

# **Disclosure Statement Pursuant to the Pink Basic Disclosure Guidelines**

## **Digitiliti, Inc.**

304 South Jones Blvd, Las Vegas, NV 89107

562-276-0621

www.digitiliti.co

email

SIC Code - 3572

## **Quarterly 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:

150,132,167

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

150,132,167

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

78,132,167

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<sup>1</sup> of the company has occurred over this reporting period:

Yes: ☐ No: ☒

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<sup>1</sup> "Change in Control" shall mean any events resulting in:

(i) Any "person" (as such term is used in Sections 13(d) and 14(d) of the Exchange Act) becoming the "beneficial owner" (as defined in Rule 13d-3 of the Exchange Act), directly or indirectly, of securities of the Company representing fifty percent (50%) or more of the total voting power represented by the Company's then outstanding voting securities;

(ii) The consummation of the sale or disposition by the Company of all or substantially all of the Company's assets;

(iii) A change in the composition of the Board occurring within a two (2)-year period, as a result of which fewer than a majority of the directors are directors immediately prior to such change; or

(iv) The consummation of a merger or consolidation of the Company with any other corporation, other than a merger or consolidation which would result in the voting securities of the Company outstanding immediately prior thereto continuing to represent (either by remaining outstanding or by being converted into voting securities of the surviving entity or its parent) at least fifty percent (50%) of the total voting power represented by the voting securities of the Company or such surviving entity or its parent outstanding immediately after such merger or consolidation.

## 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.

Digitiliti, Inc. - 2005

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):

Minnesota- Active

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:

304 South Jones Blvd, Las Vegas, NV 89107

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:

## 2) Security Information

Trading symbol:	<u>DIGI</u>
Exact title and class of securities outstanding:	<u>Common Stock</u>
CUSIP:	<u>253895106</u>
Par or stated value:	<u>\$0.001</u>

Total shares authorized:	<u>500,000,000</u>	as of date: <u>June 30, 2021</u>
Total shares outstanding:	<u>150,132,167</u>	as of date: <u>June 30, 2021</u>
Number of shares in the Public Float <sup>2</sup> :	<u>369,211</u>	as of date: <u>June 30, 2021</u>
Total number of shareholders of record:	<u>398</u>	as of date: <u>June 30, 2021</u>

*All additional class(es) of publicly traded securities (if any):*

<sup>2</sup> "Public Float" shall mean the total number of unrestricted shares not held directly or indirectly by an officer, director, any person who is the beneficial owner of more than 10 percent of the total shares outstanding (a "control person"), or any affiliates thereof, or any immediate family members of officers, directors and control persons.

Trading symbol: \_\_\_\_\_  
 Exact title and class of securities outstanding: \_\_\_\_\_  
 CUSIP: \_\_\_\_\_  
 Par or stated value: \_\_\_\_\_  
 Total shares authorized: \_\_\_\_\_ as of date: \_\_\_\_\_  
 Total shares outstanding: \_\_\_\_\_ as of date: \_\_\_\_\_

#### Transfer Agent

Name: Transfer Online, Inc  
 Phone: 503-227-2950  
 Address: 512 Salmon Street  
 Address: Portland OR 97214  
 www.transferonline.com  
 info@transferonline.com  
 caroyln@transferonline.com

Is the Transfer Agent registered under the Exchange Act?<sup>3</sup> Yes: ☒ No: ☐

### 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: ☐

Shares Outstanding as of Second Most Recent Fiscal Year End: <u>Opening Balance</u> Date <u>December 31, 2018</u> Common: <u>71,132,167</u> Preferred: <u>Series A – 668,720</u> <u>Series B – 420,000</u> <u>Series C – 0</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	Restricted or Unrestricted as of this filing.	Exemption or Registration Type.

<sup>3</sup> To be included in the Pink Current Information tier, the transfer agent must be registered under the Exchange Act.

<u>10/28/2020</u>	<u>New</u>	<u>50,000</u>	<u>Series C Preferred</u>	<u>0.001</u>	<u>n/a</u>	<u>Kim Halvorson</u>	<u>Services</u>	<u>n/a</u>	<u>      </u>
<u>10/21/2020</u>	<u>New</u>	<u>7,000,000</u>	<u>Common</u>	<u>\$0.001</u>	<u>Yes</u>	<u>Market Cap Concepts, LLC - Jason Black</u>	<u>Debt</u>	<u>Restricted</u>	
<u>2/16/2021</u>	<u>New</u>	<u>72,000,000</u>	<u>Common</u>	<u>\$0.01</u>	<u>Yes</u>	<u>Organic Capital Ventures, LLC - Roland Halvorson</u>	<u>Debt</u>	<u>Restricted</u>	
Shares Outstanding on Date of This Report:									
	<u>Ending Balance</u>	<u>Ending Balance:</u>							
Date <u>June 30, 2021</u>	Common:								
<u>150,132,167</u>	Preferred: <u>Series A – 668,720</u>								
	<u>Series B – 420,000</u>								
	<u>Series C – 50,000</u>								

**Example:** A company with a fiscal year end of December 31<sup>st</sup>, in addressing this item for its quarter ended September 30, 2020, would include any events that resulted in changes to any class of its outstanding shares from the period beginning on January 1, 2018 through September 30, 2020 pursuant to the tabular format above.

Use the space below to provide any additional details, including footnotes to the table above:

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## 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: ☐

<u>Date of Note Issuance</u>	<u>Outstanding Balance (\$)</u>	<u>Principal Amount at Issuance (\$)</u>	<u>Interest Accrued (\$)</u>	<u>Maturity Date</u>	<u>Conversion Terms (e.g. pricing mechanism for determining conversion of instrument to shares)</u>	<u>Name of Noteholder (entities must have individual with voting / investment control disclosed).</u>	<u>Reason for Issuance (e.g. Loan, Services, etc.)</u>
<u>3/31/2014</u>	<u>\$281,750</u>	<u>\$202,375</u>	<u>\$206,750</u>	<u>Demand</u>	<u>\$0.001</u>	<u>Market Cap Concepts, LLC - Jason Black</u>	<u>Loan</u>
<u>—</u>	<u>—</u>	<u>—</u>	<u>—</u>	<u>—</u>	<u>—</u>	<u>—</u>	<u>—</u>
<u>—</u>	<u>—</u>	<u>—</u>	<u>—</u>	<u>—</u>	<u>—</u>	<u>—</u>	<u>—</u>

Use the space below to provide any additional details, including footnotes to the table above:

#### 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)<sup>4</sup>:

Name: Rachel Boulds  
Title: Independent CPA  
Relationship to Issuer: Service Provider

Provide the financial statements described below for the most recent fiscal year or quarter. For the initial disclosure statement (qualifying for Pink Current Information for the first time) please provide reports for the two previous fiscal years and any subsequent interim periods.

- C. Balance sheet;
- D. Statement of income;
- E. Statement of cash flows;
- F. Statement of Retained Earnings (Statement of Changes in Stockholders' Equity)
- G. Financial notes; and
- H. Audit letter, if audited

You may either (i) attach/append the financial statements to this disclosure statement or (ii) file the financial statements through OTCIQ as a separate report using the appropriate report name for the applicable period end. ("Annual Report," "Quarterly Report" or "Interim Report").

If you choose to publish the financial statements in a separate report as described above, you must state in the accompanying disclosure statement that such financial statements are incorporated by reference. You may reference the document(s) containing the required financial statements by indicating the document name, period end date, and the date that it was posted to OTCIQ in the field below. Financial Statements must be compiled in one document.

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Financial statement information is considered current until the due date for the subsequent report (as set forth in the qualifications section above). To remain qualified for Current Information, a company must post its Annual Report within 90 days from its fiscal year-end date and Quarterly Reports within 45 days of each fiscal quarter-end date.

#### 5) Issuer's Business, Products and Services

The purpose of this section is to provide a clear description of the issuer's current operations. In answering this item, please include the following:

A. Summarize the issuer's business operations (If the issuer does not have current operations, state "no operations")

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<sup>4</sup> The financial statements requested pursuant to this item must be prepared in accordance with US GAAP or IFRS by persons with sufficient financial skills.

The Company is a news network service provider. We distribute news, press releases, etc.using verified channels.

B. Please list any subsidiaries, parents, or affiliated companies.

None

C. Describe the issuers' principal products or services.

The Company is a news network service provider. We distribute news, press releases, etc.using verified channels.

## 6) Issuer's Facilities

The goal of this section is to provide a potential investor with a clear understanding of all assets, properties or facilities owned, used or leased by the issuer and the extent in which the facilities are utilized.

In responding to this item, please clearly describe the assets, properties or facilities of the issuer, give the location of the principal plants and other property of the issuer and describe the condition of the properties. If the issuer does not have complete ownership or control of the property (for example, if others also own the property or if there is a mortgage on the property), describe the limitations on the ownership.

If the issuer leases any assets, properties or facilities, clearly describe them as above and the terms of their leases.

The Company has an administrative office and also uses a virtual office to perform business activities.

## 7) Company Insiders (Officers, Directors, and Control Persons)

The goal of this section is to provide an investor with a clear understanding of the identity of all the persons or entities that are involved in managing, controlling or advising the operations, business development and disclosure of the issuer, as well as the identity of any significant or beneficial shareholders.

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 or Control Person	Affiliation with Company (e.g. Officer Title /Director/Owner of more than 5%)	Residential Address (City / State Only)	Number of shares owned	Share type/class	Ownership Percentage of Class Outstanding	Note
<u>Kim Halvorson</u>	<u>CEO</u>	<u>Marysville, WA</u>	<u>50,000</u>	<u>Preferred C</u>	<u>100%</u>	<u>      </u>
<u>Organic Ventures, LLC - Kim Halvorson</u>	<u>5% owner</u>	<u>Marysville, WA</u>	<u>15,000,000</u>	<u>Common</u>	<u>9.99%</u>	<u>      </u>

<u>William Wai Leuk Ko</u>	<u>Director</u>	<u>Kowloon, Hong Kong</u>	<u>0</u>	<u>——</u>	<u>——</u>	<u>——</u>
<u>Avatele Group, LLC - Richard Tang</u>	<u>5% owner</u>	<u>Buffalo, WY</u>	<u>15,000,000</u>	<u>Common</u>	<u>9.99%</u>	<u>——</u>
<u>Maximum Ventures Holdings LLC - Anna Tang</u>	<u>5% owner</u>	<u>Buffalo, WY</u>	<u>15,000,000</u>	<u>Common</u>	<u>9.99%</u>	<u>——</u>
<u>Organic Capital Ventures, LLC - Roland Halvorson</u>	<u>5% owner</u>	<u>Marysville, WA</u>	<u>15,000,000</u>	<u>Common</u>	<u>9.99%</u>	<u>——</u>

## 8) Legal/Disciplinary History

A. Please identify whether any of the persons or entities 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);

No

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;

No

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

No

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.

No

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

## 9) Third Party Providers

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

### Securities Counsel

Name: Matthew McMurdo, Esq  
Firm: McMurdo Law Group, LLC  
Address 1: 1185 Avenue of the Americas, 3<sup>rd</sup> Floor  
Address 2: New York, NY 10036  
Phone: 917.318.2865  
Email: [matt@nannaronelaw.com](mailto:matt@nannaronelaw.com)

### Accountant

Name: Rachel Boulds, CPA  
Rachel Boulds, CPA, PLLC  
Address 1: 6371 S. Glen Oaks Street  
Address 2: Murray, UT 84107  
Phone: 801-230-3945  
Email: rachelbouldscpa@hotmail.com

### Investor Relations

Name: \_\_\_\_\_  
Firm: \_\_\_\_\_  
Address 1: \_\_\_\_\_  
Address 2: \_\_\_\_\_  
Phone: \_\_\_\_\_  
Email: \_\_\_\_\_

### Other Service Providers

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

Name: \_\_\_\_\_  
Firm: \_\_\_\_\_  
Nature of Services: \_\_\_\_\_  
Address 1: \_\_\_\_\_  
Address 2: \_\_\_\_\_  
Phone: \_\_\_\_\_  
Email: \_\_\_\_\_

## 10) Issuer Certification

### *Principal Executive Officer:*

The issuer shall include certifications by the chief executive officer and chief financial officer of the issuer (or any other persons with different titles but having the same responsibilities) in each Quarterly Report or Annual Report.

The certifications shall follow the format below:

I, Kim Halvorson certify that:



1. I have reviewed this quarterly disclosure statement of Digitiliti, Inc.;
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.

October 6, 2021 [Date]

/s/ Kim Halvorson [CEO's Signature]

(Digital Signatures should appear as "/s/ [OFFICER NAME]")

*Principal Financial Officer:*

I, Kim Halvorson certify that:

1. I have reviewed this quarterly disclosure statement of Digitiliti, Inc.;
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.

October 6, 2021 [Date]

/s/ Kim Halvorson [CFO's Signature]

(Digital Signatures should appear as "/s/ [OFFICER NAME]")

**DIGITILITI, INC.**  
**BALANCE SHEETS**  
**(Unaudited)**

	June 30, 2021	December 31, 2020
<b><u>ASSETS</u></b>		
Current assets:		
Cash	\$ -	\$ -
Total Assets	<u>\$ -</u>	<u>\$ -</u>
<b><u>LIABILITIES &amp; STOCKHOLDERS' DEFICIT</u></b>		
Current liabilities:		
Loan payable	\$ 14,406	\$ 14,406
Convertible notes payable	281,750	315,858
Loan payable – related party	72,757	-
Total current liabilities	<u>368,913</u>	<u>330,264</u>
Total Liabilities	<u>368,913</u>	<u>330,264</u>
Stockholders' Deficit:		
Series A Preferred stock, \$0.001 par value; 1,200,000 shares authorized; 668,720 shares issued and outstanding	669	669
Series B Preferred stock, \$1.00 par value; 2,000,000 shares authorized; 420,000 shares issued and outstanding	420,000	420,000
Series C Preferred stock, \$1.00 par value; 50,000 shares authorized; 50,000 shares issued and outstanding	50,000	50,000
Common stock, \$0.001 par value; 500,000,000 shares authorized; 150,132,167 and 78,132,167 shares issued and outstanding, respectively	150,132	78,132
Additional paid-in capital	25,811,709	25,811,709
Accumulated deficit	<u>(26,801,423)</u>	<u>(26,690,774)</u>
Total Stockholders' Deficit	<u>(368,913)</u>	<u>(330,264)</u>
Total Liabilities and Stockholders' Deficit	<u>\$ -</u>	<u>\$ -</u>

*See accompanying notes to these unaudited financial statements.*

**DIGITILITI, INC.**  
**STATEMENTS OF OPERATIONS**  
**(Unaudited)**

	For the Three Months Ended June 30,		For the Six Months Ended June 30,	
	2021	2020	2021	2020
Operating Expenses:				
General and administrative	\$ 6,583	\$ 1,877	\$ 12,757	\$ 3,754
Compensation expense	30,000	-	60,000	-
Total operating expenses	36,583	1,877	72,757	3,754
Loss from operations	(36,583)	(1,877)	(72,757)	(3,754)
Other expense:				
Interest expense	(4,375)	(4,375)	(8,750)	(9,821)
Loss on conversion of debt		-	(29,142)	
Total other expense	(4,375)	(4,375)	(37,892)	(9,821)
Net Loss	<u>\$ (40,958)</u>	<u>\$ (4,375)</u>	<u>\$ (110,649)</u>	<u>\$ (13,575)</u>
Net loss per share, basic and diluted	<u>\$ (0.00)</u>	<u>\$ (0.00)</u>	<u>\$ (0.00)</u>	<u>\$ (0.00)</u>
Weighted average shares outstanding, basic and diluted	<u>150,932,167</u>	<u>71,132,167</u>	<u>132,629,405</u>	<u>71,132,167</u>

*See accompanying notes to theses unaudited financial statements.*

**DIGITILITI, INC.**  
**STATEMENTS OF STOCKHOLDERS' DEFICIT**  
**FOR THE THREE AND SIX MONTHS ENDED JUNE 30, 2020 and 2021**  
**(Unaudited)**

	Series A Preferred		Series B Preferred		Series C Preferred		Common Stock		Additional Paid-In Capital	Accumulated Deficit	Total
	Shares	Amount	Shares	Amount	Shares	Amount	Shares	Amount			
Balance, December 31, 2019	668,720	\$ 669	420,000	\$ 420,000	-	\$ -	71,132,167	\$ 71,132	\$ 25,861,709	\$ (26,663,012)	\$ (309,502)
Net loss	-	-	-	-	-	-	-	-	-	(7,323)	(7,323)
Balance, March 31, 2020	668,720	669	420,000	420,000	-	-	71,132,167	71,132	25,861,709	(26,670,335)	(316,825)
Net loss	-	-	-	-	-	-	-	-	-	(4,375)	(4,375)
Balance, June 30, 2020	<u>668,720</u>	<u>\$ 669</u>	<u>420,000</u>	<u>\$ 420,000</u>	<u>-</u>	<u>\$ -</u>	<u>71,132,167</u>	<u>\$ 71,132</u>	<u>\$ 25,861,709</u>	<u>\$ (26,674,710)</u>	<u>\$ (321,200)</u>

	Series A Preferred		Series B Preferred		Series C Preferred		Common Stock		Additional Paid-In Capital	Accumulated Deficit	Total
	Shares	Amount	Shares	Amount	Shares	Amount	Shares	Amount			
Balance, December 31, 2020	668,720	\$ 669	420,000	\$ 420,000	50,000	\$ 50,000	78,132,167	\$ 78,132	\$ 25,811,709	\$ (26,690,774)	\$ (330,264)
Stock issued for conversion of debt	-	-	-	-	-	-	72,000,000	72,000	-	-	72,000
Net loss	-	-	-	-	-	-	-	-	-	(69,691)	(69,691)
Balance, March 31, 2021	668,720	669	420,000	420,000	50,000	50,000	150,132,167	150,132	25,811,709	(26,760,465)	(327,955)
Net loss	-	-	-	-	-	-	-	-	-	(40,958)	(40,958)
Balance, June 30, 2021	<u>668,720</u>	<u>\$ 669</u>	<u>420,000</u>	<u>\$ 420,000</u>	<u>50,000</u>	<u>\$ 50,000</u>	<u>150,132,167</u>	<u>\$ 150,132</u>	<u>\$ 25,811,709</u>	<u>\$ (26,801,423)</u>	<u>\$ (368,913)</u>

*See accompanying notes to these unaudited financial statements.*

**DIGITILITI, INC.**  
**STATEMENTS OF CASH FLOWS**  
**(Unaudited)**

	For the Six Months Ended June 30,	
	2021	2020
<b>CASH FLOW FROM OPERATING ACTIVITIES:</b>		
Net loss	\$ (110,649)	\$ (13,575)
Adjustments to reconcile net loss to net cash used in operating activities:		
Loss on conversion of debt	29,142	-
<b>Changes in Operating Assets and Liabilities:</b>		
Accrued interest	8,750	9,821
<b>Net Cash Used in Operating Activities</b>	<b>(72,757)</b>	<b>(3,754)</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES:</b>	<b>-</b>	<b>-</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES:</b>		
Advance from a related party	72,757	3,754
<b>Net Cash Provided by Financing Activities</b>	<b>72,757</b>	<b>13,754</b>
<b>Net Change in Cash</b>	<b>-</b>	<b>-</b>
Cash at Beginning of Period	-	-
<b>Cash at End of Period</b>	<b>\$ -</b>	<b>\$ -</b>
<b>Cash paid during the period for:</b>		
Interest	\$ -	\$ -
Income taxes	\$ -	\$ -

*See accompanying notes to these unaudited financial statements.*

**DIGITILITI, INC.**  
**Notes to the Unaudited Financial Statements**  
**June 30, 2021**

**NOTE 1 - ORGANIZATION AND DESCRIPTION OF BUSINESS**

Digitiliti, Inc. (“Digi” or the “Company”) was incorporated in Delaware on March 31, 2006. On February 27, 2007, we changed our name to Digitiliti, Inc. In October 2017, the Company changed its State of Incorporation to Minnesota. The Company is a news network service provider distributing news, press releases, etc., using verified channels.

**NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

*Basis of Presentation*

The accompanying unaudited financial statements and related notes have been prepared in accordance with accounting principles generally accepted in the United States of America (“U.S. GAAP”).

*Use of Estimates*

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Significant estimates include the estimated useful lives of property and equipment. Actual results could differ from those estimates.

*Recently Issued Accounting Pronouncements*

The Company has implemented all new accounting pronouncements that are in effect. These pronouncements did not have any material impact on the financial statements unless otherwise disclosed, and the Company does not believe that there are any other new accounting pronouncements that have been issued that might have a material impact on its financial position or results of operations.

**NOTE 3 – GOING CONCERN**

As reflected in the accompanying unaudited financial statements, the Company has had recurring losses and has an accumulated deficit of \$26,801,423, as of June 30, 2021. These factors raise substantial doubt about its ability to continue as a going concern. The financial statements have been prepared assuming that the Company will continue as a going concern. These financial statements do not include any adjustments relating to the recoverability and classification of recorded asset amounts or amounts and classification of liabilities that might be necessary should the Company be unable to continue as a going concern.

**NOTE 4 – CONVERTIBLE NOTES PAYABLE**

On March 31, 2014, Market Cap Concepts, LLC loaned the Company \$15,000. This note plus all accrued interest was converted to common stock during the six months ended June 30, 2021.

On March 31, 2014, the Company issued a promissory note for \$75,000 to MJ Miller Construction, Inc. The note is unsecured, accrues interest at 18% per year and matured on March 31, 2015. On September 5, 2018 the Note was transferred to Capitol Capital Corp as the result of a merger. On July 31, 2020, the Note plus \$205,000 of accrued interest was assigned to Market Cap Concepts, LLC. (“MCC”). On December 17, 2020, MCC converted \$7,000 of the note into 7,000,000 shares of common stock.

**NOTE 5 – LOANS PAYABLE**

As of June 30, 2021, an individual has advanced funds to the Company to pay for general operating expenses. The advances are unsecured, non-interest bearing and due on demand. The balance due as of June 30, 2021 and December 31, 2020, is \$14,406 and \$14,406, respectively.

**NOTE 6 – RELATED PARTY TRANSACTIONS**

On March 31, 2014, Market Cap Concepts, LLC loaned the Company \$15,000. This note plus all accrued interest was assigned to Organic Capital Ventures, LLC (owned by Ms. Halvorson) and was converted in full to common stock during the six months ended June 30, 2021.

During the six months ended June 30, 2021, Kim Halvorson, CEO, advanced the Company \$12,757 to pay for general operating expenses and billed the Company \$10,000 per month for services. As of June 30, 2021, the Company owes Ms. Halvorson \$72,757. All amounts due are non-interest bearing and due on demand.

#### **NOTE 7 – COMMON STOCK**

On December 17, 2020, MCC converted \$7,000 of the into 7,000,000 shares of common stock (Note 4).

#### **NOTE 8 – PREFERRED STOCK**

##### Series A

Each share of Series A Convertible Preferred Stock is convertible into 5 common shares at the option of the holder and is entitled to annual cumulative dividends at the rate of 6%. The Series A Convertible Preferred Stock will be automatically converted into common shares if certain conditions occur.

##### Series B

Each share of Series B Convertible Preferred Stock is convertible into 5 common shares at the option of the holder and is entitled to annual cumulative dividends at the rate of 5%. The Series B Convertible Preferred Stock will be automatically converted into common shares if certain conditions occur.

##### Series C

On December 18, 2020, the Company amended its Articles of Incorporation creating and authorizing 50,000,000 shares of preferred stock, par value \$0.0001. Each share of preferred stock is equal to 100 votes and converts to 100 common shares. Preferred shares can be converted to common shares with the consent of the Board of Directors.

#### **NOTE 9 – SUBSEQUENT EVENTS**

In accordance with SFAS 165 (ASC 855-10) management has performed an evaluation of subsequent events through the date that the financial statements were available to be issued and has determined that it does not have any material subsequent events to disclose in these financial statements.