

Disclosure Statement Pursuant to the Pink Basic Disclosure Guidelines

Allied Energy Corporation

A Nevada Corporation

P.O. Box 117498

Carrollton, Texas 75011-7498

Phone: 858-876-0633

Website: www.alliedenergycorporation.com

Email: alliedenergycorp@outlook.com

SIC Code: 700

Quarter Report

For the Period Ending: June 30, 2021
(the “Reporting Period”)

As of June 30, 2021, the number of shares outstanding of our Common Stock was:

61,775,458

As of March 31, 2021, the number of shares outstanding of our Common Stock was:

61,775,458

As of December 31, 2020, the number of shares outstanding of our Common Stock was:

51,815,458

Indicate by check mark whether the company is a shell company (as defined in Rule 405 of the Securities Act of 1933 and Rule 12b-2 of the Exchange Act of 1934):

Yes: ☐

No: ☒

Indicate by check mark whether the company’s shell status has changed since the previous reporting period:

Yes: ☐

No: ☒

Indicate by check mark whether a Change in Control of the company has occurred over this reporting period:

Yes: ☐

No: ☒

**ITEM 1 NAME AND ADDRESS(ES) OF THE ISSUER AND ITS PREDECESSORS
(if any):**

In answering this item, provide the current name of the issuer any names used by predecessor entities, along with the dates of the name changes.

Name changes:

Allied Energy Corporation: January 2006 to present

Formerly: Sounds 24-7 Inc. until January 2006

Formerly: Midamerica Oil & Gas, Inc. until January 2004

Formerly: Virtual Games, Inc. until August 2002

Formerly: Imagin Net, Inc. until April 1999

Formerly: Healthy Choice Corp. (THE) until October 1998

Incorporated as Sterling Harvest Ltd.: May 1994 to February 1998

The state of incorporation or registration of the issuer and of each of its predecessors (if any) during the past five years; Please also include the issuer's current standing in its state of incorporation (e.g. active, default, inactive):

Incorporated May 5, 1994 in the State of Nevada - Active

During the past 5 years the Company has been incorporated in the State of Nevada

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

None

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

None

The address(es) of the issuer's principal executive office:

3620 N. Josey Lane, Suite 224, Carrollton, Texas 75007

The address(es) of the issuer's principal place of business:

Check box if principal executive office and principal place of business are the same address: ☒

Has the issuer or any of its predecessors been in bankruptcy, receivership, or any similar proceeding in the past five years?

Yes: ☐ No: ☒

If this issuer or any of its predecessors have been the subject of such proceedings, please provide additional details in the space below:

N/A

ITEM 2 SECURITY INFORMATION

As of June 30, 2021:

Trading symbol: **AGYP**

Exact title and class of securities outstanding – **Common Stock**

CUSIP: **019151208**

Par or stated value: **\$0.001**

Total shares authorized: **300,000,000 shares** as of **June 30, 2021**

Total shares outstanding: **61,755,458 shares** as of **June 30, 2021**

Number of shares in the Public Float: **47,815,458 shares** as of **June 30, 2021**

Additional Classes:

Trading symbol: **None**

Exact title and class of securities outstanding: **Series A Preferred Stock**

CUSIP: **019151 307**

Par or stated value: **\$0.001**

Total shares authorized: **10,000 shares** as of **June 30, 2021**

Total shares outstanding: **1 share** as of **June 30, 2021**

Transfer Agent:

Name: VStock Transfer LLC

Phone: 212-828-8436

Email: info@Vstocktransfer.com

Address: 18 Lafayette Place, Woodmere, NY 11598

Is the Transfer Agent registered under the Exchange Act? Yes: ☒ No: ☐

ITEM 3 ISSUANCE HISTORY

The goal of this section is to provide disclosure with respect to each event that resulted in any direct changes to the total shares outstanding of any class of the issuer's securities **in the past two completed fiscal years and any subsequent interim period**.

Disclosure under this item shall include, in chronological order, all offerings and issuances of securities, including debt convertible into equity securities, whether private or public, and all shares or any other securities or options to acquire such securities issued for services. Using the tabular format below, please describe these events.

A. Changes to the Number of Outstanding Shares

Check this box to indicate there were no changes to the number of outstanding shares within the past two completed fiscal years and any subsequent periods: ☐

Number of Shares outstanding as of <u>December 31, 2018</u>	<u>Opening Balance:</u> Common: <u>51,815,458</u> Preferred: Series A: <u>1</u>		*Right-click the rows below and select "Insert" to add rows as needed.						
Date of Transaction	Transaction type (e.g. new issuance, cancellation, shares returned to treasury)	Number of Shares Issued (or cancelled)	Class of Securities	Value of shares issued (\$/per share) at Issuance	Were the shares issued at a discount to market price at the time of issuance? (Yes/No)	Individual/ Entity Shares were issued to (entities must have individual with voting / investment control disclosed).	Reason for share issuance (e.g. for cash or debt conversion) OR Nature of Services Provided (if applicable)	Restricted or Unrestricted as of this filing?	Exemption or Registration Type?
01/25/2021	New Issuance	5,000,000	Common	0.001	Yes	Gemni Holdings, Inc. (Mehdi Quahtane)	Debt Conversion	Unrestricted	Section 3[a][9] and 4[a][1]
01/25/2021	New Issuance	4,960,000	Common	0.001	Yes	Wong Hang Nga	Debt Conversion	Unrestricted	Section 3[a][9] and 4[a][1]
Shares Outstanding on <u>June 30, 2021</u> :	<u>Ending Balance:</u> Common: 61,775,458 Preferred: Series A: <u>1</u>								

B. Debt Securities, Including Promissory and Convertible Notes

Use the chart and additional space below to list and describe all outstanding promissory notes, convertible notes, convertible debentures, or any other debt instruments that may be converted into a class of the issuer's equity securities.

Check this box if there are no outstanding promissory, convertible notes or debt arrangements: ☐

Date of Note Issuance	Outstanding Balance (\$)	Principal Amount at Issuance (\$)	Interest Accrued (\$)	Maturity Date	Conversion Terms (e.g. pricing mechanism for determining conversion of instrument to shares)	Name of Noteholder (entities must have individual with voting / investment control disclosed).	Reason for Issuance (e.g. Loan, Services, etc.)
12/31/2014	60,000	60,000	None	Due on demand	Convertible into common or preferred shares at the market rate.	George Monteith	Accrued salary converted to note
12/31/2014	85,000	85,000	None	Due on demand	Convertible into common shares at the market rate.	Unified Trades Ltd./David Lee	Loan
12/31/2014	154,200	179,300	None	Due on demand	Convertible into common shares at the market rate.	United Transfer Ltd./Clarence Vallafloor	Loan
12/31/2015	233,992	233,992	None	Due on demand	Convertible into common shares at the market rate.	Unified Transfer Ltd/Jennifer Mancuso	Loan
12/31/2015	49,970	49,970	None	Due on demand	Convertible into common shares at the market rate.	Union Transfer Limited/Jennifer Mancuso	Loan
11/30/2015	80,000	80,000	None	Due on demand	Convertible into common shares at the market rate.	Global Payment Services, Ltd./Kim Alberto	Loan
12/31/2015	46,000	46,000	None	Due on demand	Convertible into common or preferred shares at the market rate.	George Monteith	Accrued salary converted to note
2/28/2016	16,000	16,000	None	Due on demand	Convertible into common shares at the market rate.	Unity Comerico Sociedade/Abraham Lawrence	Loan

4/25/2016	7,257	7,257	None	Due on demand	Convertible into common shares at the market rate.	United Green House LLC/Ari Canelos	Loan
5/25/2016	29,056	29,056	None	Due on demand	Convertible into common shares at the market rate.	Jleeco LLC/ Tom Eckroat	Loan
6/30/2016	765	765	None	Due on demand	Convertible into common shares at the market rate.	George Monteith	Loan
7/31/2016	17,330	17,330	None	Due on demand	Convertible into common shares at the market rate.	Welltech Corp. Consulting/Jerry Castillo	Loan
9/30/2016	63,000	63,000	None	Due on demand	Convertible into common or preferred shares at the market rate.	George Monteith	Accrued salary converted to note
12/31/2016	13,330	13,330	None	Due on demand	Convertible into common shares at the market rate.	BSG, LTD./Vincent Lim	Loan
12/31/2016	61,780	61,780	None	Due on demand	Convertible into common shares at the market rate.	Unified Trades, Ltd./David Lee	Loan
12/31/2016	36,000	36,000	None	Due on demand	Convertible into common or preferred shares at the market rate.	George Monteith	Accrued salary converted to note
1/17/2017	1,310	1,310	None	Due on demand	Convertible into common shares at the market rate.	Unified Trades Ltd./David Lee	Loan
1/24/2017	5,330	5,330	None	Due on demand	Convertible into common shares at the market rate.	Unified Trades Ltd./David Lee	Loan
2/1/2017	2,700	2,700	None	Due on demand	Convertible into common shares at the market rate.	Unified Trades Ltd./David Lee	Loan

2/28/2017	4,000	4,000	None	Due on demand	Convertible into common shares at the market rate.	Unified Trades Ltd./David Lee	Loan
3/7/2017	3,400	3,400	None	Due on demand	Convertible into common shares at the market rate.	Unified Trades Ltd./David Lee	Loan
3/17/2017	1,300	1,300	None	Due on demand	Convertible into common shares at the market rate.	Unified Trades Ltd./David Lee	Loan
3/31/2017	36,000	36,000	None	Due on demand	Convertible into common or preferred shares at the market rate.	George Monteith	Accrued salary converted to note
4/4/2017	2,925	2,925	None	Due on demand	Convertible into common shares at the market rate.	Unified Trades Ltd./David Lee	Loan
4/19/2017	5,330	5,330	None	Due on demand	Convertible into common shares at the market rate.	Unified Trades Ltd./David Lee	Loan
5/8/2017	925	925	None	Due on demand	Convertible into common shares at the market rate.	Unified Trades Ltd./David Lee	Loan
5/24/2017	8,000	8,000	None	Due on demand	Convertible into common shares at the market rate.	Unified Trades Ltd./David Lee	Loan
5/30/2017	5,400	5,400	None	Due on demand	Convertible into common shares at the market rate.	Unified Trades Ltd./David Lee	Loan
5/30/2017	5,310	5,310	None	Due on demand	Convertible into common shares at the market rate.	Stock Value Indonesia/Vincent Lim	Loan
6/30/2017	28,000	28,000	None	Due on demand	Convertible into common or preferred shares at the market rate.	George Monteith	Accrued salary converted to note
7/7/2017	5,310	5,310	None	Due on demand	Convertible into common shares at the market rate.	Stock Value Indonesia/Vincent Lim	Loan
7/28/2017	3,280	3,280	None	Due on demand	Convertible into common shares at the market rate.	Stock Value Indonesia/Vincent Lim	Loan
8/10/2017	5,280	5,280	None	Due on demand	Convertible into common shares at the market rate.	Stock Value Indonesia/Vincent Lim	Loan
9/6/2017	5,310	5,310	None	Due on demand	Convertible into common shares at the market rate.	Stock Value Indonesia/Vincent Lim	Loan

9/30/2017	36,000	36,000	None	Due on demand	Convertible into common or preferred shares at the market rate.	George Monteith	Accrued salary converted to note
10/10/2017	2,550	2,550	None	Due on demand	Convertible into common shares at the market rate.	Stock Value Indonesia/Vincent Lim	Loan
10/20/2017	5,330	5,330	None	Due on demand	Convertible into common shares at the market rate.	Stock Value Indonesia/Vincent Lim	Loan
11/6/2017	6,629	6,629	None	Due on demand	Convertible into common shares at the market rate.	Legion Financial Consultant/David Morrow	Loan
12/21/2017	2,660	2,660	None	Due on demand	Convertible into common shares at the market rate.	Stock Value Indonesia/Vincent Lim	Loan
12/22/2017	6,310	6,310	None	Due on demand	Convertible into common shares at the market rate.	Legion Financial Consultant/David Morrow	Loan
12/31/2017	36,000	36,000	None	Due on demand	Convertible into common or preferred shares at the market rate.	George Monteith	Accrued salary converted to note
12/31/2017	30,000	30,000	None	Due on demand	Convertible into common or preferred shares at the market rate.	Gordon Johnson	Accrued salary converted to note
1/24/2018	3,000	3,000	None	Due on demand	Convertible into common shares at the market rate.	Stock Value Indonesia/Vincent Lim	Loan
2/2/2018	1,330	1,330	None	Due on demand	Convertible into common shares at the market rate.	Stock Value Indonesia/Vincent Lim	Loan
2/6/2018	2,419	7,419	None	Due on demand	Convertible into common shares at the market rate.	Legion Financial Consultant/David Morrow	Loan
2/20/2018	1,330	1,330	None	Due on demand	Convertible into common shares at the market rate.	Stock Value Indonesia/Vincent Lim	Loan
3/8/2018	1,330	1,330	None	Due on demand	Convertible into common shares at the market rate.	Stock Value Indonesia/Vincent Lim	Loan

3/31/2018	36,000	36,000	None	Due on demand	Convertible into common or preferred shares at the market rate.	George Monteith	Accrued salary converted to note
3/31/2018	45,000	45,000	None	Due on demand	Convertible into common or preferred shares at the market rate	Gordon Johnson	Accrued salary converted to note
4/3/2018	1,330	1,330	None	Due on demand	Convertible into common shares at the market rate.	Stock Value Indonesia/Vincent Lim	Loan
4/18/2018	0	2,480	None	Due on demand	Convertible into common shares at the market rate.	Legion Financial Consultant/David Morrow	Loan
5/10/2018	0	2,480	None	Due on demand	Convertible into common shares at the market rate.	Legion Financial Consultant/David Morrow	Loan
5/18/2018	1,330	1,330	None	Due on demand	Convertible into common shares at the market rate.	Stock Value Indonesia/Vincent Lim	Loan
6/7/2018	1,330	1,330	None	Due on demand	Convertible into common shares at the market rate.	Stock Value Indonesia/Vincent Lim	Loan
6/30/2018	36,000	36,000	None	Due on demand	Convertible into common or preferred shares at the market rate.	George Monteith	Accrued salary converted to note
6/30/2018	45,000	45,000	None	Due on demand	Convertible into common or preferred shares at the market rate.	Gordon Johnson	Accrued salary converted to note
7/13/2018	4,330	4,330	None	Due on demand	Convertible into common shares at the market rate.	Stock Value Indonesia/Vincent Lim	Loan
7/31/2018	1,330	1,330	None	Due on demand	Convertible into common shares at the market rate.	Stock Value Indonesia/Vincent Lim	Loan
8/23/2018	953	953	None	Due on demand	Convertible into common shares at the market rate.	Stock Value Indonesia/Vincent Lim	Loan
9/5/2018	1,330	1,330	None	Due on demand	Convertible into common shares at the market rate.	Stock Value Indonesia/Vincent Lim	Loan

9/27/2018	2,749	2,749	None	Due on demand	Convertible into common shares at the market rate.	Stock Value Indonesia/Vincent Lim	Loan
9/30/2018	36,000	36,000	None	Due on demand	Convertible into common or preferred shares at the market rate	George Monteith	Accrued salary converted to note
9/30/2018	45,000	45,000	None	Due on demand	Convertible into common or preferred shares at the market rate.	Gordon Johnson	Accrued salary converted to note
10/17/2018	1,330	1,330	None	Due on demand	Convertible into common shares at the market rate.	Stock Value Indonesia/Vincent Lim	Loan
11/13/2018	1,900	1,900	None	Due on demand	Convertible into common shares at the market rate.	Stock Value Indonesia/Vincent Lim	Loan
12/12/2018	2,450	2,450	None	Due on demand	Convertible into common shares at the market rate.	Stock Value Indonesia/Vincent Lim	Loan
12/31/2018	36,000	36,000	None	Due on demand	Convertible into common or preferred shares at the market rate.	George Monteith	Accrued salary converted to note
12/31/2018	45,000	45,000	None	Due on demand	Convertible into common or preferred shares at the market rate.	Gordon Johnson	Accrued salary converted to note
1/22/2019	3,000	3,000	None	Due on demand	Convertible into common shares at the market rate.	Stock Value Indonesia/Vincent Lim	Loan
2/6/2019	3,000	3,000	None	Due on demand	Convertible into common shares at the market rate.	Stock Value Indonesia/Vincent Lim	Loan
3/12/2019	3,758	3,758	None	Due on demand	Convertible into common shares at the market rate.	Stock Value Indonesia/Vincent Lim	Loan
3/31/2019	36,000	36,000	None	Due on demand	Convertible into common or preferred shares at the market rate.	George Monteith	Accrued salary converted to note
3/31/2019	45,000	45,000	None	Due on demand	Convertible into common or preferred shares at the market rate.	Gordon Johnson	Accrued salary converted to note

4/23/2019	4,450	4,450	None	Due on demand	Convertible into common shares at the market rate.	Unified Trades Ltd./David Lee	Loan
5/20/2019	1,858	1,858	None	Due on demand	Convertible into common shares at the market rate.	Stock Value Indonesia/Vincent Lim	Loan
5/31/2019	2,648	2,648	None	Due on demand	Convertible into common shares at the market rate.	Stock Value Indonesia/Vincent Lim	Loan
6/30/2019	36,000	36,000	None	Due on demand	Convertible into common or preferred shares at the market rate.	George Monteith	Accrued salary converted to note
6/30/2019	45,000	45,000	None	Due on demand	Convertible into common or preferred shares at the market rate.	Gordon Johnson	Accrued salary converted to note
7/8/2019	1,880	1,880	None	Due on demand	Convertible into common shares at the market rate.	Stock Value Indonesia/Vincent Lim	Loan
7/24/2019	3,000	3,000	None	Due on demand	Convertible into common shares at the market rate.	Stock Value Indonesia/Vincent Lim	Loan
8/7/2019	4,080	4,080	None	Due on demand	Convertible into common shares at the market rate.	Stock Value Indonesia/Vincent Lim	Loan
9/12/2019	1,880	1,880	None	Due on demand	Convertible into common shares at the market rate.	Stock Value Indonesia/Vincent Lim	Loan
9/30/2019	36,000	36,000	None	Due on demand	Convertible into common or preferred shares at the market rate.	George Monteith	Accrued salary converted to note
9/30/2019	45,000	45,000	None	Due on demand	Convertible into common or preferred shares at the market rate.	Gordon Johnson	Accrued salary converted to note
12/31/2019	36,000	36,000	None	Due on demand	Convertible into common or preferred shares at the market rate.	George Monteith	Accrued salary converted to note
12/31/2019	45,000	45,000	None	Due on demand	Convertible into common or preferred shares at the market rate.	Gordon Johnson	Accrued salary converted to note

10/21/2019	1,880	1,880	None	Due on demand	Convertible into common shares at the market rate.	Stock Value Indonesia/Vincent Lim	Loan
11/15/2019	2,178	2,178	None	Due on demand	Convertible into common shares at the market rate.	Stock Value Indonesia/Vincent Lim	Loan
12/10/2019	1,880	1,880	None	Due on demand	Convertible into common shares at the market rate.	Stock Value Indonesia/Vincent Lim	Loan
12/20/2019	1,880	1,880	None	Due on demand	Convertible into common shares at the market rate.	Stock Value Indonesia/Vincent Lim	Loan
1/21/2020	1,880	1,880	None	Due on demand	Convertible into common shares at the market rate.	Stock Value Indonesia/Vincent Lim	Loan
2/4/2020	3,500	3,500	None	Due on demand	Convertible into common shares at the market rate.	Stock Value Indonesia/Vincent Lim	Loan
2/19/2020	1,880	1,880	None	Due on demand	Convertible into common shares at the market rate.	Stock Value Indonesia/Vincent Lim	Loan
3/9/2020	1,880	1,880	None	Due on demand	Convertible into common shares at the market rate.	Stock Value Indonesia/Vincent Lim	Loan
3/31/2020	36,000	36,000	None	Due on demand	Convertible into common or preferred shares at the market rate.	George Monteith	Accrued salary converted to note
3/31/2020	45,000	45,000	None	Due on demand	Convertible into common or preferred shares at the market rate.	Gordon Johnson	Accrued salary converted to note
4/23/2020	1,880	1,880	None	Due on demand	Convertible into common shares at the market rate.	Stock Value Indonesia/Vincent Lim	Loan
5/26/2020	1,880	1,880	None	Due on demand	Convertible into common shares at the market rate.	Stock Value Indonesia/Vincent Lim	Loan
6/18/2020	1,880	1,880	None	Due on demand	Convertible into common shares at the market rate.	Stock Value Indonesia/Vincent Lim	Loan
6/30/2020	36,000	36,000	None	Due on demand	Convertible into common or preferred shares at the market rate.	George Monteith	Accrued salary converted to note

6/30/2020	45,000	45,000	None	Due on demand	Convertible into common or preferred shares at the market rate.	Gordon Johnson	Accrued salary converted to note
9/30/2020	0	36,000	None	Due on demand	Convertible into common or preferred shares at the market rate. (Director cancelled debt due to Pandemic)	George Monteith	Accrued salary converted to note
9/30/2020	0	45,000	None	Due on demand	Convertible into common or preferred shares at the market rate. (Director cancelled debt due to Pandemic)	Gordon Johnson	Accrued salary converted to note
7/13/2020	1,880	1,880	None	Due on demand	Convertible into common shares at the market rate.	Stock Value Indonesia/Vincent Lim	Loan
8/6/2020	3,000	3,000	None	Due on demand	Convertible into common shares at the market rate.	Stock Value Indonesia/Vincent Lim	Loan
9/10/2020	3,000	3,000	None	Due on demand	Convertible into common shares at the market rate.	Stock Value Indonesia/Vincent Lim	Loan
10/08/2020	1,260	1,260	None	Due on demand	Convertible into common shares at the market rate.	Stock Value Indonesia/Vincent Lim	Loan
10/16/2020	3,140	3,140	None	Due on demand	Convertible into common shares at the market rate.	Stock Value Indonesia/Vincent Lim	Loan
12/14/2020	2,510	2,510	None	Due on demand	Convertible into common shares at the market rate.	Stock Value Indonesia/Vincent Lim	Loan
2/2/2021	4,980	4,980	None	Due on demand	Convertible into common shares at the market rate.	Stock Value Indonesia/Vincent Lim	Loan
2/16/2021	24,980	24,980	None	Due on demand	Convertible into common shares at the market rate.	Stock Value Indonesia/Vincent Lim	Loan
3/2/2021	99,980	99,980	None	Due on demand	Convertible into common shares at the market rate.	Stock Value Indonesia/Vincent Lim	Loan
3/17/2021	181,480	181,480	None	Due on demand	Convertible into common shares at the market rate.	Stock Value Indonesia/Vincent Lim	Loan
3/31/2021	45,000	45,000	None	Due on demand	Convertible into common or preferred shares at the market rate	George Monteith	Accrued salary

							converted to note
6/7/2021	24,980	24,980	None	Due on demand	Convertible into common shares at the market rate.	Robert Isles	Loan
6/16/2021	150,175	150,175	None	Due on demand	Convertible into common shares at the market rate.	Wong Hang	Loan
6/23/2021	117,175	117,175	None	Due on demand	Convertible into common shares at the market rate.	Wong Hang	Loan
6/30/2021	21,000	21,000	None	Due on demand	Convertible into common or preferred shares at the market rate	George Monteith	Accrued salary converted to note

ITEM 4 FINANCIAL STATEMENTS

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

- ☒ U.S. GAAP
☐ IFRS

B. The financial statements for this reporting period were prepared by (name of individual):

Name: George Monteith
Title: Chief Financial Officer
Relationship to Issuer: Chief Financial Officer

***PLEASE SEE ATTACHED FINANCIAL STATEMENTS AND NOTES TO
FINANCIAL STATEMENTS AFTER ITEM 10***

ITEM 5 ISSUER'S BUSINESS, PRODUCTS AND SERVICES

A. Summarize the issuer's business operations:

Allied Energy Corporation (the "Company") was originally incorporated in the State of Nevada on May 5, 1994 as Sterling Harvest, Ltd. In January 2006, the Company changed its name to Allied Energy Corporation its current name. The Company is currently engaged in exploration and development of oil and gas properties in the state of Texas and the world wide marketing and sales of Proprietary Brands of Organic fertilizers used by commercial producers of fruits, vegetables, nuts and grains.

B. Describe any subsidiaries, parents, or affiliated companies, if applicable, and a description of their business contact information for the business, officers, directors, managers or control persons. Subsidiary information may be included by reference: None.

C. Describe the issuers' principal products or services, and their markets:

The Company is currently engaged in exploration and development of oil and gas properties in the state of Texas.

GREEN LEASE

July 16th, 2021

Mr. George Monteith
Allied Energy Corporation
P.O. Box 117498
Carrollton, TX 75011
georgeamonteith@gmail.com

RE: Summary of Estimated Reserves & Net Present Value, Effective July 1st, 2021 for the Allied Energy Corporation's **Green Lease** located in North Texas.

Mr. Monteith,

Submitted for your review please find an engineering and economic evaluation of oil and gas reserves for those certain properties operated by Allied Energy Corporation (**Green Lease**). The reserves shown in this report are estimates only and should not be construed as exact quantities. The estimated reserves shown herein represent net reserves attributable to the leasehold and royalty interests in the referenced certain properties as represented on July 1st, 2021.

The reserves may or may not be recovered; if they are recovered, the revenues therefrom and the costs related thereto could be more or less than the estimated amounts. Because of uncertainties of supply and demand, the sales rates, prices received for the reserves, and costs incurred in recovering such, reserves may vary from assumptions made while preparing this report. Also, estimates of reserves may increase or decrease as a result of future operations.

The revenues and present worth of future net revenues are not represented to be market value either for individual properties or on a total property basis. The estimation of fair market value for oil and gas properties requires additional analysis other than evaluating undiscounted and discounted future net revenues.

Respectfully submitted,


Mark D. McBryde
Petroleum Engineer

EXECUTIVE SUMMARY

The reserves determinations of such GREEN LEASE located in Baylor County, Texas U.S.A. account for the total net proved, probable and possible natural oil and gas hydrocarbon reserves as of July 1st, 2021. Based upon independent study of the property, the representations herein conform to the most conservative calculations and parameters using U.S. SEC requirements and regulations and definitions as of that date.

The data, technical processes and interpretations, lend that the overall procedures and methodologies utilized in preparing the estimates of the proved, probable and possible reserves, future production and discounted future net income as of July 1st, 2021 comply with current U.S. Soil and gas reserve estimation guidelines. Table I summarizes the NET reserves and future cumulative cash flow, both undiscounted and discounted (at 10%) prior to the effects of Federal Income Taxes:

TABLE I
Report Summary

Category	Net Reserves		Future Net Revenues	
	Oil	Gas	Present Worth	Present Worth
	(MBbls)	(MMCF)	Undiscounted	@ 10%
Proved Developed Producing				
Proved Developed Non-Producing	32.3	0	\$918,400	\$511,900
Proved Undeveloped	106.5	0	\$2,026,500	\$349,500
Total Proved	138.8	0	\$2,944,900	\$861,400
Probable	229.4	0	\$5,781,300	\$1,566,600
Possible	448.0	0	\$12,755,300	\$3,852,200

RESERVE ESTIMATES

Proved oil and gas reserves are those quantities of oil and gas which, by analysis of geoscience and engineering data, can be estimated with reasonable certainty to be economically producible from a given date forward. The proved reserves were estimated using deterministic methods. If deterministic methods are used, the U.S. SEC has defined reasonable certainty for proved reserves as a “high degree of confidence that the quantities will be recovered.”

The U.S. SEC states that “probable reserves are those additional reserves that are less certain to be recovered than proved reserves but which, together with proved reserves, are likely as not to be recovered.”

The U.S. SEC states that “possible reserves are those additional reserves that are less certain to be recovered than probable reserves and the total quantities ultimately recovered from a project have a low probability of exceeding proved plus probable plus possible reserves.” All quantities of reserves within the same reserve category must meet the U.S. SEC definitions as noted above.

Reserves and schedules of production included in this report are only estimates. The amount of available data, reservoir and geological complexity, reservoir drive mechanism, and mechanical aspects can have a material effect on the accuracy of these reserve estimates.

PRODUCT PRICES

The estimated reserves and future net income amounts presented are related to hydrocarbon prices. The reserve and income projections, as of July 1st, 2021, used the end of the day, 12 month trailing average price for oil (TTM \$46.26 oil) and costs associated with extraction of oil and gas known as of July 1st, 2021 for its calculations under US SEC requirements of economically recoverable oil and gas from the properties. The stated oil prices and discounts as well as, Lease Operating Expenses, etc. were held constant throughout the projected life of the properties. Lease and well operating costs used in this report are based on operating expense historical records.

ABANDONMENT COSTS

Cost estimates for future plugging and abandonment procedures associated with the subject properties have NOT been included in the provided economics. Expected, is for salvage value to equal required costs for plugging and abandonment.

ANNIE GILMER ET AL LEASE

July 29th, 2021

Mr. George Monteith Allied
Energy Corporation
P.O. Box 117498 Carrollton, TX 75011
georgeamonteith@gmail.com

RE: Summary of Estimated Reserves & Net Present Value, Effective July 1st, 2021
for the Allied Energy Corporation’s **Annie Gilmer Et Al Lease** located in North Texas.

Mr. Monteith,

Submitted for your review please find an engineering and economic evaluation of oil and gas reserves for those certain properties operated by Allied Energy Corporation (**Annie Gilmer Et Al Lease**). The reserves shown in this report are estimates only and should not be construed as exact quantities. The estimated reserves shown herein represent net reserves attributable to the leasehold and royalty interests in the referenced certain properties as represented on July 1st, 2021.

The reserves may or may not be recovered; if they are recovered, the revenues therefrom and the costs

related thereto could be more or less than the estimated amounts. Because of uncertainties of supply and demand, the sales rates, prices received for the reserves, and costs incurred in recovering such, reserves may vary from assumptions made while preparing this report. Also, estimates of reserves may increase or decrease as a result of future operations.

The revenues and present worth of future net revenues are not represented to be market value either for individual properties or on a total property basis. The estimation of fair market value for oil and gas properties requires additional analysis other than evaluating undiscounted and discounted future net revenues.

Respectfully submitted,

Mark D. McBryde
Mark D. McBryde Petroleum
Engineer

EXECUTIVE SUMMARY

The reserves determinations of such Annie Gilmer Et Al LEASE located in Stephens County, Texas U.S.A. account for the total net proved, probable and possible natural oil and gas hydrocarbon reserves as of July 1st, 2021. Based upon independent study of the property, the representations herein conform to the most conservative calculations and parameters using U.S. SEC requirements and regulations and definitions as of that date.

The data, technical processes and interpretations, lend that the overall procedures and methodologies utilized in preparing the estimates of the proved, probable and possible reserves, future production and discounted future net income as of July 1st, 2021 comply with current U.S oil and gas reserve estimation guidelines. Table I summarizes the NET reserves and future cumulative cash flow, both undiscounted and discounted (at 10%) prior to the effects of Federal Income Taxes:

TABLE I
Annie Gilmer Et Al Lease Report Summary

	Net Reserves			Future Net Revenues		
	Oil	Gas		Present Worth	Present Worth	
Category	(MBbls)	(MMCF)		Undiscounted	@ 10%	
Proved Developed Producing						
Proved Developed Non-Producing	47.7	224.2		\$1,885,800	\$940,400	
Proved Undeveloped	142.8	339.1		\$4,819,100	\$1,642,400	
Total Proved	190.5	563.3		\$6,704,900	\$2,582,800	
Probable	80.4	192.2		\$1,902,200	\$349,500	
Possible	135.5	224.1		\$3,587,700	\$876,500	

RESERVE ESTIMATES

Proved oil and gas reserves are those quantities of oil and gas which, by analysis of geoscience and engineering data, can be estimated with reasonable certainty to be economically producible from a given date forward. The proved reserves were estimated using deterministic methods. If deterministic methods are used, the U.S. SEC has defined reasonable certainty for proved reserves as a “high degree of confidence that the quantities will be recovered.” The U.S. SEC states that “probable reserves are those additional reserves that are less certain to be recovered than proved reserves but which, together with proved reserves, are likely as not to be recovered.”

The U.S. SEC states that “possible reserves are those additional reserves that are less certain to be recovered than probable reserves and the total quantities ultimately recovered from a project have a low probability of exceeding proved plus probable plus possible reserves.” All quantities of reserves within the same reserve category must meet the U.S. SEC definitions as noted above.

Reserves and schedules of production included in this report are only estimates. The amount of available data, reservoir and geological complexity, reservoir drive mechanism, and mechanical aspects can have a material effect on the accuracy of these reserve estimates.

PRODUCT PRICES

The estimated reserves and future net income amounts presented are related to hydrocarbon prices. The reserve and income projections, as of July 1st, 2021, used the first day of each month, 12 month trailing average price for oil and gas (TTM \$46.26 BO, \$2.43 MMbtu) and costs associated with extraction of oil and gas known as of July 1st, 2021 for its calculations under US SEC requirements of economically recoverable oil and gas from the properties. The stated oil prices and discounts as well as, Lease Operating Expenses, etc. were held constant throughout the projected life of the properties. Lease and well operating costs used in this report are based on operating expense historical records.

ABANDONMENT COSTS

Cost estimates for future plugging and abandonment procedures associated with the subject properties have NOT been included in the provided economics. Expected, is for salvage value to equal required costs for plugging and abandonment.

Joint Development Agreement

On May 5, 2013, Allied Energy Corporation entered into a Joint Development Agreement and a World Wide Licensing Agreement with Natural Mining International, Inc., for the development, sale and distribution of organic fertilizers, currently marketed under the name BBWG, Building a Better World Green and Organic Green Products. These fertilizer products are used in commercial agriculture for the production of organic fruits, vegetables, nuts and grains. Current high growth markets for the sale of these products include the United States, Canada, Mexico, Brazil and China. The Licensing Agreement is valued at \$1,000,000 USD with a life expectancy of 10 years.

ITEM 6 DESCRIBE THE ISSUER'S FACILITIES

The Company has no facilities to list.

ITEM 7 OFFICERS, DIRECTORS AND CONTROL PERSONS

A. Names of Officers, Directors, and Control Persons.

Full Name: George Monteith

Title: President, Chief Executive Officer, Chief Financial Officer and member of the Board of Directors

Business Address: P.O. Box 117498, Carrollton, Texas 75011-7498

Compensation: Annual salary \$180,000

Ownership: 5,800,000 shares of common stock

Biography – Mr. Monteith has over 30 years' experience in executive authority and management responsibilities with resource based companies. Having provided geological services to the resource industry for the past 37 years Mr. Monteith has worked on mining and oil and gas projects around the globe, including Canada, United States, Africa, South America and Asia. Mr. Monteith attended Haileybury School of Mines from 1972 to 1973, Brock University in 1976, York University including courses in Economics and Management from 1975 to 1977 and the University of Toronto including courses in Economic Geology at Master Level from 1977 to 1978. Mr. Monteith served as a staff Geologist for the Geological Survey of Canada from 1976 to 1977. From 1978 to 1981 he served as President and Director of Coronation Gold, Inc., an OTC Toronto based company involved in gold exploration in the High Arctic as well as oil and gas exploration in Texas and Oklahoma. Mr. Monteith served as a director of Lava Cap Resources Limited, a TSE listed issuer from 1979 to 1983. Mr. Monteith served as President and Chief Executive Officer of American DME Inc. in Rockwell, Texas from 1995 to 2005. Mr. Monteith currently serves as a member of the Board of Directors and Chief Executive Officer of Canagco Mining Corp., a Toronto based Silver Exploration and Development Company working in the Cobalt Mining Camp of North Eastern Ontario. As announced May 8, 2014, Canagco Mining Corp. is in process of completing a share exchange arrangement with TSX listed Kerr Mines.

In addition, Mr. Monteith has worked as a consultant to the resource industry for many clients including Willingdon Resources – Toronto, John Pol Explorations – Toronto, Watts Mining and Consulting – Toronto, Caviar Minerals – Toronto, Blackstone Minerals – Toronto and Lenora Explorations – Timmins Ontario.

Using the tabular format below, please provide information, as of the period end date of this report, regarding any person or entity owning 5% or more of any class of the issuer's securities, as well as any officer, and any director of the company, or any person that performs a similar function, regardless of the number of shares they own. **If any insiders listed are corporate shareholders or entities, provide the name and address of the person(s) beneficially owning or controlling such corporate shareholders, or the name and contact information (City, State) of an individual representing the corporation or entity in the note section.**

Name of Officer/Director and Control Person	Affiliation with Company (e.g. Officer/Director/Owner of more than 5%)	Residential Address (City / State Only)	Number of shares owned	Share type/class	Ownership Percentage of Class Outstanding (1) (2)	Note
George Monteith	President, Chief Executive Officer, Chief Financial Officer and member of the Board of Directors /More than 5% holder	Carrollton, Texas	5,800,000	Common	9.4%	N/A
George Monteith	President, Chief Executive Officer, Chief Financial Officer and member of the Board of Directors /More than 5% holder	Carrollton, Texas	1	Series A Preferred	100%	N/A
Morgan Scudi	Owner of more than 5%	San Diego, CA	3,200,000	Common	5.2%	N/A

(1) The above percentage is based on 61,775,458 shares of Common Stock outstanding as of June 30, 2021.

(2) The above percentage is based on 1 share of Series A Preferred Stock outstanding as of June 30, 2021.

ITEM 8 LEGAL/DISCIPLINARY HISTORY

A. Please identify whether any of the persons listed above have, in the past 10 years, been the subject of:

1. A conviction in a criminal proceeding or named as a defendant in a pending criminal proceeding (excluding traffic violations and other minor offenses);

None.

2. The entry of an order, judgment, or decree, not subsequently reversed, suspended or vacated, by a court of competent jurisdiction that permanently or temporarily enjoined, barred, suspended or otherwise limited such person's involvement in any type of business, securities, commodities, or banking activities;

None.

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

None.

4. The entry of an order by a self-regulatory organization that permanently or temporarily barred, suspended, or otherwise limited such person's involvement in any type of business or securities activities.

None.

- B. Describe briefly any material pending legal proceedings, other than ordinary routine litigation incidental to the business, to which the issuer or any of its subsidiaries is a party or of which any of their property is the subject. Include the name of the court or agency in which the proceedings are pending, the date instituted, the principal parties thereto, a description of the factual basis alleged to underlie the proceeding and the relief sought. Include similar information as to any such proceedings known to be contemplated by governmental authorities.

None.

ITEM 9 THIRD PARTY PROVIDERS

Please provide the name, address, telephone number and email address of each of the following outside providers:

Securities Counsel

Name: Morgan Scudi
Firm: Scudi & Ayers, LLC
Address 1: 5440 Morehouse Dr., Suite 4400
Address 2: San Diego, CA 92121
Phone: 858-558-1001
Email: mscudi@scudilaw.com

Accountant or Auditor

None.

Investor Relations Consultant

None.

Other Service Providers

Provide the name of any other service provider(s), including, counsel, advisor(s) or consultant(s) **that assisted, advised, prepared or provided information with respect to this disclosure statement**, or provided assistance or services to the issuer during the reporting period.

Name: Trisha Bollman
Nature of Services: Consulting
Address 1: 2907 Shelter Island Drive, Suite 105-339
Address 2: San Diego, CA 92106
Phone: (858) 220-0515
Email: trishabollman222@gmail.com

ITEM 10 ISSUER CERTIFICATION

I, George Monteith, certify that:

1. I have reviewed this Quarterly Report of Allied Energy Corporation;
2. Based on my knowledge, this disclosure statement does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this disclosure statement; and
3. Based on my knowledge, the financial statements, and other financial information included or incorporated by reference in this disclosure statement, fairly present in all material respects the financial condition, results of operations and cash flows of the issuer as of, and for, the periods presented in this disclosure statement.

Date: August 10, 2021

/s/ George Monteith

George Monteith

Chief Executive Officer and Chief Financial Officer

Balance Sheets as of June 30, 2021 and December 31, 2020 (Unaudited)	F-2
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ALLIED ENERGY CORPORATION
BALANCE SHEET

	June 30, 2021	December 31, 2020
ASSETS		
Current Assets:		
Cash and cash equivalents	\$ 270,980	\$ 4,329
Advance for Oil and gas	72,616	—
Total Current Assets	<u>343,596</u>	<u>4,329</u>
Long-Term Assets:		
Intangible asset - Licensing Agreement	1,000,000	1,000,000
Amortization (Note 7)	<u>(816,027)</u>	<u>(766,027)</u>
Intangible asset - net	183,973	233,973
Oil and gas property	224,563	—
Total Long-Term Assets	<u>408,536</u>	<u>233,973</u>
Total Assets	<u>\$ 752,132</u>	<u>\$ 238,302</u>
LIABILITIES AND STOCKHOLDERS' DEFICIT		
LIABILITIES		
Current Liabilities:		
Convertible notes payable - related party	\$ 1,247,000	\$ 1,181,000
Convertible notes payable - third party	1,537,763	943,973
Accounts payable	2,500	—
Due to related party	—	1,500
Credit cards	516	403
Total Current Liabilities	<u>2,787,779</u>	<u>2,126,876</u>
Total Liabilities	<u>\$ 2,787,779</u>	<u>\$ 2,126,876</u>
STOCKHOLDERS' DEFICIT		
Common stock, \$0.001 par value, 300,000,000 shares authorized		
61,755,458 shares issued and outstanding		
as of June 30, 2021 and December 31, 2020, respectively	\$ 61,775	\$ 51,815
Preferred stock, \$0.001 par value, 4,990,000 shares authorized,		
0 shares issued and outstanding		
as of June 30, 2021 and December 31, 2020, respectively	—	—
Series A preferred stock, \$0.001 par value, 10,000 authorized		
shares, 1 and 1 shares issued and outstanding		
as of June 30, 2021 and December 31, 2020, respectively	1	1
Additional paid-in capital	1,925,178	1,906,750
Accumulated deficit	<u>(4,022,601)</u>	<u>(3,847,140)</u>
Total Stockholders' Deficit	<u>(2,035,647)</u>	<u>(1,888,574)</u>
TOTAL LIABILITIES AND STOCKHOLDERS' DEFICIT	<u>\$ 752,132</u>	<u>\$ 238,302</u>

The accompanying notes are an integral part of these financial statements.

ALLIED ENERGY CORPORATION
STATEMENTS OF OPERATIONS
(Unaudited)

	For the three months ended June 30, 2021	For the three months ended June 30, 2020	For the six months ended June 30, 2021	For the six months ended June 30, 2020
Revenues	\$ —	\$ —	—	\$ —
Costs of services	—	—	—	—
Gross margin	—	—	—	—
Operating Expenses:				
Amortization expense	25,000	25,000	50,000	50,000
Bank charges	78	155	172	291
Consulting fee	4,550	2,200	6,750	4,400
Salaries and wages	45,000	81,000	90,000	162,000
Stock-based compensation	832	1,248	1,928	2,481
Professional fees	2,800	135	6,685	385
Meals and entertainment expense	—	467	476	2,281
Office supplies expense	373	138	501	203
OTC market expense	—	—	3,500	3,500
Telephone expenses	43	353	43	803
Share transfer agent fees	2,196	1,098	3,294	2,745
Rent expense	1,514	—	1,514	—
Insurance expense	240	—	240	—
Travelling expense	2,008	728	2,990	1,221
General and administrative	1,279	846	7,368	976
Total Operating Expenses	85,913	113,368	175,461	231,286
Operating Loss	(85,913)	(113,368)	(175,461)	(231,286)
Other Income/Expense:				
Other income	—	—	—	—
Total Other Income/Expense	—	—	—	—
Net Loss Before Taxes	(85,913)	(113,368)	(175,461)	(231,286)
Income tax	—	—	—	—
Net Loss	<u>\$ (85,913)</u>	<u>\$ (113,368)</u>	<u>(175,461)</u>	<u>\$ (231,286)</u>
Gain (Loss) per share, Basic & Diluted	<u>\$ (0.00)</u>	<u>\$ (0.00)</u>	<u>(0.00)</u>	<u>\$ (0.00)</u>
Weighted average shares outstanding	<u>61,775,458</u>	<u>51,815,458</u>	<u>60,399,767</u>	<u>51,815,458</u>

The accompanying notes are an integral part of these financial statements.

ALLIED ENERGY CORPORATION
STATEMENTS OF STOCKHOLDERS' DEFICIT
For the three and six months ended June 30, 2020 (Unaudited)

	Preferred Stock		Common Stock		Additional	Accumulated	Total
	Series A				Paid in	Deficit	
	Shares	Amount	Shares	Amount	Capital		
Balance at March 31, 2020	1	\$ 1	51,815,458	\$ 51,815	\$ 1,821,982	\$ (3,583,429)	\$(1,709,631)
Forgiveness of related party debt	—	—	—	—	—	—	—
Stock options issued for stock-based compensation	—	—	—	—	1,248	—	1,248
Net loss for the three months ended June 30, 2020	—	—	—	—	—	(113,368)	(113,368)
Balance at June 30, 2020	1	\$ 1	51,815,458	\$ 51,815	\$ 1,823,230	\$ (3,696,797)	\$(1,821,751)

	Preferred Stock		Common Stock		Additional	Accumulated	Total
	Series A				Paid in	Deficit	
	Shares	Amount	Shares	Amount	Capital		
Balance at December 31, 2019	1	\$ 1	51,815,458	\$ 51,815	\$ 1,817,249	\$ (3,465,511)	\$(1,596,446)
Forgiveness of related party debt	—	—	—	—	3,500	—	3,500
Stock options issued for stock-based compensation	—	—	—	—	2,481	—	2,481
Net loss for the six months ended June 30, 2020	—	—	—	—	—	(231,286)	(231,286)
Balance at June 30, 2020	1	\$ 1	51,815,458	\$ 51,815	\$ 1,823,230	\$ (3,696,797)	\$(1,821,751)

ALLIED ENERGY CORPORATION
STATEMENTS OF STOCKHOLDERS' DEFICIT
For the three and six months ended June 30, 2021 (Unaudited)

	Preferred Stock		Common Stock		Additional	Accumulated	Total
	Series A				Paid in	Deficit	
	Shares	Amount	Shares	Amount	Capital		
Balance at March 31, 2021	<u>1</u>	<u>\$ 1</u>	<u>61,775,458</u>	<u>\$61,775</u>	<u>\$1,900,346</u>	<u>\$ (3,936,688)</u>	<u>\$(1,974,566)</u>
Share issued for debt conversion of convertible notes	—	—	—	—	—	—	—
Stock options issued for stock-based compensation	—	—	—	—	832	—	832
Cancellation of forgiveness of accounts payable	—	—	—	—	—	—	—
Debt forgiveness of convertible note payable	—	—	—	—	24,000	—	24,000
Net loss for the three months ended June 30, 2021	—	—	—	—	—	(85,913)	(85,913)
Balance at June 30, 2021	<u>1</u>	<u>\$ 1</u>	<u>61,775,458</u>	<u>\$61,775</u>	<u>\$1,925,178</u>	<u>\$ (4,022,601)</u>	<u>\$(2,035,647)</u>

	Preferred Stock		Common Stock		Additional	Accumulated	Total
	Series A				Paid in	Deficit	
	Shares	Amount	Shares	Amount	Capital		
Balance at December 31, 2020	<u>1</u>	<u>\$ 1</u>	<u>51,815,458</u>	<u>\$51,815</u>	<u>\$ 1906750</u>	<u>\$ (3,847,140)</u>	<u>\$(1,888,574)</u>
Share issued for debt conversion of convertible notes	—	—	9,960,000	9,960	—	—	9,960
Stock options issued for stock-based compensation	—	—	—	—	1,928	—	1,928
Cancellation of forgiveness of accounts payable	—	—	—	—	(7,500)	—	(7,500)
Accrued salary forgiveness	—	—	—	—	24,000	—	24,000
Net loss for the six months ended June 30, 2021	—	—	—	—	—	(175,461)	(175,461)
Balance at June 30, 2021	<u>1</u>	<u>\$ 1</u>	<u>61,775,458</u>	<u>\$61,775</u>	<u>\$1,925,178</u>	<u>\$ (4,022,601)</u>	<u>\$(2,035,647)</u>

The accompanying notes are an integral part of these financial statements.

ALLIED ENERGY CORPORATION
STATEMENTS OF CASH FLOWS
(Unaudited)

	For the six months ended June 30, 2021	For the six months ended June 30, 2020
CASH FLOW FROM OPERATING ACTIVITIES:		
Net Loss for the period	\$ (175,461)	\$ (231,286)
Adjustments to Reconcile Net Loss to Net Cash Used by Operating Activities:		
Stock-based compensation	1,928	2,481
Amortization expense	50,000	50,000
Changes in Operating Assets and Liabilities:		
Increase (decrease) in credit cards	113	(445)
Increase (decrease) in accounts payable	2,500	—
Net Cash Used in Operating Activities	<u>(120,920)</u>	<u>(179,250)</u>
CASH FLOW FROM INVESTING ACTIVITIES:		
Advance for Oil and gas	(72,616)	—
Investment in Oil and Gas Property	(224,563)	—
Net Cash Used in Investing Activities	<u>(297,179)</u>	<u>—</u>
CASH FLOW FROM FINANCING ACTIVITIES:		
Convertible note issued for settlement of accrued salary	66,000	162,000
Proceeds from related party debt	3,500	—
Repayment of related party debt	(5,000)	—
Adjustment to additional paid in capital	16,500	3,500
Share issued for debt conversion of convertible notes	9,960	—
Proceeds from convertible note payable from third parties	593,790	14,780
Net Cash Provided by Financing Activities	<u>684,750</u>	<u>180,280</u>
Net Increase (Decrease) in Cash, cash equivalents, and restricted cash	266,651	1,030
Cash, cash equivalents, and restricted cash at Beginning of the Period	4,329	3,517
Cash, cash equivalents, and restricted cash at End of the Period	<u>\$ 270,980</u>	<u>\$ 4,547</u>
SUPPLEMENTAL DISCLOSURE OF CASH FLOW INFORMATION:		
Cash paid during the period for:		
Interest	<u>\$ —</u>	<u>\$ —</u>
Franchise and income taxes	<u>\$ —</u>	<u>\$ —</u>
NON-CASH FINANCING AND INVESTING ACTIVITIES:		
Convertible note issued for settlement of accrued salary	\$ 66,000	\$ 162,000
Share issued for conversion of convertible notes	\$ 9,960	\$ —
Forgiveness of related party debt recorded in additional paid in capital	\$ —	\$ 3,500
Forgiveness of salary payable recorded in additional paid in capital	\$ 24,000	\$ —
Cancellation of forgiveness of accounts payable	\$ (7,500)	\$ —
The accompanying notes are an integral part of these financial statements.		

ALLIED ENERGY CORPORATION
NOTES TO FINANCIAL STATEMENTS
June 30, 2021
(Unaudited)

NOTE 1 – ORGANIZATION AND OPERATIONS

Allied Energy Corporation (the “Company”) was originally incorporated in the State of Nevada on May 5, 1994 as Sterling Harvest, Ltd. In January 2006, the Company changed its name to Allied Energy Corporation its current name. The Company is currently engaged in exploration and development of oil and gas properties in the state of Texas and the world wide marketing and sales of Proprietary Brands of Organic fertilizers used by commercial producers of fruits, vegetables, nuts and grains.

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Accounting Principles

The Company’s accounting and reporting policies conform to generally accepted accounting principles in the United States.

Revenue Recognition

The Company recognizes revenue in accordance with FASB ASC Subtopic 605, Revenue Recognition. Under FASB ASC Subtopic 605, revenue is recognized at the point of passage to the customer of title and risk of loss, there is persuasive evidence of an arrangement, the sales price is determinable, and collection of the resulting receivable is reasonably assured. The Company generally recognizes revenue at the time of delivery of goods. Sales are reflected net of sales taxes, discounts and returns.

Cash and Cash Equivalents

Cash equivalents consist of highly liquid investments with maturities of three months or less when purchased. Cash and cash equivalents are on deposit with financial institutions without any restrictions. At June 30, 2021 and December 31, 2020, cash equivalents amounted to \$270,980 and \$4,329.

Fair Value of Financial Instruments

The Company’s financial instruments comprise cash, accounts receivable – related party, accounts payable and accrued liabilities, notes payable and advances. The carrying value of Company’s short-term instruments approximates fair value, unless otherwise noted, due to the short-term maturity of these instruments. In management’s opinion, the fair value of notes payable is approximate to carrying value as the interest rates and other features of these instruments approximate those obtainable for similar instruments in the current market. Unless otherwise noted, it is management’s opinion that the Company is not exposed to significant interest, currency or credit risks in respect of these financial instruments.

Income Taxes

The Company follows FASB ASC Subtopic 740, Income Taxes, for recording the provision for income taxes. Deferred tax assets and liabilities are computed based upon the difference between the financial statement and income tax basis of assets and liabilities using the enacted marginal tax rate applicable when the related asset or liability is expected to be realized or settled.

Deferred income tax expenses or benefits are based on the changes in the asset or liability each period. If available evidence suggests that it is more likely than not that some portion or all of the deferred tax assets will not be realized, a valuation allowance is required to reduce the deferred tax assets to the amount that is more likely than not to be realized. Future changes in such valuation allowance are included in the provision for deferred income taxes in the period of change.

Stock-based Compensation

The Company accounts for stock-based compensation under the provisions of ASC 718 *Compensation- Stock Compensation*, which requires the measurement and recognition of compensation expense for all share-based payment awards made to employees and directors, including employee stock options, based on estimated fair values.

ASC 718 requires companies to estimate the fair value of share-based payment awards on the date of the grant using an option-pricing model. The value of the portion of the award that is ultimately expected to vest is recognized as expenses over the requisite service periods in the Company's statements of income.

Basic Loss Per Share

FASB ASC Subtopic 260, Earnings Per Share, provides for the calculation of "Basic" and "Diluted" earnings per share. Basic earnings per share is computed by dividing net loss available to common shareholders by the weighted average number of common shares outstanding for the period. All potentially dilutive securities have been excluded from the computations since they would be antidilutive. However, these dilutive securities could potentially dilute earnings per share in the future.

NOTE 3 – GOING CONCERN

The accompanying financial statements have been prepared assuming that the Company will continue as a going concern, which contemplates continuity of operations, realization of assets, and liquidation of liabilities in the normal course of business.

As reflected in the accompanying financial statements, the Company had an accumulated deficit of \$4,022,601 as on at June 30, 2021 and its liabilities exceeded its assets. These factors among others raise substantial doubt about the Company's ability to continue as a going concern.

While the Company is attempting to commence operations and generate revenues, the Company's cash position may not be significant enough to support the Company's daily operations. Management intends to raise additional funds by way of a public or private offering. Management believes that the actions presently being taken to further implement its business plan and generate revenues provide the opportunity for the Company to continue as a going concern. While the Company believes in the viability of its strategy to generate revenues and in its ability to raise additional funds, there can be no assurances to that effect. The ability of the Company to continue as a going concern is dependent upon the Company's ability to further implement its business plan and generate revenues.

The financial statements do not include any adjustments that might be necessary if the Company is unable to continue as a going concern.

NOTE 4 – CONVERTIBLE NOTE PAYABLE

As of June 30, 2021, and December 31, 2020, convertible notes payable totaling \$2,784,763 and \$2,124,973, respectively, were outstanding.

Convertible notes payable – George Monteith:

Prior to the year 2019, the company issued \$485,000 in convertible notes payable to George Monteith for settlement of accrued salaries and wages totaling \$485,000. These notes are unsecured, bearing no interest and convertible into common or preferred shares at the market rate.

During the year ended December 31, 2019, the Company issued \$144,000 in convertible notes payable to George Monteith for settlement of accrued salaries and wages totaling \$144,000. These notes are unsecured, bearing no interest and convertible into common or preferred shares at the market rate.

During the three months ended December 31, 2020, George Monteith forgo his quarterly compensation of \$36,000 and cancelled his September 30, 2020 convertible note payable for \$36,000 due to the ongoing Pandemic.

During the year ended December 31, 2020, the Company issued \$72,000 in convertible notes payable to George Monteith for settlement of accrued salaries and wages totaling \$72,000. These notes are unsecured, bearing no interest and convertible into common or preferred shares at the market rate.

During the three months ended March 31, 2021, the Company issued \$45,000 in convertible notes payable to George Monteith for settlement of accrued salaries and wages totaling \$45,000. These notes are unsecured, bearing no interest and convertible into common or preferred shares at the market rate.

During the three months ended June 30, 2021, the Company issued \$21,000 in convertible notes payable to George Monteith for settlement of accrued salaries and wages totaling \$21,000. These notes are unsecured, bearing no interest and convertible into common or preferred shares at the market rate.

As of June 30, 2021, and December 31, 2020, there was \$767,000 and \$701,000 in convertible notes outstanding respectively.

Convertible notes payable – Gordon Johnson, former officer and director:

Prior to the year 2019, the company issued \$210,000 in convertible notes payable to Gordon Johnson for settlement of accrued salaries and wages totaling \$210,000. These notes are unsecured, bearing no interest and convertible into common or preferred shares at the market rate.

During the year ended December 31, 2019, the Company issued \$180,000 in convertible notes payable to Gordon Johnson for settlement of accrued salaries and wages totaling \$180,000. These notes are unsecured, bearing no interest and convertible into common or preferred shares at the market rate.

During the three months ended December 31, 2020, Gordon Johnson forgiven his quarterly compensation of \$45,000 and cancelled his September 30, 2020 convertible note payable for \$45,000 due to the ongoing Pandemic.

During the year ended December 31, 2020, the Company issued \$90,000 in convertible notes payable to Gordon Johnson for settlement of accrued salaries and wages totaling \$90,000. These notes are unsecured, bearing no interest and convertible into common or preferred shares at the market rate.

As of June 30, 2021, and December 31, 2020, there was \$480,000 and \$480,000 in convertible notes outstanding, respectively.

Convertible notes payable – Third parties:

Prior to the year 2019, the company issued \$877,031 in convertible notes payable to third parties. These notes are unsecured, bearing no interest and convertible into common or preferred shares at the market rate.

During the year ended December 31, 2019, the Company issued \$37,372 in convertible notes payable to third parties. These notes are unsecured, bearing no interest and convertible into common shares at the market rate.

During the year ended December 31, 2020, the Company issued \$29,570 in convertible notes payable to third parties. These notes are unsecured, bearing no interest and convertible into common shares at the market rate.

During the three months ended March 31, 2021, the Company issued \$301,460 in convertible notes payable to third parties. These notes are unsecured, bearing no interest and convertible into common shares at the market rate. During January 2021, convertible note to an extent of \$9,960 was converted into shares of 9,960,000 at a rate of \$0.001 towards settlement of debt.

During the three months ended June 30, 2020, the Company issued \$292,330 in convertible notes payable to third parties. These notes are unsecured, bearing no interest and convertible into common shares at the market rate.

As of June 30, 2021, and December 31, 2020, there was \$1,537,763 and \$943,973 in convertible notes outstanding, respectively.

NOTE 5 – STOCKHOLDERS’ DEFICIT

Capital stock authorized

The Company is authorized to issue 300,000,000 shares of common stock, par value \$0.001 and 5,000,000 preferred stock, par value \$0.001. During the year ended December 31, 2018, the Board of Directors of the Company authorized and approved to create a new class of voting preferred stock called Series A Preferred Stock, consisting of 10,000 shares authorized, par value \$0.001 par value.

On January 25, 2021, the Company issued 9,960,000 shares of common stock, at par value of \$0.001 to settle convertible notes totalling \$9,960.

As of June 30, 2021, and December 31, 2020, 61,755,458 common shares and 1 Series A preferred share were issued and outstanding, respectively.

Stock Options

The following table summarizes common stock options activity:

	Options	Weighted Average Exercise Price
Outstanding, January 1, 2021	—	\$ —
Granted	3,000,000	0.05
Exercised	—	—
Forfeited / Cancelled	(1,000,000)	—
Outstanding, June 30, 2021	2,000,000	\$ 0.05
Exercisable, June 30, 2021	2,000,000	\$ 0.05

On October 15, 2018, the Company entered into a “Stock Option Agreement” with George Monteith to grant an option to purchase up to one million (1,000,000) shares of the Company's \$0.001 par value Common Stock at a purchase price of \$0.05 per share. The Company has determined the fair market value of its common stock to be \$0.005 per share. Optionee shall have the right to exercise this option at any time after three (3) years (the “Option Period”) from grant date.

On October 15, 2018, the Company entered into a “Stock Option Agreement” with Morgan Scudi to grant an option to purchase up to one million (1,000,000) shares of the Company's \$0.001 par value Common Stock at a purchase price of \$0.05 per share. The Company has determined the fair market value of its common stock to be \$0.005 per share. Optionee shall have the right to exercise this option at any time after three (3) years (the “Option Period”) from grant date.

On October 15, 2018, the Company entered into a “Stock Option Agreement” with Texita Trust to grant an option to purchase up to one million (1,000,000) shares of the Company's \$0.001 par value Common Stock at a purchase price of \$0.05 per share. The Company has determined the fair market value of its common stock to be \$0.005 per share. Optionee shall have the right to exercise this option at any time after three (3) years (the “Option Period”) from grant date. On March 1, 2021, Company cancelled / forfeited the stock option of one million (1,000,000)

During the three months ended June 30, 2021, the Company recognized stock-based compensation expense of \$832. This amount is included in stock-based compensation expense in the accompanying statements of operations. Further stock-based compensation expense expected to be recognized for these options will be \$974 in 2021.

The weighted average remaining contractual life of options outstanding, as of June 30, 2021 was as follows:

Exercise prices	Number of options outstanding	Weighted Average remaining contractual life (years)
\$ 0.05	2,000,000	0.29
	2,000,000	

The fair value of options granted during the six months period ended June 30, 2021, were determined using the Black Scholes method with the following assumptions:

	Six months ended June 30, 2021
Risk free interest rate	0.46%
Stock volatility factor	225%
Weighted average expected option life	0.29 years
Expected dividend yield	—

NOTE 6 – INTANGIBLE ASSET

On May 5, 2013, Allied Energy Corporation entered into a Joint Development Agreement and a World Wide Licensing Agreement with Natural Mining International, Inc., for the development, sale and distribution of organic fertilizers, currently marked under the name BBWG, Building a Better World Green and Organic Green Products. These fertilizer products are used in commercial agriculture for the production of organic fruits, vegetables, nuts and grains. Current high growth markets for the sale of these products include the United States, Canada, Mexico, Brazil and China. The Licensing Agreement is valued at \$1,000,0000 USD with a life expectancy of 10 years.

	June 30, 2021	December 31, 2020
Intangible Asset	\$ 1,000,000	\$ 1,000,000
Total Intangible Asset	1,000,000	1,000,000
Less Amortization expenses	(816,027)	(766,027)
Intangible Asset, net	\$ 183,973	\$ 233,973

NOTE 7 – AMORTIZATION

World Wide Licensing Agreement with Natural Mining International was initially recognized at cost and are subsequently carried at cost less accumulated amortization and accumulated impairment losses. These costs are amortized to profit or loss using the straight-line method over 10 years, which is the shorter of their estimated useful lives and periods of contractual rights.

NOTE 8 – SUBSEQUENT EVENTS

The Company has evaluated all events that occurred after the balance sheet date through the date when the financial statements were issued to determine if they must be reported.