Disclosure Statement Pursuant to the Pink Basic Disclosure Guidelines

Infrax Systems Inc.

2245 Texas Drive, Suite 300
Sugar Land, TX 77479

281-566-2500
https://infraxinc.com/
ir@infraxinc.com
SIC: 5960

Quarterly Report
For the Period Ending: 12/31/2021
(the "Reporting Period")

As of 12/31/2021, the number of shares outstanding of our Common Stock was: 5,530,894,237

As of 09/30/2021, the number of shares outstanding of our Common Stock was: 5,530,894,237

As of 06/30/2021, the number of shares outstanding of our Common Stock was: 5,530,894,237

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[1] of the company has occurred over this reporting period:

Yes: ☐ No: ☒

1) Name and address(es) of the issuer and its predecessors (if any)

[1] "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.

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.

Infrax Systems, Inc. (formerly OptiCon Systems, Inc.) ("the Company " , "Infrax") was formed as a Nevada corporation on October 22, 2004. On July 29, 2005, the stockholders of the Company entered into an agreement to exchange 100% of the outstanding common stock of the Company, for common and preferred stock of FutureWorld Energy, Inc. (formerly Isys Medical, Inc.), a publicly traded company, at which time, the Company became a wholly owned subsidiary of FutureWorld Energy, Inc.

FutureWorld Energy, Inc. ("FutureWorld"), Infrax's parent company, announced its intention to spin off Infrax (formerly OptiCon Systems, Inc.) by the payment of a stock dividend. In connection with the proposed spinoff, Infrax's board of directors approved a stock dividend of 99,118 shares to FutureWorld, its sole shareholder. On August 31, 2007, FutureWorld paid a stock dividend to its stockholders, consisting of 100% of the outstanding common stock of the Company, at the rate of one share of Infrax's stock for every two shares they own of FutureWorld. As of August 31, 2007, Infrax ceased being a subsidiary of FutureWorld.

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):

The issuer is incorporated in the State of Nevada in good standing and "Active".

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

N/A

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

The company plans to acquire an operating company in the first half of 2022.

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

c/o Krisa Management
2245 Texas Drive, Ste 300
Sugar Land, Texas 77479

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: ☒

c/o Krisa Management
2245 Texas Drive, Ste 300
Sugar Land, Texas 77479

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

2) Security Information

Trading symbol:	IFXY	
Exact title and class of securities outstanding:	Common	
CUSIP:	45685T202	
Par or stated value:	0.001	
Total shares authorized:	6,990,000,000	as of date: 12/31/2021
Total shares outstanding:	5,530,894,237	as of date: 12/31/2021
Number of shares in the Public Float[2]:	2,063,229,521	as of date: 12/31/2021
Total number of shareholders of record:	74	as of date: 12/31/2021

Trading symbol:	N/A	
Exact title and class of securities outstanding:	Preferred	
CUSIP:	N/A	
Par or stated value:	0.001	
Total shares authorized:	10,000,000	as of date: 12/31/2021
Total shares outstanding:	2,490,099	as of date: 12/31/2021

<u>Transfer Agent</u>

Name: Clear Trust, LLC
Phone: 813.235.4490
Email: inbox@cleartrust.com
Address: 16540 Pointe Village Dr., Ste 206, Lutz, FL 33558

Is the Transfer Agent registered under the Exchange Act?[3] 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: ☒

[2] "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.

[3] To be included in the Pink Current Information tier, the transfer agent must be registered under the Exchange Act.

Shares Outstanding as of Second Most Recent Fiscal Year End: Opening Balance Date 06/30/2019 Common: 5,530,894,237 Preferred: 2,490,099	*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.**
Shares Outstanding on Date of This Report: Ending Balance Date 12/31/2021 Common: 5,530,894,237 Preferred: 2,490,099									

*Note: On June 14, 2021, in a private transaction, the custodian entered into a Securities Purchase Agreement with Krisa Management LLC, a Texas limited liability company controlled by Carey Cooley, to sell the Special 2021 Series A Preferred Stock for $20,000 to be paid in cash or any marketable security held by the borrower.

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.)**

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

N/A

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)[4]:

Name:	**Carey W. Cooley**
Title:	**President, CEO**
Relationship to Issuer:	**Sole Officer, Director**

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.

<u>Documents C-G are incorporated herein.</u>

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")

<u>No operations.</u>

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

<u>No operations.</u>

C. Describe the issuers' principal products or services.

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

No operations.

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.

No operations.

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% of 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
Krisa Management LLC (controlled by Carey W. Cooley)	CEO, President, Treasurer, Secretary, Director, Owner of more than 5%	Sugar Land, TX	3,429,446,455 2,400,000	Common Preferred	62.00% 95.10%	

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.

   N/A

9) Third Party Providers

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

Securities Counsel

Name: Lloyd E. Ward
Firm: Ward Legal Group PLLC
Address 1: 12801 N. Central Expressway, Suite 460
Address 2: Dallas, TX 75243
Phone: 214-736-1846
Email: lloyd@wardlegalus.com

Accountant or Auditor

Name: N/A
Firm: N/A
Address 1: N/A
Address 2: N/A
Phone: N/A
Email: N/A

Investor Relations

Name: N/A
Firm: N/A
Address 1: N/A

Address 2: N/A
Phone: N/A
Email: N/A

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: N/A
Firm: N/A
Nature of Services: N/A
Address 1: N/A
Address 2: N/A
Phone: N/A
Email: N/A

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, Carey W. Cooley, certify that:

1. I have reviewed this Quarterly Disclosure Statement of Infrax Systems, 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.

02/12/2022

/s/ Carey W. Cooley

Treasurer

I, Carey W. Cooley, certify that:

1. I have reviewed this Quarterly Disclosure Statement of Infrax Systems, 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.

02/12/2022

/s/ Carey W. Cooley

Chief Executive Officer

INFRAX SYSTEMS, INC.

INDEX TO UNAUDITED CONSOLIDATED FINANCIAL STATEMENTS

INFRAX SYSTEMS, INC.
CONDENSED CONSOLIDATED BALANCE SHEETS
(UNAUDITED)

	December 31, 2021	June 30, 2021
ASSETS		
Current Assets:		
Cash	$ -	$ -
Prepaid expenses	-	2,000
TOTAL ASSETS	$ -	$ 2,000
LIABILITIES & STOCKHOLDERS' DEFICIT		
Current Liabilities:		
Accounts payable	$ 150	$ 150
Advances by Shareholder	2,000	2,000
Notes Payable - convertible net of discount	-	-
Total Current Liabilities	2,150	2,150
Stockholders' Deficit		
Preferred Stock, $0.001 par value, 10,000,000 shares authorized		
2,490,099 shares issued and oustanding at December 31, 2021		
2,490,099 shares issued and oustanding at June 30, 2021	2,490	2,490
Common stock, $0.001 par value, 6,900,000,000 shares authorized		
5,530,894,237 shares issued and outstanding at December 31, 2021		
5,530,894,237 shares issued and outstanding at June 30, 2021	5,530,894	5,530,894
Additional Paid-In Capital	11,103,102	11,103,102
Accumulated other comprehensive income	-	-
Accumulated deficit	(16,638,636)	(16,636,636)
Total Stockholders' Deficit	(2,150)	(150)
TOTAL LIABILITES & STOCKHOLDERS' DEFICIT	$ -	$ 2,000

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

INFRAX SYSTEMS, INC.
CONSOLIDATED STATEMENTS OF OPERATIONS
(UNAUDITED)

	For the three months ended December 31,	
	2021	**2020**
Revenue:		
Sales, net	$ -	$ -
Cost of sales	-	-
Gross Profit	-	-
Operating expenses		
General & Administrative	-	-
Stock based compensation	-	-
Total Operating Expenses	-	-
Operating Loss	$ -	$ -
Other Income (Expense)		
Write off uncollectable accounts receivable	-	-
Total Other Income (Expense)	-	-
Net Income(Loss)	-	-
Adjustments	-	-
NET COMPREHENSIVE LOSS	$ -	$ -
BASIC AND DILUTED LOSS PER SHARE:		
Net loss per common share - basic and diluted	$ -	$ -
WEIGHTED AVERAGE COMMON SHARES OUTSTANDING:		
Basic	2,959,575,220	2,959,575,220

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

INFRAX SYSTEMS, INC.
CONSOLIDATED STATEMENTS OF CHANGES IN STOCKHOLDERS' DEFICIT
(UNAUDITED)

	Preferred Stock		**Common Stock**		**Additional Paid-in**	**Accumulated**	
			# of Shares	**Amount**	**Capital**	**Deficit**	**TOTAL**
Balance - June 30, 2019	2,523,624	$ 2,525	5,530,894,237	$ 5,530,894	$ 11,103,067	$ (15,761,746)	$ 874,740
Net Income(Loss)	-	-	-	-	-	(405,648)	(405,648)
Balances - June 30, 2020	2,523,624	2,525	5,530,894,237	5,530,894	11,103,067	(16,167,394)	$ 469,092
Correction of stock issuances	(33,525)	$ (35)	-	-	35	-	$ -
Rounding						1	$ 1
Net Income(Loss)	-	-	-	-	-	(469,243)	(469,243)
Balances - June 30, 2021	2,490,099	$ 2,490	5,530,894,237	$ 5,530,894	$ 11,103,102	$ (16,636,636)	$ (150)
Net Income(Loss)	-	-	-	-	-	(2,000)	(2,000)
Balances - September 30, 2021	2,490,099	$ 2,490	5,530,894,237	$ 5,530,894	$ 11,103,102	$ (16,638,636)	$ (2,150)
Net Income(Loss)	-	-	-	-	-	-	-
Balances - December 31, 2021	2,490,099	$ 2,490	5,530,894,237	$ 5,530,894	$ 11,103,102	$ (16,638,636)	$ (2,150)

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

INFRAX SYSTEMS, INC.
CONSOLIDATED STATEMENTS OF CASH FLOWS
(UNAUDITED)

	For the three months ended December 31,	
	2021	**2020**
Cash Flows from Operating Activities:		
Net income(loss)	$ -	$ -
Adjustments to reconcile net income(loss) to net cash used in operating activities		
Depreciation and amortization	-	-
Accretion of debt discounts	-	-
Stock-based transaction expense	-	-
Provided services	-	-
Research and Development	-	-
Loss on disposed fixed assets	-	-
Discontinued operations	-	-
Changes in operating assets and liabilities	-	-
Net Cash Used In Operating Activities	-	-
Cash Flows from Investing Activities:		
Purchases of property and equipment	-	-
Acquisition of assets	-	-
Net Cash Provided By Investing Activities	-	-
Cash Flows from Financing Activities:		
Proceeds from issuance of common stock	-	-
Proceeds from issuance of warrants	-	-
Proceeds from issuance of beneficial conversion feature	-	-
Proceeds from issuance of long-term debt	-	-
Payment of debt issuance costs	-	-
Payment of fractional shares	-	-
Proceeds from note payables	-	-
Net Cash Provided By Financing Activities	-	-
Foreign Currency Translation	-	-
Net Change in Cash	-	-
Cash and Cash Equivalents - Beginning of Year	-	-
Cash and Cash Equivalents - End of Year	$ -	$ -

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

NOTE 1 – Company Background

Infrax Systems, Inc. (the “Company”, “we”, “us” or “our”), a Nevada corporation, has a fiscal year end of June 30 and is listed on the OTC Pink Markets under the trading symbol IFXY.

History of Company

Infrax Systems, Inc. (formerly OptiCon Systems, Inc.) (“the Company ” , “Infrax”) was formed as a Nevada corporation on October 22, 2004. On July 29, 2005, the stockholders of the Company entered into an agreement to exchange 100% of the outstanding common stock of the Company, for common and preferred stock of FutureWorld Energy, Inc. (formerly Isys Medical, Inc.), a publicly traded company, at which time, the Company became a wholly owned subsidiary of FutureWorld Energy, Inc.

FutureWorld Energy, Inc. (“FutureWorld”), Infrax’s parent company, announced its intention to spin off Infrax (formerly OptiCon Systems, Inc.) by the payment of a stock dividend. In connection with the proposed spinoff, Infrax’s board of directors approved a stock dividend of 99,118 shares to FutureWorld, its sole shareholder. On August 31, 2007, FutureWorld paid a stock dividend to its stockholders, consisting of 100% of the outstanding common stock of the Company, at the rate of one share of Infrax’s stock for every two shares they own of FutureWorld. As of August 31, 2007, Infrax ceased being a subsidiary of FutureWorld.

Nature of Business

Since its inception, the Company had been dedicated to selling and/or licensing a fiber optic management software system under the name OptiCon Network Manager, originally developed, and acquired from Corning Cable System, Inc. through a related company, FutureTech Capital, LLC. In October 2009, the Company began developing smart grid energy related products. As of June 29, 2010, the Company acquired the assets and management of Trimax Wireless Systems, Inc. ("Trimax"), in exchange for equity and a note payable. In April 2011, the Company acquired controlling interest in Lockwood Technology Corporation ("Lockwood"), a provider of advanced asset management solutions. In June of 2016, the Company sold its interest in Lockwood Technology Corporation and has accounted for its assets, liabilities and results of operations as a discontinued operation for all periods presented.

Effective with a change in control in May 2021, the Company’s business focus will shift. The details of that redirection are still in development and will be announced once fully developed.

NOTE 2 -Summary of Significant Accounting Policies

Basis of Presentation

The financial statements have been prepared in conformity with accounting principles generally accepted in the United States of America (“GAAP”). In preparing this report the numbers and balances reflected in this report were supplied by the Company, though the underlying data was not presented for review.

Use of Estimates

The preparation of consolidated financial statements in conformity with accounting principles generally accepted in the United States of America 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. The most significant assumptions and estimates relate to the valuation of equity issued for services, valuation of equity associated with convertible debt, the valuation of derivative liabilities, and the valuation of deferred tax assets. Actual results could differ from these estimates.

Fair Value Measurements and Fair Value of Financial Instruments

The Company adopted ASC Topic 820, Fair Value Measurements. ASC Topic 820 clarifies the definition of fair value, prescribes methods for measuring fair value, and establishes a fair value hierarchy to classify the inputs used in measuring fair value as follows:

Level 1: Inputs are unadjusted quoted prices in active markets for identical assets or liabilities available at the measurement date.

Level 2: Inputs are unadjusted quoted prices for similar assets and liabilities in active markets, quoted prices for identical or similar assets and liabilities in markets that are not active, inputs other than quoted prices that are observable, and inputs derived from or corroborated by observable market data.

Level 3: Inputs are unobservable inputs which reflect the reporting entity's own assumptions on what assumptions the market participants would use in pricing the asset or liability based on the best available information.
The estimated fair value of certain financial instruments, including all current liabilities are carried at historical cost basis, which approximates their fair values because of the short-term nature of these instruments.

Derivative Liability

We evaluate convertible instruments, options, warrants or other contracts to determine if those contracts or embedded components of those contracts qualify as derivatives to be separately accounted for under ASC Topic 815, "Derivatives and Hedging." The result of this accounting treatment is that the fair value of the derivative is marked-to-market each balance sheet date and recorded as a liability. In the event the fair value is recorded as a liability, the change in fair value is recorded in the statement of operations as other income (expense). Upon conversion or exercise of a derivative instrument, the instrument is marked to fair value at the conversion date and then that fair value is reclassified to equity. Equity instruments that are initially classified as equity that become subject to reclassification under ASC Topic 815 are reclassified to liabilities at the fair value of the instrument on the reclassification date.

Deferred Taxes

The Company follows Accounting Standards Codification subtopic 740-10, Income Taxes ("ASC 740-10") 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 during 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. Deferred income taxes may arise from temporary differences resulting from income and expense items reported for financial accounting and tax purposes in different periods.

Deferred taxes are classified as current or non-current, depending on the classification of assets and liabilities to which they relate. Deferred taxes arising from temporary differences that are not related to an asset or liability are classified as current or non-current depending on the periods in which the temporary differences are expected to reverse and are considered immaterial.

Cash and Cash Equivalents

For purposes of the Statements of Cash Flows, the Company considers highly liquid investments with an original maturity of three months or less to be cash equivalents.

Accounts Receivable and Allowance for Doubtful Accounts

The Company monitors outstanding receivables based on factors surrounding the credit risk of specific customers, historical trends, and other information. The allowance for doubtful accounts is estimated based on an assessment of the Company's ability to collect on customer accounts receivable. There is judgment involved with estimating the allowance for doubtful accounts and if the financial condition of the Company's customers were to deteriorate, resulting in their inability to make the required payments, the Company may be required to record additional allowances or charges against revenues. The Company writes-off accounts receivable against the allowance when it determines a balance is uncollectible and no longer actively pursues its collection. As of December 31, 2021, and December 31, 2020, based upon the review of the outstanding accounts receivable, the Company has determined that an allowance for doubtful accounts is not material. The allowance for doubtful accounts is created by forming a credit balance which is deducted from the total receivables balance in the balance sheet.

Property and Equipment

Property and equipment are stated at cost and depreciated using the straight-line method over their estimated useful lives of 3 to 5 years. When retired or otherwise disposed, the related carrying value and accumulated depreciation are removed from the respective accounts and the net difference less any amount realized from disposition, is reflected in earnings.

Stock Based Compensation Expense

We expect to account any share-based compensation pursuant to SFAS No. 123 (revised 2004) Share-Based Payment, or SFAS No. 123R. SFAS No. 123R requires measurement of all employee share-based payments awards using a fair-value method. When a grant date for fair value is determined, we will use the Black-Scholes-Merton pricing model. The Black-Scholes-Merton valuation calculation requires us to make key assumptions such as future stock price volatility, expected terms, risk-free rates and dividend yield.

The weighted-average expected term for stock options granted was calculated using the simplified method in accordance with the provisions of Staff Accounting Bulletin No. 107, Share-Based Payment. The simplified method defines the expected term as the average of the contractual term and the vesting period of the stock option. We will estimate the volatility rates used as inputs to the model based on an analysis of the most similar public companies for which Infrax has data. We will use judgment in selecting these companies, as well as in evaluating the available historical volatility data for these companies.

SFAS No. 123R requires us to develop an estimate of the number of share-based awards which will be forfeited due to employee turnover. Annual changes in the estimated forfeiture rate may have a significant effect on share-based payments expense, as the effect of adjusting the rate for all expense amortization after January 1, 2006 is recognized in the period the forfeiture estimate is changed. If the actual forfeiture rate is higher than the estimated forfeiture rate, then an adjustment is made to increase the estimated forfeiture rate, which will result in a decrease to the expense recognized in the financial statements. If the actual forfeiture rate is lower than the estimated forfeiture rate, then an adjustment is made to decrease the estimated forfeiture rate, which will result in an increase to the expense recognized in the financial statements. The risk-free rate is based on the U.S. Treasury yield curve in effect at the time of grant. We have never paid cash dividends, and do not currently intend to pay cash dividends, and thus have assumed a 0% dividend yield.

Infrax will continue to use judgment in evaluating the expected term, volatility and forfeiture rate related to its stock-based awards on a prospective basis, and in incorporating these factors into the model. If our actual experience differs significantly from the assumptions used to compute its stock-based compensation cost, or if different assumptions had been used, we may record too much or too little share-based compensation cost.

Revenue Recognition

Revenue includes product sales. The Company recognizes revenue from product sales in accordance with Topic 605 "Revenue Recognition in Financial Statements" which considers revenue realized or realizable and earned when all of the following criteria are met:

(i) persuasive evidence of an arrangement exists,
(ii) the services have been rendered and all required milestones achieved,
(iii) the sales price is fixed or determinable, and
(iv) Collectability is reasonably assured.

Convertible Debentures

If the conversion features of conventional convertible debt provide for a rate of conversion that is below market value at issuance, this feature is characterized as a beneficial conversion feature ("BCF"). A BCF is recorded by the Company as a debt discount pursuant to ASC Topic 470-20 "Debt with Conversion and Other Options." In those circumstances, the convertible debt is recorded net of the discount related to the BCF, and the Company amortizes the discount to interest expense, over the life of the debt.

Fair Value of Financial Instruments

Accounting Standards Codification subtopic 825-10, Financial Instruments ("ASC 825-10") requires disclosure of the fair value of certain financial instruments. The carrying value of cash and cash equivalents, accounts payable and accrued liabilities as reflected in the balance sheets, approximate fair value because of the short-term maturity of these instruments. All other significant financial assets, financial liabilities and equity instruments of the Company are either recognized or disclosed in the financial statements together with other information relevant for making a reasonable assessment of future cash flows, interest rate risk and credit risk. Where practicable the fair values of financial assets and financial liabilities have been determined and disclosed; otherwise only available information pertinent to fair value has been disclosed.

The Company follows Accounting Standards Codification subtopic 820-10, Fair Value Measurements and Disclosures ("ASC 820-10") and Accounting Standards Codification subtopic 825-10, Financial Instruments ("ASC 825-10"), which permits entities to choose to measure many financial instruments and certain other items at fair value.

Beneficial Conversion Feature

For conventional convertible debt where the rate of conversion is below market value, the Company records a "beneficial conversion feature" ("BCF") and related debt discount.

When the Company records a BCF, the relative fair value of the BCF is recorded as a debt discount against the face amount of the respective debt instrument (offset to additional paid in capital) and amortized to interest expense over the life of the debt.

Income Taxes

Income taxes are accounted for under the asset and liability method. Deferred tax assets and liabilities are recognized for the future tax consequences attributable to differences between the financial statement carrying amounts of existing assets and liabilities and their respective tax bases and operating loss, capital loss and tax credit carryforwards. Deferred tax assets and liabilities are measured using enacted tax rates expected to apply to taxable income in the years in which those temporary differences are expected to be recovered or settled. The effect on deferred tax assets and liabilities of a change in tax rates is recognized in income in the period that includes the enactment date.

The Company recognizes the effect of income tax positions only if those positions are more likely than not of being sustained. Recognized income tax positions are measured at the largest amount that is greater than 50% likely of being realized. Changes in recognition or measurement are reflected in the period in which the change in judgment occurs. The Company records interest and penalties related to unrecognized tax benefits as a component of general and administrative expenses. Our consolidated federal tax return and any state tax returns are not currently under examination.

The Company has adopted FASB ASC 740-10, Accounting for Income Taxes, which requires an asset and liability approach to financial accounting and reporting for income taxes. Deferred income tax assets and liabilities are computed annually from differences between the financial statement and tax basis of assets and liabilities that will result in taxable or deductible amounts in the future based on enacted tax laws and rates applicable to the periods in which the differences are expected to affect taxable income. Valuation allowances are established when necessary to reduce deferred tax assets to the amount expected to be realized.

Recent Accounting Pronouncements

We have reviewed all the recently issued, but not yet effective, accounting pronouncements and we do not believe any of these pronouncements will have a material impact on the Company.

In August 2017, the FASB issued ASU No. 2017-12, *Derivatives and Hedging (Topic 815),* which changes both the designation and measurement guidance for qualifying hedging relationships and the presentation of hedge results, in order to better align an entity's risk management activities and financial reporting for hedging relationships. The amendments expand and refine hedge accounting for both nonfinancial and financial risk components and align the recognition and presentation of the effects of the hedging instrument and the hedged item in the financial statements. FASB ASU No. 2017-12 is effective for annual reporting periods beginning after December 15, 2018, including interim periods within those annual reporting periods, with early adoption permitted. We are still evaluating the impact that this guidance will have on our financial position or results of operations, and we have not yet determined whether we will early adopt FASB ASU No. 2017-12.

In March 2016, the Financial Accounting Standards Board ("FASB") issued Accounting Standards Update ("ASU") No. 2016-09, Compensation – Stock Compensation (Topic 718): Improvements to Employee Share-Based Payment Accounting. This guidance changes how companies account for certain aspects of share-based payments to employees. Among other things, under the new guidance, companies will no longer record excess tax benefits and certain tax deficiencies in additional paid-in-capital ("APIC"), but will instead record such items as income tax expense or benefit in the income statement, and APIC pools will be eliminated. Companies will apply this guidance prospectively. Another component of the new guidance allows companies to make an accounting policy election for the impact of forfeitures on the recognition of expense for share-based payment awards, whereby forfeitures can be estimated, as required today, or recognized when they occur. If elected, the change to recognize forfeitures when they occur needs to be adopted using a modified retrospective approach. All of the guidance will be effective for the Company in the fiscal year beginning January 1, 2018. Early adoption is permitted. The Company is currently evaluating the impact of this guidance, if any, on its financial statements and related disclosures.

In February 2016, the FASB issued ASU No. 2016-02, *Leases (Topic 842),* which establishes new accounting and disclosure requirements for leases. FASB ASU No. 2016-02 requires lessees to classify most leases as either finance or operating leases and to initially recognize a lease liability and right-of-use asset. Entities may elect to account for certain short-term leases (with a term of 12 months or less) using a method similar to the current operating lease model. The statements of operations will include, for finance leases, separate recognition of interest on the lease liability and amortization of the right-of-use asset and for operating leases, a single lease cost, calculated so that the cost of the lease is allocated over the lease term on a straight-line basis. While we are in the early stages of our implementation process for FASB ASU No. 2016-02, and have not yet determined its impact on our financial position or results of operations, these leases would potentially be required to be presented on the balance sheet in accordance with the requirements of FASB ASU No. 2016-02. FASB ASU No. 2016-02 is effective for annual reporting periods beginning after December 15, 2018, including interim periods within those annual reporting periods, with early adoption permitted. FASB ASU No. 2016-02 must be applied using a modified retrospective approach, which requires recognition and measurement of leases at the beginning of the earliest period presented, with certain practical expedients available.

In July 2015, the FASB issued ASU No. 2015-11, Inventory (Topic 330): Simplifying the Measurement of Inventory. The guidance requires an entity to measure inventory at the lower of cost or net realizable value, which is the estimated selling prices in the ordinary course of business, less reasonably predictable costs of completion, disposal, and transportation, rather than the lower of cost or market in the previous guidance. This amendment applies to inventory that is measured using first-in, first-out (FIFO). This amendment is effective for public entities for fiscal years beginning after December 15, 2016, including interim periods within those years. A reporting entity should apply the amendments prospectively with earlier application permitted as of the beginning of an interim or annual reporting period. The Company is currently evaluating the impact of this guidance, if any, on its financial statements and related disclosures.

In May 2014, the FASB issued ASU No. 2014-09, Revenue from Contracts with Customers ("ASU 2014-09"), which requires an entity to recognize the amount of revenue to which it expects to be entitled for the transfer of promised goods or services to customers. ASU 2014-09 will replace most existing revenue recognition guidance in U.S. generally accepted accounting principles when it becomes effective. In July 2015, the FASB deferred the effective date of the standard by an additional year; however, it provided companies the option to adopt one year earlier, commensurate with the original effective date. Accordingly, the standard will be effective for the Company in the fiscal year beginning January 1, 2018, with an option to adopt the standard for the fiscal year beginning January 1, 2017. The Company is currently evaluating this standard and has not yet selected a transition method or the effective date on which it plans to adopt the standard, nor has it determined the effect of the standard on its financial statements and related disclosures.

NOTE 3 – Sale of Marketable Securities

During the quarter ended March 31, 2021, the Company divested itself of all of the marketable securities it owned. The original cost of the securities was $752,596, which were sold for $365,480, thereby recognizing a loss on the sale of $387,116.

Proceeds of the sale of the securities were used to liquidate all payables of the company.

NOTE 4 – Commitments & Contingencies

Infrax currently has no commitments or contingences

NOTE 5 – Preferred Stock

For the period ended June 30, 2017, the audit report reported changes in the Preferred Stock balances. Subsequent unaudited reports mirrored the balances reported. However, with the change in control, the presentation of Preferred Stock was re-evaluated and minor and immaterial differences were noted.

That audit reported that there were -0- Class B shares issued. Per the records of the transfer agent it was noted that there are still 1210 shares of Class B stock outstanding. However, with a par valuation of $0.001, the book value is just over $1.00, therefore a separate placement in the Equity section of the Balance Sheet is deemed insignificant.

Further, it was noted that the total shares, and thus dollar value of Preferred Stock was overstated by $35. These statements have retroactively adjusted the Preferred Stock valuation in the statement and adjusted Additional paid in Capital for the difference.

As of September 30, 2021, Preferred Stock consisted of the following:

Preferred Stock	Authorized Shares	Issued Shares	Par Value	$ Value
Class A-1	250,000	-	0.001	-
Class A-2	250,000	88,889	0.001	88.89
Class A-3	250,000	-	0.001	-
Class A	4,250,000	2,400,000	0.001	2,400.00
Class B	5,000,000	1,210	0.001	1.21
	10,000,000	2,490,099		2,490.10

NOTE 6 – Going Concern

The Company's financial statements are prepared using the generally accepted accounting principles applicable to a going concern, which contemplates the realization of assets and liquidation of liabilities in the normal course of business. Continued losses may adversely affect the liquidity of the Company in the future. In view of the matters described in the preceding paragraph, recoverability of a major portion of the recorded asset amounts shown in the accompanying balance sheet is dependent upon continued operations of the Company, which in turn is dependent upon the Company's ability to raise additional capital, obtain financing and to succeed in its future operations. The 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 7 - Subsequent Events

In accordance with FASB ASC Topic 855, Subsequent Events, the Company evaluates events and transactions that occur after the balance sheet date for potential recognition in the financial statements. The effects of all subsequent events that provide additional evidence of conditions that existed at the balance sheet date are recognized in the financial statements as of March 31, 2020. In preparing these financial statements, the Company evaluated the events and transactions that occurred through the date these financial statements were issued.

There were no reportable events occurring subsequent to this report that require disclosure in these statements.