

AMERICAN GREEN



AMERICAN GREEN, INC

Interim Financial Statements
(Unaudited)
For the periods ended
September 30, 2019 and 2018

AMERICAN GREEN, INC.

Consolidated Balance Sheet at September 30, 2019

(Unaudited)

ASSETS

CURRENT ASSETS:

Cash	\$	7,486
Inventory		11,500
Total current assets		18,986

OTHER ASSETS:

Equipment smart machines - net		455,088
Investments		450,000
Leasehold improvements		3,993,392
less accumulated depreciation		(207,565)
Project costs		351,414
Land & improvements - Nipton Arizona		5,743,879
Vehicles		25,639
Patents		93,665
Deposits		21,986
Note receivable		48,000
Other assets		250,000
Total assets	\$	11,244,484

LIABILITIES

CURRENT

Accounts payable and accrued expenses	\$	1,174,425
Loans from shareholders		2,169,621
Debentures payable and accrued interest		11,452,069
Total current liabilities		14,796,115

LONG TERM

Mortgage payable-Nipton		2,458,100
Acquisition Debt		550,064
Other liabilities		1,044,500
Total Liabilities		18,848,779
Minority interest		589,009

STOCKHOLDERS' DEFICIT

Common stock		68,173
Additional paid-in capital		31,779,046
Accumulated (deficit)		(40,040,523)
Total stockholders' deficit		(8,193,304)
Total liabilities and stockholders' deficit	\$	11,244,484

See accompanying notes to these unaudited consolidated financial statements.

AMERICAN GREEN, INC.

Consolidated Statements of Operations (Unaudited)

	For the three months ended September 30,	
	2019	2018
Machine sales	\$ 0	\$ 0
Online store sales	30,114	25,649
Management revenue	394,187	0
Paw Puddy sales	15,750	50,135
Total sales revenue	440,051	75,784
Machine costs	0	0
Online store costs	18,429	15,477
Management costs	104,381	0
Paw Puddy costs	7,561	39,827
Total cost of sales	130,371	55,304
	309,680	20,480
General and administrative	4,475	23,666
Sales and marketing	24,028	8,114
Salaries	112,542	0
Staff consultants	40,500	54,898
Outside consultants	0	180,238
Legal and accounting	49,910	44,208
Officer & Director compensation	48,000	48,000
Travel	553	9,171
Shareholder communication	766	589
Rent and utilities	142,198	13,668
Interest expense	201,010	250,125
Minority interest in joint ventures	0	0
Depreciation and amortization	73,531	2,329
Total operating expenses	697,513	635,006
(Loss) from operations	(387,833)	(614,526)
Net (loss) from Cannawake Corp.		(382,827)
Minority interest in Cannawake		61,252
Net (loss)	\$ (387,833)	\$ (936,101)

See accompanying notes to these unaudited consolidated financial statements.

AMERICAN GREEN, INC.

Consolidated Statements of Changes in Stockholders Deficit (Unaudited)

	Preferred Shares	Amount	Common Shares	Amount	Paid-In Capital	Accumulated (Deficit)	Total
Balance at June 30, 2017	10,900,000	\$109,000	14,551,611,198	\$14,551,611	\$11,390,023	(\$32,924,500)	(\$6,873,866)
Shares issued for debentures, principal & accrued interest			8,042,873,705	7,860,002	(4,322,250)		3,537,752
Preferred C shares issued for cash	3,000,000	30,000			6,000		36,000
Shares issued for debt and services				182,870	123,630		306,500
Net (loss) for the year ended Jun. 30, 2018						(3,691,959)	(3,691,959)
Balance at June 30, 2018	13,900,000	139,000	22,594,484,903	22,594,483	7,197,403	(36,616,459)	(6,685,573)
Shares issued for debentures, principal & accrued interest			7,643,713,672	7,643,715	(6,181,545)		1,462,170
Net (loss) for the year ended Jun. 30, 2019						(\$3,036,231)	(3,036,231)
Preferred class B & C exchanged for class A no par	(11,120,000)	(139,000)			139,000		0
Balance at June 30, 2019	2,780,000	\$0	30,238,198,575	\$30,238,198	\$1,154,858	(\$39,652,690)	(\$8,259,634)
Shares issued for debentures, principal & accrued interest			1,889,630,000	\$1,889,630	(\$1,686,467)		203,163
Shares issued for debt to shareholders			461,598,897	\$461,599	(\$210,599)		251,000
Reverse stock split -September 23, 2019			(32,521,254,232)	(\$32,521,254)	\$32,521,254		0
Net (loss) for 3 months ended Sep. 30, 2019						(\$387,833)	(387,833)
Balance at Sept. 30, 2019	2,780,000	0	68,173,240	68,173	31,779,046	(40,040,523)	(8,193,304)

See accompanying notes to these unaudited consolidated financial statements.

AMERICAN GREEN, INC.

Consolidated Statements of Cash Flows (Unaudited)

	For the three months ended September 30,	
	2019	2018
OPERATING ACTIVITIES		
Net (loss) for the period	\$ (387,833)	\$ (936,101)
Adjustments to reconcile net loss to net cash (used in) provided by operating activities:		
Minority interest		61,252
Shares issued - debt & services	251,000	418,649
Shares issued - debentures & interest	203,163	
Depreciation & amortization	73,531	2,329
Changes in assets and liabilities		
(Incr)/decr -accounts receivable	20,000	37,500
(Incr)/decr - Inventory		(13,000)
Incr/(decr) in accounts payable	109,052	86,908
Incr/(decr) in accrued interest	192,347	178,862
Incr/(decr) - loans from shareholders	(193,000)	111,000
Incr/(decr) - other liabilities		
Net cash (used in) provided by operating activities	268,260	(52,601)
INVESTING ACTIVITIES		
Capitalized project costs		(32,404)
Purchase leasehold improvements	(71,881)	(297,830)
Minority interest in net assets		(200,394)
Net cash (used in) provided by investing activities	(71,881)	(530,628)
FINANCING ACTIVITIES		
Issuance of debentures for cash		150,000
Acquisition liabilities	-7034	286,065
Reduction in debentures payable	(194,500)	(15,720)
Net cash (used in) provided by financing activities	(201,534)	420,345
INCREASE (DECREASE) IN CASH	(5,155)	(162,884)
CASH, BEGINNING OF PERIOD	12,641	288,088
CASH, END OF PERIOD	\$ 7,486	\$ 125,204

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 Years Ended September 30, 2019 and 2018 (Unaudited)

NOTE 1. THE COMPANY AND ITS SIGNIFICANT ACCOUNTING POLICIES

The Company

The Company was formed on December 10, 1998 as the result of a Plan and Agreement of Reorganization in Nevada between Ti-Mail, Inc. and Whitney Corporation and became known as Desert Winds Entertainment, Inc. During 2000 the Company changed its name 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 managing 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 majority owned subsidiary named CannAwake Corporation. Minority interest is recorded for other shareholder interests in CannAwake Corporation.

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 and valued at \$400,000 after impairment.

On December 8, 2016, the Company invested \$50,000 in MediaTechnics Corporation in a class of preferred shares.

NOTE 3: LEASEHOLD IMPROVEMENTS

Leasehold improvements will be amortized over the remaining life of the lease and its extension periods for the cultivation facility when it is put into productive use.

NOTE 4. PROJECT COSTS

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

NOTE 5. LAND & IMPROVEMENTS – NIPTON

On September 13, 2017, the Company purchased the unincorporated community of Nipton, California comprised approximately of 120 acres of land with improvements. The Company acquired the community for \$5 million with a \$2 million down payment and financing the remaining \$3 million ("Nipton Assets").

During September 2017 the Company formed a wholly owned subsidiary named Nipton Inc. and during March 2018 transferred all of the Nipton Assets and attached liabilities to Nipton Inc. On April 4, 2018 the Company sold all of Nipton Inc. to CannAwake Corporation for its preferred stock resulting in the Company having approximately 84% voting control of CannAwake.

Until the transfer of Nipton to Nipton Inc., the Company was responsible for the maintenance of the improvements therein included in the Nipton Purchase which consist of:

- a. RV Park
- b. Nipton, Hotel
- c. Eco-Cabins
- d. Rental Properties
- e. Water Quality and Quantity
- f. Equipment and Machinery

NOTE 6: 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 7: DEPOSITS

Security Deposits

The Company has security deposits outstanding on lease space rentals.

NOTE 8. DEBENTURES PAYABLE

Retired Debentures

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. At June 30, 2017, the Company had \$10,000 in principal and \$667 of accrued interest outstanding. During the quarter ended September 30, 2017, the debenture holder sold its debt to a non-affiliate that converted the entire debenture into 36,110,000 common shares that paid off \$10,000 of principal and \$833 of accrued interest.

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. At June 30, 2017, the Company had \$275,000 in principal and \$68,750 in accrued interest. At September 30, 2017, the debenture had \$275,000 in principal and \$75,625 in accrued interest. During the quarter ended December 31, 2017 the debenture accrued \$4,583 in accrued interest and the company paid off the entire debenture by issuing 645,832,727 shares of common stock for \$275,000 of principal and \$80,208 of accrued interest.

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. At June 30, 2017, the Company had \$40,500 in principal and \$5,062 accrued interest outstanding. At September 30, 2017, the debenture had \$40,500 in principal and \$6,074 accrued interest outstanding. During the quarter ended December 31, 2016 the debenture accrued \$675 of interest and the company paid off the debenture by issuing 85,907,273 common shares for \$40,500 of principal and \$6,749 of accrued interest.

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 At March 31, 2017, the Company had outstanding at December 31, 2016. At

June 30, 2017, the Company had \$56,000 in principal and \$6,533 in accrued interest outstanding. At September 30, 2017, the debenture had \$56,000 in principal and \$7,933 in accrued interest outstanding. During the quarter ended December 31, 2017 the debenture accrued \$933 of accrued interest and the company paid off the debenture by issuing 117,938,182 common shares for \$56,000 of principal and \$8,866 of accrued interest.

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. At June 30, 2017, the Company had \$110,000 in principal and \$9,167 in accrued interest outstanding. At September 30, 2017, the debenture had \$110,000 in principal and \$11,917 in accrued interest outstanding. During the quarter ended December 31, 2017 the debenture accrued \$2,630 of accrued interest and the company paid off the debenture by issuing 226,449,091 common shares for \$110,000 of principal and \$14,547 of accrued interest.

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. At June 30, 2017, the Company had \$175,000 in principal and \$42,291 in accrued interest outstanding. At September 30, 2017, the debenture had \$175,000 in principal and \$46,666 in accrued interest outstanding. At December 31, 2017 the debenture had \$175,000 in principal outstanding and \$51,041 in accrued interest. During the quarter ended March 31, 2018, the Company retired the debenture by issuing 410,983,636 common shares to payoff \$175,000 of principal and \$51,041 of accrued interest.

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. At June 30, 2017 the Company had \$180,000 in principal and \$36,000 in accrued interest outstanding. At September 30, 2017, the debenture had \$180,000 in principal and \$40,500 in accrued interest outstanding. At December 31, 2017 the debenture had \$180,000 in principal outstanding and \$45,000 in accrued interest. During the quarter ended March 31, 2018, the Company retired the debenture by issuing 415,909,091 common shares to payoff \$180,000 of principal and \$48,750 of accrued interest.

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 \$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. At June 30, 2017, the Company had \$200,000 in principal and \$40,000 in accrued interest outstanding. At September 30, 2017, the debenture had \$200,000 in principal and \$45,000 in accrued interest outstanding. At December 31, 2017 the debenture had \$200,000 in principal outstanding and \$50,000 in accrued interest. During the quarter ended March 31, 2018, the Company retired the debenture by issuing 457,576,364 common shares to payoff \$200,000 of principal and \$51,667 of accrued interest.

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. At June 30, 2017, the Company had \$90,000 in principal and \$15,750 in accrued interest outstanding. At September 30, 2017, the debenture had \$90,000 in principal and \$18,000 in accrued interest outstanding. At December 31, 2017 the debenture had \$90,000 in principal outstanding and \$20,250 in accrued interest. During the quarter ended March 31, 2018, the Company retired the debenture by issuing 203,863,636 common shares to payoff \$90,000 of principal and \$22,125 of accrued interest.

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. At June 30, 2017, the Company had \$30,000 in principal and \$2,750 in accrued interest outstanding. At September 30, 2017, the debenture had \$30,000 in principal and \$3,500 in accrued interest outstanding. At December 31, 2017 the debenture had \$30,000 in principal outstanding and \$4,250 in accrued interest. During the quarter ended March 31, 2018 the Company paid off the debenture by issuing 62,272,727 common shares for \$30,000 of principal and \$4,250 of accrued interest.

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. At June 30, 2017, the Company had \$59,100 in principal and \$4,433 of accrued interest outstanding. At September 30, 2017, the debenture had \$59,100 in principal and \$5,911 of accrued interest outstanding. During the quarter ended March 31, 2018 the Company paid off the debenture by issuing 120,889,091 common shares for \$59,100 of principal and \$7,389 of accrued interest.

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. At June 30, 2017, the Company had \$36,000 in principal and \$2,400 of accrued interest. At September 30, 2017, the debenture had \$36,000 in principal and \$3,300 of accrued interest. At December 31, 2017 the debenture had \$36,000 in principal outstanding and \$4,200 in accrued interest. During the quarter ended March 31, 2018 the Company paid off the debenture by issuing 73,363,636 common shares for \$36,000 of principal and \$4,350 of accrued interest.

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, 2017 the Company retired \$110,000 of principal by issuing 220,000,000 common shares resulting in \$110,000 being outstanding at December 31, 2017. During the quarter ended March 31, 2018 the Company paid off the debenture by issuing 200,000,000 common shares.

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. At June 30, 2017, the Company had \$65,000 in principal and \$3,791 of accrued interest outstanding. At September 30, 2017, the debenture had \$65,000 in principal and \$5,416 of accrued interest outstanding. At December 31, 2017 the debenture had \$65,000 in principal outstanding and \$7,041 in accrued interest. During the quarter ended March 31, 2018 the Company paid off the debenture by issuing 131,476,364 common shares to retire \$65,000 of principal and 47,312 of accrued interest.

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. At June 30, 2017, the Company had \$50,000 in principal and \$2,500 of accrued interest outstanding. At September 30, 2017, the debenture had \$50,000 in principal and \$3,750 of accrued interest outstanding. At December 31, 2017 the debenture had \$50,000 in principal outstanding and \$5,000 in accrued interest. During the quarter ended March 31, 2018 the Company paid off the debenture by issuing 100,758,182 common shares to retire \$50,000 of principal and \$5,417 of accrued interest.

On January 31, 2017 the Company issued a debenture for \$30,000 for cash advances during January of 2017. 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 June 30, 2017, the Company had \$30,000 in principal and \$1,250 of accrued interest outstanding. At September 30, 2017, the debenture had \$30,000 in principal and \$2,000 of accrued interest outstanding. At December 31, 2017 the debenture had \$30,000 in principal outstanding and \$2,750 in accrued interest. During the quarter ended March 31, 2018 the Company paid off the debenture by issuing 60,000,000 common shares for \$30,000 of principal and \$3,000 accrued interest.

On February 15, 2017 the Company issued a debenture for \$280,000 for cash advances during February of 2017. 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 June 30, 2017, the Company had \$280,000 in principal and \$9,333 of accrued interest outstanding. At September 30, 2017, the debenture had \$280,000 in principal and \$16,333 of accrued interest outstanding. At December 31, 2017 the debenture had \$280,000 in principal outstanding and \$23,333 in accrued interest. During the quarter ended March 31, 2018 the Company retired the debenture by issuing 557,878,182 common shares for \$280,000 of principal and \$26,833 of accrued interest.

On March 31, 2016 the Company issued a debenture for \$122,398 for cash advances during March 2016. The debenture had been disclosed in prior statements as \$157,398 and was subsequently adjusted due to a disclosure error. 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. At June 30, 2017, the Company had \$157,398 in principal and \$19,675 accrued interest outstanding. At September 30, 2017, the debenture had \$157,398 in principal and \$23,610 accrued interest outstanding. At December 31, 2017 the debenture had \$157,398 in principal outstanding and \$27,545 in accrued interest. During the quarter ended March 31, 2018, the Debenture was adjusted to \$122,398 with accrued interest of \$14,464. On April 30, 2018, the Company issued 273,724,000 common shares to the Holder and paid off the balance of debenture comprised of \$122,398 of principal and accrued interest of \$14,464.

On February 28, 2017 the Company issued a debenture for \$30,000 for cash advances during February of 2017. 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 June 30, 2017, the Company had \$30,000 in principal and \$500 of accrued interest outstanding. At September 30, 2017, the debenture had \$30,000 in principal and \$1,750 of accrued interest outstanding. At March 31, 2018 the debenture had \$30,000 in principal outstanding and \$3,250 in accrued interest. On April 25, 2018 the Company issued 66,750,000 shares to pay off the debenture comprised of \$30,000 in principal and \$3,375 in accrued interest.

On March 31, 2017 the Company issued a debenture for \$70,000 for cash advances during March of 2017. 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 June 30, 2017, the Company had \$70,000 in principal and \$1,750 accrued interest outstanding. At September 30, 2017, the debenture had \$70,000 in principal and \$3,500 accrued interest outstanding. At March 31, 2018 the debenture had \$70,000 in principal outstanding and \$7,000 in accrued interest.

On April 25, 2018 the Company issued 154,600,000 shares to pay off the debenture comprised of \$122,398 in principal and \$14,464 in accrued interest. 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. At June 30, 2017, the Company had \$60,000 in principal and \$9,500 in accrued interest outstanding. At September 30, 2017 the debenture had \$60,000 of principal and \$11,000 accrued interest. At June 30, 2018 the debenture had \$60,000 in principal outstanding and \$15,468 in accrued interest. On July 2, 2018 the Company paid off the \$60,000 of principal and \$15,468 of accrued interest by issuing 150,936,986 common shares.

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. At June 30, 2017, the Company had \$115,000 in principal and \$17,250 in accrued interest outstanding. At September 30, 2017, the debenture had \$115,000 in principal and \$20,125 in accrued interest outstanding. At June 30, 2018 the debenture had \$115,000 in principal outstanding and \$28,671 in accrued interest. On July 2, 2018 the Company paid off the \$115,000 principal and \$28,671 of accrued interest by issuing 287,342,466 common shares.

On May 31, 2017 the Company issued a debenture for \$130,000 for cash advances during May of 2017. 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 June 30, 2017, the Company had \$130,000 in principal and \$1,083 accrued interest outstanding. At September 30, 2017, the debenture had \$130,000 in principal and \$2,166 accrued interest outstanding. At June 30, 2018 the debenture had \$130,000 in principal outstanding and \$13,784 in accrued interest. On June 8, 2018 the Company paid off the \$130,000 of principal and \$13,784 of accrued interest by issuing 287,567,123 common shares to the Holder.

On April 30, 2017 the Company issued a debenture for \$50,000 for cash advances during April of 2017. 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 June 30, 2017, the Company had \$50,000 in principal and \$833 accrued interest outstanding. At September 30, 2017, the debenture had \$50,000 in principal and \$1,666 accrued interest outstanding. At June 30, 2018 the debenture had \$50,000 in principal outstanding and \$5,726 in accrued interest. On June 8, 2018 the Company retired the \$50,000 of principal and \$5,726 in accrued interest by issuing 111,452,055 common shares to the Holder.

On June 30, 2017 the Company issued a debenture for \$100,000 for cash advances during June of 2017. 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. On September 26, 2018 the Company retired the \$100,000 of principal and \$12,500 in accrued interest by issuing 320,237,143 common shares to the Holder.

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. At June 30, 2017 the Company had \$85,000 in principal and \$17,000 in accrued interest outstanding. At September 30, 2017 the debenture had \$85,000 in principal and \$19,125 in accrued interest outstanding. On November 14, 2018 the Company issued 370,273,333 common shares to retire the Debenture consisting of \$85,000 of principal and \$26,082 of accrued interest.

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. During the quarter ended June 30, 2017, one of the debentures was paid in full by issuing 313,556,667 common shares resulting in one debenture remaining outstanding with \$83,000 of principal and \$13,833 of accrued interest outstanding. At September 30, 2017 the debenture had \$83,000 of principal and \$15,908 accrued interest. At December 31, 2018 the debenture had \$83,000 in principal outstanding and \$26,283 in accrued interest. On January 8, 2019 the Company issued 728,553,333 common shares to retire the Debenture consisting of \$83,000 of principal and \$26,283 of accrued interest.

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. At June 30, 2017, the Company had \$122,000 in principal and \$14,933 in accrued interest outstanding. At September 30, 2017, the debenture had \$122,000 in principal and \$19,316 in accrued interest outstanding. At December 31, 2018 the debenture

had \$122,000 in principal outstanding and \$34,566 in accrued interest. On March 4, 2019 the Company issued the last of 4 partial conversions totaling 1,427,680,000 common shares during the quarter ended March 31, 2019 that resulted in the payoff of the Debenture comprised of \$122,000 of principal and \$50,768 of accrued interest.

On June 30, 2016 the Company issued a debenture for \$12,000 for cash advances during June 2016. The debenture had not been previously been disclosed because it had been included with a different disclosure but has now been adjusted for the disclosure error. 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 September 30, 2018 the debenture had \$12,000 in principal outstanding and \$2,700 in accrued interest. On March 3, 2019 the Company issued 152,087,671 common shares and paid off the Debenture that consisted of \$12,000 of principal and \$3,209 of accrued interest.

On January 31, 2017 the Company issued a debenture for \$13,000 for cash advances during January of 2017. The debenture had not been previously disclosed as a result of a disclosure error. On March 3, 2019 the Company paid off the Debenture by issuing 157,104,110 common shares for retiring \$13,000 of principal and \$2,710 of accrued interest.

On June 30, 2017 the Company issued a debenture for \$35,000 for cash advances during June of 2017. 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 June 30, 2017, the Company had \$35,000 in principal and no accrued interest outstanding. At September 30, 2017, the debenture had \$35,000 in principal and \$875 accrued interest outstanding. On March 3, 2019 the Company paid off the Debenture by issuing 408,589,041 common shares to retire \$35,000 of principal and \$5,859 of accrued interest.

On July 30, 2017 the Company issued a debenture for \$100,000 for cash advances during July of 2017. 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 September 30, 2017, the debenture had \$100,000 in principal and \$1,667 accrued interest outstanding. At December 31, 2018 the debenture had \$100,000 in principal outstanding and \$14,167 in accrued interest. On January 8, 2019 the Company paid off the Debenture by issuing 762,557,078 common shares to retire \$100,000 of principal and \$14,384 of accrued interest.

On July 13, 2019 the Company issued 886,630,000 common shares before the reverse split to pay off a Debenture originally issued on May 31, 2018 in the amount of \$88,663 comprised of \$80,000 of principal and \$8,663 of accrued interest.

Outstanding Debentures

Date	Name	Control Person	Principal Outstanding	Accrued Interest Outstanding	Total Outstanding
09/30/14	Sunrise Communications LLC	Jillian S. Sanburg-Jacobs	61,177	22,939	84,116
06/30/15	Sunrise Communications LLC	Jillian S. Sanburg-Jacobs	226,966	96,539	323,505
06/30/15	Albert Golusin	Albert Golusin	120,000	51,041	171,041
01/31/16	Sunrise Communications LLC	Jillian S. Sanburg-Jacobs	90,000	13,879	103,879
03/31/16	Sunrise Communications LLC	Jillian S. Sanburg-Jacobs	75,000	26,250	101,250
04/30/16	10th Planet Partners LP	Morgan Sanburg-Jacobs	56,000	19,140	75,140
05/31/16	10th Planet Partners LP	Morgan Sanburg-Jacobs	107,500	35,829	143,329
06/30/16	Mammoth Corporation	Brad Hare	17,500	5,685	23,185
08/31/16	10th Planet Partners LP	Morgan Sanburg-Jacobs	48,000	14,788	62,788
09/30/16	10th Planet Partners LP	Morgan Sanburg-Jacobs	89,600	26,868	116,468
10/31/16	10th Planet Partners LP	Morgan Sanburg-Jacobs	36,000	10,489	46,489

11/30/16	10th Planet Partners LP	Morgan Sanburg-Jacobs	50,000	14,158	64,158
12/31/16	10th Planet Partners LP	Morgan Sanburg-Jacobs	50,000	13,733	63,733
01/31/17	10th Planet Partners LP	Morgan Sanburg-Jacobs	32,000	8,517	40,517
02/28/17	10th Planet Partners LP	Morgan Sanburg-Jacobs	25,000	6,462	31,462
02/28/17	Sunrise Communications LLC	jillian S. Sanburg-Jacobs	350,000	90,473	440,473
04/30/17	10th Planet Partners LP	Morgan Sanburg-Jacobs	90,000	21,760	111,760
05/31/17	10th Planet Partners LP	Morgan Sanburg-Jacobs	50,000	11,664	61,664
06/30/17	10th Planet Partners LP	Morgan Sanburg-Jacobs	215,000	48,390	263,390
07/31/17	10th Planet Partners LP	Morgan Sanburg-Jacobs	100,000	21,685	121,685
08/31/17	10th Planet Partners LP	Morgan Sanburg-Jacobs	285,000	59,303	344,303
09/30/17	10th Planet Partners LP	Morgan Sanburg-Jacobs	200,000	39,373	239,373
08/31/17	X Finance LP	Albert Golusin	310,000	64,505	374,505
09/30/17	X Finance LP	Albert Golusin	125,000	24,983	149,983
09/13/17	Mammoth Corporation	Brad Hare	1,875,500	0	1,875,500
10/30/17	Information Investments LLC	Albert Golusin	110,000	8,250	118,250
10/15/17	X Finance LP	Albert Golusin	127,333	10,735	138,068
11/15/17	X Finance LP	Albert Golusin	140,000	26,216	166,216
11/30/17	X Finance LP	Albert Golusin	80,000	14,652	94,652
12/15/17	X Finance LP	Albert Golusin	125,000	22,380	147,380
12/31/17	X Finance LP	Albert Golusin	250,000	43,664	293,664
10/20/17	10th Planet Partners LP	Morgan Sanburg-Jacobs	160,000	31,101	191,101
10/31/17	10th Planet Partners LP	Morgan Sanburg-Jacobs	165,000	31,576	196,576
11/15/17	10th Planet Partners LP	Morgan Sanburg-Jacobs	140,000	26,216	166,216
11/30/17	10th Planet Partners LP	Morgan Sanburg-Jacobs	80,000	14,652	94,652
12/15/17	10th Planet Partners LP	Morgan Sanburg-Jacobs	125,000	22,380	147,380
01/02/18	10th Planet Partners LP	Morgan Sanburg-Jacobs	250,000	43,664	293,664
01/12/18	X Finance LP	Albert Golusin	450,000	77,116	527,116
01/31/18	X Finance LP	Albert Golusin	175,000	29,079	204,079
02/15/18	X Finance LP	Albert Golusin	125,000	20,257	145,257
03/01/18	X Finance LP	Albert Golusin	100,000	15,822	115,822
03/15/18	X Finance LP	Albert Golusin	120,000	18,526	138,526
03/28/18	X Finance LP	Albert Golusin	120,000	18,099	138,099
01/16/18	10th Planet Partners LP	Morgan Sanburg-Jacobs	110,000	18,730	128,730
01/31/18	10th Planet Partners LP	Morgan Sanburg-Jacobs	175,000	29,079	204,079
02/16/18	10th Planet Partners LP	Morgan Sanburg-Jacobs	125,000	20,223	145,223
02/28/18	10th Planet Partners LP	Morgan Sanburg-Jacobs	150,000	23,774	173,774
03/15/18	10th Planet Partners LP	Morgan Sanburg-Jacobs	120,000	18,526	138,526
03/29/18	10th Planet Partners LP	Morgan Sanburg-Jacobs	120,000	18,066	138,066
04/30/18	10th Planet Partners LP	Morgan Sanburg-Jacobs	310,000	43,952	353,952
05/31/18	10th Planet Partners LP	Morgan Sanburg-Jacobs	170,000	22,659	192,659
06/30/18	10th Planet Partners LP	Morgan Sanburg-Jacobs	350,000	43,774	393,774
04/30/18	X Finance LP	Albert Golusin	150,000	21,267	171,267
06/30/18	X Finance LP	Albert Golusin	50,000	6,253	56,253
07/15/18	10th Planet Partners LP	Morgan Sanburg-Jacobs	150,000	18,144	168,144
10/12/18	X Finance LP	Albert Golusin	26,000	2,511	28,511

11/23/18	X Finance LP	Albert Golusin	35,000	2,977	37,977
12/31/18	X Finance LP	Albert Golusin	55,000	4,106	59,106
12/18/18	Sunrise Communications LLC	Jillian S. Sanburg-Jacobs	8,500	665	9,165
12/11/18	Sean Prophet	Sean Prophet	40,000	3,205	43,205
12/11/18	Scott Stoegbauer	Scott Stoegbauer	50,000	4,007	54,007
01/31/19	Sunrise Communications LLC	Jillian S. Sanburg-Jacobs	108,000	6,199	114,199
02/27/19	Libra AGI	Albert Golusin	69,300	4,073	73,373
01/15/19	10th Planet Partners LP	Morgan Sanburg-Jacobs	16,500	1,165	17,665
			<u>9,915,876</u>	<u>1,536,193</u>	<u>11,452,069</u>

NOTE 9: LOANS FROM SHAREHOLDERS

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

NOTE 10. 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 had 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.

On June 1, 2017 the Company amended its articles and designated 6,000,000 Preferred Series C class of shares that it sold. A total of 3 million shares were sold to both directors of the Company for \$36,000 and 3 million shares were sold to two non-affiliates for \$36,000. Each Preferred C share has 1,000 votes and can convert into 20 shares of common stock.

At March 31, 2018 the Company had authorized 30,000,000 preferred shares with 13,900,000 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.

On May 30, 2019 the Company amended its Class A Convertible Preferred Stock ("Class A Stock") Certificate of Designation, increasing the number of authorized shares of Class A Stock to 10,000,000 and granting each share 22,500 votes at any shareholder meeting where matters might be put to a vote of the Common Stock shareholders.

On May 31, 2019 the Company agreed to exchange all of its outstanding Class B & Class C Preferred Stock for Class A Stock to the persons listed below, and in the amounts listed.

	Class Exchanged	Shares Exchanged	Class A Shares Issued
David Gwyther	B	6,500,000	1,300,000
Albert Golusin	B	700,000	140,000
10th Planet Partners LP	B	700,000	140,000
David Gwyther	C	2,000,000	400,000
Libra Fund, LLC	C	1,000,000	200,000
Colleen Manley	C	1,000,000	200,000
Morgan Sanburg-Jacobs	C	2,000,000	400,000
Total		13,900,000	2,780,000

At September 30, 2019 the total outstanding Preferred Shares are 2,780,000 class A Preferred. The Company is authorized to issue a total of 30,000,000 preferred shares.

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.

On August 2, 2017 the Company increased its authorized common shares to 25,000,000,000.

On December 19, 2018 the Company increased its authorized common shares to 30,000,000,000.

On June 10, 2019 the Company increased its authorized common shares to 60,000,000,000.

On September 23, 2019, the Company announced that it had executed a reverse stock split with a ratio of 1 common share for 500 common shares. These financial statements have not adjusted the share amounts for the stock reverse. Subsequent financial statements will reflect the reverse stock split.

During the quarter ended June 30, 2017 the Company issued 577,916,667 common shares to two non-affiliate debenture holders to retire \$146,261 of principal and \$27,114 of accrued interest comprised of; (1) 300,000,000 common shares to a partnership for retiring \$73,761 of principal and \$16,239 of accrued interest and; (2) 277,916,667 common shares to an accredited individual investor for retiring \$72,500 of principal and \$10,875 of accrued interest. It also issued 63,337,471 common shares valued at \$108,000 to pay accrued compensation to two directors.

During the quarter ended September 30, 2017 the Company issued 2,617,360,000 common shares to retire \$698,392 pf principal and \$86,816 of accrued interest to three non-affiliate lenders comprised of; (1) 1,385,593,334 common shares to an accredited individual investor for retiring \$292,000 of principal and \$40,511 of accrued interest and; (2) 1,323,640,000 common shares to a partnership for retiring \$396,392 of principal and \$45,472 of accrued interest and; (3) 36,110,000 common shares to an accredited individual investor for retiring \$10,000 of principal and \$833 of accrued interest.

During the quarter ended December 31, 2017 the Company issued 1,952,597,879 common shares to three non-affiliate debenture holders to retire six debentures comprised of; (1) 810,917,879 common shares to an accredited individual investor for retiring \$308,000 of principal and \$42,849 of accrued interest and; (2) 921,680,000 common shares to a partnership for retiring \$424,423 of principal and \$82,501 of accrued interest and; (3) 220,000,000 common shares to an accredited individual investor for retiring \$110,000 of principal.

During the quarter ended March 31, 2018 the Company issued 32,052,521 common shares valued at \$74,000 to consultants for legal and consulting services, 35,882,673 common shares to a company officer valued at \$52,500 for services and 114,935,673 common shares valued at \$180,000 to directors for past services. It also issued 2,794,970,909 common shares to retire 12 debentures owned by 4 non-affiliates comprised of; (1) 200,000,000 common shares to a corporation for retiring \$110,000 of principal and; (2) 1,441,740,000 common shares to a partnership for retiring \$645,000 of principal and \$173,583 of accrued interest and; (3) 548,760,000 common shares to an accredited individual investor for retiring \$270,100 of principal and \$31,718 of accrued interest and; (4) 557,878,182 common shares to a partnership for retiring \$280,000 of principal and \$26,833 of accrued interest.

During the quarter ended June 30, 2018 the Company issued 495,074,000 common shares to retire three debentures to two non-affiliates comprised of; (1) 221,350,000 common shares to an accredited individual investor for retiring \$100,000 of principal and \$10,675 of accrued interest and; (2) 273,724,000 common shares to a partnership for retiring \$122,398 of principal and \$14,464 of accrued interest.

During the quarter ended September 30, 2018 the Company issued 837,298,630 common shares to retire four debentures to two non-affiliates comprised of; (1) 438,279,452 common shares to a partnership for retiring \$175,000 of principal and

\$44,139 of accrued interest and; (2) 399,019,178 common shares to an accredited individual investor for retiring \$180,000 of principal and \$19,510 of accrued interest.

During the quarter ended December 31, 2018 the Company issued 1,478,843,509 common shares. Two debentures held by two separate unaffiliated Holders were retired that collectively had \$185,000 of principal and \$39,708 of accrued interest by issuing 690,510,476 common shares to the Holders. Partial payments on three debentures held by three separate unaffiliated Holders were made by issuing 788,333,333 common shares to pay \$147,667 of principal and \$33,833 in accrued interest.

During the quarter ended March 31, 2019 the Company issued 4,036,571,233 common shares. Six debentures held by three separate unaffiliated Holders were retired that collectively had \$365,000 of principal and \$176,754 of accrued interest by issuing 3,636,571,233 common shares to the Holders. A partial payment on one debenture held by an unaffiliated Holder was made by issuing 400,000,000 common shares to pay \$40,000 of principal.

During the quarter ended June 30, 2019 the Company issued 1,291,000,000 common shares valued at \$129,100. The shares were issued for partial payments on two debentures held by two separate unaffiliated Holders.

During the quarter ended September 30, 2018 the Company issued 1,889,630,000 common shares. One debenture was retired that had \$80,000 of principal and \$8,663 of accrued interest by issuing 888,663,000 common shares to its Holder. A partial payment on a debenture held by a separate unaffiliated Holder was made by issuing 1,003,000,000 common shares to pay \$114,500 of principal. Also, during the quarter, the Company issued 48,553,534 common shares to an officer for past services valued at 35,000 and 413,047,363 common shares to directors for past services valued at \$216,000. All shares issued during the quarter were prior to the reverse stock split on September 23, 2019.

On September 23, 2019, the Company announced that it had executed a reverse stock split with a ratio of 1 common share for 500 common shares. Disclosures of common share issuance amounts after September 23, 2019 will be after the reverse stock split.

At September 30, 2019, the Company had 60,000,000,000 authorized common shares and 68,173,240 common shares issued and outstanding.

NOTE 11 – SUBSEQUENT EVENTS

Subsequent to September 30, 2019, the Company has issued 12,282,300 common shares primarily to converting debenture holders.