

AMERICAN GREEN



AMERICAN GREEN INC

INTERIM FINANCIAL STATEMENTS

(UNAUDITED)

For the six months ended

December 31, 2016 and 2015

AMERICAN GREEN INC.
UNAUDITED CONSOLIDATED BALANCE SHEET
AT DECEMBER 31, 2016

ASSETS

CURRENT ASSETS:

Cash	\$ 211,982
Inventory	6,921
Loan receivable	100,000
Total current assets	<u>318,903</u>

OTHER ASSETS:

Equipment	500,326
Investments	530,000
Project costs	622,515
Patents	93,665
Deposits	36,825
Total assets	<u>\$ 2,102,234</u>

LIABILITIES

CURRENT

Accounts payable and accrued expenses	\$ 134,611
Loans from shareholders	2,124,818
Debentures payable and accrued interest	6,076,599
Total current liabilities	<u>8,336,028</u>

LONG TERM

Acquisition Debt	722,784
Total Liabilities	<u>9,058,812</u>

STOCKHOLDERS' DEFICIT

Preferred stock Series B	79,000
Common stock	11,379,401
Additional paid-in capital	13,517,285
Accumulated (deficit)	(31,932,264)
Total stockholders' deficit	<u>(6,956,578)</u>

Total liabilities and stockholders' deficit	<u>\$ 2,102,234</u>
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See accompanying notes to these unaudited consolidated financial statements.

AMERICAN GREEN INC.
CONSOLIDATED STATEMENTS OF OPERATIONS
UNAUDITED

	For the three months ended		For the six months ended	
	December 31,		December 31,	
	2016	2015	2016	2015
REVENUE				
Revenue	\$ 700	\$ 108,227	\$ 700	\$ 366,862
Cost of sales	(175)	(87,479)	(175)	(277,874)
Gross profit	525	20,748	525	88,988
<u>OPERATING EXPENSES</u>				
General and administrative	2,275	53,847	10,226	85,532
Sales and marketing	13,002	40,820	15,540	64,271
Staff consultants	65,987	196,814	118,497	397,664
Outside consultants	101,679	184,917	133,410	268,193
Legal and accounting	72,261	44,805	135,165	105,599
Officer & Director compensation	9,000	53,500	84,000	101,500
Travel	7,657	16,091	8,423	37,534
Shareholder communication	8,178	8,477	13,956	55,667
Rent and utilities	22,009	25,392	41,667	52,805
Interest expense	150,132	126,008	285,610	263,056
Depreciation and amortization	-	2,500	1,904	5,000
Total operating expenses	452,180	753,171	848,398	1,436,821
(Loss) from operations	(451,655)	(732,423)	(847,873)	(1,347,833)
Abandoned projects		-	(40,000)	
Gain on sale of building		-	6,923	
Net (loss)	\$ (451,655)	\$ (732,423)	\$ (880,950)	\$ (1,347,833)

See accompanying notes to these unaudited consolidated financial statements.

AMERICAN GREEN INC.
CONSOLIDATED STATEMENTS OF CHANGES IN STOCKHOLDERS DEFICIT
UNAUDITED PART 1 of 2

	Preferred Shares	Amount	Common Shares	Amount
Balance at June 30, 2015	6,500,000	65,000	4,581,830,860	\$4,581,828
Shares issued for debentures prin & accrued intr			2,592,055,473	2,592,057
Shares issued for debt			23,071,363	23,072
Shares issued for services			50,735,346	50,736
Net (loss) for the year ended Jun. 30, 2016				
Balance at June 30, 2016	6,500,000	\$65,000	7,247,693,042	\$7,247,693
Preferred B shares issued for cash	1,400,000	14,000		
Shares issued for debt			82,060,744	82,060
Shares issued for debentures prin & accrued intr			4,049,647,619	4,049,648
Net (loss) for the six months ended Dec 31, 2016				
Balance at December 31, 2016	7,900,000	\$79,000	11,379,401,405	\$11,379,401

See accompanying notes to these unaudited consolidated financial statements.

AMERICAN GREEN INC.
CONSOLIDATED STATEMENTS OF CHANGES IN STOCKHOLDERS DEFICIT
UNAUDITED PART 2 of 2

	Paid-In Capital	Accumulated (Deficit)	Total
Balance at June 30, 2015	\$16,957,555	(\$28,343,863)	(\$6,739,480)
Shares issued for debentures prin & accrued intr	-829,171		1,762,886
Shares issued for debt	106,428		129,500
Shares issued for services	118,264		169,000
Net (loss) for the year ended Jun. 30, 2016		(2,707,451)	(2,707,451)
Balance at June 30, 2016	\$16,353,076	(\$31,051,314)	(\$7,385,545)
Preferred B shares issued for cash	2,800		16,800
Shares issued for debt	8,940		91,000
Shares issued for debentures prin & accrued intr	(2,847,531)		1,202,117
Net (loss) for the six months ended Dec 31, 2016		(880,950)	(880,950)
Balance at December 31, 2016	\$13,517,285	(\$31,932,264)	(\$6,956,578)

See accompanying notes to these unaudited consolidated financial statements.

AMERICAN GREEN INC.
UNAUDITED CONSOLIDATED STATEMENTS OF CASH FLOWS

PART 1 of 2

	For the three months ended		For the six months ended	
	December 31,		December 31,	
	2016	2015	2016	2015
OPERATING ACTIVITIES				
Net (loss) for the period	\$ (451,655)	\$ (732,423)	\$ (880,950)	\$ (1,347,833)
Adjustments to reconcile net loss to net cash (used in) provided by operating activities:				
Shares issued - debt & services	91,000	254,500	91,000	254,500
Shares issued - debentures & interest	810,103	463,333	1,202,117	875,666
Depreciation & amortization	0	2,500	1,904	5,000
Changes in assets and liabilities				
(Incr)/decr - accounts receivable	0	0	6,000	7,504
(Incr)/decr - loan receivable	0	34,242	0	0
(Incr)/decr - Inventory	(6,921)	0	33,079	70,134
(Incr)/decr - Deposits	(12,248)	88,000	(12,248)	88,000
Incr/(decr) in accounts payable				399
Incr/(decr) in debentures payable	(625,149)	(337,325)	(1,202,117)	(563,010)
Incr/(decr) in accrued interest	135,478	0	285,610	0
Incr/(decr) - loans from shareholders	69,000	(67,000)	132,000	68,500
Net cash (used in) provided by operating activities	<u>9,608</u>	<u>(294,173)</u>	<u>(343,605)</u>	<u>(541,140)</u>
INVESTING ACTIVITIES				
Capitalized project costs	(21,555)	(67,080)	(163,135)	(159,586)
Loan receivable from TracX	0	(100,000)	0	(100,000)
Investment in Mediatechnics	(50,000)	0	(50,000)	0
Investment in machine technology	(59,942)	0	(59,942)	(40,808)
Investment in patents	0	(1,474)	0	(15,954)
Net cash (used in) provided by investing activities	<u>(131,497)</u>	<u>(168,554)</u>	<u>(273,077)</u>	<u>(316,348)</u>
FINANCING ACTIVITIES				
Issuance of debentures for cash	326,700	453,000	823,700	813,500
Preferred B shares issued for cash	0	0	16,800	0
Reduction in acquisition debt	(13,623)	0	(24,623)	(605)
Net cash (used in) provided by financing activities	<u>313,077</u>	<u>453,000</u>	<u>815,877</u>	<u>812,895</u>

AMERICAN GREEN INC.
UNAUDITED CONSOLIDATED STATEMENTS OF CASH FLOWS
PART 2 of 2

INCREASE (DECREASE) IN CASH	191,188	(9,727)	199,195	(44,593)
CASH, BEGINNING OF PERIOD	<u>20,794</u>	<u>14,615</u>	<u>12,787</u>	<u>49,481</u>
CASH, END OF PERIOD	\$ <u><u>211,982</u></u>	\$ <u><u>4,888</u></u>	\$ <u><u>211,982</u></u>	\$ <u><u>4,888</u></u>

NON CASH TRANSACTIONS IN COMMON SHARES

NONE

See accompanying notes to these unaudited consolidated financial statements.

AMERICAN GREEN INC.
Notes to Unaudited Consolidated Financial Statements
For the six months ended December 31, 2016 and 2015
(Unaudited)

NOTE 1. THE COMPANY AND ITS SIGNIFICANT ACCOUNTING POLICIES

The Company

The Company was incorporated on November 12, 1998 in Nevada as Ti-Mail Inc. During the year 2000 it changed its name to Desert Winds Entertainment, Inc. and then during 2000 to SunnComm, Inc., during 2002 to SunnComm Technologies, Inc., and during 2004 to SunnComm International Inc. On June 14, 2007 the Company changed its name from SunnComm Technologies Inc. to The Amergence Group, Inc. On March 8, 2011 the Company changed its name to Altitude Organic Corporation. On January 6, 2012, the Company changed its name to Tranzbyte Corporation and on May 9, 2014 changed its name to American Green Inc. On May 10, 2016 the Company re-domesticated to Wyoming as American Green Inc.

The Company is developing a cultivation facility in Phoenix Arizona for medical marijuana, owns proprietary dispensing machines and all of the rights to line of health supplements under the label OneBode.

The unaudited financial statements included herein were prepared from the records of the Company in accordance with Generally Accepted Accounting Principles. These financial statements reflect all adjustments that are, in the opinion of management, necessary to provide a fair statement of the results of operations and financial position for the periods presented. Significant adjustments may be required upon the financial statements being audited to be in conformity with Generally Accepted Accounting Principles.

Going Concern

The Company operates in an industry that is subject to rapid change. The Company's operations will be subject to significant risk and uncertainties including financial, operational, technological, regulatory and other risks, including the potential risk of business failure.

The ability of the Company to continue as a going concern is dependent on the successful execution of Management's plans, which include sales of its products, further implementation of its business plan and continuing to raise funds through debt or equity financings. The Company will likely need to rely upon debt or equity financing in order to ensure the continuing existence of the business.

The accompanying unaudited financial statements have been prepared on a going concern basis, which contemplates the realization of assets and the satisfaction of liabilities in the normal course of business.

Principles of Consolidation

The Company's consolidated financial statements include the assets, liabilities and operating results of the Company and its wholly owned subsidiary.

Use of Estimates

The unaudited financial statements included herein were prepared from the records of the Company in accordance with Generally Accepted Accounting Principles. These financial statements reflect all adjustments that are, in the opinion of management, necessary to provide a fair statement of the results of operations and financial position.

Cash & Cash Equivalents

The company's policy is to consider cash and cash equivalents to consist of checking accounts, money market accounts or certificates of deposit having maturity dates of 180 days or less.

Financial Instruments

Financial instruments consist primarily of cash, security deposits and obligations under accounts payable and accrued expenses. The carrying amounts of cash, accounts receivable, security deposits, accounts payable and accrued expenses approximate fair value because of the short-term maturity of those instruments.

Income Taxes

The Company records its federal and state income tax liability as it is incurred. The company has accumulated net operating losses and does not have any outstanding income tax liabilities.

NOTE 2. INVESTMENTS

At May 24, 2010, the company entered into a Joint Venture Production Agreement with PanPacific International Limited, "PanPacific", whereby it would receive 50% of the profits in three scheduled concerts with internationally known artists to be performed in Hong Kong, and other agreed-upon joint enterprises, for 60 million restricted common shares valued at \$2,400,000. On August 9, 2010, PanPacific and the company formed a Nevada corporation and named it PanPacific International, Inc., "Pan International". PanPacific contributed its business operation allowing Tranzbyte to establish a presence and capabilities in Hong Kong, Macao, and China mainland enabling the company to consider future joint ventures to be identified and its advertising network for 75% ownership and the company received 25% for its prior capital investment of 60 million common shares. During December 2010, the company issued a restricted stock dividend to its shareholders comprised of 80% of its holdings, which was 20% of Pan International's total outstanding common shares. The company reduced its investment in Pan International by 80% to 480,000 shares for the dividend.

The company owns 10 million shares of Pan International representing 5% of Pan International's total outstanding common shares with a cost basis of \$480,000.

NOTE 3: LOAN RECEIVABLE

The Company has a note receivable from TrackX LLC for \$100,000 that is due in full on March 28, 2017.

NOTE 4. PROJECT COSTS

The Company is working on the development of technology or acquisition of products to primarily support the medical marijuana industry.

NOTE 5: PATENTS

On August 6, 2014, the Company acquired the patent rights to technology supporting the Zazz Vending Machine. The patents will start being amortized when the Zazz machines are placed in service.

NOTE 6: DEPOSITS

Security Deposits

The Company has \$14,577 in security deposits outstanding on lease space rentals and \$10,000 on outstanding agreements. In addition, the Company deposited 22,248 into an escrow account for the repurchase of 14,823,332 common shares.

NOTE 7. DEBENTURES PAYABLE

Retired Debentures

On June 23, 2014 the Company issued a debenture for \$250,000 for cash in the same amount on the same date. The debenture accrues interest at 10% per annum and will convert into the company's common stock at 50% of the lowest closing bid price 12 months before the conversion date. The Holder is restricted from any conversions that would result in the Holder owning over 9.9% of the outstanding common shares of the Company after the conversion. Interest expense during the quarter ended September 30, 2014 was \$6,250. Since July 1, 2014 the Debenture has accrued \$6,250 of interest during each quarter. On October 21, 2015 the Company retired the entire debenture and accrued interest by approving the Holder's conversion of \$281,250 comprised of \$250,000 principal and \$31,250 of accrued interest for 296,052,632 common shares.

On August 16, 2014 the Company issued a debenture for \$100,000 for cash in the same amount on the same date. The debenture accrues interest at 10% per annum and will convert into the company's common stock at 50% of the lowest closing bid price 12 months before the conversion date. The Holder is restricted from any conversions that would result in the Holder owning over 9.9% of the outstanding common shares of the Company after the conversion. Since its inception the Debenture has been accruing interest at \$2,500 each quarter. At December 31, 2015, the debenture had \$100,000 of principal and \$12,500 of accrued interest outstanding. During the quarter ended March 31, 2016 the paid-off and retired the Debenture by issuing 204,545,455 common shares.

On February 2, 2015 the Company issued a debenture for \$20,000 for a cash advance. The debenture accrues interest at 10% per annum and will convert into the company's common stock at 50% of the lowest closing bid price 12 months before the conversion date. The Holder is restricted from any conversions that would result in the Holder owning over 9.9% of the outstanding common shares of the Company after the conversion. Since its inception the debenture accrued \$500 of interest during each quarter. During the quarter ended March 31, 2016 the Company paid off the entire debenture by issuing 39,696,364 common shares valued at \$21,833.

On April 24, 2014 the Company issued a debenture for \$310,000 for cash advanced to Company from April 3, 2014 to April 23, 2014. The debenture accrues interest at 10% per annum and will convert into the company's common stock at 50% of the lowest closing bid price 12 months before the conversion date. The Holder is restricted from any conversions that would result in the Holder owning over 9.9% of the outstanding common shares of the Company after the conversion. During the quarter ended December 31, 2015 the Company effected two conversions totaling \$182,083 comprised of \$138,166 in principal and \$43,917 in accrued interest. During the quarter ended March 31, 2016 the debenture accrued interest of \$2,305 and the Company paid \$79,636 in principal and \$2,864 in accrued interest by issuing 150,000,000 common shares. During the quarter ended September 30, 2016 the Company paid off the remaining balance of \$67,003 in principal and \$1,675 of accrued interest.

On April 24, 2014 the Company issued a debenture for \$500,000 for cash in the same amount on the same date. The debenture accrues interest at 10% per annum and will convert into the company's common stock at 50% of the lowest closing bid price 12 months before the conversion date. The Holder is restricted from any conversions that would result in the Holder owning over 9.9% of the outstanding common shares of the Company after the conversion. Interest expense during the quarter ended September 30, 2014 was \$12,500. Since July 1, 2014 the Debenture has accrued \$15,500 of interest during each quarter. During the quarter ended June 30, 2015 the debenture accrued \$20,833 in interest. Also, the Holder converted \$30,000 of accumulated accrued interest into 9,677,419 common shares. During the quarter ended September 30, 2015, the Holder converted \$110,000 of principal for 99,490,662 common shares and \$28,333 of accrued interest for 18,279,355 common shares. During the quarter ended March 31, 2016 the debenture accrued \$9,750 of interest. During the quarter ended September 30, 2016 the Company reduced its outstanding principal by \$149,000 and accrued interest by \$2,256 by issuing 410,731,429 common shares resulting in the debenture having \$121,788 in principal and \$4,907 in accrued interest outstanding at September 30, 2016. During the quarter ended December 31, 2016 the Company paid off the entire Debenture by retiring the outstanding principal of \$121,788 and accrued interest of \$4,907 by issuing 422,316,666 common shares.

On December 1, 2014 the Company issued a debenture for \$125,000 for two cash advances during the quarter ended December 31, 2014. The debenture accrues interest at 10% per annum and will convert into the company's common stock at 50% of the lowest closing bid price 12 months before the conversion date. The Holder is restricted from any

conversions that would result in the Holder owning over 9.9% of the outstanding common shares of the Company after the conversion. Since its inception the debenture accrued \$3,125 of interest during each quarter. During the quarter ended March 31, 2016 the debenture accrued \$3,125 of interest. During the quarter ended September 30, 2016 the debenture accrued \$3,125 of interest resulting in the debenture having \$125,000 in principal and \$21,875 in accrued interest outstanding at September 30, 2016. During the quarter ended December 31, 2016 the debenture accrued \$1,563 of interest prior to the company retiring the entire debenture by paying \$125,000 of principal and \$23,438 in accrued by issuing 494,793,333 common shares.

On March 31, 2015 the Company issued a debenture for \$353,000 for four cash advances during March 2015. The debenture accrues interest at 10% per annum and will convert into the company's common stock at 50% of the lowest closing bid price 12 months before the conversion date. The Holder is restricted from any conversions that would result in the Holder owning over 9.9% of the outstanding common shares of the Company after the conversion. Since its inception the debenture accrued \$8,825 of interest during each quarter. During the quarter ended March 31, 2016 the debenture accrued \$8,825 of interest resulting in the debenture having \$353,000 in principal and \$35,300 in accrued interest outstanding at March 31, 2016. On April 26, 2016, the debenture was sold to a different Holder and the Company agreed to change the terms of the debenture to a restated principal balance of \$398,450 that includes a discounted interest rate and a due date of January 27, 2017. During the quarter ended September 30 2016 the Company reduced the outstanding principal balance by \$112,000 by issuing 400,000,000 common shares. The outstanding balance on the debenture at September 30, 2016 was \$110,450. During the quarter ended December 31, 2016, the Debenture was paid off with the issuance of 552,250,000 common shares.

On August 31, 2015 the Company issued a debenture for \$20,000 for cash advances during August 2015. The debenture accrues interest at 10% per annum and will convert into the company's common stock at 50% of the lowest closing bid price 12 months before the conversion date. The Holder is restricted from any conversions that would result in the Holder owning over 9.9% of the outstanding common shares of the Company after the conversion. Since its inception the debenture will accrue \$500 of interest during each quarter. During the quarter ended March 31, 2016 the debenture accrued \$500 of interest. During the quarter ended June 30, 2016 the debenture accrued \$500 in interest resulting in the debenture having \$20,000 in principal and \$1,500 in accrued interest outstanding at June 30, 2016. During the quarter ended September 30, 2016 the debenture accrued \$500 in interest resulting in the debenture having \$20,000 in principal and \$2,000 in accrued interest outstanding at September 30, 2016. During the quarter ended December 31, 2016 the Company paid off the Debenture and accrued interest by issuing 73,333,333 common shares.

Outstanding Debentures

On December 31, 2010, the Company issued a debenture payable for \$162,706 for cash advances during the 2010 calendar year. The debenture accrues interest at 10% per annum and can convert into the company's common stock at 50% of the lowest closing bid price 360 trading days before the conversion date. The Holder is restricted from any conversions that would result in the Holder owning over 9.9% of the outstanding common shares of the Company after the conversion. During the quarter ended September 30, 2012, the Company issued 6,666,667 common shares valued at \$6,667 reducing the principal by \$1,092 and accrued interest \$5,575. At September 30, 2012, the Company owed the Holder \$4,324 in principal and \$7,816 in accrued interest. During the quarter ended June 30, 2013, the Holder converted \$590 of principal and \$2,848 of accrued interest for 6,250,000 common shares of the Company. During the quarter ended December 31, 2013 the debenture accrued \$108 in accrued interest resulting in the Company owing \$4,324 in principal and \$8,462 in accrued interest at December 31, 2013. The Company paid off the debenture during the quarter ended March 31, 2014 by issuing 7,861,818 common shares for \$4,324 of principal and 15,385,455 common shares for \$8,462 of accrued interest through the end of the same quarter. On January 29, 2015, 28,800,000 common shares were returned to the Company that had been originally issued from a conversion of this debenture on April 27, 2012. The amount of the debenture was increased by \$28,800 representing the amount of the reduction of the debenture at the time of its conversion on April 27, 2012. No gain or loss was recognized by the Company in the transaction. During the quarter ended December 31, 2016 the debenture accrued \$720 of interest resulting in the debenture having \$28,800 in principal and \$5,040 in accrued interest outstanding at December 31, 2016.

On September 30, 2014 the Company issued a debenture for \$550,000 for cash advances during the quarter. The debenture accrues interest at 10% per annum and will convert into the company's common stock at 50% of the lowest closing bid price 12 months before the conversion date. The Holder is restricted from any conversions that would result in the Holder owning over 9.9% of the outstanding common shares of the Company after the conversion. Since its inception the Debenture has been accruing interest at \$13,750 each quarter. During the quarter ended March 31, 2016 the debenture accrued interest of \$12,500 and the Company paid \$50,000 in principal and \$68,750 in accrued

interest by issuing 215,909,091 common shares. During the quarter ended September 30, 2016 the debenture accrued \$12,350 of interest and the Company reduced the outstanding principal by \$35,000 and accrued interest by \$25,000 by issuing 200,000,000 common shares. At September 30, 2016 the debenture had \$465,000 of principal and \$12,350 of accrued interest outstanding. During the quarter ended December 31, 2016 the Company reduced \$47,650 of principal and \$12,350 of accrued interest by issuing 200,000,000 common shares resulting in the outstanding principal being \$417,350 and accrued interest being \$10,434.

On September 30, 2014 the Company issued a debenture for \$127,177 for expenses paid on behalf of the Company during the quarter. The debenture accrues interest at 10% per annum and will convert into the company's common stock at 50% of the lowest closing bid price 12 months before the conversion date. The Holder is restricted from any conversions that would result in the Holder owning over 9.9% of the outstanding common shares of the Company after the conversion. Since its inception the Debenture has been accruing interest at \$3,179 each quarter. During the quarter ended March 31, 2016 the debenture accrued interest of \$1,529 and the Company paid \$66,000 in principal and \$15,897 in accrued interest by issuing 148,903,606 common shares. During each quarter in 2016 the debenture accrued \$1,529 of accrued interest resulting in \$6,118 of accrued interest and \$61,177 in principal outstanding at December 31, 2016.

On September 30, 2014 the Company issued a debenture for \$210,000 for services in the same amount on the same rendered from January 1, 2012 through December 31, 2013. The debenture accrues interest at 10% per annum and will convert into the company's common stock at 50% of the lowest closing bid price 12 months before the conversion date. The Holder is restricted from any conversions that would result in the Holder owning over 9.9% of the outstanding common shares of the Company after the conversion. During the quarter ended March 31, 2016 the debenture accrued \$5,250 of interest. During each quarter of 2016 the Company accrued \$5,250 of interest resulting in the debenture having \$210,000 in principal and \$47,250 in accrued interest outstanding at December 31, 2016.

On October 30, 2014 the Company issued a debenture for \$300,000 for three cash advances during October 2014. The debenture accrues interest at 10% per annum and will convert into the company's common stock at 50% of the lowest closing bid price 12 months before the conversion date. The Holder is restricted from any conversions that would result in the Holder owning over 9.9% of the outstanding common shares of the Company after the conversion. During the quarter ended March 31, 2016 the debenture accrued interest of \$6,750 and the Company paid \$30,000 in principal and \$25,000 in accrued interest by issuing 100,000,000 common shares. During the quarter ended September 30, 2016 the Company accrued \$6,750 of interest resulting in \$20,250 of accrued interest and \$270,000 in principal outstanding at September 30, 2016. During the quarter ended December 31, 2016 the company paid \$189,750 of principal and \$20,250 of accrued interest by issuing 700,000,000 common shares resulting in an outstanding balance of \$80,250 of principal and \$1,753 of accrued interest at December 31, 2016.

On November 25, 2014 the Company issued a debenture for \$170,000 for two cash advances during November 2014. The debenture accrues interest at 10% per annum and will convert into the company's common stock at 50% of the lowest closing bid price 12 months before the conversion date. The Holder is restricted from any conversions that would result in the Holder owning over 9.9% of the outstanding common shares of the Company after the conversion. During the quarter ended March 31, 2016 the debenture accrued \$4,250 of interest. During each quarter in 2016 the debenture accrued \$4,250 of interest resulting in the debenture having \$170,000 in principal and \$34,000 in accrued interest outstanding at December 31, 2016.

On December 19, 2014 the Company issued a debenture for \$275,000 for five cash advances during the December 2014. The debenture accrues interest at 10% per annum and will convert into the company's common stock at 50% of the lowest closing bid price 12 months before the conversion date. The Holder is restricted from any conversions that would result in the Holder owning over 9.9% of the outstanding common shares of the Company after the conversion. During the quarter ended March 31, 2016 the debenture accrued \$6,875 of interest. During each quarter of 2016 the debenture accrued \$6,875 resulting in the debenture having \$275,000 in principal and \$55,000 in accrued interest outstanding at December 31, 2016.

On January 9, 2015 the Company issued a debenture for \$100,000 for a cash advance. The debenture accrues interest at 10% per annum and will convert into the company's common stock at 50% of the lowest closing bid price 12 months before the conversion date. The Holder is restricted from any conversions that would result in the Holder owning over 9.9% of the outstanding common shares of the Company after the conversion. At December 31, 2015, the Debenture had \$100,000 of principal and \$9,167 of accrued interest outstanding. During the quarter ended March 31, 2016 the debenture accrued \$2,500 of interest. During the quarter June 30, 2016 the debenture accrued \$2,500 of interest resulting in the debenture having \$100,000 in principal and \$14,167 in accrued interest outstanding at June 30, 2016. During the quarter ended September 30, 2016 the debenture accrued \$2,500 of interest resulting in the

debenture having \$100,000 in principal and \$16,667 in accrued interest outstanding at September 30, 2016. During the quarter ended December 31, 2016 the debenture accrued 2,083 of interest prior to the Company paying \$41,250 of principal and \$18,750 of accrued interest by issuing 200,000,000 common shares. The Debenture had \$58,750 of principal and no accrued interest outstanding at December 31, 2016.

On January 30, 2015 the Company issued a debenture for \$175,000 for three cash advances during the January 2015. The debenture accrues interest at 10% per annum and will convert into the company's common stock at 50% of the lowest closing bid price 12 months before the conversion date. The Holder is restricted from any conversions that would result in the Holder owning over 9.9% of the outstanding common shares of the Company after the conversion. During the quarter ended March 31, 2016 the debenture accrued \$4,375 of interest. During each quarter in 2016 the debenture accrued \$4,375 of interest resulting in the debenture having \$175,000 in principal and \$33,541 in accrued interest outstanding at December 31, 2016.

On February 24, 2015 the Company issued a debenture for \$155,000 for two cash advances during February 2015. The debenture accrues interest at 10% per annum and will convert into the company's common stock at 50% of the lowest closing bid price 12 months before the conversion date. The Holder is restricted from any conversions that would result in the Holder owning over 9.9% of the outstanding common shares of the Company after the conversion. Since its inception the debenture accrued \$3,875 of interest during each quarter. During the quarter ended March 31, 2016 the debenture accrued \$3,875 of interest. During the quarter ended June 30, 2016 the Company reduced its outstanding principal \$38,208 and accrued interest by \$16,792 having issued 100,000,000 common shares. During the quarter ended September 30, 2016 and December 31, 2016 the debenture accrued \$2,920 of interest in each quarter resulting in the debenture having \$116,792 in principal and \$8,760 in accrued interest outstanding at December 31, 2016.

On May 1, 2015 the Company issued a debenture for \$105,000 for two cash advances during April 2015. The debenture accrues interest at 10% per annum and will convert into the company's common stock at 50% of the lowest closing bid price 12 months before the conversion date. The Holder is restricted from any conversions that would result in the Holder owning over 9.9% of the outstanding common shares of the Company after the conversion. During the quarter ended March 31, 2016 the debenture accrued \$2,625 of interest. During the quarter ended June 30, 2016 the debenture accrued \$2,625 in interest resulting in the debenture having \$105,000 in principal and \$12,250 in accrued interest outstanding at June 30, 2016. During each quarter of 2016 the debenture accrued \$2,625 in interest resulting in the debenture having \$105,000 in principal and \$17,500 in accrued interest outstanding at December 31, 2016.

On May 1, 2015 the Company issued a debenture for \$25,000 for a cash advance. The debenture accrues interest at 10% per annum and will convert into the company's common stock at 50% of the lowest closing bid price 12 months before the conversion date. The Holder is restricted from any conversions that would result in the Holder owning over 9.9% of the outstanding common shares of the Company after the conversion. Since its inception the debenture accrued \$625 of interest during each quarter. During the quarter ended March 31, 2016 the debenture accrued \$625 of interest. During the quarter ended June 30, 2015 the debenture accrued \$625 in interest resulting in the debenture having \$25,000 in principal and \$2,917 in accrued interest outstanding at June 30, 2016. During each quarter in 2016 the debenture accrued \$625 in interest resulting in the debenture having \$25,000 in principal and \$4,167 in accrued interest outstanding at December 31, 2016.

On June 3, 2015 the Company issued a debenture for \$180,000 for three cash advances. The debenture accrues interest at 10% per annum and will convert into the company's common stock at 50% of the lowest closing bid price 12 months before the conversion date. The Holder is restricted from any conversions that would result in the Holder owning over 9.9% of the outstanding common shares of the Company after the conversion. During the quarter ended March 31, 2016 the debenture accrued \$4,500 of interest. During the quarter ended June 30, 2016 the debenture accrued \$4,500 in interest resulting in the debenture having \$180,000 in principal and \$18,000 in accrued interest outstanding at June 30, 2016. During each quarter in 2016 the debenture accrued \$4,500 in interest resulting in the debenture having \$180,000 in principal and \$27,000 in accrued interest outstanding at December 31, 2016.

On June 30, 2015 the Company issued a debenture for \$200,000 for three cash advances. The debenture accrues interest at 10% per annum and will convert into the company's common stock at 50% of the lowest closing bid price 12 months before the conversion date. The Holder is restricted from any conversions that would result in the Holder owning over 9.9% of the outstanding common shares of the Company after the conversion. During the quarter ended March 31, 2016 the debenture accrued \$5,000 of interest. During the quarter ended June 30, 2016 the debenture accrued \$5,000 in interest resulting in the debenture having resulting in the debenture having \$200,000 in principal and \$20,000 in accrued interest outstanding at June 30, 2016. During each quarter during 2016 the debenture

accrued \$5,000 in interest resulting in the debenture having \$200,000 in principal and \$30,000 in accrued interest outstanding at December 31, 2016.

On June 26, 2015 the Company issued a debenture for \$165,000 for a \$150,000 cash advance. The debenture will convert into the company's common stock at 50% of the lowest closing bid price 12 months before the conversion date but can't convert below \$.000825 per common share. The Holder is restricted from any conversions that would result in the Holder owning over 9.9% of the outstanding common shares of the Company after the conversion and is due June 25, 2016. At September 30, 2016, the Debenture had \$165,000 of principal outstanding that includes imputed interest. During the quarter ended December 31, 2016, the Company paid down the Debenture by \$72,600 resulting in the outstanding balance of \$92,400 at December 31, 2016.

On June 30, 2015 the Company issued a debenture for \$240,000 for services rendered from July 1, 2014 through June 30, 2015. The debenture accrues interest at 10% per annum and will convert into the company's common stock at 50% of the lowest closing bid price 12 months before the conversion date. The Holder is restricted from any conversions that would result in the Holder owning over 9.9% of the outstanding common shares of the Company after the conversion. Since its inception the debenture will accrue \$6,000 of interest during each quarter. During the quarter ended March 31, 2016 the debenture accrued \$6,000 of interest. During the quarter ended June 30, 2016 the debenture accrued \$6,000 in interest resulting in the debenture having \$240,000 in principal and \$24,000 in accrued interest outstanding at June 30, 2016. During each quarter during 2016 the debenture accrued \$6,000 in interest resulting in the debenture having \$240,000 in principal and \$36,000 in accrued interest outstanding at December 31, 2016.

On June 30, 2015 the Company issued a debenture for \$226,966 for expenses paid on behalf of the Company from April 1, 2014 through June 30, 2014. The debenture accrues interest at 10% per annum and will convert into the company's common stock at 50% of the lowest closing bid price 12 months before the conversion date. The Holder is restricted from any conversions that would result in the Holder owning over 9.9% of the outstanding common shares of the Company after the conversion. During the quarter ended March 31, 2016 the debenture accrued \$5,674 of interest. During the quarter ended June 30, 2016 the debenture accrued \$5,674 in interest resulting in the debenture having \$226,966 in principal and \$22,696 in accrued interest outstanding at June 30, 2016. During each quarter in 2016 the Debenture accrued \$5,674 in interest resulting in the debenture having \$226,966 in principal and \$34,044 in accrued interest outstanding at December 31, 2016.

On June 30, 2015 the Company issued a debenture for \$120,000 for services rendered from January 1, 2014 through December 31, 2014. The debenture accrues interest at 10% per annum and will convert into the company's common stock at 50% of the lowest closing bid price 12 months before the conversion date. The Holder is restricted from any conversions that would result in the Holder owning over 9.9% of the outstanding common shares of the Company after the conversion. Since its inception the debenture will accrue \$3,000 of interest during each quarter. During the quarter ended March 31, 2016 the debenture accrued \$3,000 of interest. During the quarter ended June 30, 2016 the debenture accrued \$3,000 in interest resulting in the debenture having \$120,000 in principal and \$12,000 in accrued interest outstanding at June 30, 2016. During each quarter in 2016 the debenture accrued \$3,000 in interest resulting in the debenture having \$120,000 in principal and \$18,000 in accrued interest outstanding at December 31, 2016.

On July 31, 2015 the Company issued a debenture for \$85,000 for cash advances during July 2015. The debenture accrues interest at 10% per annum and will convert into the company's common stock at 50% of the lowest closing bid price 12 months before the conversion date. The Holder is restricted from any conversions that would result in the Holder owning over 9.9% of the outstanding common shares of the Company after the conversion. Since its inception the debenture will accrue \$2,125 of interest during each quarter. During the quarter ended March 31, 2016 the debenture accrued \$2,125 of interest. During the quarter ended June 30, 2016 the debenture accrued \$2,125 in interest resulting in the debenture having \$85,000 in principal and \$6,375 in accrued interest outstanding at June 30, 2016. During each quarter in 2016 the debenture accrued \$2,125 in interest resulting in the debenture having \$85,000 in principal and \$10,625 in accrued interest outstanding at December 31, 2016.

On August 31, 2015 the Company issued a debenture for \$90,000 for cash advances during August 2015. The debenture accrues interest at 10% per annum and will convert into the company's common stock at 50% of the lowest closing bid price 12 months before the conversion date. The Holder is restricted from any conversions that would result in the Holder owning over 9.9% of the outstanding common shares of the Company after the conversion. Since its inception the debenture will accrue \$2,250 of interest during each quarter. During the quarter ended March 31, 2016 the debenture accrued \$2,250 of interest. During the quarter ended June 30, 2016 the debenture accrued \$2,250 in interest resulting in the debenture having \$90,000 in principal and \$6,750 in accrued interest outstanding at

June 30, 2016. During each quarter in 2016 the debenture accrued \$2,250 in interest resulting in the debenture having \$90,000 in principal and \$11,250 in accrued interest outstanding at December 31, 2016.

On September 13, 2015 the Company issued a debenture for \$20,000 for cash advances during September 2015. The debenture accrues interest at 10% per annum and will convert into the company's common stock at 50% of the lowest closing bid price 12 months before the conversion date. The Holder is restricted from any conversions that would result in the Holder owning over 9.9% of the outstanding common shares of the Company after the conversion. Since its inception the debenture will accrue \$500 of interest during each quarter. During the quarter ended March 31, 2016 the debenture accrued \$500 of interest. During the quarter ended June 30, 2016 the debenture accrued \$500 in interest resulting in the debenture having \$20,000 in principal and \$1,500 in accrued interest outstanding at June 30, 2016. During each quarter ended during 2016 the debenture accrued \$500 in interest resulting in the debenture having \$20,000 in principal and \$2,500 in accrued interest outstanding at December 31, 2016.

On September 29, 2015 the Company issued a debenture for \$60,000 for cash advances during September 2015. The debenture accrues interest at 10% per annum and will convert into the company's common stock at 50% of the lowest closing bid price 12 months before the conversion date. The Holder is restricted from any conversions that would result in the Holder owning over 9.9% of the outstanding common shares of the Company after the conversion. Since its inception the debenture will accrue \$1,500 of interest during each quarter. During the quarter ended March 31, 2016 the debenture accrued \$1,500 of interest. During the quarter ended June 30, 2016 the debenture accrued \$1,500 in interest resulting in the debenture having \$60,000 in principal and \$4,500 in accrued interest outstanding at June 30, 2016. During each quarter in 2016 the debenture accrued \$1,500 in interest resulting in the debenture having \$60,000 in principal and \$7,500 in accrued interest outstanding at December 31, 2016.

On September 30, 2015 the Company issued a debenture for \$85,000 for cash advances during September 2015. The debenture accrues interest at 10% per annum and will convert into the company's common stock at 50% of the lowest closing bid price 12 months before the conversion date. The Holder is restricted from any conversions that would result in the Holder owning over 9.9% of the outstanding common shares of the Company after the conversion. Since its inception the debenture will accrue \$2,125 of interest during each quarter. During the quarter ended June 30, 2016 the debenture accrued \$2,125 in interest resulting in the debenture having \$85,000 in principal and \$8,500 in accrued interest outstanding at June 30, 2016. During each quarter in 2016 the debenture accrued \$2,125 in interest resulting in the debenture having \$85,000 in principal and \$12,750 in accrued interest outstanding at December 31, 2016.

On October 31, 2015 the Company issued two debentures for \$83,000 totaling 166,000 for five cash advances during October 2015. Each debenture accrues interest at 10% per annum and will convert into the company's common stock at 50% of the lowest closing bid price 12 months before the conversion date. The Holders are restricted from any conversions that would result in the Holder owning over 9.9% of the outstanding common shares of the Company after the conversion. Since their inception the debentures will accrue a total of \$4,150 of interest during each quarter. During the quarter ended March 31, 2016 the debentures accrued \$4,150 of interest. During the quarter ended June 30, 2016 each debenture accrued \$2,767 in interest resulting in the debentures having \$166,000 in principal and \$11,066 in accrued interest outstanding at June 30, 2016. During each quarter in 2016 each debenture accrued \$2,075 in interest resulting in the debentures totaling \$166,000 in principal and \$19,366 in accrued interest outstanding at December 31, 2016.

On November 30, 2015 the Company issued a debenture for \$60,000 for two cash advances during November 2015. The debenture accrues interest at 10% per annum and will convert into the company's common stock at 50% of the lowest closing bid price 12 months before the conversion date. The Holder is restricted from any conversions that would result in the Holder owning over 9.9% of the outstanding common shares of the Company after the conversion. Since its inception the debenture will accrue \$1,500 of interest during each quarter. During the quarter ended March 31, 2016. During the quarter ended June 30, 2016 the debenture accrued \$500 in interest resulting in the debenture having \$60,000 in principal and \$1,500 in accrued interest outstanding at June 30, 2016. During each quarter ended in 2016 the debenture accrued \$1,500 in interest resulting in the debenture having \$60,000 in principal and \$6,500 in accrued interest outstanding at December 31, 2016.

On November 30, 2015 the Company issued a debenture for \$72,500 for two cash advances during November 2015. The debenture accrues interest at 10% per annum and will convert into the company's common stock at 50% of the lowest closing bid price 12 months before the conversion date. The Holder is restricted from any conversions that would result in the Holder owning over 9.9% of the outstanding common shares of the Company after the conversion. Since its inception the debenture will accrue \$1,812 of interest during each quarter. During the quarter ended March

31, 2016 the debenture accrued \$1,813 of interest. During the quarter ended June 30, 2016 the debenture accrued \$1,813 in interest resulting in the debenture having \$72,500 in principal and \$4,230 in accrued interest outstanding at June 30, 2016. During each quarter in 2016 the debenture accrued \$1,813 in interest resulting in the debenture having \$72,500 in principal and \$7,856 in accrued interest outstanding at December 31, 2016.

On December 31, 2015 the Company issued a debenture for \$115,000 for four cash advances during December 2015. The debenture accrues interest at 10% per annum and will convert into the company's common stock at 50% of the lowest closing bid price 12 months before the conversion date. The Holder is restricted from any conversions that would result in the Holder owning over 9.9% of the outstanding common shares of the Company after the conversion. Since its inception the debenture will accrue \$2,875 of interest during each quarter. During the quarter ended March 31, 2016 the debenture accrued \$2,875 of interest. During the quarter ended June 30, 2016 the debenture accrued \$2,875 in interest resulting in the debenture having \$115,000 in principal and \$5,750 in accrued interest outstanding at June 30, 2016. During each quarter in December 31, 2016 the debenture accrued \$2,875 in interest resulting in the debenture having \$115,000 in principal and \$11,500 in accrued interest outstanding at December 31, 2016.

On December 31, 2015 the Company issued a debenture for \$40,000 for three cash advances during December 2015. The debenture accrues interest at 10% per annum and will convert into the company's common stock at 50% of the lowest closing bid price 12 months before the conversion date. The Holder is restricted from any conversions that would result in the Holder owning over 9.9% of the outstanding common shares of the Company after the conversion. Since its inception the debenture will accrue \$1,000 of interest during each quarter. During the quarter ended March 31, 2016 the debenture accrued \$1,000 of interest. During the quarter ended June 30, 2016 the debenture accrued \$1,000 in interest resulting in the debenture having \$40,000 in principal and \$2,000 in accrued interest outstanding at June 30, 2016. During each quarter in 2016 the debenture accrued \$1,000 in interest resulting in the debenture having \$40,000 in principal and \$4,000 in accrued interest outstanding at December 31, 2016.

On January 31, 2016 the Company issued a debenture for \$90,000 for cash advances during January 2016. The debenture accrues interest at 10% per annum and will convert into the company's common stock at 50% of the lowest closing bid price 12 months before the conversion date. The Holder is restricted from any conversions that would result in the Holder owning over 9.9% of the outstanding common shares of the Company after the conversion. During the quarter ended March 31, 2016 the debenture accrued \$150 of interest. During the quarter ended June 30, 2016 the debenture accrued \$2,250 in interest resulting in the debenture having \$90,000 in principal and \$2,400 in accrued interest outstanding at June 30, 2016. During each subsequent quarter in 2016 the debenture accrued \$2,250 in interest resulting in the debenture having \$90,000 in principal and \$6,900 in accrued interest outstanding at December 31, 2016.

On January 31, 2016 the Company issued a debenture for \$32,500 for cash advances during January 2016. The debenture accrues interest at 10% per annum and will convert into the company's common stock at 50% of the lowest closing bid price 12 months before the conversion date. The Holder is restricted from any conversions that would result in the Holder owning over 9.9% of the outstanding common shares of the Company after the conversion. During the quarter ended March 31, 2016 the debenture accrued \$542 of interest. During the quarter ended June 30, 2016 the debenture accrued \$812 in interest resulting in the debenture having \$32,500 in principal and \$1,354 in accrued interest outstanding at June 30, 2016. During each subsequent quarter in 2016 the debenture accrued \$812 in interest resulting in the debenture having \$32,500 in principal and \$2,979 in accrued interest outstanding at December 31, 2016.

On February 28, 2016 the Company issued a debenture for \$122,000 for cash advances during February 2016. The debenture accrues interest at 10% per annum and will convert into the company's common stock at 50% of the lowest closing bid price 12 months before the conversion date. The Holder is restricted from any conversions that would result in the Holder owning over 9.9% of the outstanding common shares of the Company after the conversion. During the quarter ended March 31, 2016 the debenture accrued \$1,016 of interest. During the quarter ended June 30, 2016 the debenture accrued \$3,050 in interest resulting in the debenture having \$122,000 in principal and \$4,066 in accrued interest outstanding at June 30, 2016. During each subsequent quarter in 2016 the debenture accrued \$3,050 in interest resulting in the debenture having \$122,000 in principal and \$10,166 in accrued interest outstanding at December 31, 2016.

On February 28, 2016 the Company issued a debenture for \$112,000 for cash advances during February 2016. The debenture accrues interest at 10% per annum and will convert into the company's common stock at 50% of the lowest closing bid price 12 months before the conversion date. The Holder is restricted from any conversions that would result in the Holder owning over 9.9% of the outstanding common shares of the Company after the conversion. During the quarter ended March 31, 2016 the debenture accrued \$933 of interest. During the quarter ended June 30, 2016

the debenture accrued \$2,800 in interest resulting in the debenture having \$112,000 in principal and \$3,733 in accrued interest outstanding at June 30, 2016. During each full quarter of 2016 the debenture accrued \$2,800 in interest resulting in the debenture having \$112,000 in principal and \$9,333 in accrued interest outstanding at September 30, 2016.

On March 31, 2016 the Company issued a debenture for \$75,000 for a cash advance during March 2016. The debenture accrues interest at 10% per annum and will convert into the company's common stock at 50% of the lowest closing bid price 12 months before the conversion date. The Holder is restricted from any conversions that would result in the Holder owning over 9.9% of the outstanding common shares of the Company after the conversion. During the quarter ended March 31, 2016 the debenture accrued no interest. The debenture accrued \$1,875 of interest in each of the three quarters starting with June 30, 2016 resulting in the debenture having \$75,000 in principal and \$5,625 accrued interest outstanding at December 31, 2016.

On March 31, 2016 the Company issued a debenture for \$157,398 for cash advances during March 2016. The debenture accrues interest at 10% per annum and will convert into the company's common stock at 50% of the lowest closing bid price 12 months before the conversion date. The Holder is restricted from any conversions that would result in the Holder owning over 9.9% of the outstanding common shares of the Company after the conversion. During the quarter ended March 31, 2016 the debenture accrued no interest. The debenture accrued \$3,935 of interest in each of the three quarters starting with June 30, 2016 resulting in the debenture having \$157,398 in principal and \$11,805 accrued interest outstanding at December 31, 2016.

On March 31, 2016 the Company issued a debenture for \$40,500 for cash advances during March 2016. The debenture accrues interest at 10% per annum and will convert into the company's common stock at 50% of the lowest closing bid price 12 months before the conversion date. The Holder is restricted from any conversions that would result in the Holder owning over 9.9% of the outstanding common shares of the Company after the conversion. During the quarter ended March 31, 2016 the debenture accrued no interest. During the quarter ended June 30, 2016 the debenture accrued \$1,012 in interest resulting in the debenture having \$40,500 in principal and \$1,012 accrued interest outstanding at June 30, 2016. During each subsequent quarter in 2016 the debenture accrued \$1,012 in interest resulting in the debenture having \$40,500 in principal and \$3,037 accrued interest outstanding at December 31, 2016.

On April 30, 2016 the Company issued a debenture for \$56,000 for cash advances during April 2016. The debenture accrues interest at 10% per annum and will convert into the company's common stock at 50% of the lowest closing bid price 12 months before the conversion date. The Holder is restricted from any conversions that would result in the Holder owning over 9.9% of the outstanding common shares of the Company after the conversion. During the quarter ended June 30, 2016 the debenture accrued \$933 in interest resulting in the debenture having \$56,000 in principal and \$933 in accrued interest outstanding at June 30, 2016. During each subsequent quarter in 2016 the debenture accrued \$1,400 in interest resulting in the debenture having \$56,000 in principal and \$3,733 in accrued interest outstanding at December 31, 2016.

On April 30, 2016 the Company issued a debenture for \$56,000 for cash advances during April 2016. The debenture accrues interest at 10% per annum and will convert into the company's common stock at 50% of the lowest closing bid price 12 months before the conversion date. The Holder is restricted from any conversions that would result in the Holder owning over 9.9% of the outstanding common shares of the Company after the conversion. During the quarter ended June 30, 2016 the debenture accrued \$933 in interest resulting in the debenture having \$56,000 in principal and \$933 in accrued interest outstanding at June 30, 2016. During each subsequent quarter in 2016 the debenture accrued \$1,400 in interest resulting in the debenture having \$56,000 in principal and \$3,733 in accrued interest outstanding at December 31, 2016.

On May 31, 2016 the Company issued a debenture for \$107,500 for cash advances during May 2016. The debenture accrues interest at 10% per annum and will convert into the company's common stock at 50% of the lowest closing bid price 12 months before the conversion date. The Holder is restricted from any conversions that would result in the Holder owning over 9.9% of the outstanding common shares of the Company after the conversion. During the quarter ended June 30, 2016 the debenture accrued \$895 in interest resulting in the debenture having \$107,500 in principal and \$895 in accrued interest outstanding at June 30, 2016. During each subsequent quarter in 2016 the debenture accrued \$2,688 in interest resulting in the debenture having \$107,500 in principal and \$6,271 in accrued interest outstanding at December 31, 2016.

On May 31, 2016 the Company issued a debenture for \$107,500 for cash advances during May 2016. The debenture accrues interest at 10% per annum and will convert into the company's common stock at 50% of the lowest closing bid price 12 months before the conversion date. The Holder is restricted from any conversions that would result in the Holder owning over 9.9% of the outstanding common shares of the Company after the conversion. During the quarter ended June 30, 2016 the debenture accrued \$895 in interest resulting in the debenture having \$107,500 in principal and \$895 in accrued interest outstanding at June 30, 2016. During each subsequent quarter in 2016 the debenture accrued \$2,688 in interest resulting in the debenture having \$107,500 in principal and \$6,271 in accrued interest outstanding at December 31, 2016.

On June 30, 2016 the Company issued a debenture for \$101,500 for cash advances during June 2016. The debenture accrues interest at 10% per annum and will convert into the company's common stock at 50% of the lowest closing bid price 12 months before the conversion date. The Holder is restricted from any conversions that would result in the Holder owning over 9.9% of the outstanding common shares of the Company after the conversion. During the quarter ended June 30, 2016 the debenture accrued no interest resulting in the debenture having \$101,500 in principal and no accrued interest outstanding at June 30, 2016. During each subsequent quarter in 2016 the debenture accrued \$2,538 in interest resulting in the debenture having \$101,500 in principal and \$5,076 in accrued interest outstanding at December 31, 2016.

On June 30, 2016 the Company issued a debenture for \$47,000 for cash advances during June 2016. The debenture accrues interest at 10% per annum and will convert into the company's common stock at 50% of the lowest closing bid price 12 months before the conversion date. The Holder is restricted from any conversions that would result in the Holder owning over 9.9% of the outstanding common shares of the Company after the conversion. During the quarter ended June 30, 2016 the debenture accrued no interest resulting in the debenture having \$47,000 in principal and no accrued interest outstanding at June 30, 2016. During each subsequent quarter in 2016 the debenture accrued \$1,175 in interest resulting in the debenture having \$47,000 in principal and \$2,350 in accrued interest outstanding at December 31, 2016.

On July 31, 2016 the Company issued a debenture for \$30,000 for cash advances during July of 2016. The debenture accrues interest at 10% per annum and will convert into the company's common stock at 50% of the lowest closing bid price 12 months before the conversion date. The Holder is restricted from any conversions that would result in the Holder owning over 9.9% of the outstanding common shares of the Company after the conversion. The debenture accrued \$500 in interest during the quarter ended September 30, 2016 and \$750 of interest during the quarter ended December 31, 2016 resulting in the debenture having \$30,000 in principal and \$1,250 in accrued interest outstanding at December 31, 2016.

On August 31, 2016 the Company issued a debenture for \$110,000 for cash advances during August of 2016. The debenture accrues interest at 10% per annum and will convert into the company's common stock at 50% of the lowest closing bid price 12 months before the conversion date. The Holder is restricted from any conversions that would result in the Holder owning over 9.9% of the outstanding common shares of the Company after the conversion. The debenture accrued \$917 in interest during the quarter ended September 30, 2016 and \$2,750 in interest for the quarter ending at December 31, 2016 resulting in the debenture having \$110,000 in principal and \$3,667 in accrued interest outstanding at December 31, 2016.

On August 31, 2016 the Company issued a debenture for \$38,000 for cash advances during July and August of 2016. The debenture accrues interest at 10% per annum and will convert into the company's common stock at 50% of the lowest closing bid price 12 months before the conversion date. The Holder is restricted from any conversions that would result in the Holder owning over 9.9% of the outstanding common shares of the Company after the conversion. The debenture accrued \$375 in interest during the quarter ended September 30, 2016 and \$950 during the quarter ended December 31, 2016 resulting in the debenture having \$38,000 in principal and \$1,325 in accrued interest outstanding at December 31, 2016.

On September 30, 2016 the Company issued a debenture for \$89,600 for cash advances during September of 2016. The debenture accrues interest at 10% per annum and will convert into the company's common stock at 50% of the lowest closing bid price 12 months before the conversion date. The Holder is restricted from any conversions that would result in the Holder owning over 9.9% of the outstanding common shares of the Company after the conversion. During the quarter ended December 31, 2016 the debenture accrued \$2,240 of interest resulting in the debenture having \$89,600 in principal \$2,240 of accrued interest outstanding at December 31, 2016.

On September 30, 2016 the Company issued a debenture for \$59,100 for cash advances during September of 2016. The debenture accrues interest at 10% per annum and will convert into the company's common stock at 50% of the

lowest closing bid price 12 months before the conversion date. The Holder is restricted from any conversions that would result in the Holder owning over 9.9% of the outstanding common shares of the Company after the conversion. During the quarter ended December 31, 2016 the debenture accrued \$1,478 of interest resulting in the debenture having \$59,100 in principal and \$1,478 of accrued interest outstanding at December 31, 2016.

On October 31, 2016 the Company issued a debenture for \$36,000 for cash advances during October of 2016. The debenture accrues interest at 10% per annum and will convert into the company's common stock at 50% of the lowest closing bid price 12 months before the conversion date. The Holder is restricted from any conversions that would result in the Holder owning over 9.9% of the outstanding common shares of the Company after the conversion. During the quarter ended December 31, 2016 the debenture accrued \$600 of interest resulting in the debenture having \$36,000 in principal and \$600 of accrued interest outstanding at December 31, 2016.

On October 31, 2016 the Company issued a debenture for \$36,000 for cash advances during October of 2016. The debenture accrues interest at 10% per annum and will convert into the company's common stock at 50% of the lowest closing bid price 12 months before the conversion date. The Holder is restricted from any conversions that would result in the Holder owning over 9.9% of the outstanding common shares of the Company after the conversion. During the quarter ended December 31, 2016 the debenture accrued \$600 of interest resulting in the debenture having \$36,000 in principal and \$600 of accrued interest outstanding at December 31, 2016.

On October 31, 2016 the Company issued a debenture for \$10,000 for a cash advance during October of 2016. The debenture accrues interest at 10% per annum and will convert into the company's common stock at 50% of the lowest closing bid price 12 months before the conversion date. The Holder is restricted from any conversions that would result in the Holder owning over 9.9% of the outstanding common shares of the Company after the conversion. During the quarter ended December 31, 2016 the debenture accrued \$167 of interest resulting in the debenture having \$10,000 in principal and \$167 of accrued interest outstanding at December 31, 2016.

On November 17, 2016 the Company issued a debenture for \$220,000 for \$200,000 of cash with a \$20,000 discount. The debenture will convert into the company's common stock after November 10, 2017 at 50% of the lowest closing stock price 90 days before the conversion notice through the conversion date. The Holder is restricted from any conversions that would result in the Holder owning over 9.9% of the outstanding common shares of the Company after the conversion. During the quarter ended December 31, 2016 the debenture accrued \$541 of interest resulting in the debenture having \$65,000 in principal and \$541 of accrued interest outstanding at December 31, 2016.

On November 30, 2016 the Company issued a debenture for \$65,000 for cash advances during November of 2016. The debenture accrues interest at 10% per annum and will convert into the company's common stock at 50% of the lowest closing bid price 12 months before the conversion date. The Holder is restricted from any conversions that would result in the Holder owning over 9.9% of the outstanding common shares of the Company after the conversion. During the quarter ended December 31, 2016 the debenture accrued \$541 of interest resulting in the debenture having \$65,000 in principal and \$541 of accrued interest outstanding at December 31, 2016.

On November 30, 2016 the Company issued a debenture for \$50,000 for cash advances during November of 2016. The debenture accrues interest at 10% per annum and will convert into the company's common stock at 50% of the lowest closing bid price 12 months before the conversion date. The Holder is restricted from any conversions that would result in the Holder owning over 9.9% of the outstanding common shares of the Company after the conversion. During the quarter ended December 31, 2016 the debenture accrued \$417 of interest resulting in the debenture having \$50,000 in principal and \$417 of accrued interest outstanding at December 31, 2016.

On December 31, 2016 the Company issued a debenture for \$50,000 for cash advances during December of 2016. The debenture accrues interest at 10% per annum and will convert into the company's common stock at 50% of the lowest closing bid price 12 months before the conversion date. The Holder is restricted from any conversions that would result in the Holder owning over 9.9% of the outstanding common shares of the Company after the conversion. During the quarter ended December 31, 2016 the debenture accrued no interest resulting in the debenture having \$50,000 in principal and no accrued interest outstanding at December 31, 2016.

On December 31, 2016 the Company issued a debenture for \$50,000 for cash advances during December of 2016. The debenture accrues interest at 10% per annum and will convert into the company's common stock at 50% of the lowest closing bid price 12 months before the conversion date. The Holder is restricted from any conversions that would result in the Holder owning over 9.9% of the outstanding common shares of the Company after the conversion.

During the quarter ended December 31, 2016 the debenture accrued no interest resulting in the debenture having \$50,000 in principal and no accrued interest outstanding at December 31, 2016.

NOTE 8: LOANS FROM SHAREHOLDERS

Amounts owed to directors, officers or other consultants for services that are also shareholders are accrued as loans from shareholders.

NOTE 9. STOCKHOLDERS EQUITY

Preferred Stock

On January 20, 2012, David Gwyther obtained 6,500,000 Preferred Series B shares from the prior owner. The Preferred Series B shares held by the Company's Chairman, David Gwyther have voting control of the Company with 1,000 votes for each preferred share held. Each Preferred B share can convert into 20 shares of common stock.

On September 13, 2016 the Company issued 1,400,000 Preferred Series B shares to two non-affiliates for \$16,800.

At December 31, 2016 the Company had authorized 30,000,000 preferred shares with 7,900,000 preferred shares outstanding at \$.001 par and can issue shares of preferred stock in such classes and with such preferences as may be determined by the board of directors or the bylaws of the Company.

Common Stock

On June 14, 2007 the Company consolidated its authorized and outstanding common shares at a 1 for 1,000 ratio. After the stock consolidation the Company had authorized 870,000 common shares at a par value of \$.001.

On May 29, 2012, the Company increased its authorized common shares to 1,350,000,000.

On December 14, 2012, the Company increased its authorized common shares to 1,995,000,000.

On January 17, 2013, the Company increased its authorized common shares to 2,750,000,000.

On August 30, 2013, the Company increased its authorized common shares to 3,750,000,000.

On January 9, 2014 the Company increased its authorized common shares to 4,750,000,000.

On July 7, 2015 the Company increased its authorized common shares to 7,750,000,000.

On July 15, 2016 the Company increased its authorized common shares to 9,750,000,000.

On October 25, 2016 the Company increased its authorized common shares to 14,750,000,000.

During the quarter ended September 30, 2013, the Company issued 14,471,743 restricted common shares to its directors for services valued at \$70,635, 216,514,545 common shares to retire \$117,500 in outstanding debenture debt and accrued interest and 2,832,552 restricted common shares valued at \$10,000 for consulting services.

During the quarter ended December 31, 2013 the Company paid down \$211,396 of debentures payable along with accrued interest on the debentures of \$36,104 under four separate conversions totaling the issuance of 450,000,000 common shares.

On October 30, 2013, the Company issued its first tranche of restricted common shares totaling 171,342,846 to the shareholders of three companies it agreed to purchase. See footnote 1 "Acquisitions".

During the quarter ended March 31, 2014, the Company issued 370,895,682 common shares to retire \$203,993 of debenture debt and accrued interest to various debenture holders.

During the quarter ended June 30, 2014, the Company issued 1,365,671 common shares for past services rendered by its past Chief Operating Officer, 2,000,000 shares to its current President as part of his employment agreement and 17,534,624 common shares for service rendered during 2013 by a director. The Company also issued 22,901,818 common shares to a debenture holder in payment of \$11,000 of principal and \$1,596 of accrued interest.

During the quarter ended September 30, 2014, the Company issued 91,561,818 common shares to retire \$50,359 of principal and accrued interest on two debentures (see note 5 for details). It also issued 31,361,763 common shares to officers for past services rendered valued at \$90,750 and 7,784,070 common shares to consultants valued at \$23,000.

During the quarter ended December 31, 2014, the Company issued 202,853,958 common shares for the final payment to the members of OneBode Holdings LLC and OneBode Ventures LLC in order to obtain all of their outstanding membership units. Also during the quarter there was 10,000,000 common shares issued to staff consultants as bonuses and 109,227,273 common shares issued to three debenture holders to reduce their debenture debt and accrued interest \$60,075.

During the quarter ended March 31, 2015, the Company issued 37,739,546 common shares for the final payment to the shareholders of Yo It's Me, Inc. in order to obtain all of the outstanding shares of Yo. Also during the quarter there was 5,000,000 common shares issued to a consultant and 11,574,282 common shares to directors and officers for their 2014 services that were unpaid. In addition there were 249,505,400 common shares issued to five debenture holders that reduced their debenture principal by \$815,350 and accrued interest \$55,611. During January 2015 there were 216,842,686 common shares returned by certain Debenture Holders valued at \$125,003 in exchange for increasing their respective debenture debt by the same amount which was when the shares were originally issued.

During the quarter ended June 30, 2015, the Company issued 145,940,645 common shares to two debenture holders to retire \$384,015 of principal and \$68,401 of accrued interest. It also issued 750,000 restricted common shares for services.

During the quarter ended September 30, 2015, the Company issued 406,191,069 common shares to two debenture holders to retire \$350,000 of principal and \$62,333 of accrued interest. It also issued 192,307,692 restricted common shares that were escrowed for an acquisition; however, the shares were returned to the Company during November 2015.

During the quarter ended December 31, 2015, the Company issued 487,718,949 common shares to two debenture holders to retire \$388,166 of principal and \$75,167 of accrued interest. It also issued 30,133,189 restricted common shares to consultants valued at \$125,000 and 23,071,363 restricted common shares to directors and officers valued at \$129,500.

During the quarter ended March 31, 2016 the Company issued 859,054,545 common shares to two debenture holders to retire \$345,636 of principal and \$126,844 of accrued interest. It also issued 20,601,357 restricted common shares to directors valued at \$44,000.

During the quarter ended June 30, 2016 the Company issued 859,090,909 common shares to two debenture holders to retire \$358,615 of principal and \$56,135 of accrued interest.

During the quarter ended September 30, 2016 the Company issued 1,206,954,286 common shares to three debenture holders to retire \$363,003 of principal and \$28,931 of accrued interest.

During the quarter ended December 31, 2016 the Company issued 2,842,693,333 common shares to four debenture holders to retire \$728,488 of principal and \$81,695 of accrued interest. It also issued 82,062,744 restricted common shares to directors valued at \$91,000 for accrued services.

At December 31, 2016, the Company had 14,750,000,000 authorized common shares and 11,379,401,405 common shares issued and outstanding.