



**Interim Financial Statements**

**(UNAUDITED)**

**For the three months ended September 30, 2017 and 2016**

**IMD COMPANIES, INC.**  
**CONSOLIDATED BALANCE SHEET**  
**UNAUDITED**  
**AT SEPTEMBER 30, 2017**

09/30/17 Consolidated
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ASSETS		
CURRENT ASSETS:		USD
Cash		\$ 53,848
Accounts Receivable		1,083,731
Inventory Assets		1,396,555
Short Term loans and advances		6,699,123
Prepaid and other Current Assets		1,028
Total Current Assets		<u>9,234,285</u>
OTHER ASSETS:		
Equipment-net		15,385,557
Investments		2,524,705
Notes receivable		4,944
Total Assets		<u><u>27,149,492</u></u>
LIABILITIES & STOCKHOLDERS EQUITY		
CURRENT:		
Accounts payable and accrued Expenses		5,746,586
Short Term loans and Advances		957,476
Other Current Liabilities		1,119,987
Short Term Provisions		1,419,827
LONG TERM:		
Convertible Notes Payable		1,795,447
Accrued interest expense		164,128
Total Liabilities		<u>11,203,450</u>
Minority Interest		7,436,012
STOCKHOLDER'S EQUITY		
Preferred stock		50
Common Stock		1,192,237
Additional Paid-in-capital		10,424,276
Accumulated (deficit)		(3,106,533)
Total Stockholder's Equity		<u>8,510,029</u>
Total liabilities, minority interest, and stockholder's equity		<u><u>27,149,492</u></u>

See accompanying notes to these unaudited financial statements.

**iMD Companies, Inc.**  
**Consolidated Income Statement**  
**Unaudited**

	For the three months ended September 30,	
	2017	2016
REVENUE		
Service and Sales Income	5,384,615	0
Other Income	0	
Cost of Sales	2,840,384	0
Gross Profit	2,544,231	0
OPERATING EXPENSES		
Marketing Expense	5,000	0
Automobile Expenses	432	
Bank Service Charges	28	0
Insurance Expenses	0	0
Shares for Services	48,281	0
Management Fees	0	0
Professional Fees	0	5,000
Officer Wages	12,000	33,000
Salary and Wages	1,486,769	0
Interest Expense	371,575	9,861
Other Administrative Costs	0	0
Engineering Expenses	0	0
Rent Expense	1,450	3,000
Telephone Expense	429	900
Travel and Entertainment	1,880	0
Depreciation and Amortization	423,077	110
Transfer Agent Fees/Regulatory Fees	2,000	
Other Expenses	78,959	
Total Operating Expenses	2,431,879	51,871
Net (loss) from operations	112,352	(51,871)
Impairment on investing		0
Abandoned projects		0
Net Gain/(loss)	112,352	(51,871)

See accompanying notes to these unaudited consolidated financial statements.

IMD COMPANIES, INC.  
CONSOLIDATED STATEMENTS OF CHANGES IN STOCKHOLDERS EQUITY  
UNAUDITED

	Preferred Shares	Amount	Common Shares	Amount	Paid-in Capital	Accumulated (Deficit)	Total
Balance at December 31, 2013	50,011	50	213,405,162	213,405	3,832,367	(2,797,708)	1,248,114
Adjustment to Acquisition of R-Quest							
Acquisition of Lumz n Blooms LTD.			10,000,000	10,000	(1,400,000)		(1,390,000)
Shares issued for services			84,750,000	84,750	0		84,750
Shares issued for debt			142,306,872	142,307	327,577		469,884
Net (loss) for year ended Dec. 31, 2014						(935,107)	(935,107)
Balance as of Dec 31, 2014	<u>50,011</u>	<u>50</u>	<u>450,462,034</u>	<u>450,462</u>	<u>2,759,944</u>	<u>(3,732,815)</u>	<u>(522,359)</u>
Shares issued for services			19,622,098	19,622			19,622
Acquisition of Lumz n Blooms LTD.			9,800,000	9,800			9,800
Shares issued for debt			98,192,440	98,192	73,005		171,197
Net (loss) for year ended December 31, 2015						(833,710)	(833,710)
Balance as of December 31, 2015	<u>50,011</u>	<u>50</u>	<u>578,076,572</u>	<u>578,076</u>	<u>2,832,949</u>	<u>(4,566,525)</u>	<u>(1,155,450)</u>
Shares issued for Debt			296,664,000	296,664			296,664
Acquisition of 51% of KRSNA Minerals					7,601,127		7,601,127
Shares issued for services			50,000,000	50,000			50,000
Shares issued for cash			5,000,000	5,000			5,000
Net gain/(loss) for year ended Dec. 31, 2016						292,560	292,560
Balance as of December 31, 2016	<u>50,011</u>	<u>50</u>	<u>929,740,572</u>	<u>929,740</u>	<u>10,434,076</u>	<u>(4,273,965)</u>	<u>7,089,901</u>
Shares Issued for Debt			82,000,000	41,000	(4,800)		36,200
Acquisition of 51% of KRSNA Minerals							0
Shares issued for services			30,000,000	20,000			20,000
Shares issued for cash			74,943,377	37,800			37,800
Net gain/(loss) for period ended Mar. 31, 2017						58,589	58,589
Balance as of March 31, 2017	<u>50,011</u>	<u>50</u>	<u>1,116,683,949</u>	<u>1,028,540</u>	<u>10,429,276</u>	<u>(4,215,376)</u>	<u>7,242,490</u>
Shares issued for Services			17,272,727	105,416			105,416
Shares issued for Cash			10,000,000	10,000	(5,000)		5,000
Net gain(loss) for period ended June 30, 2017						996,490	996,490
Balance as of June 30, 2017	<u>50,011</u>	<u>50</u>	<u>1,143,956,676</u>	<u>1,143,956</u>	<u>10,424,276</u>	<u>(3,218,886)</u>	<u>8,349,396</u>
Shares Issued for Services			48,280,000	48,281			48,281
Shares Issued for Cash							
Net gain(loss) for period ended Sept. 30, 2017						112,352	112,352
Balance as of Sept. 30, 2017	<u>50,011</u>	<u>50</u>	<u>1,192,236,676</u>	<u>1,192,237</u>	<u>10,424,276</u>	<u>(3,106,534)</u>	<u>8,510,029</u>

See accompanying notes to these unaudited consolidated financial statements.



**IMD COMPANIES, INC.**  
**CONSOLIDATED STATEMENTS OF CASH FLOWS**  
**UNAUDITED**

For the three months ended September 30,

	2017	2016
<b>OPERATING ACTIVITIES</b>		
Net gain (loss) for the period	112,352	(51,871)
Adjustments to reconcile net gain/loss to cash (used in) provided by operations:		
Shares issued for services	48,281	0
Shares issued for debt		
Shares issued for cash		
Depreciation and Amortization	0	110
Impairment on investment		
Changes in assets and liabilities		
(incr)/decr - accounts receivable	0	0
(Incr)/decr - inventory	0	0
(Incr)/decr - notes receivable	0	0
(Incr)/decr - other assets	0	
Incr/(decr) - accounts payable	18,477	36,899
Incr/(decr) - accrued interest	10,359	1,762
Incr/(decr) - notes payable	132,538	
Incr/(decr) - short term loans	(106,672)	
Net cash (used in) provided by operating activities	<u>215,334</u>	<u>(13,100)</u>
<b>INVESTING ACTIVITIES</b>		
Ultrasound Equipment		0
Intellectual Assets		0
Property, Plant and Equipment		
Investments in companies	(215,384)	
Net Cash (used in) provided by Investing Activities	<u>(215,384)</u>	<u>0</u>
<b>FINANCING ACTIVITIES</b>		
Long Term Notes Payable	0	5,000
Increase in Convertible Notes	0	8,100
Contributed Capital	0	
Net Cash (used in) provided by Financing Activities	<u>0</u>	<u>13,100</u>
 INCREASE (DECREASE) IN CASH	 (50)	 0
CASH, BEGINNING OF PERIOD	<u>53,898</u>	<u>120</u>
CASH, END OF PERIOD	<u><u>53,848</u></u>	<u><u>120</u></u>

NON CASH TRANSACTIONS: NONE

See accompanying notes to these unaudited consolidated financial statements

## **IMD COMPANIES INC.**

### **Notes to Unaudited Consolidated Financial Statements For the 3**

#### **Months ending September 30, 2017 and 2016 (Unaudited)**

### **NOTE 1. THE COMPANY AND ITS SIGNIFICANT ACCOUNTING POLICIES**

#### **The Company**

The Company was originally incorporated in Delaware on March 31, 1993 as ADV Acquisition Corp. The Company had numerous name changes and on February 15, 2008 re-domiciled in Florida as International Biofuels, Inc. On September 23, 2010 the Company changed its name to IMD Companies, Inc.

On September 24, 2013 the Company purchased 51% of R-Quest Hydroponics, Inc. that is a software and hardware manufacturer for the Hydroponics industry. The Company issued 100,000,000

common shares of the Company valued at \$2,000,000 based upon its stock value at the time. The acquisition has been written down to the value of its acquired assets and intellectual property and is fully consolidated into the financial statements with a corresponding minority interest.

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.

#### **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.

#### **NOTE 2. INVESTMENTS**

The Company consolidates its 51% ownership R-Quest Hydroponics on its books at its estimated fair value and the remaining 49% as Minority Interest.

#### **NOTE 3: CONTINGENT LIABILITIES**

On September 28, 2016, the Company was sued by certain debt holders that are demanding conversions into common shares in quantities that the Company believes would currently be detrimental to its current shareholders.

#### **NOTE 4: CONVERTIBLE NOTES**

##### Retired Convertible Notes

On January 12, 2013 the Company issued a convertible note for \$120,000 that accrues interest at 8% per annum on the outstanding balance. The principal and accrued interest on the note are convertible at a 55% discount from the lowest trade price during the prior 180 days but interest can not be converted below the par value of the stock. During the quarter ended June 30, 2014 the Holder converted \$50,000 of principal for 9,018,279 common shares. The outstanding balance of the note was \$70,000 at June 30, 2014. During the quarter ended September 30, 2014 the Holder sold principal amounts of the note for \$25,000 and \$23,500 to two different third parties. The third party that purchased \$25,000 of principal converted \$14,000 of it into 14,000,000 common shares during the quarter. The party that purchased \$23,500 of principal converted the entire amount into 3,804,407 common shares. At September 30, 2014 the outstanding principal balance of the original Holder on the original note \$21,500 in principal and \$3,010 of accrued interest and the outstanding principal balance with a third party from the original note was \$11,000 and \$1,540 of accrued interest. During the quarter ended December 31, 2014 the Holder converted all of the remaining principal and accrued interest for 15,500,000 common shares.

On February 1, 2012 the Company issued a convertible note for \$10,000 accruing an annual interest at 8% of the outstanding balance. The principal and accrued interest on the note are convertible at a 55% discount from the lowest trade price during the prior 180 days but interest can not be converted below the par value of the stock. On April 9, 2014 the note was sold to a third party. During the quarter ended September 30, 2014 the third party converted the entire outstanding principal and accrued interest totaling \$12,877 for 2,341,220 common shares resulting in the payoff of the note.

On August 26, 2013 the Company issued a convertible note for \$53,699 that accrues interest at 8% per annum on the outstanding balance. The principal and accrued interest on the note are convertible at a 55% discount from the lowest trade price during the prior 180 days but interest can



not be converted below the par value of the stock. During the quarter ended September 30, 2014 the Holder converted the remaining \$26,198 of principal into 5,424,895 common shares resulting in the payoff of the original note.

On February 1, 2012 the Company issued a convertible note for \$27,000 and it had an outstanding balance of \$27,000 at June 30, 2014. The note accrues annual interest at 8% of the outstanding balance. The principal and accrued interest on the note are convertible at a 55% discount from the lowest trade price during the prior 180 days but interest can not be converted below the par value of the stock. There were no conversions during the quarter ended September 30, 2014. During the quarter ended March 31, 2015 the outstanding principal balance and accrued interest was paid off with the issuance of 15,000,000 common shares.

#### Outstanding Convertible Notes

On November 19, 2010 the Company issued a convertible note for \$85,000 that accrues interest at 8% per annum on the outstanding balance. The principal and accrued interest on the note are convertible at a 55% discount from the lowest trade price during the prior 180 days but interest can not be converted below the par value of the stock. The principal outstanding balance of the note was \$85,000 and accrued interest was \$39,100 at September 30, 2016.

On December 31, 2011 the Company issued a convertible note for \$144,700 that accrues interest at 8% per annum on the outstanding balance. The principal and accrued interest on the note are convertible at a 55% discount from the lowest trade price during the prior 180 days but interest can not be converted below the par value of the stock. On August 30, 2013 the original Holder sold the entire \$144,700 note to third party. During the quarter ended June 30, 2014 the Holder converted \$40,292 of principal and accrued interest for 7,267,290 common shares. The outstanding balance of the note was \$104,208 of principal and \$2,084 of accrued interest at September 30, 2014. During the quarter ended December 31, 2014 the Holder converted into 25,000,000 common shares for \$22,916 of principal and \$2,084 and during the quarter ended March 31, 2015 an additional 15,000,000 common shares were issued for principal and interest. During the quarter ended September 30, 2016 the Company issued 45,000,000 common shares for \$8,100 of accrued interest expense. The principal outstanding balance of the note was \$93,418 and accrued interest was \$3,589 at September 30, 2016.

On October 1, 2012 the Company issued a convertible note for \$8,000 that accrues interest at 8% per annum on the outstanding balance. The principal and accrued interest on the note are convertible at a 55% discount from the lowest trade price during the prior 180 days but interest can not be converted below the par value of the stock. There were no conversions prior to June 30, 2014. The outstanding principal balance of the note was \$8,000 and accrued interest was \$2,560 at September 30, 2016.

On October 1, 2012 the Company issued a convertible note for \$23,228 that accrues interest at 8% per annum on the outstanding balance. The principal and accrued interest on the note are convertible at a 55% discount from the lowest trade price during the prior 180 days but interest can not be converted below the par value of the stock. Prior to June 30, 2014 the Holder converted \$21,500 of principal. The outstanding balance of the note was \$1,728 of principal and \$2,643 at September 30, 2016.

On October 1, 2012 the Company issued a convertible note for \$42,431 that accrues interest at 8% per annum on the outstanding balance. The principal and accrued interest on the note are convertible at a 55% discount from the lowest trade price during the prior 180 days but interest can not be converted below the par value of the stock. The Holder subsequently sold the note to a third party that converted \$12,631 of principal prior to June 30, 2014. During the quarter ended September 30, 2014 the third party converted \$14,000 of principal for \$14,000. During the quarter ended March 31, 2015 11,000,000 common shares were issued in payment of \$5,616 of principal and \$5,384 of accrued resulting in the outstanding balance of the note at June 30, 2015 being \$10,184 of principal and \$300 of accrued interest. During the quarter ended June 30, 2015, the Company issued 14,010,000 common shares to reduce the principal by \$14,010. The outstanding balance of the note was \$1,790 of accrued interest at September 30, 2016.

On December 2, 2012 the Company issued a convertible note for \$9,615 that accrues interest at 8% per annum on the outstanding balance. The principal and accrued interest on the note are convertible at a 55% discount from the lowest trade price during the prior 180 days but interest can not be converted below the par value of the stock. The outstanding balance of the note was \$9,615 of principal and \$2,884 at September 30, 2016.

On August 26, 2013 the Company issued a convertible note for \$16,734 that accrues interest at 8% per annum on the outstanding balance. The principal and accrued interest on the note are convertible at a 55% discount from the lowest trade price during the prior 180 days but interest can not be converted below the par value of the stock. The outstanding balance of the note was \$16,734 of principal and \$4,016 at September 30, 2016.

On September 26, 2013 the Company issued a convertible note for \$14,441 that accrues interest at 8% per annum on the outstanding balance. The principal and accrued interest on the note are convertible at a 55% discount from the lowest trade price during the prior 180 days but interest can not be converted below the par value of the stock. The outstanding balance of the note was \$14,441 of principal and \$3,465 at September 30, 2016.

On October 21, 2013 the Company issued a convertible note for \$200,000 that accrues interest at 8% per annum on the outstanding balance. The principal and accrued interest on the note are convertible at a 55% discount from the lowest trade price during the prior 180 days but interest can not be converted below the par value of the stock. Prior to June 30, 2014 there were a number of conversions resulting in the outstanding balance of the note being \$30,573 of principal and \$5,650 at September 30, 2016.

On December 31, 2013 the Company issued a convertible note for \$49,419 that accrues interest at 8% per annum on the outstanding balance. The principal and accrued interest on the note are convertible at a 55% discount from the lowest trade price during the prior 180 days but interest can not be converted below the par value of the stock. The outstanding balance of the note was \$49,419 of principal and \$10,872 in accrued interest at September 30, 2016.

On April 15, 2014 the Company issued a convertible note for \$32,000 that accrues interest at 8% per annum on the outstanding balance. The principal and accrued interest on the note are convertible at a 55% discount from the lowest trade price during the prior 180 days but interest can



not be converted below the par value of the stock. There were no conversions during prior to June 30, 2014. The outstanding balance of the note was \$32,000 and \$5,760 at September 30, 2016.

On April 30, 2014 the Company issued a convertible note for \$37,000 that accrues interest at 8% per annum on the outstanding balance. The principal and accrued interest on the note are convertible at a 55% discount from the lowest trade price during the prior 180 days but interest can not be converted below the par value of the stock. There were no conversions during the quarter ended June 30, 2014. During the quarter ended June 30, 2015, the Company issued 14,000,000 common shares to reduce the principal by \$16,565. At September 30, 2016 the outstanding principal balance was \$20,435 and \$5,855 of accrued interest.

On May 9, 2014 the Company issued a convertible note for \$8,000 that accrues interest at 8% per annum on the outstanding balance. The principal and accrued interest on the note are convertible at a 55% discount from the lowest trade price during the prior 180 days but interest can not be converted below the par value of the stock.

There were no conversions prior to June 30, 2014. The outstanding principal balance of the note was \$8,000 and accrued interest was \$1,440 at September 30, 2016.

On July 31, 2014 the Company issued a convertible note for \$17,000 that accrues interest at 8% per annum on the outstanding balance. The principal and accrued interest on the note are convertible at a 55% discount from the lowest trade price during the prior 180 days but interest can not be converted below the par value of the stock. There were no conversions during prior to June 30, 2014. The outstanding balance of the note was \$17,000 and accrued interest was \$2,965 at September 30, 2016.

On August 26, 2014 the Company issued a convertible note for \$23,500 that accrues interest at 8% per annum on the outstanding balance. The principal and accrued interest on the note are convertible at a 55% discount from the lowest trade price during the prior 180 days but interest can not be converted below the par value of the stock. Prior to October 1, 2014 there were \$2,000 of principal conversions. The outstanding balance of the note was \$21,500 and accrued interest was \$6,450 at September 30, 2016.

On December 31, 2014 the Company issued a convertible note for \$20,000 for cash that accrues interest at 8% per annum on the outstanding balance. The principal and accrued interest on the note are convertible at a 55% discount from the lowest trade price during the prior 180 days but interest can not be converted below the par value of the stock. The outstanding balance of the note was \$20,000 and accrued interest was \$2,400 at September 30, 2016.

During the Company ended March 31, 2015 the Company recorded a convertible debt of \$118,800 pursuant to an approving settlement agreement and stipulation for dismissal filed on October 15, 2014, by the Circuit Court in the Eleventh Judicial Circuit in Miami, Florida for outstanding debt the Holder acquired by purchasing debt from creditors of the Company. The debt is exempt from registration requirements of the Act pursuant to Section 3(a)(10) of the Securities Act. During the quarter ended March 31, 2015 the company issued 20,000,000 common shares to retire \$90,480. During the quarter ended June 30, 2015 the company issued 5,000,000 common shares to retire \$5,000. The principal balance at September 30, 2016 was \$23,320 with \$1,392 of accrued interest.

On February 15, 2015, the Company issued a convertible note for \$68,017 for expenses paid on behalf of the Company. The note accrues interest at 8% per annum on the outstanding balance of principle and interest. The principal and accrued interest on the note are convertible at a 55% discount from the lowest trade price during the prior 180 days. The outstanding balance of the note was \$68,017 and accrued interest was \$8,908 at September 30, 2016. The outstanding principle on the note was \$68,017 and accrued interest of \$15,062 for a total balance owed of \$83,079 as of September 30, 2017.

On March 27, 2015, the Company issued a convertible note for \$13,250 for expenses paid on behalf of the Company. The note accrues interest at 8% per annum on the outstanding balance. The principal and accrued interest on the note are convertible at a 50% discount from the lowest trade price during the prior 15 days but interest can not be converted below the par value of the stock. The outstanding balance of the note was \$15,105 and accrued interest was \$1,855 at December 31, 2016.

On July 1, 2016, the Company issued a convertible note for accounting services rendered From January 1, 2016 through June 30, 2016 for \$5,000 accruing interest at 8% per annum. The principal and accrued interest on the note are convertible at a 55% discount from the lowest closing price during the prior 180 days but interest can not be converted below the par value of the stock. The outstanding balance of the note was \$5,000 and accrued interest was \$160 at September 30, 2016.

On October 28, 2016 and November 1, 2016 the Company issued a convertible note for \$8,000 (each payment amount was \$4,000) accruing interest at 8% per annum. The principal and accrued interest on the note are convertible at a 50% discount from the lowest closing price during the prior 30 days but interest can not be converted below the par value of the stock.

On November 8, 2016, the Company issued a convertible note for the amount of \$20,000 accruing interest at 8% per annum. The principal and accrued interest on the note are convertible at a 50% discount from the lowest closing price during the prior 14 days but interest can not be converted below the par value of the stock.

On December 30, 2016, the Company issued a convertible note for \$36,263 for expenses paid on behalf of the Company. The note accrues interest at 12% per annum on the outstanding balance. The principal and accrued interest on the note are convertible at a 55% discount from the lowest trade price during the prior 180 days but interest can not be converted below the par value of the stock.

On September 30, 2017, the Company issued a convertible note for \$49,459 for expenses paid and monies loaned to the company. The note accrues interest at 8% per annum on the outstanding balance of principle plus interest. The principal and accrued interest on the note are convertible at a 55% discount from the lowest trade price during the prior 180 days. The outstanding balance of the note was \$48,459 as of September 30, 2017.

#### **NOTE 5. STOCKHOLDERS EQUITY**



## **Preferred Stock**

The Company has authorized 100,000 Class B Preferred Shares. At September 30, 2016 there were 50,011 preferred shares outstanding. Each Preferred B share is convertible into 250 common shares at the option of the Holder.

## **Common Stock**

On July 21, 2016, the Company increased their authorized common shares from 700,000,000 to 2,000,000,000.

On September 24, 2013 the Company purchased 51% of R-Quest Hydroponics, Inc. for 100,000,000 common shares of the Company valued at \$2,000,000 and subsequently wrote down the value to \$300,000.

During the last quarter of 2013 the Company issued 52,000,000 common shares valued at \$1,040,000 to 4 individuals and 4 companies that were not related or affiliated with each other or the Company.

During the second quarter of 2014 Company issued 10,000,000 common shares for the acquisition of Lumz n Blooms LTD.

The Company issued 60,716,350 shares of common stock, reducing debt of the company by \$336,629 during the first two quarters of 2014. During the third quarter of 2014 the Company issued 41,090,522 shares of common stock valued at \$92,755. During the fourth quarter of 2014 the Company issued 84,750,000 common shares for services valued at \$84,750 and 40,500,000 common shares for retiring \$40,500 of principal and accrued interest on convertible debentures.

During the quarter ended March 31, 2015 the Company issued 19,622,098 common shares for services valued at \$19,622, 9,800,000 common shares valued at \$9,800 for the Lumz n Blooms acquisition and 65,182,440 to pay \$126,644 of principal and \$9,018 of accrued interest on convertible debt.

During the quarter ended June 30, 2015, the Company retired \$35,575 in principal of convertible debt by issuing 33,010,000 common shares on convertible debt.

During the quarter ended September 30, 2016 the Company issued 45,000,000 common shares for \$8,100 of accrued interest.

During the quarter ended December 30, 2016 the Company issued 50,000,000 common shares to consultants and directors for services.

During the quarter ended December 30, 2016 the Company issued 5,000,000 restricted common shares for \$5,000 investment into company

During the quarter ended March 31, 2017 the Company issued 55,000,000 common shares for \$11,000 of convertible debt.

During the quarter ended March 31, 2017 the Company issued 70,000,000 restricted common shares for \$37,800 investment into company.

At September 30, 2017, the Company had 2.,000,000,000 common shares authorized and 1,192,236,676 common shares outstanding.

### **Warrants**

On April 30, 2014 a Common Stock Purchase Warrant was executed for up to 800,000 shares as additional consideration for a \$37,000 convertible note. The warrants may be exercised for all or part at any time up to April 29, 2019 to purchase 800,000 common shares at \$.05 per share. In case the warrant shares aren't registered at the time of exercise, the warrants are subject to cashless exercise at the discretion of the warrant holders.

### **NOTE 6. ABANDONED PROJECTS**

On April 24, 2014 the Company acquired 100% of Lumz'n Blooms LTD for 10,000,000 common shares. It's main products allow consumers to "Bring the Sun Indoors". Lighting, ballasts, growing materials are considered the "Pick axe and Shovel" of the "Green Rush". During 2015 the Company abandoned its acquisition and wrote it off.

During the quarter ended June 30, 2015, the Company abandoned its subsidiaries Optimum Mobile Imaging LLC (OMI) and Integrated Medical Diagnostics that performed ultrasound procedures as ordered by physicians in their clinics on their patients. OMI operated in Arizona as an Independent Diagnostic Testing Facility that was licensed by Medicare and was contracted with most health insurance carriers in AZ for reimbursement of medically necessary procedures. The Company wrote off its investments of \$300,000 in the subsidiaries and their capitalized intellectual property of \$193,376.