



GREEN MOUNTAIN DEVELOPMENT CORP

OTC Markets Ticker Symbol: **GMND**

FINANCIAL STATEMENTS

For the Quarter ended: **June 30, 2012**

ISSUER'S EQUITY SECURITIES

COMMON STOCK

Par Value \$.001
2,000,000,000 Authorized
154,235,897 Issued and Outstanding

PREFERRED STOCK

Par Value \$.001
50,000,000 Shares Authorized
33,339,037 Issued and Outstanding

TRANSFER AGENT

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Fidelity Transfer Company. is registered under the
Exchange Act and is an SEC approved transfer agent.

www.GreenBizness.com

ITEM 1. FINANCIAL STATEMENTS

GREEN MOUNTAIN DEVELOPMENT CORP Consolidated Condensed Balance Sheet

	As Of June 30, 2012 (Unaudited)	As Of September 30, 2011 (Unaudited)
Current Assets:		
Cash and cash equivalents	\$ --	\$ --
Accounts receivable, net	83,500	--
Bio-Miracle Inventory	611	
Stock Subscriptions Receivable	\$ 21,000	
Total current assets	\$ 105,111	--
Long Term Investments:		
Marketable Securities	16,500	
Held to maturity securities (Note C)	\$ -	\$ 93,733
	16,500	93,733
Property And Equipment, Net:		
Office equipment		
Manufacturing equipment		
Transportation equipment		
Less: Accumulated Depreciation		
Other Assets	--	
Total assets	\$ 121,611	\$ 93,733
Liabilities And Deficiency in Stockholders' Equity		
Current Liabilities:		
Line of Credit Collateral (Note D)	\$ 999,939	\$ 999,939
Accrued salaries	243,423	193,423
Accrued payroll tax		
Accounts payable and accrued expenses (Note E)	465,157	449,957
Notes payable (Note F)	956,554	1,194,011
Due to affiliates (Note G)	32,028	17,321
Total current liabilities	2,697,101	2,854,651
Total liabilities	2,697,101	2,854,651
Deficiency in Stockholders' Equity:		
Convertible preferred stock, \$.001 par value; 50,000,000 shares authorized:		
Series A; 20,000,000 shares authorized; 10,804,665 and 10,804,665 shares issued and outstanding as of June 30, 2012, and September 30, 2011, aggregate liquidation preference of \$108,046,650 and \$108,046,650	10,805	10,805
Series B; 5,000,000 shares authorized; 2,000,000 and 2,000,000 shares Issued and outstanding as of June 30, 2012 and September 30, 2011, aggregate liquidation preference of \$20,000,000 and \$20,000,000	2,000	2,000
Series C; 5,000,000 shares authorized; 534,372 shares issued and Outstanding, as of June 30, 2012 and 315,060 outstanding as of September 30, 2011 with aggregate liquidation preference of \$5,343,720 and \$3,150,600	322	315
Series C Stock Subscriptions of 388,435 shares as of June 30, 2012 and 0 shares as of September 30, 2011	388	
Non-Convertible preferred stock, \$.001 par value;		
Series S; 20,000,000 shares authorized; 20,000,000 issued and outstanding as of June 30, 2012 and September 30, 2011; aggregate		

liquidation preference of \$20,000,000	20,000	20,000
Common stock; \$.001 par value; 2,000,000,000 shares authorized; 154,235,897 and 104,235,911 shares issued and outstanding as of June 30, 2012 and September 30, 2011, respectively	154,236	104,236
Additional paid-in capital	16,368,009	16,087,975
Stock Subscription Receivable	--	--
Deferred equity issuance costs	(678,500)	(678,500)
Accumulated deficit	<u>(18,452,751)</u>	<u>(18,307,749)</u>
Total deficiency in stockholders' equity	<u>(2,575,491)</u>	<u>(2,760,918)</u>
Total liabilities and stockholders' equity	<u>\$ 121,611</u>	<u>\$ 93,733</u>

See accompanying footnotes to the unaudited consolidated condensed financial statements.

GREEN MOUNTAIN DEVELOPMENT CORP
Consolidated Condensed Statements of Operations
For the Three and Nine Months Ending June 30, 2012
(Unaudited)

	Unaudited For the three months ending June 30, 2012	Unaudited For the nine months ending June 30, 2012
Revenues	\$	\$ 111,369
Cost of revenues	<u> </u>	<u>801</u>
Gross profit		110,568
Operating Expenses:		
Selling, general and administrative expenses	26,644	55,616
Depreciation	<u> </u>	<u> </u>
Total operating expenses	26,644	55,616
Profit from operations	(26,644)	54,953
Other income (expense):		
Gain/Loss - Investments		(93,733)
Misc Income	10,000	15,750
Interest income		
Interest expense	<u>(37,545)</u>	<u>(121,972)</u>
Total other expense	(27,545)	(199,955)
Loss before income taxes	(54,189)	(145,002)
Income tax expense	<u> --</u>	<u> --</u>
Net Loss	<u>\$ (54,189)</u>	<u>\$ (145,002)</u>
Net loss per common share (basic and diluted)	\$ <u>(0.0005)</u>	\$ <u>(0.0013)</u>
Weighted average common shares outstanding	<u>120,902,564</u>	<u>108,402,547</u>

See accompanying footnotes to the unaudited consolidated condensed financial statements.

GREEN MOUNTAIN DEVELOPMENT CORP
Consolidated Condensed Statements of Cash Flows
For the Nine Months Ending June 30, 2012
(Unaudited)

	<u>Unaudited</u> <u>June 30, 2012</u>
Cash Flows From Operating Activities:	
Net Profit/Loss	\$(145,002)
Adjustment to reconcile net loss to cash used in operating activities:	
Gain (loss) on Valuation of held to maturity securities	93,733
Marketable Securities	(16,500)
Decrease (increase) in:	
Accounts receivable	(83,500)
Bio-Miracle Inventory	(611)
Prepaid expenses and other current assets	--
Stock Subscriptions Receivable	(21,000)
Increase (decrease) in:	
Accounts payable and accrued expenses	79,907
Other current liabilities	(237,457)
Net Cash Provided by Operating Activities	<u>(330,429)</u>
Cash Flows From Investing Activities:	
Paid in Capital	280,034
Series C Preferred Stock Subscription	395
Common stock at par (\$.001)	<u>50,000</u>
Net Cash Provided By (Used In) Investing Activities	<u>330,429</u>
Cash Flows From Financing Activities:	
Paid in Capital	
Net Cash Provided By Financing Activities	<u> </u>
Net Increase (Decrease) In Cash	
Cash At Beginning Of Period	<u>0</u>
Cash At End Of Period	<u><u>\$ 0</u></u>

See accompanying footnotes to the unaudited consolidated condensed financial statements.

GREEN MOUNTAIN DEVELOPMENT CORP
Consolidated Statements Deficiency in Stockholders' Equity
For The Quarter Ended June 30, 2012 (Unaudited)

	Preferred Shares	Preferred Amount	Common Shares	Common Amount	Additional Paid-in Capital	Deferred Equity Issuance Costs	Accumulated Deficit	Total
Balance on March 31, 2012	33,514,825	\$ 33,515	104,235,911	\$ 104,236	\$ 16,206,815	\$ (678,500)	\$ (18,398,562)	\$ (2,732,496)
Subscriptions Receivable					\$ (88,235)			\$ (88,235)
Stock for Debt Reduction			50,000,000	\$ 50,000	\$ 249,429			\$ 299,429
Transfer Agent Reconciliation			-14					
Net Profit/Loss from operations							\$ (54,189)	\$ (54,189)
Balance on June 30, 2012	33,514,825	\$ 33,515	154,235,897	\$ 154,236	\$ 16,368,009	\$ (678,500)	\$ (18,452,751)	\$ (2,575,491)

ITEM 2. NOTES TO FINANCIAL STATEMENTS

NOTE A – COMPANY BUSINESS and SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Business

Green Mountain Development Corp ("the Company", and formerly known as Sub Surface Waste Management of Delaware, Inc.) was formed under the laws of the State of Utah in January, 1986 and re-domiciled to the state of Delaware in February, 2001. Green Mountain Development Corp provides project development services for capital providers and technology operators and distributes licensed products related to the energy, agricultural and environmental sectors. The company also formed a Natural Healthcare products division this quarter.

Project Development Assistance

When developing or assisting clients with various projects, Green Mountain enters into a Project Development Agreement with the client. As part of this agreement, Green Mountain agrees to assist the client with certain preliminary development work including project due diligence, investor presentations, identification of project capital sources and technology vendors and negotiation of a joint venture (JV) agreement between investors and the client.

Green Mountain draws upon the resources of its affiliate partners to develop a JV agreement to progress the development resources needed by the client from asset acquisition stage to commercial production.

The Joint Venture usually includes a series of gated and milestone driven investments by Green Mountain affiliates and the comprehensive terms and conditions governing the structure and the respective commercial interests of the JV parties. As part of its compensation for bringing all parties together, Green Mountain has a participation in the Joint Venture.

Bio-Miracle™ Products

The Bio-Miracle™ product line, trademarks and copyrights are licensed from U.S. Microbics, Inc. under the terms of a manufacturing, use and distribution agreement. The company supplements these products with products of other manufacturers to improve and broaden the product line to meet specific needs of domestic and international customers.

For 25 years, the Bio-Miracle™ microbial blends and their legacy products have been used for agricultural growth enhancement, composting acceleration, pond and lake water treatment, hydrocarbon reduction in soil and water and animal and green waste treatment. The microbial blends are all natural, not genetically altered and are available in a convenient, non-toxic powder for easy application. The microbes are classified by the US Environmental Protection Agency (EPA) as "GRAS" bugs or Generally Regarded as Safe for all uses.

Bio-Miracle™ Product Lines include:



Bi-AGRA™ Plant Health

Key benefits of the Bi-Agra™ agricultural blends include a dramatic increase of seed germination and survival rates, less water and fertilizer usage, fruit and vegetable harvests that can be picked sooner, have higher weight and yields and a lower mortality rate. Useful for food and fuel crops, houseplants, vegetables and industrial crops like cotton and sugar cane.



REMEDI LINE™ Soil & Water Treatment

Key benefits of the water treatment blends include removal of hydrocarbons, suspended solids, pond scum and algae and water clarification. Soil treatment blends remove or reduce hydrocarbons (oil and diesel), pesticides, herbicides and many noxious chemicals. The results are clean water and soil often suitable for reuse as agriculture land, parks or real estate development



WASTE LINE™ Animal & Green Waste Composting

Key benefits of the waste treatment blends include: faster composting and higher quality of animal and green waste compost with enhanced microbial activity for long term beneficial effects in the soil. Composting times up to one year are regularly reduced to less than 30 days with reduction of odors and pests

Product shipments of Bio-Miracle™ products began in January 2012 as planned with initial shipments to a Mexico based customer with over 100,000 acres of land devoted to food crops. The company is following the progress of this customer for potential follow-on orders.

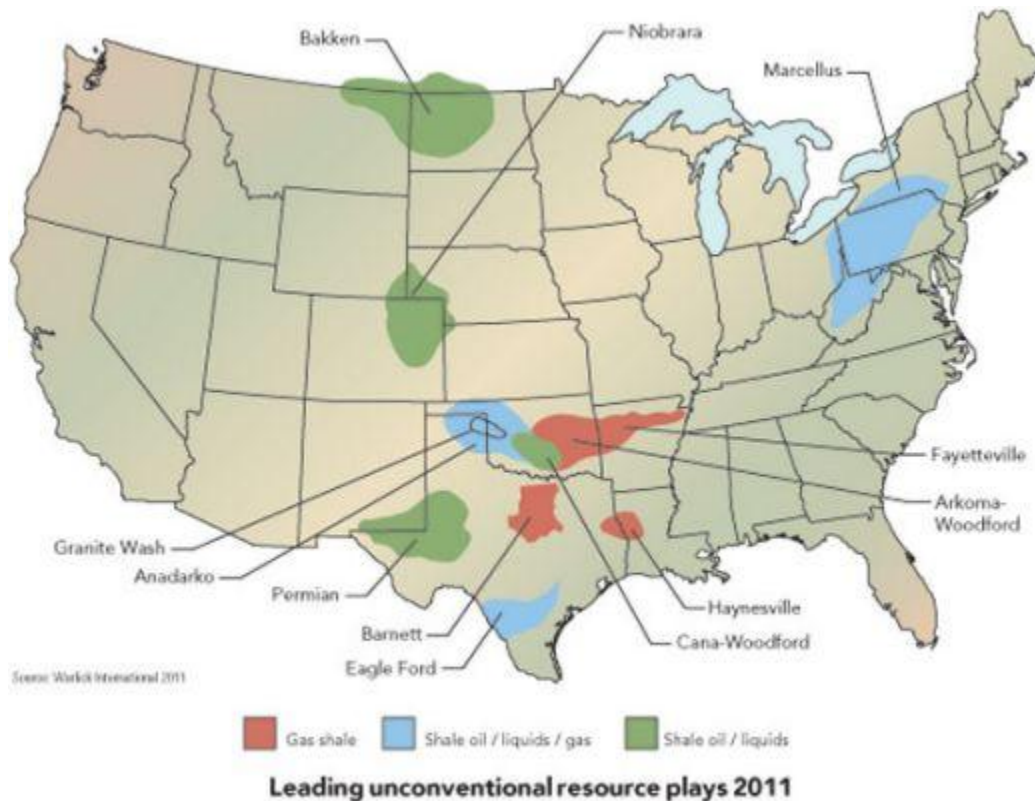
Bayside Project Development

Green Mountain Development Corp entered into an Oil Field Project Development Agreement with Bayside Corp (Pinksheet: BYSD) in December 2011. The Bayside project opportunity was brought to GMND CEO, Robert Brehm, by a long time business associate who has followed the company's progress with energy related projects and its new affiliate network.

As part of this Agreement, Green Mountain has agreed to assist Bayside with certain preliminary development work including project due diligence, investor presentations, identification of project capital sources and technology vendors and negotiation of a joint venture (JV) agreement between investors and Bayside. Green Mountain draws upon the resources of its affiliate partners to develop a JV agreement to progress the development of Bayside drilling leases from the acquisition stage to commercial production.

In January 2012, directors Robert Brehm and Nick Kontonicolas met with Bayside CEO Gordon Johnson and associates in Texas and visited various well leases. Subsequent to the meeting a JV agreement was signed between Bayside Corporation and C. Trade Worldwide Group for the oil and gas well development. Bayside will provides leases and projects and C. Trade will provide financial capability and trade finance instruments for project development. As part of its compensation for bringing all parties together, Green Mountain has a participation in the Joint Venture.

The Bayside projects are located near the Eagle Ford region of Southern Texas as shown on the map below.



Green Mountain project development revenue is expected to increase as Bayside commences revenue generation from well production based upon Green Mountain and affiliates efforts.

GMND in Talks with Canadian Company for Oil Project Development Agreement

Green Mountain management is in talks with a Canadian oil project developer to discuss the terms of an Oil Project Development Agreement to assist the company with certain preliminary development work including project due diligence, investor presentations, identification of project capital sources and negotiation of a joint venture (JV) agreement between investors and the company. Green Mountain will draw upon the resources of its affiliate partners to develop a JV agreement to progress the development of Canadian drilling leases from the acquisition stage to commercial production.

It is contemplated that the Joint Venture would include a series of gated and milestone driven investments by Green Mountain affiliates and terms and conditions governing the structure and the respective commercial interests of the JV parties. As part of its compensation for bringing all parties together, Green Mountain would have a participation in the Joint Venture.

The Canadian project opportunity was brought to GMND CEO, Robert Brehm, by a long time business associate and shareholder who has followed the company's progress with energy related projects and its new affiliate network.

While it is too early to determine if a definitive agreement will be forthcoming, progress is being made in negotiations between the parties.

Green Mountain Receives Proposal for Bio-Miracle(TM) Distribution in Ethiopia

Green Mountain is currently evaluating a proposal to distribute the Bio-Miracle products throughout Ethiopia, Africa. The proposal would include certification to meet the requirements of the Ethiopian Quality and Standardization Authority, promotion of the product in weekly newspapers, trade fairs and brochures and catalogues targeting Ethiopian crops such as sesame seed and coffee. Product evaluation would be carried out by local university staff in the agriculture departments which would also aid in obtaining organic certification. Marketing and distribution of the Bio-Miracle(tm) products would commence shortly thereafter.

The distribution in Ethiopia could be the stepping stone for more general distribution throughout Africa once certification and test results have been published. The services and resource of C. Trade Group are being utilized to fast track the proposal evaluation and implementation process.

Green Mountain Development Corp Creates Natural Healthcare Products Operating Division

June 4, 2012 – Robert Brehm, CEO of Green Mountain Development Corp (Pinksheet: GMND), announced the company has setup a separate operating division for Natural Healthcare Products as part of its plan for future expansion. The new division will have separate responsibility centers and segmented account reporting and will consolidate results into existing GMND quarterly financial reports. The new division compliments the Energy Services and Bio-Miracle™ Natural Products divisions already in operation.

Green Mountain Development Corp Merges RNL USA into new Natural Healthcare Operating Division

Green Mountain and C. Trade Group to assist Rapid Nutrition LTD with expansion into US through RNL USA

CARLSBAD, Calif. – June 7, 2012 – Robert Brehm CEO of Green Mountain Development Corp (Pinksheet: GMND), announced the company has acquired RNL USA Limited (RNUL) and set up the wholly owned subsidiary as the first member of the new Natural Healthcare operating division. The merger negotiations were undertaken by C. Trade Group Chairman and GMND Director, Nick Kontonicolas who met with Rapid Nutrition Ltd (RNL) principals to develop the merger, rollup acquisition strategy, and public company options for RNUL. C. Trade and its affiliate network are also assisting RNL with expansion and acquisition plans in the USA through RNUL.

Rapid Nutrition Ltd has a strong presence in Australia, where it is headquartered and exports to 13 countries. They have three manufacturing facilities in India and consolidated revenues of over USD \$20 million. With the successful acceptance of Rapid Nutrition products in the international markets, the company is now expanding into the US market with a public company presence via GMND's recently created Natural Healthcare division to support the RNUL research, marketing, production and acquisition rollups.

As part of its charter, RNUL will license marketing rights for the Rapid Nutrition Ltd product line in the USA and Robert Brehm and Nick Kontonicolas will become new board members of RNUL and actively participate in developing RNUL business strategies to increase GMND shareholder value. Rapid Nutrition Executive Director and current CEO of Middle East and Asia Operations, Mr. Vaidyanathan Nateshan, will become Chief Executive Officer of RNUL.

Mr. Simon St Ledger, CEO of Rapid Nutrition, Ltd, stated, “We are very excited to become a contributing member of the Green Mountain family of companies. Apart from giving us access to a path breaking biological product line, which complements our natural products strategy, it gives us a listed platform in the US to pursue expansion plans as we deem fit.”

C Trade Group Chairman, Mr. Nick Kontonickolas commented, “We are happy to bring Leisa’s Secret, RNL’s range of weight loss products from Australia, to the states. We will also be helping the company integrate their Indian operations of 100 pharmaceutical and OTC medications into an OTC healthcare provider of significance.”

Robert Brehm stated, “We are delighted to work with Rapid Nutrition and C. Trade to bring new revenue and income sources through our new operating division in Green Mountain. This new division plans to consolidate Rapid Nutrition international manufacturing in the USA and to acquire additional natural healthcare companies synergistic with its existing product line.”

About Rapid Nutrition

Rapid Nutrition is a natural healthcare company focused on the research, development and production of a range of life science products. The company was established on the back of its successful and proven weight loss supplement range which is exported worldwide, and now offers consumers a growing range of health and wellbeing solutions to meet existing and emerging societal health concerns, as well as a providing a number of wider services to the life sciences industry. For more information visit www.rapid-nutrition.com

The terms of the acquisition were in the form of a Capital Stock Exchange Agreement whereby RNL USA Limited would become a wholly owned subsidiary of Green Mountain in exchange for an unspecified number of Preferred shares of GMND based upon a negotiated value and future milestone achievements. At the end of the quarter ending June 30, 2012, terms will still being determined pending external financing and assistance from C. Trade Group.

Basis of Presentation

The accompanying unaudited condensed consolidated financial statements have been prepared in accordance with accounting principles generally accepted in the United States of America for interim financial information. Accordingly, they do not include all of the information and footnotes required by generally accepted accounting principles for complete financial statements.

The consolidated financial statements include the companies which are effectively controlled directly by the Company, where control is defined as the power to govern the financial and operating policies. This control is generally evidenced when the Company directly or indirectly owns more than 50% or the voting rights of the company's share capital. Significant intercompany transactions have been eliminated in consolidation.

As of June 30, 2012, Robert Brehm, Chairman and CEO controlled approximately 69% of the outstanding voting stock of the Company.

Reclassification

Certain reclassifications have been made to conform to prior periods' data to the current presentation. These reclassifications had no effect on reported losses.

Concentrations of Credit Risk

Financial instruments and related items, which potentially subject the Company to concentrations of credit risk, consist primarily of cash and cash equivalents. The Company places its cash and temporary cash investments with credit quality institutions.

Inventory

The Company carries \$611 of inventory as of June 30, 2012.

NOTE B – DUE FROM AFFILIATES

As of June 30, 2012, there was no balance in the Due from Affiliates account.

NOTE C – HELD TO MATURITY SECURITIES

The following table summarizes the securities that are held by the Company as a long term investment. At June 30, 2012 the common stock underlying the preferred stock securities had a combined market value of \$0 since the stock was delisted during the quarter. The stock had been previously written down to \$0 during the prior quarter.

Company	Shares	Conversion	Common	Mkt Price	Mkt Value
U.S. Microbics, Inc. – Preferred Series C	208,220	100:1	20,822,000	0.0000	\$0
U.S. Microbics, Inc. – Preferred Series D	416,667	100:1	41,666,700	0.0000	\$0
Bayside Corp – Common Stock (1)	500,000	1:1	500,000	0.035	\$16,500

(1) Bayside Corp has guaranteed that the 500,000 shares of stock will be worth at least \$100,000 or they will issue additional stock to make up any shortfall difference. The difference between the current valuation and the \$100,000 is shown as a receivable on the balance sheet.

NOTE D – LINE OF CREDIT

On September 9, 2006, the Company entered into a \$500,000 line of credit agreement with a Pilgrim Bank maturing on September 9, 2007. The line of credit agreement is collateralized by substantially all the assets of the Company and a pledged certificate of deposit held as collateral by one of the Company's affiliates. The line of credit has a fixed rate of interest of 7% per annum. As of December 31, 2006, the Company's outstanding balance on this line was \$345,000. In January of 2007 the line of credit was increased from \$500,000 to \$1,000,000 with the interest rate staying at 7% per annum. As of December 31, 2008 the Company's outstanding balance on this line was \$999,939. During the 2009 fiscal year ending December 31, 2009, Pilgrim bank redeemed the collateral for full payment of the loan amount. The company recognizes the liability to the collateral holder and reports the amount under "Line of Credit" in Current Liabilities.

NOTE E - ACCOUNTS PAYABLE AND ACCRUED LIABILITIES

Accounts payable and accrued liabilities at June 30, 2012 consist of the following:

	6/30/2012	3/31/2012
Accounts payable	\$ 329,141	\$319,141
Accrued expenses and interest	136,016	\$136,016
	<u>\$ 465,157</u>	<u>\$455,157</u>

NOTE F - NOTES PAYABLE

Notes payable to related parties at June 30, 2012 consists of the following:

Note Holder	Amount	Date	Interest Rate
Affiliate #4	\$ 18,504	9/30/09	12%
Shareholder #1	\$ 1,648	4/18/02	10%
Fusion Capital Note Payable (terms described below)	121,834	8/4/04	10%

Affiliate #7	249,087	1/1/08	12%
Affiliate #6	15,352	1/1/08	12%
Shareholder #2	7,370	12/21/07	12%
Shareholder #3	289,451	1/2/08	12%/18%
Affiliate #1	153,520	5/22/08	12%
Affiliate #2	99,788	9/15/08	12%
Shareholder #5	0	8/1/08	<u>12%</u>
	<u>\$ 956,554</u>		

During the quarter ended June 30, 2012 the interest expense incurred from these notes totaled \$37,545 due to debt payoff, and reconciliation.

All notes are convertible into common or preferred stock at rates from 70% to 100% of market price based upon a trailing market formula included in each individual note.

Fusion Capital Note Payable

During August 2004, the Company received gross proceeds of \$200,000 for a convertible note payable bearing 10% interest rate and maturing on January 31, 2005. The Noteholder has the option to convert unpaid note principal together with accrued and unpaid interest to the Company's common stock at the lower of \$0.25 per share or 50% of the Company's common stock fair market value of the Company's common stock based upon a twelve day moving average closing price over a ten(12) day period.

NOTE G - DUE TO AFFILIATES

As of June 30, 2012 there was a small balance of \$32,028 Due to Affiliates.

The captions "Due to affiliates" represent advances that are unsecured, non-interest bearing and have no fixed terms of repayment, therefore, deemed payable on demand.

NOTE H - CAPITAL STOCK

The Company has authorized 2,000,000,000 shares of common stock, with a par value of \$.001 per share. The Company has also authorized 20,000,000 shares of Series A convertible preferred stock, with a par value of \$.001 per share. The Company has also authorized 5,000,000 shares of both Series B and Series C convertible preferred stock, with a par value of \$.001 per share. The Series A and Series B preferred stock is convertible at the option of the holder into common stock at the rate of five shares of common for every one share of preferred at the option of the holder after one year. The Series C preferred stock is convertible at the option of the holder into common stock at the rate of one hundred shares of common for every one share of preferred at the option of the holder after one year. The Company has authorized 20,000,000 shares of Series S preferred stock, which is not convertible.

As of June 30, 2012 the Company has issued and outstanding 154,235,897 shares of common stock, 10,804,665 shares of convertible Series A preferred stock, 2,000 shares of convertible Series B preferred stock, 534,372 shares of convertible Series C preferred stock, and 20,000,000 of Series S preferred stock.

Preferred stock transactions from April 1, 2012 through June 30, 2012:

During the three months ended June 30, 2012 the Company issued no preferred stock.

Preferred stock transactions from April 1, 2011 through March 31, 2011:

During the three months ended June 30, 2011 the Company issued no preferred stock.

Common stock transactions from April 1, 2012 through June 30, 2012:

During the three months ended June 30, 2012 the Company issued 50,000,000 shares of common stock and retired \$299,429 of debt per the terms of the debt instruments.

Common stock transactions from April 1, 2011 through March 31, 2011:

There were no common stock transactions during this period ending March 31, 2011.

NOTE I - STOCK OPTIONS AND WARRANTS

Stock-Based Compensation

No stock options or warrants granted.

Stock Options – Series C Preferred Stock

The following table summarizes the changes in options outstanding and the related prices for the shares of the Company's Preferred Stock Series C issued to directors of the Company.

Options Outstanding			Options Exercisable		
Exercise Prices	Number Outstanding	Weighted Average Remaining Contractual Life (Years)	Weighted Average Exercise Price	Number Exercisable	Weighted Average Exercise Price
\$ 0.10	200,000	.89	\$ 0.10	200,000	\$ 0.10
Totals	200,000	.89	\$ 0.10	200,000	\$ 0.10

Transactions involving stock options for the shares of the Company's Preferred Stock Series C issued to directors are summarized as follows:

Outstanding at March 31, 2012	200,000	--
Granted	--	\$ 0.50
Exercised	--	--
Canceled or expired	--	--
Outstanding at June 30, 2012	<u>200,000</u>	<u>\$ 0.50</u>

Employee Stock Options – Common Stock

None Outstanding

NOTE J - COMMITMENTS AND CONTINGENCIES

The following table sets forth the aggregate compensation paid by the Company to its executive officers for services rendered during the last five completed fiscal years:

Summary Compensation Table Long-Term Compensation						
Name and Principal Position	Fiscal Year	Annual Compensation			Awards	
		Salary (\$)	Restricted Stock Awards (\$)	Securities Underlying Options/SARs (#)	Other Annual Compensation (1)	All Other Compensation
Robert Brehm President, Director	2010	18,000 (1)	----	----	----	----
	2009	13,500 (2)				
	2008	--				
	2011	18,000 (3)				
	2012	13,500 (4)				
Nick Kontonikolas Director	2011	-0-				
	2012	-0-				

(1) Of this amount, \$18,000 was deferred expenses and fees

(2) Of this amount, \$13,500 was deferred and the amount was comprised of expenses and services.

(3) Of this amount, \$18,000 was deferred and the amount was comprised of expenses and services.

(4) Of this amount, \$13,500 was deferred and the amount was comprised of expenses and services.

Employment agreements

Robert Brehm assumed the role of President of the Company on July 5, 2007. Mr. Brehm currently has no employment agreement in place with the Company. He has been a director since 2001.

ITEM 3. MANAGEMENT'S DISCUSSION AND ANALYSIS

Results of Operations for the Year Ended June 30, 2012

The Company generated no revenues during the three months ending on June 30, 2012 but chose to concentrate on business development activities that have the potential to generate significant future revenues from business to business transactions rather than business to consumer transactions such had been done in the past quarter with its Bio-Miracle product sales. To this end the company evaluated international distribution possibilities in Ethiopia, India, and South America with sample products under evaluation. In addition, several additional energy projects are also under consideration and negotiations are underway with potential partners in Canada and the USA. The company also took time to integrate the Rapid Nutrition product strategy into the Green Mountain structure with the help of C. Trade Group with financing and strategic alliances. The company expects revenue from this new relationship in the last quarter of 2012.

Selling, general and administrative ("SG&A") expenses for the three months ending in June 30, 2012 totaled \$26,644 and \$55,614 for the nine months of the fiscal year.

The Company posted a small net loss of \$26,644 from operations for the three months ending June 30, 2012, and a net operating profit of \$54,953 for the nine months ending June 30, 2012. Non-operating income including miscellaneous income and market gain/loss on investments totaled \$10,000 for the three months ending June 30, 2012 and \$(77,983) for the nine months ending June 30, 2012 representing the write off of delisted securities with no market value. Interest expenses for the three months ending June 30, 2012 was \$37,545 principally from convertible note interest. Combining ordinary operations profit and non-operating expenses yields a Net Loss of

\$54,189 for the three months ending in June 30, 2012 and a Net Loss of \$145,002 for the nine months ending June 30, 2012.

The company had negative cash flows from operations of \$330,429 and positive flows of \$330,429 from financing activities as the company paid off \$299,429 of convertible debt by issuing 50,000,000 shares of common stock.

As of June 30, 2012, the Company had an accumulated deficit of \$18,452,751 compared to \$18,398,562 as of March 31, 2012. The shareholders equity positively increased as of June 30, 2012 to negative \$2,575,491 from negative \$2,732,496 as of March 31, 2012 principally due to additional equity from note conversions. A majority of the original paid in capital for the company was from institutional investors and U.S. Microbics, the former parent of the company.

Liquidity and Capital Resources

As of June 30, 2012, the Company increased its working capital \$451,070 to a negative working capital of \$2,246,349 compared to a negative working capital of \$2,697,419 at September 30, 2011. The change in working capital resulted primarily from the Company's note interest, stock subscriptions, and note payoffs. The company is addressing the working capital issue by reducing the notes payable through conversion to various types of equity. The reduction in notes will also reduce the interest expenses which are the major contributing factor to Net Losses on the Income Statement.

During the three months ending in June 30, 2012 the Company incurred a cash flow neutral from operating and financing activities. The Company met its cash requirements during this period through the payment of expenses by its directors.

Equity Financing

The Company will continue to need additional capital to continue its operations and will endeavor to raise funds through the sale of equity shares and revenues from operations. There can be no assurance that the Company will obtain sufficient capital or generate revenues on acceptable terms, if at all. Failure to obtain such capital or generate such revenues would have an adverse impact on the Company's financial position and results of operations and ability to continue as a going concern.

SIGNATURES

Green Mountain Development Corp

Date: August 15, 2012

By: /s/ Robert Brehm

Robert Brehm, Chief Executive Officer