

6) All Officers, Directors, and Control Persons of the Company

Using the table below, please provide information, as of the period end date of this report, regarding all officers and directors of the company, or any person that performs a similar function, regardless of the number of shares they own.

In addition, list all individuals or entities controlling 5% or more of any class of the issuer's securities.
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. Include Company Insiders who own any outstanding units or shares of any class of any equity security of the issuer.

The goal of this section is to provide investors 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 owners.

Individual Name (First, Last) **or Entity Name** (Include names of control person(s) if a corporate entity)	**Position/Company Affiliation** (ex: CEO, 5% Control person)	**City and State** (Include Country if outside U.S.)	**Number of Shares Owned** (List common, preferred, warrants and options separately)	**Class of Shares Owned**	**Percentage of Class of Shares Owned** (undiluted)
Richard Hawkins	CEO, Director	Scottsdale, AZ	0		

Quantum Investment Fund LLC, Brent Nelson	Chairman and 5% Control	Southlake, TX	69,000,000	Preferred A	100%

Confirm that the information in this table matches your public company profile on www.OTCMarkets.com. If any updates are needed to your public company profile, log in to www.OTCIQ.com to update your company profile.

7) Legal/Disciplinary History

A. Identify and provide a brief explanation as to whether any of the persons or entities listed above in Section 6 have, in the past 10 years:

1. Been the subject of an indictment or conviction in a criminal proceeding or plea agreement or named as a defendant in a pending criminal proceeding (excluding minor traffic violations);

None

2. Been the subject of 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, financial- or investment-related, insurance or banking activities;

None

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

None

4. Named as a defendant or a respondent in a regulatory complaint or proceeding that could result in a "yes" answer to part 3 above; or

None

5. Been the subject 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

6. Been the subject of a U.S Postal Service false representation order, or a temporary restraining order, or preliminary injunction with respect to conduct alleged to have violated the false representation statute that applies to U.S mail.

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 to 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.

N/A

8) Third Party Service Providers

Provide the name, address, telephone number and email address of each of the following outside providers. You may add additional space as needed.
Confirm that the information in this table matches your public company profile on www.OTCMarkets.com. If any updates are needed to your public company profile, update your company profile.

Securities Counsel

Securities Counsel

Name:	Evan Costaldo - Costaldo Law Group P.C.
Phone:	(212) 709-8333
Email:	evan@costaldolaw.com

Accountant or Auditor

Name:	
Firm:	JV CPA INC.
Address 1:	825 Town and Country Blvd., Suite 1200
Address 2:	Houston, TX 77024
Phone:	+1 (713) 931-3080

Investor Relations

Name:	N/A
Firm:	N/A
Address 1:	N/A
Address 2:	N/A
Phone:	N/A
Email:	N/A

All other means of Investor Communication:

X (Twitter):	_____
Discord:	_____
LinkedIn	_____
Facebook:	_____
[Other]	_____

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), consultant(s) or any entity/individual that provided assistance or services to the issuer during the reporting period.

Name:	Richard Hawkins
Firm:	-
Nature of Services:	Strategic Business Consulting Services
Address 1:	401 N Carroll Ave., Ste. 192
Address 2:	Southlake, TX 76092
Phone:	
Email:	richard.hawkins.biz@gmail.com

9) Disclosure & Financial Information

A. This Disclosure Statement was prepared by (name of individual):

Name:	Richard Hawkins
Title:	CFO
Relationship to Issuer:	Officer

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

☐ IFRS
☒ U.S. GAAP

C. The following financial statements were prepared by (name of individual):

Name:	Richard Hawkins
Title:	CEO
Relationship to Issuer:	Officer

Describe the qualifications of the person or persons who prepared the financial statements:[6] Over 25 years of corporate finance and accounting experience in the film, television, and public relations sectors.

Provide the following qualifying financial statements:

- Audit letter, if audited;
- Balance Sheet;
- Statement of Income;
- Statement of Cash Flows;
- Statement of Retained Earnings (Statement of Changes in Stockholders' Equity)
- Financial Notes

Financial Statement Requirements:

- Financial statements must be published together with this disclosure statement as one document.
- Financial statements must be "machine readable". Do not publish images/scans of financial statements.
- Financial statements must be presented with comparative financials against the prior FYE or period, as applicable.
- Financial statements must be prepared in accordance with U.S. GAAP or International Financial Reporting Standards (IFRS) but are not required to be audited.

10) Issuer Certification

Principal Executive Officer:

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

The certifications shall follow the format below:

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

I, Richard Hawkins, certify that:

1. I have reviewed this Disclosure Statement for American EcoFuels Inc;

2. Based on my knowledge, this disclosure statement does not contain any untrue statement of 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.

August 14, 2026

/s/ Richard Hawkins

Principal Financial Officer:

I, Richard Hawkins certify that:

1. I have reviewed this Disclosure Statement for American EcoFuels 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.

August 14, 2026

/s/ Richard Hawkins

AMERICAN ECOFUELS, INC. AND SUBSIDIARY

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Consolidated Statement of Operations for the Three and Six Months Ended June 30, 2026 (Unaudited)
Consolidated Statement of Stockholders' Equity for the Six Months Ended June 30, 2026 (Unaudited)
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AMERICAN ECOFUELS, INC. AND SUBSIDIARY

CONSOLIDATED BALANCE SHEETS

(Unaudited)

	June 30, 2026	December 31, 2025
Assets		
Current Assets		
Cash and cash equivalents	$ 34,597	$ -
Prepaid assets	17,550	-
Total Current Assets	**52,147**	**-**
Intangible assets	$ 2,365,000	$ 2,365,000
Total Assets	**$ 2,417,147**	**$ 2,365,000**
Liabilities and Stockholders' Equity (Deficit)		
Current Liabilities		
Accounts payable and accrued expenses	$ 94,772	$ -
Accrued interest	203,683	-
Convertible notes payable, net	164,454	-
Convertible notes payable, related party, net	405,815	-
Notes payable, related party	614,916	-
Derivative liabilities	934,223	-
Series C preferred stock liability	16,293	-
Total Current Liabilities	**2,434,156**	**-**
Total Liabilities	**2,434,156**	**-**
Stockholders' Equity (Deficit)		
Preferred stock, series A, par value $0.0001, authorized 69,000,000 shares, issued and outstanding 69,000,000 shares at June 30, 2026 and December 31, 2025 (1)	6,900	6,900
Preferred stock, series B, issuable, par value $0.0001, authorized 240,000,000 shares, issuable 240,000,000 shares at June 30, 2026 and December 31, 2025 (1)	24,000	24,000
Common stock, par value $0.0001, authorized 12,000,000,000 shares, issued and outstanding 9,075,744,139 and 8,231,124,405 shares at June 30, 2026 and December 31, 2025, respectively (1)	907,579	823,117
Additional paid-in capital	(497,345)	1,510,983
Accumulated deficit	(458,143)	-
Total Stockholders' Equity (Deficit)	**(17,009)**	**2,365,000**
Total Liabilities and Stockholders' Equity (Deficit)	**$ 2,417,147**	**$ 2,365,000**

(1) Share and per-share amounts for all periods presented have been retroactively restated to reflect the recapitalization described in Note 3.

See the accompanying notes to these consolidated financial statements

AMERICAN ECOFUELS, INC. AND SUBSIDIARY

CONSOLIDATED STATEMENT OF OPERATIONS

(Unaudited)

	Three Months Ended June 30, 2026	Six Months Ended June 30, 2026
Operating Expenses		
Selling, general and administrative expenses	$ 392,943	$ 406,501
Total Operating Expenses	**392,943**	**406,501**
Operating Loss	**(392,943)**	**(406,501)**
Other Expenses		
Interest expense	38,940	50,334
Other expenses	-	1,308
Total Other Expenses	**38,940**	**51,642**
Net Loss	**$ (431,883)**	**$ (458,143)**
Basic loss per common share	**$ (0.00)**	**$ (0.00)**
Diluted loss per common share	**$ (0.00)**	**$ (0.00)**
Weighted average common shares outstanding – basic	8,917,958,035	8,576,438,550
Weighted average common shares outstanding – diluted	8,917,958,035	8,576,438,550

See the accompanying notes to these consolidated financial statements

AMERICAN ECOFUELS, INC. AND SUBSIDIARY

CONSOLIDATED STATEMENT OF STOCKHOLDERS' EQUITY

For the Six Months Ended June 30, 2026 (Unaudited)

	Preferred Stock, Series A		Preferred Stock, Series B, Issuable		Common Stock		Additional Paid-In Capital	Accumulated Deficit	Total
	Shares	Amount	Shares	Amount	Shares	Amount	Amount	Amount	Amount
Balance, December 31, 2025	**69,000,000**	**$ 6,900**	**240,000,000**	**$ 24,000**	**8,231,124,405**	**$ 823,117**	**$ 1,510,983**	**$ -**	**$ 2,365,000**
Net assets acquired in connection with reverse recapitalization	-	-	-	-	-	-	(2,230,102)	-	(2,230,102)
Net loss	-	-	-	-	-	-	-	(26,260)	(26,260)
Balance, March 31, 2026	**69,000,000**	**$ 6,900**	**240,000,000**	**$ 24,000**	**8,231,124,405**	**$ 823,117**	**$ (719,119)**	**$ (26,260)**	**$ 108,638**
Stock-based compensation	-	-	-	-	164,622,488	16,462	246,934	-	263,396
Conversion of Series C Preferred Shares	-	-	-	-	679,997,246	68,000	(25,160)	-	42,840
Net loss	-	-	-	-	-	-	-	(431,883)	(431,883)
Balance, June 30, 2026	**69,000,000**	**$ 6,900**	**240,000,000**	**$ 24,000**	**9,075,744,139**	**$ 907,579**	**$ (497,345)**	**$ (458,143)**	**$ (17,009)**

See the accompanying notes to these consolidated financial statements

AMERICAN ECOFUELS, INC. AND SUBSIDIARY

CONSOLIDATED STATEMENT OF CASH FLOWS

(Unaudited)

	Three Months Ended June 30, 2026	Six Months Ended June 30, 2026	
CASH FLOWS FROM OPERATING ACTIVITIES:			
Net loss	$ (431,883)	$ (458,143)	
Adjustments to reconcile net loss to net cash used by operating activities:			
Stock-based compensation	263,396	263,396	
Amortization of debt discount	8,588	11,019	
Accrued interest on Series C preferred stock liability	474	596	
Changes in operating assets and liabilities:			
Prepaid assets	(10,050)	(10,050)	
Increase in accounts payable and accrued expenses	17,321	21,129	
Increase in accrued interest	29,808	38,649	
Net cash used in operating activities	**$ (122,346)**	**$ (133,404)**	
CASH FLOWS FROM INVESTING ACTIVITIES:			
Cash acquired in connection with reverse recapitalization	-	4,501	
Net cash provided by investing activities	**$ -**	**$ 4,501**	
CASH FLOWS FROM FINANCING ACTIVITIES:			
Proceeds from convertible notes payable, net – related party	156,000	163,500	
Net cash provided by financing activities	**$ 156,000**	**$ 163,500**	
Change in cash	**$ 33,654**	**$ 34,597**	
Cash, beginning of period	$ 943	$ -	
Cash, end of period	**$ 34,597**	**$ 34,597**	
Non-Cash Transactions			
Net assets acquired in connection with reverse recapitalization	$	$ 2,230,102	2,230,102

See the accompanying notes to these consolidated financial statements

AMERICAN ECOFUELS, INC. AND SUBSIDIARY

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
For the Three and Six Months Ended June 30, 2026 (Unaudited)

NOTE 1 - NATURE OF BUSINESS AND BASIS OF PRESENTATION

Organization and Business

American EcoFuels, Inc. ("AEFI" or the "Company") is a Nevada corporation. On March 5, 2026, the Company's CEO entered into a stock purchase agreement to sell all 69 million shares of the Company's outstanding Series A Preferred Stock to Quantum Investment Fund I, LLC ("Quantum"). The Company simultaneously entered into a Master Sales Agreement under which immediately upon the transfer of the Series A Preferred Stock to Quantum, AEFI, as the surviving public corporation under Quantum's voting control, entered into a Share Exchange Agreement with Kepler GTL Technologies Inc. ("Kepler"). AEFI acquired one hundred percent (100%) of the issued and outstanding shares or other equity interests of Kepler in a reverse-merger share exchange transaction (the "Share Exchange"). Kepler is a wholly owned subsidiary of AEFI and AEFI continues as the surviving publicly traded parent company as a result of the Share Exchange.

As a result of the Share Exchange, the Company is now focused on the development and commercialization of proprietary Gas-to-Liquids ("GTL") technology for the production of Sustainable Aviation Fuel ("SAF"). Our wholly owned subsidiary, Kepler GTL Technologies Inc. ("Kepler GTL"), holds patented processes that convert natural gas and other feedstocks into high-quality, drop-in-ready synthetic paraffinic kerosene (SPK) SAF that meets or exceeds ASTM standards and is fully compatible with existing aircraft engines and infrastructure.

Name Change

Effective June 23, 2026, the Company completed its corporate name change from ECO Innovation Group, Inc. to American EcoFuels Inc. and FINRA processed the related ticker symbol change from ECOX to AEFI. Unless the context otherwise requires, references in these financial statements to the "Company" refer to American EcoFuels, Inc., formerly ECO Innovation Group, Inc.

Basis of Presentation and Principles of Consolidation

The unaudited consolidated interim financial statements of the Company have been prepared in accordance with accounting principles generally accepted in the United States ("GAAP") for interim financial information. Accordingly, they do not include all of the information and footnotes required by GAAP for complete financial statements. In the opinion of management, all adjustments (consisting of normal recurring accruals) considered necessary for a fair presentation have been included. The financial statements reflect the operations and financial position of the Company and its consolidated subsidiary for the three and six-month periods ended June 30, 2026. Under ASC 805-40, Kepler GTL Technologies Inc. is treated as the accounting acquirer; consequently, the historical financial statements of the combined entity reflect Kepler's historical results for pre-acquisition periods, with AEFI's identifiable assets and liabilities added at carrying value as of March 5, 2026. All intercompany transactions and balances have been eliminated in consolidation.

Going Concern

The accompanying consolidated financial statements have been prepared assuming that the Company will continue as a going concern. As of June 30, 2026, the Company is still in the product development stage. The accompanying consolidated financial statements do not include any adjustments that might result from the outcome of this uncertainty. Management believes that the completion of the Kepler business merger and planned capital-raising activities will provide the resources necessary to fund ongoing operations; however, no assurance can be given that these plans will be successful.

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Use of Estimates

The preparation of financial statements in conformity with U.S. GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements. Actual results could differ from those estimates.

Cash and Cash Equivalents

The Company considers all highly liquid investments with an original maturity of three months or less when purchased to be cash equivalents.

Fair Value Measurements

The disclosure requirements within Accounting Standards Codification (ASC) Topic 820-10, Fair Value Measurement, require disclosure of estimated fair values of certain financial instruments. For financial instruments recognized at fair value in the Company's statements of operations, the disclosure requirements of ASC Topic 820-10 also apply. The methods and assumptions are set forth below:

- Cash and cash equivalents are carried at cost, which approximates fair value.
- The carrying amounts of receivables approximate fair value due to their short-term maturities.
- The carrying amounts of payables approximate fair value due to their short-term maturities.

Asset and liabilities measured and reported at fair value are classified and disclosed in one of the following categories based on inputs:

Level 1 — Quoted prices in active markets for identical assets and liabilities that the reporting entity has the ability to access at the measurement date.

Level 2 — Inputs other than quoted prices included within Level 1 that are observable for the asset and liability or can be corroborated with observable market data for substantially the entire contractual term of the asset or liability.

Level 3 — Pricing inputs include significant unobservable inputs used in determining the fair value of investments. The types of investments which would generally be included in this category include equity securities issued by private entities.

In certain cases, the inputs used to measure fair value may fall into different levels of the fair value hierarchy. In such cases, the determination of which category within the fair value hierarchy is appropriate for any given investment is based on the lowest level of input that is significant to the fair value measurement. The Company's assessment of the significance of a particular input to the fair value measurement in its entirety requires judgment and considers factors specific to the investment.

The Company's convertible notes payable contain variable conversion provisions. Pursuant to ASC 815-15 Embedded Derivatives, the fair values of the variable conversion options and shares to be issued were recorded as derivative liabilities on the issuance dates. See Notes 4, 5 and 7.

The levels of the fair value hierarchy into which the Company's assets and liabilities fall as of June 30, 2026 are as follows:

	Level 1	Level 2	Level 3	Total
Liabilities				
Derivative liabilities – convertible notes payable	$ —	$ —	$ 934,223	$ 934,223
Total fair value	$ —	$ —	$ 934,223	$ 934,223

The fair value of applicable derivative liabilities on notes and the change in fair value of derivative liabilities are as follows for the period ended June 30, 2026:

Fair value - December 31, 2025	$	-
Acquired in reverse recapitalization		934,223
Fair value - June 30, 2026	$	934,223

Intangibles and Impairment of Long-Lived Assets

In conjunction with the reverse recapitalization, intangibles totaling $2,365,000 have been recorded on the Company's balance sheet as of June 30, 2026 and December 31, 2025. Upon further progress, a determination of useful life and amortization period will be made. In accordance with FASB ASC Topic 360, Property, Plant and Equipment, long-lived assets are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount of an asset may not be recoverable. An impairment loss is recognized on long-lived assets when indicators of impairment are present and the undiscounted future cash flows estimated to be generated by those assets are less than the carrying amount of the assets. In such cases, the carrying value of these assets are adjusted to their estimated fair values and assets held for sale are adjusted to their estimated fair values less selling expenses.

Equity Issued with Convertible Debt

The Company issued warrants in conjunction with certain convertible debt. The warrants qualified for equity accounting as the warrants did not fall within the scope of ASC Topic 480, Distinguishing Liabilities from Equity. The warrants were measured at fair value at the time of issuance and classified as equity. The Company values the warrants using a Monte Carlo pricing model and records the warrants as a reduction of the notes included in the debt discount balance.

Contingencies

The Company follows ASC 450, Contingencies, to account for loss contingencies. Liabilities are recorded when it is probable that a liability has been incurred and the amount can be reasonably estimated.

Earnings (Loss) Per Share

Net earnings or loss per share is computed by dividing net income or loss by the weighted-average number of common shares outstanding during the period, excluding shares subject to redemption or forfeiture. The Company presents basic and diluted net earnings or loss per share. Diluted net earnings or loss per share reflect the actual weighted average of common shares issued and outstanding during the period, adjusted for potentially dilutive securities outstanding. Potentially dilutive securities are excluded from the computation of the diluted net loss per share if their inclusion is anti-dilutive. As all potentially dilutive securities are anti-dilutive as of June 30, 2026, diluted net loss per share is the same as basic net loss per share. Series C Preferred Stock, Series B Preferred Stock issuable, warrants and convertible notes payable with underlying shares totaling 2,939,331,262 at June 30, 2026 have not been included in the net loss per share calculation. The number of underlying shares related to convertible notes payable may vary based upon the actual date of conversion.

Income Taxes

The Company accounts for income taxes under ASC 740, Income Taxes. Deferred tax assets and liabilities are recognized for the future tax consequences attributable to differences between the financial statement carrying amounts and their respective tax bases. A valuation allowance is established when it is more likely than not that deferred tax assets will not be realized. The Company experienced a change in control on March 5, 2026 in connection with the Kepler reverse acquisition; accordingly, the utilization of net operating loss carryforwards of the legal acquirer may be limited under IRC Section 382. A Section 382 study is expected to be completed in a future period.

NOTE 3 – REVERSE RECAPITALIZATION

On March 5, 2026, the Company entered into a series of related agreements pursuant to which the Company acquired 100% of the issued and outstanding equity interests of Kepler GTL Technologies Inc. ("Kepler") in exchange for Series B Preferred Stock of the Company. In connection with the transaction, voting control of the Company was transferred through the Company's Series A Preferred Stock. The Series A Preferred Stock transfer was completed on March 26, 2026.

The transaction has been accounted for as a reverse recapitalization, with Kepler treated as the accounting acquirer and the Company treated as the accounting acquiree. Accordingly, the consolidated financial statements are presented as a continuation of the financial statements of Kepler, with the net assets of the Company recognized at historical cost and no goodwill recognized. The equity structure has been retroactively recast to reflect the capital structure of the Company.

NOTE 4 – CONVERTIBLE NOTES PAYABLE, NET

Pursuant to a financing commitment, on March 21, 2021, the Company entered into a Convertible Promissory Note Purchase Agreement (the "Agreement") with a third party for the sale of a convertible promissory note in the principal amount of $30,000. The note matured on March 21, 2022, and is currently in default. The lender has the right to convert the debt into fully paid and non-assessable shares of common stock at a fixed price of $0.06 per share. Conversions are subject to adjustments due to stock dividends, stock splits, rights offerings or combinations, recapitalizations and reorganizations. Interest will accrue at the rate of ten percent (10%) per annum, simple interest, in each case to the extent that the note and the principal amount and any unpaid accrued interest has not been converted into conversion shares (as defined) prior to the maturity date. The note has a variable conversion price subject to price adjustments for certain actions, including dilutive issuances, and the Company recorded an embedded derivative liability. The fair value of the derivative liability totaled $163,469 and $0 as of June 30, 2026 and December 31, 2025, respectively (see Note 7). Interest expense totaled $748 and $995 for the three and six months ended June 30, 2026, respectively.

On August 23, 2021 the Company entered into a Securities Purchase Agreement (the "Agreement") with a third party for the sale of a convertible promissory note in the principal amount of $150,000, at a purchase price of $135,000, less $9,450 in legal fees. The note matured on August 23, 2022 and is currently in default. The lender has the right to convert the debt into fully paid and non-assessable shares of common stock at a fixed price of $0.02 per share (subject to the beneficial ownership limitations of 4.99%). Conversions are subject to adjustments due to stock dividends, stock splits, rights offerings or combinations, recapitalizations and reorganizations. Interest will accrue at the rate of twelve percent (12%) per annum, simple interest, in each case to the extent that the note and the principal amount and any unpaid accrued interest has not been converted into conversion shares (as defined) prior to the maturity date. The note has a variable conversion price subject to price adjustments for certain actions, including dilutive issuances, and the Company recorded an embedded derivative liability. The fair value of the derivative liability totaled $511,751 and $0 as of June 30, 2026 and December 31, 2025, respectively (see Note 7).

In conjunction with the issuance of the note, the Company issued a five year warrant exercisable for 6,000,000 shares of common stock at an exercise price of $0.025 per share subject to anti-dilution and price protection adjustments (see Note 10). The relative fair value of the warrants totaling $103,284 has been recorded as a discount on the notes and is being amortized over the life of the note. Unamortized debt discount totaled $51,636 and $0 at June 30, 2026 and December 31, 2025, respectively.

Upon the occurrence of any event of default as defined in the agreement, outstanding principal and accrued interest shall become immediately due and payable and the Company shall pay, in full satisfaction of its obligations, an amount equal to the principal sum then outstanding plus accrued interest multiplied by 125% (the "Default Amount"). Upon the occurrence of an event of default, additional interest will accrue from the date of the event of default at the rate equal to the lower of 16% per annum or the highest rate permitted by law. Default penalty accrued totaled $39,479 and $0 as of June 30, 2026 and December 31, 2025, respectively.

Interest expense totaled $3,175 and $4,222 for the three and six months ended June 30, 2026, respectively.

On February 4, 2022, the Company entered into a convertible promissory note with a third-party in the principal sum of $120,000. The note bears interest at the rate of one percent (1.00%) and matures on February 4, 2023. The note was issued in exchange for services rendered and may be converted into the Company's common stock (subject to the beneficial ownership limitations of 4.99%) at the lower of $0.0033 or 85% of the lowest per-share during the 5-trading day period before the conversion. The note has a variable conversion price subject to price adjustments for certain actions, including dilutive issuances, and the Company recorded an embedded derivative liability. The fair value of the derivative liability totaled $32,247 and $0 as of June 30, 2026 and December 31, 2025, respectively (see Note 7).

Interest expense totaled $221 and $294 for the three and six months ended June 30, 2026, respectively.

On March 25, 2022, the Company executed a convertible note with a third party, for $23,000, due on July 13, 2022 and is currently in default. This note bears interest at 10% per annum and is convertible (in whole or in part), at the option of the holder, into such number of fully paid and non-assessable shares of common stock as is determined by dividing that portion of the outstanding principal balance under this note by a conversion price of $0.000098 but can be reset if the Company issues instruments at a lower price. The note has a variable conversion price subject to price adjustments for certain actions, including dilutive issuances, and the Company recorded an embedded derivative liability. The fair value of the derivative liability totaled $97,609 and $0 as of June 30, 2026 and December 31, 2025, respectively (see Note 7).

Interest expense totaled $449 and $597 for the three and six months ended June 30, 2026, respectively.

The aggregate of convertible notes payable, net are as follows:

Convertible Notes Payable, Net	**June 30, 2026**	**December 31, 2025**
Principal balance	$ 216,090	$ -
Debt discount balance	(51,636)	-
Net Notes balance	**$ 164,454**	**$ -**

The Convertible Notes Payable, Net balance at June 30, 2026 is comprised of the following:

	Principal	**Debt Discount**	**Net**
March 2021	$ 30,000	$ -	$ 30,000
August 2021	79,590	(51,636)	27,954
February 2022	88,500	-	88,500
March 2022	18,000	-	18,000
	$ 216,090	$ (51,636)	$ 164,454

NOTE 5 – CONVERTIBLE NOTES PAYABLE – RELATED PARTY, NET

On December 9, 2019, the Company executed a convertible promissory note with Pinnacle Consulting Services Inc. ("Pinnacle"), which is owned by Robert L. Hymers III ("Mr. Hymers") for $40,000 and which was amended to mature on April 1, 2020, and then extended to mature on April 1, 2021. This note bears interest at five percent (5%) per annum, which is convertible into shares of the Company's common stock. The note is convertible at the option of the holder, into such number of fully paid and non-assessable shares of common stock as is determined by dividing that portion of the outstanding principal balance under the note by a conversion price, which is a 35% discount of the lowest reported sale price of the 15 trading days immediately prior to the date of conversion. The note has a variable conversion price subject to price adjustments for certain actions, including dilutive issuances, and the Company recorded an embedded derivative liability. The fair value of the derivative liability totaled $38,363 and $0 as of June 30, 2026 and December 31, 2025, respectively (see Note 7).

This note was in default as of September 30, 2022. On December 23, 2022, the Company received an additional written notice of default from Mr. Hymers, confirming that the default provisions of the note were in effect. Upon the occurrence of an event of default, additional interest will accrue from the date of the event of default at the rate equal to the lower of 15% per annum or the highest rate permitted by law. Interest expense totaled $377 and $501 for the three and six months ended June 30, 2026, respectively.

On March 23, 2022, the Company executed a convertible note with Mr. Hymers for $55,000 due on October 22, 2022. This note bears interest at 10% per annum and is convertible (in whole or in part), at the option of the Holder, into such number of fully paid and non-assessable shares of common stock as is determined by dividing that portion of the outstanding principal balance under this note by a conversion price of $0.000098. On April 21, 2022, the Company and Mr. Hymers entered into a debt exchange agreement, whereby the Company exchanged the $55,000 Note convertible at a conversion price of $0.000098 per share for a $60,000 note convertible at $0.002 per share, all other note terms remaining unchanged. The Company determined that due to the change in fair value of the conversion option being significant, the modification of the note should be accounted for as a debt extinguishment, with the resulting loss on extinguishment being recorded in additional paid-in capital. The note has a variable conversion price subject to price adjustments for certain actions, including dilutive issuances, and the Company recorded an embedded derivative liability. The fair value of the derivative liability totaled $13,332 and $0 as of June 30, 2026 and December 31, 2025, respectively (see Note 7). On December 23, 2022, the Company received a written notice of default from Mr. Hymers, informing the Company that the default provisions of the note were in effect. In February 2026, Mr. Hymers converted the remaining principal of $60,000 into 730,000,000 shares of common stock at a price of $0.000082 per share. Interest expense totaled $0 and $230 for the three and six months ended June 30, 2026, respectively.

In 2025, the Company entered into a Master Funding and Drawdown Agreement (the "Agreement") with Pinnacle. The Agreement establishes a discretionary funding facility in favor of the Company in an aggregate principal (face) amount of up to Two Million Five Hundred Thousand Dollars ($2,500,000), subject to an original issue discount of five percent (5%). The Company shall use the proceeds of all advances for general working capital purposes, audit and reporting expenses, transaction-related costs, and other lawful corporate purposes consistent with its business plan.

Interest shall accrue at a rate of ten percent (10%) per annum, simple interest, calculated on the basis of a 365-day year and computed on the face amount of each advance from the date such advance is funded. All unpaid principal and accrued interest shall be due and payable in a single payment on the date that is twelve (12) months from the date of the first advance. The Company shall have no right to convert any portion of the outstanding balance into shares of the Company's common stock, prior to the occurrence of an event of default. Upon default, the conversion price shall be equal to eighty percent (80%) of the lowest closing price of the common stock as reported on its principal trading market during the ten (10) trading days immediately preceding the date of conversion. The note has a variable conversion price subject to price adjustments for certain actions, including dilutive issuances, and the Company recorded an embedded derivative liability. The fair value of the derivative liability totaled $71,914 and $0 as of June 30, 2026 and December 31, 2025, respectively (see Note 7).

During the three months ended June 30, 2026 Pinnacle funded $164,211, net of original issue discount of $8,211 for net proceeds of $156,000. During the six months ended June 30, 2026 Pinnacle funded $180,000, net of original issue discount of $9,000, for net proceeds of $171,000. Total balance funded at June 30, 2026 is $410,450, net of unamortized original issue discount of $14,720, for total net balance of $395,730. The maturity date has been extended to April 30, 2027, and therefore the Company is currently not in default.

Interest expense totaled $8,361 and $10,280 for the three and six months ended June 30, 2026, respectively.

The aggregate of convertible notes payable - related party, net are as follows:

Convertible Notes Payable - Related Party, Net	June 30, 2026	December 31, 2025
Principal balance	$ 420,535	$ -

Debt discount	(14,720)		-
	$ 405,815	$	-

The Convertible Notes Payable - Related Party, Net balance at June 30, 2026 is comprised of the following:

	Principal	Debt Discount	Net
December 2019	$ 10,085	$ -	$ 10,085
April 2025	410,450	(14,720)	395,730
	$ 420,535	$ (14,720)	$ 405,815

NOTE 6 – NOTES PAYABLE – RELATED PARTY

During the year ended December 31, 2025, the Company entered into a Consulting Services Agreement and Promissory Note with Pinnacle. Effective February 15, 2025, Pinnacle will provide advisory and consulting services to the Company. The agreement may be terminated by either party with 30 days' written notice. The promissory note totaling $369,195 represents outstanding consulting fees related to a consulting services agreement from the effective date of the consulting services agreement to July 1, 2025, the issuance date of the note. The note bears interest at a rate of ten percent (10%) and has an original stated maturity date of December 31, 2025. A new maturity date of April 1, 2027 has been provided and the note is not in default as of June 30, 2026. Interest expense totaled $9,893 and $12,927 for the three and six months ended June 30, 2026, respectively.

During the year ended December 31, 2025, the Company entered into a Consulting Services Agreement and Promissory Note with CMB Communications ("CMB"), an entity owned by the Company's CEO, Richard Hawkins. Effective February 15, 2025, CMB will provide advisory and consulting services to the Company. The agreement may be terminated by either party with 30 days' written notice. The promissory note totaling $245,721 represents outstanding consulting fees related to the consulting services agreement from the effective date of the consulting services agreement to July 1, 2025, the issuance date of the note. The note bears interest at a rate of ten percent (10%) and has an original stated maturity date of December 31, 2025. A new maturity date of April 1, 2027 has been provided and the note is not in default as of June 30, 2026. Interest expense totaled $6,584 and $8,604 for the three and six months ended June 30, 2026, respectively.

NOTE 7 – DERIVATIVE LIABILITIES

The Company issued convertible promissory notes with variable conversion provisions, under which the number of shares issuable is based on factors such as the future price of the Company's common stock and is therefore indeterminate. Pursuant to ASC 815-15, Embedded Derivatives, the fair values of the variable conversion option and shares to be issued were recorded as derivative liabilities on the issuance date.

The fair value of applicable derivative liabilities on notes and the change in fair value of derivative liabilities are as follows for the six months ended June 30, 2026:

Fair value - December 31, 2025	$	-
Reverse recapitalization		934,223
Change in fair value of derivative liabilities		-
Fair value - June 30, 2026	$	934,223

The fair value of the derivative liabilities – convertible promissory notes is estimated using a Monte Carlo pricing model with the following assumptions:

Market value of common stock	$	0.00 - 0.0005
Expected volatility		50.80% - 76.59%
Expected term (in years)		.27 - 1
Risk-free interest rate		3.49% - 5.63%

NOTE 8 – STOCKHOLDERS' EQUITY

As of June 30, 2026, the Company's capital structure consisted of common stock and three designated series of preferred stock: Series A Preferred Stock, Series B Preferred Stock and Series C Preferred Stock.

As of June 30, 2026, the Company had 9,075,744,139 shares of common stock and 69,000,000 shares of Series A Preferred Stock issued and outstanding. In connection with the reverse recapitalization described in Note 3, 240,000,000 shares of Series B Preferred Stock were issuable as of June 30, 2026. Series C Preferred Stock is classified as a liability pursuant to ASC 480 and is therefore not included in stockholders' equity.

Stock Compensation Agreements

In the six months ended June 30, 2026, the Company entered into four contingent consulting services contracts as full and complete consideration for the consulting and advisory services to be rendered, and the Company shall issue shares of the Company's common stock having an aggregate fair market value of $240,000 each for an aggregate of $960,000. The number of shares to be issued shall be determined by dividing $960,000 by the closing price of the Company's common stock on the first trading day following the completion of any restructuring event ("Initial Valuation Date") as defined in the agreements, or, if no restructuring event occurs, the closing price of the Company's common stock on the effective dates of the agreements. On the one-year anniversary of the date on which the Initial Valuation Price is determined (the "Valuation Date"), the Company shall determine the lowest closing price of the Company's common stock during the ten (10) trading days immediately preceding the Valuation Date (the "Anniversary Price").

If the Anniversary price is less than the Initial Valuation Price, the Company shall issue to consultant or director, such additional number of shares as are necessary so that the aggregate fair market value of all shares issued calculated using the Anniversary Price, equals the contractual compensation amount. This adjustment shall operate as a hard minimum value backstop and shall apply automatically without the need for further action by the consultant or director.

Vesting on the contracts is contingent upon two vesting conditions as defined. The entirety of the stock-based rights shall vest when both a restructuring event has occurred and the consultant shall have remained continuously engaged under this agreement through the date on which the restructuring event condition is satisfied. If either condition is not satisfied, then the stock-based rights shall be forfeited in their entirety without consideration, and the Company shall have no obligation to issue any shares. No compensation expense has been recorded as of June 30, 2026.

In the event the trading price of the Company's common stock increases following the effective date, no reduction, clawback, or forfeiture shall apply. All shares issued pursuant to the agreements shall include piggyback registration rights in the Company's next registration statement on Form S-1 or Form 1-A, subject to customary underwriter limitations, if any.

On April 17, 2026, the Company issued a third-party professional, 164,622,488 shares of common stock of the Company as full consideration for services rendered, with such shares being fully earned upon execution of the agreement. Compensation expense totaling $263,396 has been recorded as selling, general and administrative expenses in the Company's statement of operations for the three months ended June 30, 2026.

NOTE 9 – RELATED PARTY TRANSACTIONS

The Company has outstanding promissory notes and convertible promissory notes with CMB Communications, Pinnacle Consulting Services Inc., Robert L. Hymers III and related parties. See Notes 5 and 6 for additional information regarding these obligations.

On May 1, 2026, the Company entered into a 6-month Consulting Services Agreement with CMB for $10,000 per month.

During the six months ended June 30, 2026, the Company entered into two contingent officer consulting and independent director advisory agreements. As full and complete consideration for the advisory services to be rendered, the Company shall issue shares of the Company's common stock having an aggregate fair market value of $240,000 each following the completion of both a restructuring event and a service period. See Note 8.

NOTE 10 – WARRANTS

On August 19, 2021, the Company issued a warrant to purchase shares of the Company's common stock in conjunction with a convertible promissory note. In conjunction with the issuance of the note, the Company issued a five year warrant exercisable for 6,000,000 shares of common stock at an exercise price of $0.025 per share subject to anti-dilution and price protection adjustments. If held by the initial purchaser of the Private Warrant or certain permitted transferees, the purchase can occur on a cashless basis. The warrant will expire on August 19, 2026 or earlier upon redemption or liquidation.

The warrant qualified for equity accounting as the warrant did not fall within the scope of ASC Topic 480, Distinguishing Liabilities from Equity. The warrant was measured at fair value at the time of issuance and classified as equity.

The Company valued the warrant using the Black-Scholes valuation model and recorded the warrant as a reduction of the note included in the debt discount balance. The following table summarizes the assumptions used in the valuation model to determine the fair value of the warrant:

Fair Value of Common Share	$	0.267 - 0.0033
Exercise Price	$	0.025 - 0.0000981
Risk Free Rate		0.78% - 2.54%
Expected Life (Yrs.)		4.4 – 5.0
Volatility		50.7% - 58.26%

NOTE 11 – COMMITMENTS AND CONTINGENCIES

Contingencies

The Company is subject to various loss contingencies and assessments arising in the normal course of the business, some of which relate to litigation, claims, property taxes and sales and use tax or goods and services tax assessments. The Company considers the likelihood of the loss or the incurrence of a liability, as well as its ability to reasonably estimate the amount of loss in determining loss contingencies and assessments. An estimated loss contingency or assessment is accrued when it is probable that a liability has been incurred and the amount of loss can be reasonably estimated. Management regularly evaluates current information available to them to determine whether such accruals should be adjusted. Based on the information presently available, including discussion with counsel and other consultants, management believes that resolution of these matters will not have a material adverse effect on its business, results of operations, financial condition or cash flows.

Commitments

In January 2026, the Company issued 75,000,000 shares of Company common stock to a third party service provider for services rendered. The agreement contains a provision to insure that the service provider will remain the owner of at least 1% of the company's outstanding shares for a one year period. On March 31, 2027 the Company shall issue the service provider additional shares as necessary to bring the total number of shares equal to 1% of the outstanding shares of common stock as of March 31, 2027. In the event the Company does not issue the shares as required under this provision, the Company will be subject to a $5,000 a month penalty until such time as the shares are issued.

NOTE 12 – SUBSEQUENT EVENTS

Management has evaluated subsequent events through the date the financial statements were available to be issued and determined that, no events have occurred that would require adjustment to or disclosure in the financial statements.