PERPETUAL INDUSTRIES INC.

AUDITED ANNUAL REPORT

FOR THE YEAR ENDED
DECEMBER 31, 2021

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FORWARD-LOOKING STATEMENTS

This Annual Financial Report contains forward-looking statements within the meaning of Section 27A of the Securities Act of 1933, as amended (the "Securities Act") and Section 21E of the Securities Exchange Act of 1934, as amended (the "Exchange Act"). These forward-looking statements are not historical facts but rather are based on current expectations, estimates and projections. We may use words such as "anticipate," "expect," "intend," "plan," "believe," "foresee," "estimate","would", "could", "should", "predicts", "projects", "seeks", "potential", "likely", and variations of these words and similar expressions to identify forward-looking statements. These statements are not guarantees of future performance and are subject to certain risks, uncertainties and other factors, some of which are beyond our control, are difficult to predict and could cause actual results to differ materially from those expressed or forecasted. These risks and uncertainties include the following:

· The availability and adequacy of our cash flow to meet our requirements;

· Economic, competitive, demographic, business and other conditions in our local and regional markets;

· Changes or developments in laws, regulations or taxes in our industry;

· Actions taken or omitted to be taken by third parties including our suppliers and competitors, as well as legislative, regulatory, judicial and other governmental authorities;

· Competition in our industry;

· The loss of or failure to obtain any license or permit necessary or desirable in the operation of our business;

· Changes in our business strategy, capital improvements or development plans;

· The availability of additional capital to support capital improvements and development; and

· Other risks identified in this report and in our other filings with the Securities and Exchange Commission or the SEC.

This report should be read completely and with the understanding that actual future results may be materially different from what we expect. The forward-looking statements included in this report are made as of the date of this report and should be evaluated with consideration of any changes occurring after the date of this Report. We will not update forward-looking statements even though our situation may change in the future and we assume no obligation to update any forward-looking statements, whether as a result of new information, future events or otherwise.

PART I

ITEM 1. BUSINESS.

Organization

Perpetual Industries Inc. (“Perpetual” or the “Company”) is a Nevada corporation formed on January 25, 2005.

On July 1, 2021, the Company entered into a new lease for its 22,000 square foot corporate headquarters in Auburn, Indiana. The principal business address is 2193 Rotunda Dr., Auburn, Indiana, USA, 46706. Phone: 702-707-9811. This new facility will give Perpetual more space to meet the growing demands of its research and development projects, as well as room to execute a large-scale Bitcoin mining center expansion for its cryptocurrency division.

The Company acquired one wholly owned subsidiary and a major software asset in 2021.

Perpetual has not been involved in any bankruptcy, receivership, or similar proceeding. There has been no material reclassification, merger, consolidation, or sale of a significant amount of assets in the ordinary course of business.

Business

Perpetual Industries is an incubator of new technology and solutions relevant for integration and application across a wide variety of sectors. The Company operates four main business segments: (1) Research and development of energy efficient technologies, (2) Cryptocurrency mining, (3) Software Development, and (4) Classic collector car sales

The company’s divisions within the segments include; blockchain development, bitcoin mining, WindSilo vertical axis wind turbine (renewable energy source), AutoGrafic custom SaaS based mobile App (artificial intelligence, graphic rendering, cloud computing), XYO Mechanical Balancing Technology, XYO enhanced OEM domestic washing machine, and the sale and acquisition of classic vintage collector motorcars at auction around the globe with wholly owned subsidiary, Worldwide Auctioneers.

In the year ended December 31, 2021, the following key items happened in the Company:

On January 22, 2021, the Company completed its acquisition of all of the issued and outstanding units of Indiana-based Worldwide Group, LLC. (“Worldwide”), operating under the business name Worldwide Auctioneers, pursuant to a Membership Interest Purchase agreement (the “Agreement”). Pursuant to the Agreement, which was unanimously approved by the Company’s board of directors, Worldwide will operate independently under the Worldwide Auctioneers brand as a wholly-owned subsidiary of the Company. In connection with the agreement, the Company issued 2,000,000 shares of the Company’s Series B Preferred Stock valued at $200,000 as consideration.

Worldwide is a boutique auction company that specializes in the sale and acquisition of classic vintage motorcars at auctions around the globe. They also offer an extensive range of personalized services to collectors, including private sales, appraisal, collection direction and consultancy, estate planning, and asset management. Worldwide is a leader in the Collector Car Auction industry with an impressive 20 year history and a talented team of experienced people. Worldwide houses a physical and virtual showroom, and a dedicated memorabilia division at its extensive headquarters located in Auburn, Indiana.

On March 31, 2021 the Company entered into an asset acquisition agreement to acquire the AutoGrafic Software System (“AutoGrafic”) from Lavine Restorations, Inc. AutoGrafic is a social application for hosting automotive promotion and preservation. AutoGrafic is a software as a service (SaaS) and social application featuring cutting-edge technology that hosts a wide array of automotive promotion and preservation services and components. The system is specifically designed to attract global collector car enthusiasts who are looking for a novel, multifaceted, interactive automotive experience focused on a visual-based social community, collection management, social events, auctions, insurance, research, preservation and historical documentation.

On June 30, 2021, the Company filed a Certificate of Designation to create and establish a series of preferred stock of the Company designated as Series B Class of Preferred Stock. The authorized number of Series B Preferred Shares shall be 2,000,000 shares, with a par value of $0.0001 each. The holders shall be entitled to convert any whole number of Series B Preferred Shares into 10 (ten) validly issued, fully paid and non-assessable shares of Common Stock.

On November 15, 2021, the Company filed a Certificate of Designation to create and establish a series of preferred stock of the Company designated as Series A Class of Preferred Stock. The authorized number of Series A Preferred Shares shall be 160 shares, with a par value of $0.0001 each. All Series A Preferred Shares shall rank senior to all shares of Common Stock of the Company and to all current and future series of Preferred Stock. ”), Each Series A Preferred Share shall be convertible into 100,000 validly issued, fully paid and non-assessable shares of Common Stock. Pursuant to the terms in the Certificate of Designation, a holder of outstanding Series A Preferred Shares shall be entitled to receive dividends equal to its ratable ownership of Series A Preferred Shares multiplied by 18% of the total Net Profits from the Company's GEM Sector 450 cryptocurrency mining activities.

On December 2, 2021, the Company announced a Reg D-506(c) Series A Preferred Share Offering of up to 140 shares of its Series A Preferred stock at $50,000 per share for an aggregate offering amount of $7,000,000 to accredited investors pursuant to Regulation D, Rule 506(c) under the Securities Act of 1933, as amended (the "Securities Act"). The purpose of this offering is to secure funds that will be directly used in the first stage of the company's expansion plan for cryptocurrency mining operations at its 22,000-square-foot facility in Auburn, Indiana. Perpetual intends to use the net proceeds of the offering for the acquisition of cryptocurrency mining processors, other computer processing equipment, data storage, electrical infrastructure, software, working capital, and for general corporate purposes.

We maintained our main corporate website at www.perpetualindustries.com, as well as a technical website at www.xyobalancer.com. Nothing on the websites is part of any prospectus. They are informational and not part of the revenue model.

Between June and October 2021, the Company purchased 12 Bitmain S19j PRO 100TH and 20 Bitmain S19JPRO – 104TH bitcoin antminer ASIC machines for a total of 32 antminers. We hold the Bitcoin that we mine on our balance sheet, but we continue to evaluate our Bitcoin retention policy to determine the most efficient use of that asset.

Operations and Operating Plan

Perpetual is an emerging growth company with a diverse R&D portfolio, income-generating divisions and a wholly-owned subsidiary. The company is an incubator of disruptive, energy-efficient technologies and commercialization of niche products. The company's divisions all work together to support innovation in a wide range of industries on a global scale including; renewable energy, custom software solutions, white goods, artificial intelligence, blockchain, cryptocurrency mining, graphic rendering, cloud computing and internet of things ("IoT").

Our leadership team and trusted industry partners have the resources to provide essential components needed to take projects from their initial stage through to commercialization and are consistently looking for ways to accelerate the company's growth through the expansion our divisions.

Perpetual Industries has recently closed two key acquisitions, Worldwide Auctioneers and AutoGrafic Software, which now form powerful synergistic subsidiaries and divisions of the company, increasing its footprint across multiple rapidly growing markets and expanding its diverse revenue streams. In addition, the company is working on the development of solutions to integrate the powerful capabilities of disruptive blockchain technology.

As we continue to grow in the area of cryptocurrency mining, we are developing our Green Energy Mining System (GEM) and expanding our expertise and knowledge of innovative technologies while continuing our research, development, and commercialization of the XYO Technology in key applications.

SEGMENTS AND DIVISIONS

(1) Cryptocurrency mining, (2) Software Development, (3) Classic collector car sales, and (4) Research and development of energy efficient technologies

Cryptocurrency Mining

Cryptocurrency mining means generating digital assets by verifying transactions using powerful computers that tally transactions running on the blockchain. Cryptocurrencies represent a more attractive store of value than fiat currency and offer a significant opportunity for appreciation as more widespread adoption of bitcoin as a treasury reserve alternative continues to gain strength. The underlying infrastructure of cryptocurrency mining is blockchain technology which is collectively supported by a robust, decentralized, public open-source network. Blockchain technologies are rapidly gaining credibility and are being evaluated in many areas of business, finance, information management, and governance.

The Company's plan is strategically focused on rapidly growing our blockchain division with a large-scale expansion of our data center in Indiana to take advantage of the opportunity in the bitcoin mining sector. Plans include major upgrades to our data center facility, acquisition of specialized computers called Application-specific Integrated Circuits ("ASICs"), computer processing equipment, data storage, software, and additions to electrical infrastructure. This operational shift will direct the Company's resources significantly into optimizing a high-performance digital asset mining center that aims to maximize the company's return on assets and capitalize on the fast-growing blockchain ecosystem

With the funds generated by the current Reg D 506c Offering, the Company's goal is to aggressively scale up its data center, acquire computer hardware and customized software needed to mine bitcoin ("BTC"). Once this division is running at a larger scale capacity, it will generate the necessary revenues to support the operations of all the company's divisions while at the same time, continue to increase the Company's assets.

AutoGrafic Software

AutoGrafic is a software-as-a-service ("SaaS") and social application that utilizes cutting-edge technology to host a myriad of capabilities for automotive promotion and preservation. The App targets global collector car and automotive enthusiasts who want a unique, multifaceted, interactive automotive experience that is focused on a visual-based social community, collection management, social events, auctions, insurance, research, preservation and historical documentation. AutoGrafic serves as an additional foundational component of Perpetual Industries' rapidly expanding blockchain division. The application is expected to greatly benefit Worldwide Auctioneers by bringing new innovation and technology to its customers and the overall collector car industry. Development of the AutoGrafic App is currently underway with a team of software programmers and designers. The first beta version was released publicly in September 2021. AutoGrafic users will soon be able to gain access to the system by using a mobile phone or web browser to choose a free plan or select from various levels of premium plans that will provide access to more of the advanced functions on a per-feature subscription basis.

As a result of these two two strategic acquisitions in the first quarter of 2021 (Worldwide Auctioneers and AutoGrafic Software System), the Company is developing a unique offering in the world of collector cars by bringing Worldwide Auctioneers and the AutoGrafic Software System together in a synergistic platform designed to provide auto collectors, enthusiasts, restorers and lovers with a more interactive and connected experience.

Worldwide Auctioneers Wholly Owned Subsidiary

Worldwide Auctioneers is a US-based boutique auction company that specializes in the sale and acquisition of classic vintage motorcars at auction around the globe. They also offer an extensive range of personalized services to collectors, including private sales, appraisal, collection direction and consultancy, estate planning, and asset management. Worldwide is a leader in the Collector Car Auction industry with an impressive 20 year history and a talented leadership team focused on offering an extensive range of personalized services to collectors. Worldwide houses a physical and virtual showroom, and a dedicated memorabilia division at its extensive Indiana headquarters. Worldwide is led by principals Rod Egan and John Kruse and operate independently under the Worldwide Auctioneers brand as a wholly owned subsidiary of Perpetual providing greater diversity and revenue streams for the Company.

Research and Development Portfolio

Green Energy Mining System (GEM)

Leveraging expertise and knowledge of environmentally friendly technologies, Perpetual is developing low cost, environmentally responsible energy solutions designed to power large-scale data center and blockchain mining operations. The Company's Green Energy Mining ("GEM") solution aims to be powered by Perpetual's proprietary vertical access wind turbines and other renewable, cost-effective surplus energy sources such as stranded gas, solar farms and hydro-electric dams. Powered by renewable & surplus energy sources such as wind, solar, natural gas, wind and geothermal sources that will utilize leading battery storage technology will help address the rising demand for computing power that uses green energy.

XYO Proprietary Mechanical Balancing Technology

The XYO Technology delivers energy efficient, high performance solutions by reducing vibration levels caused by unbalanced mass for rotating equipment, machinery and devices. XYO can be customized for virtually everything that rotates, creating an unlimited market potential. This is a core division and key area of focus in the Company that includes research, development, and commercialization of new and innovative energy efficient products that delivers high-performance solutions that overcome challenges and inefficiencies that commonly impact rotating equipment, machinery, and devices.

WindSilo – Vertical Axis Wind Turbine

The Company's WindSilo turbine utilizes the Company's proprietary XYO Technology, which substantially improves balancing issues that are common in wind turbines today. Our unique design is under development to optimize spin speeds and features omni-directional capabilities with the ability to control wind source at all altitudes. The WindSilo design is being engineered to allow for much faster spin speeds and greater energy output. Through the implementation and addition of the XYO Technology into the turbine design, expensive traditional balancing methods could be eliminated while increasing performance, reliability and efficiency. Perpetual will continue collaborating with Trine University, a private post-secondary institution located in Angola, Indiana, for engineering and technical expertise to finalize the production prototype of its Windsilo product.

XYO Enhanced Domestic Washing Machine

Perpetual has plans to develop a proprietary domestic washing machine design implementing XYO Mechanical Balancers to dynamically compensate for variable mass imbalance during the spin cycle. The Company expects this innovative, energy-efficient domestic washing machine to deliver a number of benefits, including higher spin speeds, reduced energy consumption, decreased noise emissions and less mechanical wear & tear. This proprietary domestic washing machine design dynamically solves vibration at the source. With an estimated 70 million washing machines produced annually and over 500 million used daily, even a small reduction in energy consumption could be pivotal in the industry.

Our Competition and Market Position

Cryptocurrency Mining is happening all over the world among companies, individual hobbyists, mining pools, and other types of groups. We will face competition on a worldwide basis by entities that may have substantially greater resources and experience that who compete for market share in the same market as the market to be entered into by the Company. Anyone who is engaged in bitcoin mining activities, compete for hash rates among the other miners. We may also compete in the future with others who focus all or a portion of their activities on developing programming for the blockchain. As the price of bitcoin rises, it may attract various high-profile and well-established miners, some of which have substantially greater liquidity and financial resources than we do.

We believe that our ability to compete successfully depends upon a number of factors:

- Market Value of Bitcoin
- Successful Financing
- Mining Machine Availability
- Ability to Obtain Low Cost Power
- Data Center Capacity

Worldwide Auctioneers is part of the classic collector car industry. Located in Auburn, Indiana, Worldwide is recognized as the leader in high end collector car auctioneering globally. Companies in this sector vary in size across the North America. At present, the information concerning the activities of these auction companies is not readily available as the vast majority of the participants in this sector do not publish information publicly or the information may be unreliable. U.S.-based classic car dealers have cornered a significant portion of this market opportunity, which, according to IBISWorld, was valued at $2.1 billion in 2021, achieving a CAGR of 1.5% from 2016 to 2021.

AutoGrafic Software is a software as a service (SaaS) and social application that utilizes cutting-edge technology to host a myriad of aspects for automotive promotion and preservation. It targets global collector car and automotive enthusiasts who want a unique, multifaceted, interactive automotive experience. AutoGrafic's target market is the classic & collector car market, which is currently fragmented. AutoGrafic stands apart with its suite of offerings beyond traditional collection management tools. Further, many of the more robust and modern collection management offerings are based outside of the United States and are tailored to traditional art, which does not contemplate the unique complexities of the automobile. The growth of SaaS and social platforms is fraught with uncertainty, however we believe the following areas to be revenue streams that have correlative data to calculate significant value.

- Social Media Advertising Revenue
- Buy/Sell Transaction Fees
- Data Analytics
- Events, Museums, and Collection Management

XYO Mechanical Balancing Technology offers a high-end niche opportunity for creating best-in-category products that can challenge the status quo by delivering superior performance. For reasons of cost and competitive nearsightedness, many large brand-name companies with established product lines are inhibited from implementing the fullest version of the XYO technology. Like a large ship trying to change course, it becomes a cumbersome and slow process. By contrast, Perpetual has the flexibility and dedication to make the most of new innovations that utilize XYO, capitalizing on our secret know-how and our ability to manufacture and implement XYO cost-effectively.

As a potential addition to our revenue stream, we will continue to pursue sub-licensing opportunities, essentially selling a prototype, engineering drawings, technical support, and rights to use our intellectual property. When it is implemented to its fullest potential, the inventive features and unique designs of XYO-enhanced products may prove to be eligible for new patent protection.

Sources and Availability of Raw Materials

Since Perpetual Industries will be working with established manufacturers to make products that are relatively commonplace except for the addition of our innovative XYO technology, there are no concerns about the sources and availability of raw materials. XYO balancers themselves can be made of materials that are abundantly available.

Intellectual Property

Perpetual holds 100% ownership of the intellectual property rights worldwide for the international award winning XYO Automatic Mechanical Balancing Technology, which can be developed and optimized for a multitude of industries without any future licensing or royalty commitments. Our know-how regarding the design principles, production, and implementation of XYO balancing solutions is the result of over 25 years of research and development across the globe. The XYO Technology delivers energy-efficient, high performance solutions for rotating equipment, machinery and devices. XYO can be customized for virtually everything that rotates, creating unlimited market potential that spans across industries that include: automotive, white goods, HVAC, electric motors, generators, centrifuges, wind turbines, and aircraft applications. Extensive R&D work has been done to refine our core know-how and other intellectual property by optimizing the implementation of XYO in certain applications. Some of these results are available to the public at our technical website, www.xyobalancer.com

The Company currently owns intellectual property (IP) pertaining to the 360 degree-rotatable exterior view experience with the AutoGrafic Software. There is a trademark application (Serial # : 90250682) pending before the United States Patent and Trademark Office for the AutoGrafic mark. AutoGrafic offers and will continue to expand upon a broad suite of features. As we progress, we believe more IP will arise around certain functions in development.

Human Capital Resources
We strive to attract the best talent available from diverse, best-in-class candidates and enable them to grow their careers as individuals while contributing to the overall success of the Company. Our goal is to provide a long-term career, a safe and respectful environment that is fair, inclusive of everyone, and promote equity within the Company.

Employees
As at December 31, 2021, the Company and wholly owned subsidiary collectively had thirteen full time employees and four individuals providing business management services:

> Brent Bedford, Chairman and CEO of Perpetual Industries, has an oral agreement under which he provides management services through a private entity that he owns. All of his time is spent on Perpetual. Brent has a deep understanding of all aspects of the company's business, products, marketing, as well as substantial experience developing its corporate strategy, and assessing emerging industry trends. He plays a critical role in defining the vision and overall objectives in the company by partnering with the Company's senior leadership team in setting the strategic direction for the organization, decision making and operational plan.
>
> William Griffin Thomas, Chief Financial Officer (CFO) of Perpetual Industries. Trip has more than 20 years of experience in the field of accounting. His experience includes private industry, public company, public accounting and non-profit. His experience includes auditing, budget analysis, fixed assets, financial modeling, SEC financial reporting, GAAP compliance and fair value measurements. Additionally, Trip holds a Bachelor of Science in Accounting from the University of Tampa and a Bachelor of Science in Agribusiness from the University of Florida. He is a licensed CPA in the State of Florida.
>
> Rod Egan, Principal and Chief Auctioneer of Worldwide Auctioneers, provides management services through a private entity that he owns that is contracted directly through Worldwide Auctioneers, Perpetual's wholly owned subsidiary. Rod specializes in the valuation of fine automobiles and is the managing partner at Worldwide Auctioneers.
>
> John Kruse, Principal and Auctioneer of Worldwide Auctioneers, provides management services through a private entity that he owns that is contracted directly through Worldwide Auctioneers, Perpetual's wholly owned subsidiary. John has been actively involved with vintage motorcars and collection management for his entire life and is a passionate car enthusiast.

Engineering, industrial research and development, and design activities surrounding the development and implementation of the XYO technology in a variety of applications, is provided by contracted specialized contractors on an as-requested basis. These support services are available to us through individual contractors, marketing/engineering liaisons, and project managers. We have no formal contract or agreement with these entities and individuals; work is requested and invoiced on a monthly basis.

Regulatory Environment

The company deals with government approvals, regulations, and environmental laws primarily by having a business model in which it is our contract manufacturers and our sublicensed customers who are ultimately responsible for their facilities' and products' compliance in the regions and markets of their expertise.

Perpetual Industries is subject to various laws and regulations administered by federal, state and local governmental agencies in the United States as well as the Canadian jurisdiction of Alberta.

Perpetual is currently listed on the OTC MARKETS under the symbol PRPI under the PINK Current Tier with a verified profile.

Subsequent Events

As part of the Reg D-506(c) Offering, the following transactions have occurred up to March 31, 2022:

- March 8, 2022 - 2 shares of Series A Preferred stock was sold at $50,000 per share for $100,000.

On March 7, 2022, Perpetual entered into a Platform Account Contract with SRAX Inc. to generate brand awareness, interest, and engagement with their investor audience and access to their proprietary Sequire Platform, a tool for shareholder intelligence and communication. The term of the contract is 12 months from the effective date. Compensation under the terms of the agreement for services include 3,150,000 restricted shares of common stock in Perpetual Industries valued at $0.20 per share for a total compensation value of $630,000 to be expensed over the following twelve months.

On March 8, 2022, as part of the Reg D-506(c) Offering, the Company sold 2 shares of Series A Preferred Stock at $50,000 per share.

On January 27, 2022, the Company issued 20,000 shares of Common stock at $0.25 per share to a consultant satisfy an invoice for services he provided in October, November, and December of 2021

ITEM 1A. RISK FACTORS.

Not applicable. Smaller reporting companies are not required to provide the information required by this item.

ITEM 1B. UNRESOLVED STAFF COMMENTS.

Not applicable. Companies that are not an accelerated filer or a large accelerated filer are not required to provide the information required by this item.

ITEM 2. PROPERTIES

The Company has established a headquarters in Auburn, Indiana. The lease agreement started on July 1, 2021.

ITEM 3. LEGAL PROCEEDINGS

None.

ITEM 4. MINE SAFETY DISCLOSURES

Not applicable.

PART II

ITEM 5. MARKET FOR THE COMPANY'S COMMON EQUITY, RELATED STOCKHOLDER MATTERS AND ISSUER PURCHASES OF EQUITY SECURITIES

Common Stock

Our common stock had been quoted on the OTC MARKETS since October 2, 2015 under the symbol PRPI.

The following table sets forth the high and low bid prices for our Common Stock per quarter as reported by the OTC Markets Pink Sheets for the quarterly periods indicated below based on our annual period ended December 31, 2021. These prices represent quotations between dealers without adjustment for retail mark-up, markdown or commission and may not represent actual transactions.

Period	High		Low	
First Quarter (January 1, 2020– March 31, 2020)	$	0.0918	$	0.06
Second Quarter (April 1, 2020–June 30, 2020)	$	0.0948	$	0.035
Third Quarter (July 1, 2020– September 30, 2020)	$	0.37	$	0.045
Fourth Quarter (October 1, 2020–December 31, 2020)	$	0.925	$	0.12
First Quarter (January 1, 2021– March 31, 2021)	$	0.59	$	0.13
Second Quarter (April 1, 2021–June 30, 2021)	$	0.30	$	0.14
Third Quarter (July 1, 2021– September 30, 2021)	$	0.34	$	0.15
Fourth Quarter (October 1, 2021–December 31, 2021)	$	0.34	$	0.20

Record Holders

As of December 31, 2021, an aggregate of 78,137,800 shares of our Common Stock were issued and outstanding and were owned by approximately 203 holders of record, based on information provided by our transfer agent.

Re-Purchase of Equity Securities

None.

Dividends

We have never declared or paid any cash dividends on our common stock. We currently intend to retain future earnings, if any, to finance the expansion of our business. As a result, we do not anticipate paying any cash dividends in the foreseeable future on our common stock.

The Series A Preferred Stock has a dividend rate of 18% of net profits, if available, from the GEM Sector 450 [(1)] of the Cryptocurrency Mining Division.

(1) *The "GEM Sector 450" specifically means the sector of the Company's Cryptocurrency Mining Division that is comprised of 450 cryptocurrency mining machines allocated for purchase from the net proceeds of the Company's Reg D 506c Offering or other sale of Shares. Dividends will be limited to Net Profits that are generated from the 450 machines that are acquired as a result of the sale of Shares. Dividends will not include any net profits generated from additional machines that the Company currently owns or may acquire in the future outside of the sale of Shares.*

Securities Authorized for Issuance Under Equity Compensation Plans

None.

ITEM 6. SELECTED FINANCIAL DATA

We are a smaller reporting company as defined by Rule 12b-2 of the Securities Exchange Act of 1934 and are not required to provide the information under this item.

ITEM 7. MANAGEMENT'S DISCUSSION AND ANALYSIS OR PLAN OF OPERATION

This Management's Discussion and Analysis of Financial Condition and Results of Operations contain certain forward-looking statements. Historical results may not indicate future performance. Our forward-looking statements reflect our current views about future events; are based on assumptions and are subject to known and unknown risks and uncertainties that could cause actual results to differ materially from those contemplated by these statements. Factors that may cause differences between actual results and those contemplated by forward-looking statements include, but are not limited to, those discussed in the section titled "Risk Factors" of our December 31, 2020 annual report. We undertake no obligation to publicly update or revise any forward-looking statements, including any changes that might result from any facts, events, or circumstances after the date hereof that may bear upon forward-looking statements. Furthermore, we cannot guarantee future results, events, levels of activity, performance, or achievements.

RESULTS OF OPERATIONS

The following information represents our results of operations for the year ended December 31, 2021 versus the year ended December 31, 2020.

Revenues

The service revenues of $3,855,993 and product sales of $4,524,805 were derived from our wholly-owned subsidiary Worldwide which we acquired on January 22, 2021. The crypto-currency mining operations ensued during the year ended December 31, 2021 resulting in $64,596 of revenue.

Cost of sales

The cost of sales of $5,121,995 were directly related to the service and product revenues, which were derived from our wholly-owned subsidiary Worldwide which we acquired on January 22, 2021.

Operating Expenses

Management services, related party

We incurred management fees in the amount of $208,807 for the year ended December 31, 2021 versus $158,496 for the year ended December 31, 2020, an increase of $50,311, or 32%. The increase was due to increased fees resulting from more involvement from our CFO and COO.

General and administrative expenses, related party

General and administrative expenses include all related party costs associated with office management and administration support, rent, internet, network and website maintenance. We incurred general and administrative expenses, related party of $241,691 for the year ended December 31, 2021 versus $36,908 for the year ended December 31, 2020, an increase of $204,783, or 555%. The increase was a result of related party activity assumed in the Worldwide acquisition.

General and administrative expenses

General and administrative expenses include all costs associated with professional, legal fees, insurance, rent, dues, subscriptions. We incurred general and administrative expenses of $1,842,604 for the for the year ended December 31, 2021 versus $280,676 for the year ended December 31, 2020. The increase of $1,561,928, or 556% primarily relates to the activity picked up in the Worldwide acquisition.

Research and development

We incurred research and development expenses in the amount of $66,104 for the year ended December 31, 2021 versus $24,478 for the year ended December 31, 2020, an increase of $41,626, or 170%. The research and development expenses related to cryptocurrency mining, and the WindSilo Wind Turbine.

Outsourced Consulting Fees

Outsourced consulting fees include fees paid to outside consultants. We incurred outsource consulting fees of $775,659 for the for the year ended December 31, 2021 versus $195,354 for the year ended December 31, 2020, an increase of $580,305, or 297%. The increase primarily relates to the activity picked up in the Worldwide acquisition.

Other Income (Expense)

Other income (expense) consists of interest expense, non-related and related party, interest income, related party, other income and foreign currency adjustments. Other income (expense) for the year ended December 31, 2021 was ($131,808) versus ($63,564) for the same period.

Net Income (Losses)

The Company had a net loss of $127,015 for the year ended December 31, 2021 versus a net loss of $902,374 for the year ended December 31, 2020. The decreased net loss was a result of picking up the revenue from the Worldwide acquisition.

Current Liquidity and Capital Resources for the Twelve Months Ended December 31, 2021 compared to Twelve Months Ended December 31, 2020

		2021		**2020**
Summary of Cash Flows:				
Net cash provided (used) by operating activities	$	742,588	$	(673,298)
Net cash used in investing activities		(651,051)		(22,525)
Net cash provided by (used in) financing activities		366,233		661,000
Fx translation		1,053		0
Net decrease in cash and cash equivalents		458,823		-34,823
Beginning cash and cash equivalents		589,724		624,547
Ending cash and cash equivalents	$	1,048,547	$	589,724

Operating Activities

Cash provided by operations of $742,588 during the year ended December 31, 2021 was primarily a result of our $127,015 net loss reconciled with our net non-cash expenses relating to stock-based compensation, depreciation expense, interest income, forgiveness of debt, and accounts payable and accrued expenses. Cash used in operations of $673,298 during the year ended December 31, 2020 was primarily a result of our $902,374 net loss reconciled with our net non-cash expenses relating to stock-based compensation, depreciation expense, interest income, and accounts payable and accrued expenses.

Investing Activities

Net cash used in investing activities for the year ended December 31, 2021 was $651,051 versus $22,525 for year ended December 31, 2020. During the years ended December 31, 2021 and 2020, the Company purchase fixed assets in the amount of $530,729 and $22,525, respectively. Additionally in 2021, the Company capitalized $151,905 in software development cost and acquired $31,583 cash in the acquisition of Worldwide.

Financing Activities

Net cash provided by financing activities was $366,233 for the year ended December 31, 2021 versus net cash used in financing activities of $661,000 for the year ended December 31, 2020. The net cash provided by financing activities for the year ended December 31, 2021 included $1,168,000 from proceeds from the sale of common stock, $124,772 in proceeds from an SBA loan, and $926,539 payments on notes payable. The net cash provided by financing activities for the year ended December 31, 2020 included $661,000 from proceeds from the sale of common stock.

Future Capital Requirements

Our capital requirements for 2022 will depend on numerous factors, including management's evaluation of the timing of projects to pursue. Subject to our ability to generate revenues and cash flow from operations and our ability to raise additional capital (including through possible joint ventures, acquisitions, and/or partnerships), we expect to incur substantial expenditures to carry out our business plan, as well as costs associated with our capital raising efforts and being a public company.

We plan to finance the operations and product development work in 2022 with the completion of the Company's Reg D 506(c) Offering Memorandum for up to 140 Series A Preferred shares. Other means include acquisitions, partnership agreements, or other business transactions, that would generate sufficient resources to ensure continuation of our operations.

The sale of additional equity or debt securities may result in additional dilution to our shareholders Any such required additional capital may not be available on reasonable terms, if at all. If we were unable to obtain additional financing, we may be required to reduce the scope of, delay or eliminate some or all of our planned activities and limit our operations which could have a material adverse effect on our business, financial condition and results of operations.

Inflation

The amounts presented in our consolidated financial statements do not provide for the effect of inflation on our operations or financial position. The net operating losses shown would be greater than reported if the effects of inflation were reflected either by charging operations with amounts that represent replacement costs or by using other inflation adjustments.

Off-Balance Sheet Arrangements

We have no significant off-balance sheet arrangements that have or are reasonably likely to have a current or future effect on our financial condition, changes in financial condition, revenues or expenses, results of operations, liquidity, capital expenditures or capital resources.

Going Concern

We have not attained profitable operations and are dependent upon obtaining financing to pursue any extensive activities. For these reasons, our auditors stated in their report on our audited financial statements that they have substantial doubt that we will be able to continue as a going concern without further financing.

Future Financings

We will continue to rely on equity sales of our common shares in order to continue to expand our business operations. Issuances of additional shares will result in dilution to existing stockholders. There is no assurance that we will achieve any additional sales of the equity securities or arrange for debt or other financing to fund planned acquisitions and exploration activities.

Critical Accounting Policies

We have identified certain accounting policies, described below, that are most important to the portrayal of our current financial condition and results of operations. Our significant accounting policies are disclosed in the notes to the audited financial statements included in this Annual Report.

Use of Estimates

The preparation of 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. The estimates and judgments will also affect the reported amounts for certain revenues and expenses during the reporting period. Actual results could differ from these good faith estimates and judgments.

Recently Issued Accounting Pronouncements

Refer to Note 2 - Significant Accounting Policies in the financial statements that are included in this Report.

Contractual Obligations

We are a smaller reporting company as defined by Rule 12b-2 of the Securities Exchange Act of 1934 and are not required to provide the information under this item.

ITEM 7A. QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK

We are a smaller reporting company as defined by Rule 12b-2 of the Securities Exchange Act of 1934 and are not required to provide the information under this item.

ITEM 8. FINANCIAL STATEMENTS AND SUPPLEMENTARY DATA

Perpetual Industries, Inc. and a Subsidiary

Financial Statements

REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

To the Board of Directors and
Stockholders of Perpetual Industries, Inc.

Opinion on the Financial Statements

We have audited the accompanying consolidated balance sheets of Perpetual Industries, Inc. (the Company) as of December 31, 2021, and the related consolidated statements of operations, comprehensive income, shareholders' equity, and cash flows for the year ended December 31, 2021, and the related notes and schedules (collectively referred to as the financial statements). In our opinion, the financial statements present fairly, in all material respects, the financial position of the Company as of December 31, 2021, and the results of its operations and its cash flows for each of the year ended December 31, 2021, in conformity with accounting principles generally accepted in the United States of America.

Substantial Doubt about the Company's Ability to Continue as a Going Concern

The accompanying consolidated financial statements have been prepared assuming that the Company will continue as a going concern. As discussed in Note 16, the Company has incurred net losses and negative cash flow from operations since inception. These factors, and the need for additional financing in order for the Company to meet its business plans raises substantial doubt about the Company's ability to continue as a going concern. Our opinion is not modified with respect to that matter.

Basis for Opinion

These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on the Company's financial statements based on our audits. We are a public accounting firm registered with the Public Company Accounting Oversight Board (United States) (PCAOB) and are required to be independent with respect to the Company in accordance with the U.S. federal securities laws and the applicable rules and regulations of the Securities and Exchange Commission and the PCAOB.

We conducted our audits in accordance with the standards of the PCAOB. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement, whether due to error or fraud. The Company is not required to have, nor were we engaged to perform, an audit of its internal control over financial reporting. As part of our audits, we are required to obtain an understanding of internal control over financial reporting, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control over financial reporting. Accordingly, we express no such opinion.

Our audits included performing procedures to assess the risks of material misstatement of the financial statements, whether due to error or fraud, and performing procedures that respond to those risks. Such procedures included examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements. Our audits also included evaluating the accounting principles used and significant estimates made by management, as well as evaluating the overall presentation of the financial statements. We believe that our audits provide a reasonable basis for our opinion.

Critical Audit Matters

The critical audit matters communicated below are matters arising from the current period audit of the financial statements that were communicated or required to be communicated to the audit committee and that: (1) relate to accounts or disclosures that are material to the financial statements and (2) involved our especially challenging, subjective, or complex judgments. The communication of critical audit matters does not alter in any way our opinion on the financial statements, taken as a whole, and we are not, by communicating the critical audit matters below, providing separate opinions on the critical audit matters or on the accounts or disclosures to which they relate.

Business Acquisition

As described in Note 11 to the Company's consolidated financial statements, the Company acquired a company during the year. The Company accounted for the acquisition in accordance with ASC 805, *Business Combinations*.

We identified the Company's accounting for the business acquisitions as a critical audit matter. The principal considerations for our determination of this critical audit matter related to the high degree of subjectivity in the Company's judgments in determining the qualitative factors. Auditing these judgments and assumptions by the Company involves auditor judgment due to the nature and extent of audit evidence and effort required to address these matters.

The primary procedures we performed to address these critical audit matters included the following:

- We obtained the acquisition agreements and performed the following procedures:
    - Reviewed agreements for all relevant terms, consideration and other relevant information.
    - Tested supporting documentation related to the acquired companies in determining the preliminary identifiable assets and liabilities and estimated fair value of those assets and liabilities.
    - Reviewed the guidance related to ASC 805 to determine the acquisitions were appropriately accounted for by the Company.

Accell Audit & Compliance, PA

We have served as the Company's auditor since 2021.

Tampa, Florida
March 31, 2022

CONSENT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

We hereby consent to the use in this annual report of Perpetual Industries, Inc. for the year ended December 31, 2021 of our report dated March 30, 2021, with respect to the financial statements of Perpetual Industries, Inc., as of December 31, 2020 and for the year then ended. Our report dated March 31, 2021 contains an explanatory paragraph regarding the Company's ability to continue as a going concern. The financial statements do not include any adjustments that might result from the outcome of this uncertainty.

Sincerely

TPS Thayer, LLC

TPS Thayer, LLC

Sugar Land, Texas
April 1, 2022

PERPETUAL INDUSTRIES, INC. AND SUBSIDIARY
CONSOLIDATED BALANCE SHEETS

		December 31, 2021		December 31, 2020
ASSETS				
Current assets				
Cash	$	1,048,547	$	589,724
Accounts receivable		96,020		-
Inventory		13,660		-
Deposits and prepaids		56,202		56,271
Total current assets		1,214,429		645,995
Fixed assets, net of accumulated depreciation		645,850		31,944
Intangible assets - net		901,905		-
Indefinite life asset		59,715		-
Right of use asset		880,019		41,159
Note receivable and accrued interest, related party		-		167,984
Goodwill		7,813,049		-
Total non-current assets		10,300,538		241,087
Total assets	$	11,514,967	$	887,082
LIABILITIES				
Current liabilities:				
Accounts payable and accrued expenses	$	864,913	$	283,971
Accounts payable and accrued expenses - related party		256,041		30,441
Notes payable - related party		700,000		-
Lease liability		202,153		41,159
Economic Injury Disaster Loan Program (EIDL) loan, current maturities		3,036		-
Total current liabilities		2,026,143		355,571
Non-current liabilities:				
Lease liability, long term		677,906		-
Payroll Protection Program loan		124,772		-
Economic Injury Disaster Loan Program (EIDL) loan, long-term		145,964		-
Total liabilities		2,974,785		355,571
Commitments and contingencies (Note 17)				
STOCKHOLDERS' EQUITY				
Preferred stock, $0.0001 par value, 100,000,000 shares authorized;				
Series B: 2,000,000 shares authorized; 2,000,000 and 0 shares issued and outstanding at December 31, 2021 and 2020, respectively		200		-
Common stock, $0.001 par value; 500,000,000 shares authorized 78,137,800 and 69,783,500 issued and outstanding at December 31, 2021 and 2020, respectively		78,138		69,983
Additional paid in capital		20,654,396		12,528,118
Other accumulated comprehensive loss		(10,078)		(11,131)
Accumulated deficit		(12,182,474)		(12,055,459)
Total stockholders' equity	$	8,540,182	$	531,511
Total liabilities and stockholders' equity	$	11,514,967	$	887,082

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

PERPETUAL INDUSTRIES, INC. AND SUBSIDIARY

CONSOLIDATED STATEMENTS OF OPERATIONS AND COMPREHENSIVE LOSS

	For the Years Ended December 31, 2021	December 31, 2020
Revenues		
Service revenues	$ 3,855,993	$ -
Product sales	4,524,805	-
Cryptocurrency mining revenue	64,596	-
Total revenues	8,445,394	-
Cost of sales	5,121,995	-
Gross profit	3,323,399	-
Operating expenses		
Management service, related party	208,807	158,496
General and administrative expenses, related party	241,691	36,908
General and administrative expenses	1,842,604	280,676
Research and development	66,104	24,478
Stock-based compensation	183,741	142,898
Outsource consulting fees	775,659	195,354
Total operating expenses	3,318,606	838,810
Net operating income (loss)	4,793	(838,810)
Other income (expense)		
Interest expense, non-related party	(105,647)	(38,067)
Interest expense, related party	(2,959)	(32,000)
Interest income, related party	-	12,033
Other income	1,694	464
Loss on settlement of debt	(30,962)	-
Loss on impairment of digital currencies	(6,081)	-
Gain on settlement of debt	15,000	-
Foreign currency transaction adjustments	(2,853)	(5,994)
Total other income (expense)	(131,808)	(63,564)
Net loss	(127,015)	(902,374)
Unrealized translation gain	1,053	6,744
Other comprehensive loss	$ (125,962)	$ (895,630)
Basic and diluted loss per share	$ (0.00)	$ (0.02)
Basis and diluted weighted average common shares outstanding	74,925,697	49,736,945

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

PERPETUAL INDUSTRIES INC.
CONSOLIDATED STATEMENT OF STOCKHOLDERS' EQUITY
FOR THE YEARS ENDED DECEMBER 31, 2021 AND 2020

	Preferred Stock		Common Stock		Common Stock to be Issued	Additional Paid-In Capital	Accumulated Other Comprehensive Loss	Accumulated Deficit	Total Shareholders' Equity (Deficit)
	Shares	Amount	Shares	Amount					
Balances, December 31, 2019	0	$ 0	39,491,400	$ 39,491	0	10,176,838	(17,875)	(11,153,085)	(954,631)
Issuance of common stock for cash	0	0	510,000	510	0	152,490	0	0	153,000
Issuance of common stock for cash	0	0	0	0	508,000	0	0	0	508,000
Issuance of common stock in extinguishment of accounts payable	0	0	350,000	350	0	69,650	0	0	70,000
Issuance of stock for services	0	0	200,000	200	0	59,800	0	0	60,000
Conversion of notes payable and accrued interest	0	0	256,680	257	0	12,576	0	0	12,833
Conversion of convertible notes payable and accrued interest	0	0	29,175,420	29,175	0	1,429,595	0	0	1,458,770
Stock options	0	0	0	0	0	119,169	0	0	119,169
Net loss for the year ended December 31, 2020	0	0	0	0	0	0	6,744	(902,374)	(895,630)
Balances, December 31, 2020	0	0	69,983,500	69,983	508,000	12,020,118	(11,131)	(12,055,459)	531,511
Issuance of Series B Preferred Stock for acquisition of Worldwide Group	2,000,000	200	0	0	0	5,999,800	0	0	6,000,000
Issuance of common stock for cash	0	0	3,963,400	3,963	0	1,164,037	0	0	1,168,000
Issuance of common stock for acquisition of AutoGrafic software	0	0	1,000,000	1,000	210,000	299,000	0	0	510,000
Issuance of common stock for cash, committed in prior period	0	0	1,693,400	1,694	(508,000)	506,306	0	0	0
Issuance of stock for services	0	0	1,202,100	1,202	0	312,985	0	0	314,187
Issuance of stock to satisfy accrued rent	0	0	295,400	296	0	62,704	0	0	63,000
Issuance of stock to satisfy accounts payable	0	0	0	0	7,070	0	0	0	7,070
Stock options	0	0	0	0		72,376	0	0	72,376

Net loss for the year ended December 31, 2021	0	0	0	0	0	0	1,053	(127,015)	(125,962)
Balances, December 31, 2021	2,000,000	200	78,137,800	78,138	217,070	20,437,326	(10,078)	(12,182,474)	8,540,182

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

PERPETUAL INDUSTRIES, INC. AND SUBSIDIARY
CONSOLIDATED STATEMENTS OF CASH FLOWS

	For the Years Ended December 31, 2021	December 31, 2020
Cash Flows from Operating Activities		
Net loss	$ (127,015)	$ (902,374)
Adjustments to reconcile net loss to net cash used by operating activities:		
Depreciation expense	58,915	8,998
Stock issued for services	314,187	-
Stock based compensation	-	142,898
Interest income, related party	-	(12,033)
Loss on impairment of digital currencies	6,081	-
Changes in operating assets & liabilities		
Accounts receivable	20,694	-
Inventory	(3,350)	-
Prepaid expenses	32,623	(16,931)
Accounts payable	622,680	116,033
Accounts payable, related party	(82,727)	(9,889)
Accrued expenses	(100,000)	-
Net cash provided (used) by operating activities	742,588	(673,298)
Cash Flows from Investing Activities		
Acquisition of fixed assets	(530,729)	(22,525)
Cash paid for software development asset	(151,905)	-
Cash acquired in business acquisition	31,583	-
Net cash used by investing activities	(651,051)	(22,525)
Cash Flows from Financing Activities		
Proceeds from the issuance of common stock	1,168,000	661,000
Proceeds from payroll protection program loan	124,772	-
Payments on notes payable	(926,539)	-
Net cash provided by financing activities	366,233	661,000
Fx translation	1,053	-
(Decrease) Increase in Cash	458,823	(34,823)
Cash at beginning of period	589,724	624,547
Cash at end of period	$ 1,048,547	$ 589,724
Supplemental Cash Flow Information		
Cash paid for interest	$ 20,897	$ -
Cash paid for income taxes	$ -	$ -
Acquisition of Worldwide Group for 2,000,000 shares of Series B Convertible Preferred Stock	$ 6,000,000	$ -
Acquisition of AutoGrafic Software for $200,000 in cash and $510,000 in common stock	$ 710,000	$ -

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

1. Nature of operations

Perpetual Industries Inc. (the "Company") was incorporated under the laws of Nevada in January 2005 and is headquartered in Auburn Indiana.

Perpetual is an emerging growth company with a diverse R&D portfolio, income-generating divisions and a wholly-owned subsidiary. The Company is an incubator of disruptive, energy-efficient technologies and commercialization of niche products. The Company's divisions all work together to support innovation in a wide range of industries on a global scale including; renewable energy, custom software solutions, white goods, artificial intelligence, blockchain, cryptocurrency mining, graphic rendering, cloud computing and internet of things ("IoT").

As a result of two strategic acquisitions in the first quarter of 2021 (Worldwide Auctioneers and AutoGrafic Software System), the Company has created a new software division focused on the growing collector car community. The Company is developing a unique offering in the world of collector cars by bringing Worldwide Auctioneers and the AutoGrafic Software System together in a synergistic platform designed to provide auto collectors, enthusiasts, restorers and lovers with a more interactive and connected experience.

The Company is currently focused on rapidly growing the blockchain division with a large-scale expansion of cryptocurrency mining operations. Plans include major upgrades to our data center facility, acquisition of cryptocurrency mining processors, computer processing equipment, data storage, software, and additions to electrical infrastructure. This operational shift is expected to direct the Company's resources significantly into optimizing a high-performance digital asset mining center that aims to maximize the company's return on assets and capitalize on the fast-growing blockchain ecosystem.

2. Summary of significant accounting policies

Basis of Presentation

The Company has one wholly-owned subsidiary: Worldwide Group, LLC ("Worldwide"). The consolidated financial statements, which include the accounts of the Company and its wholly-owned subsidiary, are prepared in conformity with generally accepted accounting principles in the United States of America ("U.S. GAAP"). All significant intercompany balances and transactions have been eliminated. The consolidated financial statements, which include the accounts of the Company and its wholly-owned subsidiary, and related disclosures have been prepared pursuant to the rules and regulations of the Securities and Exchange Commission ("SEC"). The Financial Statements have been prepared using the accrual basis of accounting and are presented in US dollars. The Company's financial reporting year end is December 31.

Use of Estimates

The preparation of 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. Actual results could differ from these estimates.

Digital Currencies

Digital currencies are included in non-current assets in the consolidated balance sheets under indefinite life assets. Digital currencies are recorded at cost, less impairment.

An intangible asset with an indefinite useful life is not amortized but assessed for impairment annually, or more frequently, when events or changes in circumstances occur indicating that it is more likely than not that the indefinite-lived asset is impaired. Impairment exists when the carrying amount exceeds its fair value. In testing for impairment, the Company has the option to first perform a qualitative assessment to determine whether it is more likely than not that an impairment exists. If it is determined that it is not more likely than not that an impairment exists, a quantitative impairment test is not necessary. If the Company concludes otherwise, it is required to perform a quantitative impairment test. To the extent an impairment loss is recognized, the loss establishes the new cost basis of the asset. Subsequent reversal of impairment losses is not permitted. For the years ended December 31, 2021 and 2020, the Company recorded a loss on impairment of digital currencies in the amount of $6,081 and $0, respectively.

Revenue Recognition

The Company recognizes revenue in accordance with Accounting Standards Update ("ASU") 2014-09, "*Revenue from contracts with customers,"* (Topic 606). Revenue is recognized when a customer obtains control of promised goods or services. In addition, the standard requires disclosure of the nature, amount, timing, and uncertainty of revenue and cash flows arising from contracts with customers. The amount of revenue that is recorded reflects the consideration that the Company expects to receive in exchange for those goods. The Company applies the following five-step model in order to determine this amount: (i) identification of the promised goods in the contract; (ii) determination of whether the promised goods are performance obligations, including whether they are distinct in the context of the contract; (iii) measurement of the transaction price, including the constraint on variable consideration; (iv) allocation of the transaction price to the performance obligations; and (v) recognition of revenue when (or as) the Company satisfies each performance obligation. The Company's main revenue stream is from services. The Company recognizes as revenues the amount of the transaction price that is allocated to the respective performance obligation when the performance obligation is satisfied or as it is satisfied. Generally, the Company's performance obligations are transferred to customers at a point in time, typically upon delivery.

Service revenues

The Company generates the majority of its service revenue from earning auction and ancillary fees from both buyers and sellers, in each case only upon a successful auction. The auction revenue consists principally of revenue earned from facilitating auctions and arranging for the transportation of vehicles purchased in such auctions.

Product sales

Revenue from product sales are recognized upon delivery of the unit and completion / signing of the associated contract, and are recording the amount of revenue identified in the contract as the sales price of the vehicle.

Cryptocurrency mining revenues

Providing computing power in crypto asset transaction verification services is an output of the Company's ordinary activities. The provision of computing power is the only performance obligation in the Company's contracts with third party pool operators. The transaction consideration the Company receives, if any, is noncash consideration, which the Company measures at fair value on the date received, which is not materially different than the fair value at contract inception. The consideration is all variable. Because it is not probable that a significant reversal of cumulative revenue will not occur, the consideration is constrained until the Company successfully places a block (by being the first to solve an algorithm) and the Company receives confirmation of the consideration it will receive, at which time revenue is recognized. There is no significant financing component in these transactions.

Fair value of the digital asset award received is determined using the average U.S. dollar spot rate of the related digital currency at the time of receipt.

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. The Company maintains cash balances at a financial institution that at times may exceed federally insured limits. The Company has not experienced any losses in such accounts. The Company believes it is not exposed to any significant risks related to cash.

Accounts Receivable

Trade accounts receivable are stated net of an allowance for doubtful accounts. The Company performs ongoing credit evaluations of its customers' financial condition. In limited instances, the Company may require an upfront deposit and, in most cases, the Company does charge interest on past due amounts. Management estimates the allowance for doubtful accounts based on review and analysis of specific customer balances that may not be collectible and how recently payments have been received. Accounts are considered for write-off when they become past due and when it is determined that the probability of collection is remote.

Inventories

Inventories are stated at the lower of cost (using specific identification) or net realizable value. Inventory quantities on hand are reviewed regularly and a write-down for excess and obsolete inventory is recorded based primarily on an estimated forecast of product demand, market conditions and planned design changes.

Property and Equipment

Property and equipment are initially recorded at cost and stated at cost less accumulated depreciation, using the straight-line method over their estimated useful lives of 3 to 7 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.

Common Stock

Shares of common stock have the following rights and privileges:

Voting – The holder of each share of common stock is entitled to one vote per share held. The holders of common stock shall be entitled to elect both members of the Board of Directors.

Dividends – Common stockholders are entitled to receive dividends, if and when declared by the Board of Directors, subject to the rights of holders of all classes of stock outstanding having priority rights as to dividends.

Stock Based Compensation Expense

The Company applies the fair value method of Financial Accounting Standards Board ("FASB") Accounting Standards Codification ("ASC") 718, "*Share Based Payment*", in accounting for its stock-based compensation. This standard states that compensation cost is measured at the grant date based on the fair value of the award and is recognized over the service period, which is usually the vesting period. The Company values stock-based compensation at the market price for the Company's common stock and other pertinent factors at the grant date. During the years ended December 31, 2021 and 2020, the Company recorded $72,376 and $142,898 in stock based compensation expense, respectively.

Comprehensive Income (loss)

ASC Topic 220 (SFAS No. 130) establishes standards for reporting comprehensive income and its components. Comprehensive income or loss is defined as the change in equity during a period from transactions and other events from non-owner sources. The component of comprehensive gain totaling $1,053 and $6,744 for the years ended December 31, 2021 and 2020, respectively, related to foreign currency translation adjustment.

Business Combinations

The Company accounts for business combinations using the acquisition method of accounting, under which consideration for the acquisition, including the fair value of any contingent consideration, is allocated to the assets acquired and liabilities assumed. The Company recognizes identifiable assets acquired and liabilities assumed (both specific and contingent) at the acquisition date fair values as determined by management as of the acquisition date. The excess of the consideration over the assets acquired net of liabilities assumed is recognized as goodwill and as bargain purchase where the consideration is less than the assets acquired net of liabilities assumed.

Acquisition-related costs, such as due diligence, legal and accounting fees, are expensed as incurred and not considered in determining the fair value of the acquired assets. Acquisition-related costs are reflected in selling, general and administrative expense in the consolidated statements of net and comprehensive income.

Long Lived Assets

Long-lived assets and certain identifiable intangible assets related to those assets are periodically reviewed for impairment whenever circumstances and situations change such that there is an indication that the carrying amounts may not be recoverable. If the non-discounted future cash flows of the enterprise are less than their carrying amount, their carrying amounts are reduced to fair value and an impairment loss is recognized. The Company did not record any impairment losses during the years ended December 31, 2021 or 2020.

Fair Value of Financial Instruments

The Company has adopted the provisions of ASC Topic 820, Fair Value Measurements, which defines fair value, establishes a framework for measuring fair value in GAAP, and expands disclosures about fair value measurements. ASC 820 does not require any new fair value measurements, but it does provide guidance on how to measure fair value by providing a fair value hierarchy used to classify the source of the information. The fair value hierarchy distinguishes between assumptions based on market data (observable inputs) and an entity's own assumptions (unobservable inputs).

The hierarchy consists of three levels:

- Level 1—Unadjusted quoted prices in active markets that are accessible at the measurement date for identical, unrestricted assets or liabilities.
- Level 2—Inputs other than quoted prices included within Level 1 that are observable for the asset or liability; either directly or indirectly, including quoted prices for similar assets or liabilities in active markets; quoted prices for identical or similar assets or liabilities in markets that are not active; inputs other than quoted prices that are observable for the asset or liability (e.g. interest rates); and inputs that are derived principally from or corroborated by observable market data by correlation or other means.
- Level 3—Inputs that are both significant to the fair value measurement and unobservable.

The respective carrying value of certain on-balance-sheet financial instruments approximated their fair values due to the short-term nature of these instruments. These financial instruments include, accounts receivable, accounts payable and accrued expenses, notes payable, notes payable to related parties, related parties payable and Payroll Protection Program Loan and Economic Injury Disaster Loan Program (EIDL) loans. The Company has also applied ASC 820 for all non-financial assets and liabilities measured at fair value on a non-recurring basis. The adoption of ASC 820 for non-financial assets and liabilities did not have a significant impact on the Company's financial statements.

Foreign Currencies

The Company determined that its functional currency is the United States dollar since the U.S. dollar is the currency of the environment in which the Company primarily generates and expends cash. Foreign currency transaction gains and losses represent gains and losses resulting from transactions entered into in a currency other than the functional currency of the Company. These transaction gains and losses are included in results of operations. For the years ended December 31, 2021, the Company had a foreign currency translation gain totaling $1,278 and $6,744 for the years ended December 31, 2021 and 2020, respectively, .

Income Taxes

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.

The Company has filed its U.S. tax returns for 2016through 2020 that have all resulted in taxable losses and tax losses available to offset future taxable income. The Company has not determined the amount of the potential benefits for these tax losses.

Net Income (loss) Per Common Share

The Company computes loss per common share, in accordance with FASB ASC Topic 260, *Earnings Per Share,* which requires dual presentation of basic and diluted earnings per share. Basic income or loss per common share is computed by dividing net income or loss by the weighted average number of common shares outstanding during the period. Diluted income or loss per common share is computed by dividing net income or loss by the weighted average number of common shares outstanding, plus the issuance of common shares, if dilutive, that could result from the exercise of outstanding stock options and warrants.

For the years ended December 31, 2021 and 2020, respectively, the following common stock equivalents were excluded from the computation of diluted net loss per share as the result of the computation was anti-dilutive:

	Year Ended December 31,	
	2021	2020
	(Shares)	(Shares)
Series A Preferred Stock	-	-
Series B Preferred Stock	2,000,000	-
Stock options	2,240,000	10,488,525
Warrants	21,000,000	21,000,000
Total	25,240,000	31,488,525

Segments

The Company determined its reporting units in accordance with ASC 280, "Segment Reporting" ("ASC 280"). Management evaluates a reporting unit by first identifying its' operating segments under ASC 280. The Company then evaluates each operating segment to determine if it includes one or more components that constitute a business. If there are components within an operating segment that meet the definition of a business, the Company evaluates those components to determine if they must be aggregated into one or more reporting units. If applicable, when determining if it is appropriate to aggregate different operating segments, the Company determines if the segments are economically similar and, if so, the operating segments are aggregated.

Management has determined that the Company has two consolidated operating segments and a non operating segment. The Company's reporting segment reflects the manner in which its chief operating decision maker reviews results and allocates resources. The Company's reporting segment meets the definition of an operating segment and does not include the aggregation of multiple operating segments.

The Company's reporting segments are automotive and cryptocurrency mining. Perpetual is included in cryptocurrency mining while Worldwide is included in the automotive segment.

Leases

In February 2016, the FASB issued Accounting Standards Update ("ASU") 2016-02, *Leases* (Topic 842). The updated guidance requires lessees to recognize lease assets and lease liabilities for most operating leases. In addition, the updated guidance requires that lessors separate lease and non-lease components in a contract in accordance with the new revenue guidance in ASC 606.

On January 1, 2019, the Company adopted ASU No. 2016-02, applying the package of practical expedients to leases that commenced before the effective date whereby the Company elected to not reassess the following: (i) whether any expired or existing contracts contain leases and; (ii) initial direct costs for any existing leases. For contracts entered into on or after the effective date, at the inception of a contract the Company assessed whether the contract is, or contains, a lease. The Company's assessment is based on: (1) whether the contract involves the use of a distinct identified asset, (2) whether the Company obtains the right to substantially all the economic benefit from the use of the asset throughout the period, and (3) whether it has the right to direct the use of the asset. The Company will allocate the consideration in the contract to each lease component based on its relative stand-alone price to determine the lease payments.

Operating lease right of use ("ROU") assets represents the right to use the leased asset for the lease term and operating lease liabilities are recognized based on the present value of the future minimum lease payments over the lease term at commencement date. As most leases do not provide an implicit rate, the Company uses an incremental borrowing rate based on the information available at the adoption date in determining the present value of future payments. Lease expense for minimum lease payments is amortized on a straight-line basis over the lease term and is presented on the statements of operations.

As permitted under the new guidance, the Company has made an accounting policy election not to apply the recognition provisions of the new guidance to short term leases (leases with a lease term of twelve months or less that do not include an option to purchase the underlying asset that the lessee is reasonably certain to exercise); instead, the Company will recognize the lease payments for short term leases on a straight-line basis over the lease term.

Covid-19 Disclosure

The COVID-19 global pandemic may seriously negatively affect the Company's operations and business. It is possible that this ongoing global pandemic may cause the Company to have to significantly delay or suspend its operations, which would likely result in a material adverse impact on its business and financial positions.

Furthermore, the Company may be unable to raise sufficient capital due to COVID-19's effects on the general economy and the capital markets. If the Company is not able to obtain financing due to COVID-19, then it is possible that it will be forced to cease operations.

Recent Accounting Pronouncements

On June 16, 2016, the FASB completed its Financial Instruments—Credit Losses project by issuing Accounting Standards Update No. 2016-13, *Financial Instruments—Credit Losses* (Topic 326). The new guidance requires organizations to measure all expected credit losses for financial instruments held at the reporting date based on historical experience, current conditions, and reasonable and supportable forecasts.

The new guidance; (i) eliminates the probable initial recognition threshold in current GAAP and, instead, reflects an organization's current estimate of all expected credit losses over the contractual term of its financial assets, (ii) broadens the information that an entity can consider when measuring credit losses to include forward-looking information, (iii) increases usefulness of the financial statements by requiring timely inclusion of forecasted information in forming expectations of credit losses, (iv) increases comparability of purchased financial assets with credit deterioration (PCD assets) with other purchased assets that do not have credit deterioration as well as originated assets because credit losses that are expected will be recorded through an allowance for credit losses for all assets, (v) increases users' understanding of underwriting standards and credit quality trends by requiring additional information about credit quality indicators by year of origination (vintage), and (vi) aligns the income statement recognition of credit losses, for available-for-sale debt securities, with the reporting period in which changes occur by recording credit losses (and subsequent changes in credit losses) through an allowance rather than a write down.

The new guidance affects organizations that hold financial assets and net investments in leases that are not accounted for at fair value with changes in fair value reported in net income. It affects loans, debt securities, trade receivables, net investments in leases, off-balance-sheet credit exposures, reinsurance receivables, and any other financial assets not excluded from the scope that have the contractual right to receive cash.

For public business entities that meet the definition of a U.S. Securities and Exchange (SEC) filer, excluding entities eligible to be smaller reporting companies as defined by the SEC, for fiscal years beginning after December 15, 2019, including interim periods within those fiscal years. For all other entities, it is effective for fiscal years beginning after December 15, 2022, including interim periods within those fiscal years. Early application is permitted. The Company will adopt beginning January 1, 2023.

The Company has considered all other recently issued accounting pronouncements and does not believe the adoption of such pronouncements will have a material impact on its unaudited condensed consolidated financial statements.

Comparative Figures

Certain comparative figures have been reclassified to conform to current period presentation.

3. Concentration of credit risks

The Company maintains accounts with financial institutions. All cash in checking accounts is non-interest bearing and is fully insured by the Federal Deposit Insurance Corporation ("FDIC"). At times, cash balances may exceed the maximum coverage provided by the FDIC on insured depositor accounts. The Company believes it mitigates its risk by depositing its cash and cash equivalents with major financial institutions. As of December 31, 2021 and 2020, the Company had $391,285 and $299,731 in excess of FDIC insurance, respectively.

4. Accounts receivable and allowance for doubtful account

The Company has a policy of providing an allowance for doubtful accounts based on its best estimate of the amount of probable credit losses in its existing accounts receivable. The Company periodically reviews its accounts receivable to determine whether an allowance is necessary based on an analysis of past due accounts and other factors that may indicate that the realization of an account may be in doubt. The Company's allowance policy is to provide for 10% of the accounts receivable balance at the period end or the accumulation of specific uncollectible receivables, whichever is higher. Account balances deemed to be uncollectible are charged to bad debt expense and included in the allowance after all means of collection have been exhausted and the potential for recovery is considered remote. The current accounts receivable balance at December 31, 2021 and 2020 was $96,020 and $0, respectively, and the Company expects to receive the full amount. As such, the Company has elected to not record an allowance for this amount.

5. Fixed Assets

Fixed assets consisted of the following at December 31, 2021 and 2020:

	December 31, 2021		December 31, 2020	
Computer hardware	$	61,455	$	45,833
Mining equipment		371,740		-
Machinery and equipment		106,075		-
Furniture and fixtures		60,272		10,554
Trailer		23,244		23,244
Computers and peripherals		32,275		9,736
Leasehold improvements		107,127		-
		762,188		89,367
Less: Accumulated depreciation		(116,338)		(57,423)
Fixed assets - net	$	645,850	$	31,944

Depreciation expense was $58,915 and $8,998 for the years ended December 31, 2021 and 2020, respectively.

6. Intangible Assets

	December 31, 2021		December 31, 2020	
AutoGrafic software system	$	901,905	$	-
Less: accumulated amortization		-		-
Intangible assets - net	$	901,905	$	-

The Company acquired the AutoGrafic Software System on March 31, 2021 for $710,000 (See Note 10). Additionally, during the year ended December 31, 2021, the Company incurred an additional $51,905 in software development fees related to the application development stage of the software. The Company will begin amortizing the asset once it reaches the stage of intended-use.

7. Indefinite Life Asset - Digital Currencies

The Company has several cryptocurrency mining computers which perform mining transactions that earn commissions paid out in Ethereum (ETH) and Bitcoin. We are paid in ETH and Bitcoin and it is deposited into a crypto wallet located on the Blockchain. Because digital currencies do not meet the definition of cash, inventory, or financial assets in current accounting guidance, we have elected to treat them as indefinite-lived intangible assets. Digital currencies are included in non-current assets in the consolidated balance sheets under indefinite life assets. Digital currencies are recorded at cost less impairment. The carrying value of the digital currencies as of December 31, 2021 is $59,715. For the year ended December 31, 2021 and 2020, we recorded a loss on impairment of digital currencies in the amount of $6,081 and $0, respectively.

8. Operating lease right-of-use assets and operating lease liabilities

The Company leases 22,000 square feet of office space located at 2193 Rotunda Drive, Auburn IN 46706. The Company has a base rent of $12,000 per month for a period of 60 months. The lease commencement date was July 1, 2021.

Our wholly-owned subsidiary Worldwide leases 34,000 square feet of office space located at 5634 Opportunity Boulevard, Suites A&E, Auburn, Indiana 46706. Worldwide has a base rent of $8,500 per month for a period of 48 months. The lease commencement date was March 31, 2021.

Operating lease right-of-use assets and liabilities are recognized at the present value of the future lease payments at the lease commencement date. The interest rate used to determine the present value is our incremental borrowing rate, estimated to be 7%, as the interest rate implicit in most of our leases is not readily determinable. Operating lease expense is recognized on a straight-line basis over the lease term. During the year ended December 31, 2021 and 2020, the Company recorded $238,066 and $42,000 as operating lease expense which is included in general and administrative expenses on the statements of operations.

Right-of- use assets are summarized below:

	December 31, 2021	
Office lease	$	994,315
Less: accumulated amortization		(114,296)
Right-of-use assets, net	$	880,019

Operating lease liabilities are summarized below:

	December 31, 2021	
Office lease	$	880,059
Less: current portion		(202,153)
Long term portion	$	677,906

Maturity of lease liabilities are as follows:	As of December 31, 2021	
Year ending December 31, 2022	$	246,033
Year ending December 31, 2023		246,069
Year ending December 31, 2024		246,105
Year ending December 31, 2025		169,641
Year ending December 31, 2026		72,084
Total future minimum lease payments		979,932
Less imputed interest		(99,873)
PV of Payments	$	880,059

9. Asset Acquisition

On March 31, 2021 ("Effective Date"), the Company entered into an asset purchase agreement to acquire the AutoGrafic Software System ("AutoGrafic") from Lavine Restorations, Inc. ("LRI"). AutoGrafic is a social application for hosting automotive promotion and preservation. The purchase price of the acquisition was $710,000 payable as follows: (i) $100,000 due on the effective date, (ii) $100,000 paid in full over twelve months immediately following the effective date, (iii) 1,000,000 shares of the Company's common stock valued at $0.30 per share transferred within 14 days from the effective date and (iv) 700,000 shares of the Company's common stock valued at $0.30 per share in which delivery will be determined at a later date by the parties.

10. Business Acquisition

Worldwide Group, LLC.

On January 22, 2021, the Company completed its acquisition of all of the issued and outstanding units of Indiana-based Worldwide Group, LLC. ("Worldwide"), operating under the business name Worldwide Auctioneers, pursuant to a Membership Interest Purchase agreement (the "Agreement"). Pursuant to the Agreement, which was unanimously approved by the Company's board of directors, Worldwide will operate independently under the Worldwide Auctioneers brand as a wholly-owned subsidiary of the Company.

Worldwide is a boutique auction company that specializes in the sale and acquisition of classic vintage motorcars at auction around the globe. They also offer an extensive range of personalized services to collectors, including private sales, appraisal, collection direction and consultancy, estate planning, and asset management. Worldwide is a leader in the Collector Car Auction industry with an impressive 20-year history and a talented team of experienced people. Worldwide houses a physical and virtual showroom, and a dedicated memorabilia division at its extensive headquarters located in Auburn, Indiana.

In connection with the agreement, the Company issued 2,000,000 shares of the Company's Series B Preferred Stock valued at $6,000,000 as consideration.

Consideration		
2,000,000 shares of Series B Preferred Stock	$	6,000,000
Total consideration	$	6,000,000
Fair values of identifiable net assets and liabilities:		
Assets		
Cash	$	31,583
Accounts receivable		99,949
Deposits and prepaids		32,514
Inventory		10,310
Other receivables		16,765
Fixed assets		142,092
Total assets		333,213
Liabilities:		
Accounts payable		51,946
Credit cards, related party		48,835
Accrued liabilities, related party		249,620
Deferred revenue		10,950
Loans payable		1,784,911
Total liabilities		2,146,262
Total fair value of identifiable net assets and liabilities	$	(1,813,049)
Goodwill (consideration given minus fair value of identifiable net assets and liabilities)	$	7,813,049

The goodwill calculated was $7,813,049. Management is in the process of completing the full purchase price allocation. The current allocation is based on the preliminary fair value of the identifiable tangible assets and liabilities, as of the acquisition date.

11. Note receivable, related party

On July 3, 2019, the Company entered into a non-binding letter of intent with Worldwide Group, LLC ("seller") to acquire an automotive marketing business in Indiana to be used in connection with its business. Rod Egan, a current director of the Company is a managing partner of Worldwide. In connection with the non-binding letter of intent, the Company agreed to loan Worldwide Group, LLC $150,000 to finance the acquisition. The loan had a coupon rate of 8% and had a maturity date of January 3, 2021.

On January 22, 2021, as mentioned in Note 10, the acquisition was completed. As such the note receivable, related party is eliminated due to consolidation at December 31, 2021.

12. Payroll Protection Program and Economic Injury Disaster Loan Program (EIDL) loans

The Company, through its wholly-owned subsidiary, Worldwide, received loan proceeds in the amount of $124,772 on March 15, 2021 under the Paycheck Protection Program ("PPP"). The PPP, established as part of the Coronavirus Aid, Relief and Economic Security Act ("CARES Act"), provides for loans to qualifying businesses for amounts up to 2.5 times of the average monthly payroll expenses of the qualifying business. The interest rate is 1% per annum.

The loan is repayable in equal monthly installments of principal and interest fully amortizing basis over the period commencing on the termination of any deferral authorized by the Program (the "Deferral Termination Date") and terminating on the Maturity Date (the "Amortization Period"), with the first payment due on the 11th day of the month following the Deferral Termination Date, provided that in the event the balance of the Loan (including any principal, accrued but unpaid interest and any unpaid costs and expenses permitted to be added to the balance due under this Note) is reduced due to any forgiveness of the loan permitted by the Program. As of December 31, 2021, the balance of accrued interest related to these loans is $829.

On July 13, 2020, the Company, through its wholly-owned subsidiary, Worldwide, received loan proceeds of $149,900 under the Economic Injury Disaster Loans (EIDL). The loan matures in 30 years and has an interest rate of 3.75%. As of December 31, 2021, $3,036 is classified in current liabilities, with the remaining $145,964 classified in non-current liabilities. As of December 31, 2021, the balance of accrued interest related to these loans is $9,372.

13. Related party transactions and commitments

Notes Receivable

On July 3, 2019, the Company entered into a non-binding letter of intent with Worldwide Group, LLC ("seller") to acquire all of its outstanding units. Rod Egan, a current director of Perpetual Industries and managing partner of Worldwide Group, LLC. The acquisition is contingent on the parties entering into a Purchase Agreement at a later date. In connection with the non-binding letter of intent, the Company agreed to loan Worldwide Group, LLC $150,000. The loan has a coupon rate of 8% and has a maturity date of January 3, 2021.

The balances of related party notes receivable is as follows:

	December 31, 2021	December 31, 2020
Notes receivable, related party*	$ -	$ 150,000
Interest receivable, related party	-	17,984
Total notes receivable – related party	$ -	$ 167,984

* On January 22, 2021, as mentioned in Note 11, the acquisition was completed. As such the notes receivable, related party is eliminated due to consolidation as of December 31, 2021.

Notes Payable

The Company, through its wholly-owned subsidiary Worldwide has a loan with Osmium Holdings LLC ("Osmium"). Osmium owns greater than 10% of the Company's common stock outstanding. The loans are as follows:

- On December 1, 2018, Worldwide received $1,500,000 against a line of credit promissory note from Osmium. The interest rate was 7.5% and the maturity date was November 30, 2021. During the year ended December 31, 2021, the Company repaid $760,945 on the note. On December 1, 2021, the note was replaced with a new note with principal balance of $700,000. The interest rate is 9.75% and the maturity date is November 30, 2022. As of December 31, 2021, the outstanding balance is $700,000. As of December 31, 2021, there is no accrued interest on this loan as the Company makes monthly interest payments.

Due to Related Parties

The members of Worldwide prior to it acquisition on January 22, 2021 were Twin Grille Holdings, LLC. which is controlled by Rod Egan ("TGH") and Junebug Holdings, Inc., which is controlled by John Kruse ("JHI"). These entities are still considered related parties. The Company owes these entities for past services amounting to $124,250 for TGH and $124,250 for JHI.

Management Service

During the years ended December 31, 2021 and 2020, the Company accrued management fees owed to Brent Bedford, the Company's Chairman, President and CEO in the amount of $0 and $80,496, respectively. During the year ended December 31, 2021, the Company paid Brent Bedford $153,057 in management fees. Brent Bedford has an oral agreement under which he provides management services through a private entity that he owns. The expenses are classified in the statement of operations as management service, related party.

During the years ended December 31, 2021 and 2020, the Company paid management fees to Trip Thomas, the Company's CFO in the amount of $24,250 and $19,500, respectively. Trip Thomas has an oral agreement under which he provides management services through a private entity that he owns. The expenses are classified in the statement of operations as management service, related party.

During the years ended December 31, 2021 and 2020, the Company paid management fees to Carl Dilley, the Company's COO in the amount of $31,500 and $58,500, respectively. Carl Dilley has an oral agreement under which he provides management services through two private entities that he owns. The expenses are classified in the statement of operations as management service, related party. Carl Dilley resigned as of July 16, 2021 as COO and Director.

General and Administrative Expenses

During the years ended December 31, 2021 and 2020, Shelley Bedford, a small shareholder of the Company and a relative of the Company's president, provided office management and administration support through a private entity that she owns amounting to $66,962 and $27,069, respectively. During the years ended December 31, 2021 and 2020, the Company also obtained network and website maintenance services from this private entity for $1,663 and $895 respectively. As of December 31, 2021 and 2020, the Company owed this small shareholder $5,953 and $2,604 respectively.

During the years ended December 31, 2021 and 2020, Brent Bedford, Chairman, President and CEO, provided office space, storage, and internet services through a private entity that he owns, to the Company totaling $18,066 and $8,944, respectively.

Related party operating expenses were comprised of the following:

	For the Years Ended	
	December 31, 2021	**December 31, 2020**
Management service – related party	$ 208,807	$ 158,496
General and Administrative Expense:		
Office management & administrative support	66,962	27,069
Rent - Plectrum Enterprises	18,066	8,944
Rent - Kruse Plaza	155,000	0
Network and website maintenance	1663	895
Total general and administrative – related party	241,691	36,908
Total related party operating expenses	$ 450,498	$ 195,404

Accounts receivable

The balance of accounts receivable, related party was comprised of the following:

	As of December 31, 2021	As of December 31, 2020
JKEC (controlled by John Kruse of Junebug Holdings, Inc.)	$ 9,462	$ -
Brent Bedford, CEO	13,968	-
Total accounts payable – related party	$ 23,430	$ -

Accounts payable and accrued liabilities

The balance of accounts payable, related party was comprised of the following:

	As of December 31, 2021	As of December 31, 2020
Plectrum Enterprises, Inc. (owned by Brent Bedford, CEO)	$ 269	$ 21,476
Brent Bedford, CEO	1,619	6,361
Flip Flop Studios (owned by Shelley Bedford, relative of CEO)	5,953	2,604
A-Frame Accounting & Advisory, Inc.	483	-
Accrued wages (Junebug)	121,527	-
Accrued wages (Twin Grille Holdings)	110,755	-
Total accounts payable – related party	$ 240,606	$ 30,441

14. Reportable segments

The Company currently has one primary reportable geographic segment - United States. The Company has two reportable operating segments – auction and cryptocurrency mining. We also have included a Non-operating Corporate segment. All inter-segment revenues are eliminated.

Summary information with respect to the Company's operating segments is as follows:

	Years Ended December 31,			
	2021		2020	
Revenue				
Auction				
Service revenues	$	3,855,993	$	-
Product sales		4,524,805		-
Cryptocurrency mining		64,596		-
Total revenue	$	8,445,394	$	0

	Years Ended December 31,			
	2021		2020	
Loss (income) from operations				
Auction	$	(1,366,266)	$	-
Cryptocurrency mining		(64,596)		-
Non-operating corporate		1,426,069		838,810
Total loss from operations	$	(4,793)	$	838,810

A reconciliation of the Company's consolidated segment operating income (loss) to consolidated earnings before income taxes is as follows:

	Years Ended December 31,			
	2021		2020	
Income (Loss) from operations	$	4,793	$	(838,810)
Interest expense, non-related party		(105,647)		(38,067)
Interest expense, related party		(2,959)		(32,000)
Interest income - related party		-		12,033
Other income		1,694		464
Loss on settlement of debt		(30,962)		-
Loss on impairment of digital currencies		(6,081)		-
Gain on settlement of debt		15,000		-
Foreign currency adjustments		(2,853)		(5,994)
Loss from operations before income taxes		(127,015)		(902,374)
Income tax (expense) benefit		-		-
Net income (loss)	$	(127,015)	$	(902,374)

	Years Ended December 31,	
	2021	2020
Depreciation and Amortization		
Automobile	$ 21,770	$ -
Cryptocurrency mining	14,225	-
Non-operating corporate	22,920	8,997
Total	$ 58,915	$ 8,997

	Years Ended December 31,	
	2021	2020
Capital Expenditures		
Automobile	$ 43,725	$ -
Cryptocurrency mining	371,740	-
Non-operating corporate	875,590	-
Total	$ 1,291,055	$ -

	December 31, 2021	December 31, 2020
Total Assets		
Automobile	$ 9,325,570	$ -
Cryptocurrency mining	371,740	-
Non-operating corporate	1,997,641	887,082
Eliminations	(179,984)	-
Total	$ 11,514,967	$ 887,082

15. Equity

Preferred Stock

On October 29, 2021, the Board of Directors approved a new designation of Preferred Stock in the Company designated as "Series A Preferred Stock". There are 160 authorized shares of Series A Preferred Stock with a par value of $0.0001 that are eligible for conversion into 100,000 Common Shares. A Holder of Series A Preferred Shares shall be entitled to receive dividends, if available, equal to its ratable ownership of Series A Preferred Shares multiplied by 18% of the total Net Profits from the Company's GEM Sector 450 cryptocurrency mining activities for a minimum period of 36 months. As of December 31, 2021 and 2020, no shares have been sold.

Stock Options Issuance

On September 12, 2014, the Board of Directors adopted the Company's "2014 Stock Option Plan" (the "Plan") effective immediately. The maximum number of options issuable under the Plan is 15% of the Company's issued and outstanding shares at the time of any grant. If any shares of common stock subject to an award under the Plan are forfeited, expire, are settled for cash or are tendered by the participant, or withheld by the Company to satisfy any tax withholding obligation, then, in each case, the shares subject to the award may be used again for awards under the Plan to the extent of the forfeiture, expiration, cash settlement, or withholding. The stock option awards issuable under the Plan can be made up of non-statutory stock options only; the Plan does not contemplate incentive options. The Plan dictates that stock options will be granted for terms, prices, and quantities determined at the Board's discretion, with quantities being in multiples of 1,000 shares. Non-statutory stock options are available to independent contractors and consultants as well as to employees.

Options to purchase common stock were granted to directors and consultants as follows:

Grant Date	October 31, 2019	November 18, 2020	April 15, 2021
Options granted	450,000	700,000	1,090,000
Expiration date	October 31, 2022	November 18, 2023	April 15, 2024
Vesting Criteria	Immediate Vest	Immediate Vest	Immediate Vest
Grant date fair value	$ 3,400	$ 119,169	$ 215,722

Optionees are precluded from selling, transferring or otherwise disposing of any Optioned Shares during the twelve months immediately following the grant of the Options, and shall be limited to a resale volume not exceeding 1% of the Company's issued and outstanding stock in any three-month period.

The Company valuated these options using the Black-Scholes Model using inputs as detailed below:

Grant Date	October 31, 2019	November 18, 2020	April 15, 2021
Black-Scholes Inputs:			
Underlying price	$0.03	$0.20	$0.27
Contractual strike price	$0.10	$0.10	$0.25
Expected term	1.50 Years	1.50 Years	1.50 Years
Market volatility:			
Equivalent Volatility	125.25%	203.73%	41.25%
Interest rate	1.53%	0.11%	0.16%

At December 31, 2021, options outstanding were:

	Number of Shares	Weighted Average Exercise Price		Weighted Average Remaining Contractual Life
Options Outstanding – January 1, 2020	5,350,000	$	0.10	1.54 Years
Issued	700,000	$	0.10	3.0 Years
Exercised	-			
Expired	-			
Options Outstanding – December 31, 2020	6,050,000	$	0.10	0.80 Years
Issued	1,090,000	$	0.25	3.0 Years
Exercised	-			
Expired	(4,900,000)			
Options Outstanding – December 31, 2021	2,240,000	$	0.17	1.87 Years
Outstanding Exercisable – December 31, 2021	2,240,000	$	0.17	1.87 Years

On May 31, 2021, the options to purchase 4,900,000 shares of common stock expired unexercised.

At December 31, 2021 and 2020, the Company had options outstanding to purchase a total of 3,990,000 and 7,800,0000 shares of common stock under the Plan (the “Option Grant”), respectively. During the years ended December 31, 2021 the Company recorded $72,376 in stock based compensation expense.

Warrants

As of December 31, 2021 and 2020, the Company had 21,000,000 and 21,000,000 warrants outstanding, respectively. The warrants, which were issued in 2018, were valued using a Black-Scholes Merton (“BSM”) model. The value of $1,159,200 was recorded in additional paid-in capital.

	Number of Shares	Weighted Average Exercise Price		Weighted Average Remaining Contractual Life
Warrants Outstanding – January 1, 2020	21,000,000	$	0.01	3.08 Years
Issued	-			
Exercised	-			
Expired	-			
Warrants Outstanding – December 31, 2020	21,000,000	$	0.01	2.08 Years
Issued	-			
Exercised	-			
Expired	-			
Warrants Outstanding – December 31, 2021	21,000,000	$	0.01	1.08 Years
Outstanding Exercisable – December 31, 2021	21,000,000	$	0.01	1.08 Years

16. 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. At December 31, 2021, the Company had $1,048,547 in cash and $811,714 in negative working capital. For the years ended December 31, 2021 and 2020, the Company had net losses of $127,015 and $902,374, respectively. 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.

The Company has operating costs and expenses at the present time for development of its business activities. The Company, however, will be required to raise additional capital over the next twelve months to meet its current administrative expenses, and it may do so in connection with or in anticipation of possible acquisition transactions. This financing may take the form of additional sales of its equity securities loans from its directors and or convertible notes. There is no assurance that additional financing will be available, if required, or on terms favorable to the Company.

17. Commitments and Contingencies

During the normal course of business, the Company may be exposed to litigation. When the Company becomes aware of potential litigation, it evaluates the merits of the case in accordance with FASB ASC 450-20-50, *Contingencies*. The Company evaluates its exposure to the matter, possible legal or settlement strategies and the likelihood of an unfavorable outcome. If the Company determines that an unfavorable outcome is probable and can be reasonably estimated, it establishes the necessary accruals. As of December 31, 2021, the Company recorded a contingent liability in the amount of $125,000 regarding a potential monetary penalty if a consigned car doesn’t sell at a future auction.

18. Income Taxes

The principles used for determining income and deductions to be recognized for income tax purposes will differ from those used in the determination of income and expenses for financial reporting purposes. Potential benefits of income tax losses are not recognized in the accounts until realization is more likely than not. The Company computes tax asset benefits for net operating losses carried forward. Potential benefit of net operating losses have not been recognized in these financial statements because the Company cannot be assured it is more likely than not it will utilize the net operating losses carried forward in future years. The net operating loss can be carried forward indefinitely.

The components of the net deferred tax asset (liability) December 31, 2021 and 2020, and the statutory tax rate, the effective tax rate and the elected amount of the valuation allowance are indicated below:

		December 31, 2021		December 31, 2020
Net operating loss carry-forward	$	12,182,474	$	12,055,459
Compensation from shared-based payment		72,376		119,169
Valuation Allowance		(12,110,098)		(11,936,290)
Net Deferred Tax Asset (Liability)	$	-	$	-

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Income tax benefit resulting from applying statutory rates in jurisdictions in which we are taxed (Federal) differs from the income tax provision (benefit) in our financial statements. The following table reflects the reconciliation for the years ended December 31, 2021 and 2020:

	Year Ended December 31, 2021	Year Ended December 31, 2020
Benefit at federal and statutory rate	(21)%	(21)%
Change in valuation allowance	21%	21%
Effective tax rate	0%	0%

19. Subsequent Events

Series A Preferred Stock

On March 8, 2022, as part of the Reg D-506(c) Offering, the Company sold 2 shares of Series A Preferred Stock at $50,000 per share.

Common stock

On January 27, 2022, the Company issued 20,000 shares of Common stock at $0.25 per share to a consultant satisfy an invoice for services he provided in October, November, and December of 2021.

ITEM 9. CHANGES IN AND DISAGREEMENTS WITH ACCOUNTANTS ON ACCOUNTING AND FINANCIAL DISCLOSURE.

None.

ITEM 9A. CONTROLS AND PROCEDURES.

Evaluation of Disclosure Controls and Procedures

Our management is responsible for establishing and maintaining a system of disclosure controls and procedures (as defined in Rule 13a-15(e) and 15d-15(e) under the Exchange Act) that is designed to ensure that information required to be disclosed by us in the reports that we file or submit under the Exchange Act is recorded, processed, summarized and reported, within the time periods specified in the Commission’s rules and forms. Disclosure controls and procedures include, without limitation, controls and procedures designed to ensure that information required to be disclosed by an issuer in the reports that it files or submits under the Exchange Act is accumulated and communicated to the issuer’s management, including its principal executive officer or officers and principal financial officer or officers, or persons performing similar functions, as appropriate to allow timely decisions regarding required disclosure.

An evaluation was conducted under the supervision and with the participation of our management of the effectiveness of the design and operation of our disclosure controls and procedures as of December 31, 2020. Based on that evaluation, our management concluded that our disclosure controls and procedures were not effective as of such date to ensure that information required to be disclosed in the reports that we file or submit under the Exchange Act, is recorded, processed, summarized and reported within the time periods specified in SEC rules and forms as a result of the following material weaknesses:

The specific material weakness identified by our management was ineffective controls over certain aspects of the financial reporting process because of a lack of a sufficient complement of personnel with a level of accounting expertise and an adequate supervisory review structure that is commensurate with our financial reporting requirements and inadequate segregation of duties. A "material weakness" is a deficiency, or combination of deficiencies, in internal control over financial reporting such that there is a reasonable possibility that a material misstatement of the company's annual or interim financial statements would not be prevented or detected on a timely basis.

We expect to be materially dependent upon a third party to provide us with accounting consulting services for the foreseeable future. Until such time as we have a chief financial officer with the requisite expertise in U.S. GAAP, there are no assurances that the material weaknesses in our disclosure controls and procedures and internal control over financial reporting will not result in errors in our financial statements which could lead to a restatement of those financial statements.

Changes in Internal Controls

There have been no changes in our internal controls over financial reporting identified in connection with the evaluation required by paragraph (d) of Securities Exchange Act Rule 13a-15 or Rule 15d-15 that occurred in the years ended December 31, 2021 that have materially affected, or are reasonably likely to materially affect, our internal control over financial reporting.

ITEM 9B. OTHER INFORMATION.

None.

PART III

ITEM 10. DIRECTORS AND EXECUTIVE OFFICERS.

Identification of Directors and Executive Officers
The following table sets forth the names and ages of our current director(s) and executive officer(s)

Name	Age	Position
Brent Bedford	54	CEO & Chairman of the board
William Griffin Thomas	46	CFO
Rod Egan	54	Director
Thomas Ristow	54	Director
Craig Dansereau	42	Director
Marlin Stutzman	46	Director

Term of Office

Each of our directors is appointed to hold office until the next annual meeting of our stockholders or until his respective successor is elected and qualified, or until he resigns or is removed in accordance with the provisions of the Nevada General Corporate Law. Our officers are appointed by our Board of Directors and hold office until removed by the Board or until their resignation

Background and Business Experience

Brent Bedford – Chairman and CEO

Brent W. Bedford founded the Company in January 2005 and has served continuously as Chairman, President, and CEO. Brent's 35+ years of experience working with some of the world's leading manufacturers in a variety of industries has led the company in areas of new technology development, manufacturing efficiencies, and improved processes for increased energy efficiency of products. His extensive network of international connections has provided experience in negotiating various agreements with many prominent international companies including, Porsche, Samsung, GE, Ferrari, Lamborghini, Phillips, Hitachi, LG, Acer, Posco, Siemens, Hilti, Metabo, Vespa, Renault, Lite-On, Beckman Coulter, Tecumseh, Bosch, Ducati, etc.

Mr. Bedford is the nephew of the original inventor for the XYO Mechanical Balancing Technology, the flagship technology of Perpetual Industries and has spearheaded the research and development The XYO Technology since 1994. His wealth of experience and proprietary knowledge of working with XYO and Manufacturing Systems is invaluable and makes Mr. Bedford one of the world experts of dynamic balancing systems and vibration reduction in mechanical devices.

Among his earlier accomplishments, he founded the independent music label Inferno Records and the international licensing, marketing, and distribution company One Tree Hill International Traders. Through One Tree Hill he obtained some of the first marketing and distribution rights to products based on television's "The Simpsons", and also marketed the U.K.'s patented "Qwicksilver" tarnish removal system through the development and creation of over 200 independent distributors in North America. Qualifications as Director: As a member of the board, Mr. Bedford contributes his knowledge of the company and a deep understanding of all aspects of the business, products and markets, as well as substantial experience developing corporate strategy, assessing emerging industry trends, and carrying out business operations. He has a strong background in mechanical applications, and expertise in finance, private and public company startups, and corporate turnarounds.

William Griffin Thomas (Trip), CPA – CFO

Trip Thomas is the President and Founder of A-Frame Accounting & Advisory, Inc. located in Tampa, Florida. Trip has more than 19 years of experience in the field of accounting. His experience includes private industry, public company, public accounting and non-profit. Some of his experience includes auditing, budget analysis, fixed assets, financial modeling, SEC financial reporting, GAAP compliance and fair value measurements. Additionally, Trip has experience in providing bookkeeping and tax services to clients.

Before founding A-Frame, Trip spent five years as a partner with Cross Roads Consulting, LLC, a boutique consulting practice, located in Tampa, Florida. At Cross Roads he assisted clients in the areas of (i) Regulatory financial reporting, (ii) GAAP and IFRS compliance and (iii) technical accounting support. Prior to working for Cross Roads, Trip worked as a Senior Accountant for The LSC Group LLC, a licensed CPA firm, located in Tampa, Florida. At The LSC Group, he specialized in the identification and valuation of derivatives arising from PIPE (Private Investment in a Public Entity) transactions. Prior to working for The LSC Group, Trip worked as an accountant for a diverse range of organizations, including a Tampa real estate developer, the American Heart Association (a non-profit organization) and MetLife (a fortune five hundred corporation).

Trip holds a Bachelor of Science in Accounting from the University of Tampa and a Bachelor of Science in Agribusiness from the University of Florida. He is a licensed CPA in the State of Florida.

Craig Dansereau – Director

Craig Dansereau is a well-respected business professional and entrepreneur for over 18 years, Craig has founded and successfully operated a number of private companies ranging from consulting to construction equipment rental in the fields of construction and Oil & Gas regulatory compliance. Mr. Dansereau studied Petroleum Engineering (SAIT), Environmental Management (University of Calgary) and Project Management (Mount Royal University) and plays an instrumental management role at Perpetual in designing, building, customizing and operating the Green Energy Mining (GEM) Systems.

Rod Egan – Director

Rod Egan has served as a Director since August 2005. From September 2007 to date, he has been Owner, Director of RIJ Holdings, LLC, a personal holding company. From October 2005 to date, he has been Owner, Managing Partner of The Worldwide Group, LLC which runs collector automobile auctions. From July 2005 to date, he has been Owner, Director, and President of Cinch Ventures Ltd., a management and promotion company. From September 2004 to December 2009, he was Owner, Director of Asset Solutions International, LLC, a holding company. From October 2005 to February 2007, he was Owner, Director of Automax, LLC, a retail automobile sales firm. He holds state auctioneer licenses in Texas, Indiana, and Florida. Qualifications as Director: As a member of the board, Mr. Egan contributes the benefits of his executive leadership and management experience, in particular with regard to running startup companies and negotiating purchase and sale agreements. An elite collector car auctioneer specializing in the valuation of fine automobiles, he oversees corporate operations at The Worldwide Group, LLC, where he has demonstrated his appraisal and sales abilities (his sales history totals over $3 billion, privately and through auction) and helped to close some of the largest private car collection sales in North America in recent years.

Thomas Ristow – Director

Thomas Ristow has served as a Director since August 2005. From April 2005 to date, he has been Sales Manager for Sekisui Chemical GmbH, a chemical products company. At ETI Technologies Inc., the intellectual property licensing firm which is now the licensor of the XYO technology, he served from 1993 through 2005, as European Sales Representative from 1993 to 1996, European Marketing Manager from 1996 to 2001, and European Business Development Manager 2001 to 2005. He received a Diplom-Kaufmann in 1999 from the University of Cologne, Germany. Qualifications as Director: As a member of the board, Mr. Ristow contributes significant industry-specific experience and expertise on our products and services. He has significant knowledge and experience in the European marketplace.

Family Relationships

There are no family relationships between our officers and directors.

Legal Proceedings

None

Audit Committee and Audit Committee Financial Expert

The Company has a separately designated standing audit committee comprised of Chairman, President and CEO Brent Bedford and Directors Rod Egan and Thomas Ristow. The Board of Directors has determined that the Company has two audit committee financial experts serving on its audit committee: Rod Egan and Thomas Ristow, who are independent from the management of the Company.

Code of Ethics

The Company has not adopted a code of ethics that applies to its officers, because of the Company's highly streamlined organizational structure and to minimize compliance administration.

Nominating Committee

The nominating committee does not have a policy with regard to the consideration of any director candidates recommended by security holders. In the view of the board of directors it is appropriate for the Company not to have such a policy in order to minimize compliance administration.

Section 16(a) Beneficial Ownership Reporting Compliance

Section 16(a) of the Securities Exchange Act of 1934 requires our directors, executive officers, and persons who beneficially own more than ten percent of a registered class of our equity securities to file with the SEC initial reports of ownership and reports of change in ownership of common stock and other equity securities of the Company. Officers, directors and greater than ten percent stockholders are required by SEC regulations to furnish us with copies of all Section 16(a) forms they file. Based solely upon a review of Forms 3 and 4 and amendments thereto furnished to us under Rule 16a-3(e) during the five months ended December 31, 2019, Forms 5 and any amendments thereto furnished to us with respect to the five months ended December 31, 2019, and the representations made by the reporting persons to us, we believe that during the five months ended December 31, 2019, our executive officers and directors and all persons who own more than ten percent of a registered class of our equity securities complied with all Section 16(a) filing requirements.

ITEM 11. EXECUTIVE COMPENSATION

The table below summarizes all compensation awarded to, earned by, or paid to our Principal Executive Officer for all services rendered in all capacities to us for the twelve months ended December 31, 2021 and December 31, 2020, respectively.

Name and Principal Position	Period	Salary ($)	Bonus ($)	Stock Awards ($)	Option Awards ($)	Non-Equity Incentive Plan Compensation ($)	Nonqualified Deferred Compensation Earnings ($)	All Other Compensation ($)	Total
Brent Bedford, Chairman and CEO	12/31/2020	$ 80,496	$ -	$ -	$ 0	$ -	$ -	$ -	$ 80,496
	12/31/2021	$ 153,057	$ -	$ -	$ 0	$ -	$ -	$ -	$ 153,057
Trip Thomas, CFO	12/31/2020	$ 19,500	$ -	$ -	$ 0	$ -	$ -	$ -	$ 19,500
	12/31/2021	$ 24,250	$ -	$ -	$ 0	$ -	$ -	$ -	$ 24,250
Carl Dilley, Director and COO*	12/31/2020	$ 58,500	$ -	$ -	$ 0	$ -	$ -	$ -	$ 58,500
	12/31/2021	$ 31,500	$ -	$ -	$ 0	$ -	$ -	$ -	$ 31,500

*Carl Dilley resigned on August 16, 2021.

Summary Equity Awards Table

The following table sets forth certain information for our executive officers concerning unexercised options, stock that has not vested, and equity incentive plan awards as of December 31, 2021. Outstanding Equity Awards at December 31, 2021:

Name	Brent Bedford	William Thomas
Number of Securities Underlying Unexercised Options (#) Exercisable	0	300,000
Number of Securities Underlying Unexercised Options (#) Unexercisable	0	0
Equity Incentive Plan Awards: Number of Securities Underlying Unexercised Unearned Options (#)	0	0
Option Exercise Price ($)		$0.10
Option Expiration Date		Oct 31, 2022
Number of Shares or Units of Stock That Have Not Vested (#)	0	0
Market Value of Shares or Units of Stock That Have Not Vested ($)	$0	$0
Equity Incentive Plan Awards: Number Of Unearned Shares, Units or Other Rights That Have Not Vested (#)	0	0
Equity Incentive Plan Awards: Market or Payout Value of Unearned Shares, Units or Other Rights That Have Not Vested ($)	$0	$0

At no time during the last fiscal year with respect to any person listed in the table above was there:

- any outstanding option or other equity-based award re-priced or otherwise materially modified (such as by extension of exercise periods, the change of vesting or forfeiture conditions, the change or elimination of applicable performance criteria, or the change of the bases upon which returns are determined);
- any waiver or modification of any specified performance target, goal or condition to payout with respect to any amount included in non-stock incentive plan compensation or payouts;
- any non-equity incentive plan award made to a named executive officer;
- any nonqualified deferred compensation plans including nonqualified defined contribution plans; or
- any payment for any item to be included under All Other Compensation in the Summary Compensation Table.

Directors Compensation Table

Name	Fees earned or paid in cash ($)	Stock awards ($)	Option awards ($)	Non-equity incentive plan compensation ($)	Non-qualified deferred compensation earnings ($)	All other compensation ($)	Total ($)
Rod Egan	0	0	$7,750	0	0	0	$7,750
Thomas Ristow	0	0	$7,750	0	0	0	$7,750
Craig Dansereau	0	0	$7,750	0	0	0	$7,750
Marlin Stutzman	$62,500	0	0	0	0	0	$62,500

Compensation of Directors

We have no compensation arrangements (such as fees for retainer, committee service, service as Chairman and CEO of the board or a committee, and meeting attendance) with directors.

ITEM 12. SECURITY OWNERSHIP OF CERTAIN BENEFICIAL OWNERS AND MANAGEMENT AND RELATED STOCKHOLDER MATTERS.

Security Ownership

The following table sets forth information regarding the number of shares of our common stock beneficially owned on December 31, 2021 by:

- each person who is known by us to beneficially own 5% or more of our common stock,
- each of our directors and executive officers, and

- all of our directors and executive officers as a group.

To the best of our knowledge, the persons named have sole voting and investment power with respect to such shares, except as otherwise noted. There are not any pending or anticipated arrangements that may cause a change in control.

The information presented below regarding beneficial ownership of our voting securities has been presented in accordance with the rules of the Securities and Exchange Commission and is not necessarily indicative of ownership for any other purpose. Under these rules, a person is deemed to be a "beneficial owner" of a security if that person has or shares the power to vote or direct the voting of the security or the power to dispose or direct the disposition of the security. A person is deemed to own beneficially any security as to which such person has the right to acquire sole or shared voting or investment power within 60 days through the conversion or exercise of any convertible security, warrant, option or other right. More than one person may be deemed to be a beneficial owner of the same securities.

The percentage of beneficial ownership by any person as of a particular date is calculated by dividing the number of shares beneficially owned by such person, which includes the number of shares as to which such person has the right to acquire voting or investment power within 60 days, by the sum of the number of shares outstanding as of such date plus the number of shares as to which such person has the right to acquire voting or investment power within 60 days. Consequently, the denominator used for calculating such percentage may be different for each beneficial owner. Except as otherwise indicated below and under applicable community property laws, we believe that the beneficial owners of our common stock listed below have sole voting and investment power with respect to the shares shown.

Name	Title	Number of Common Shares	Number of Shares from Warrants, Options, and Convertible Notes, currently exercisable or exercisable in the next 60 days*	% of Common Share
Brent Bedford	Chairman and CEO	11,000,000	4,000,000	19.20 %
William Thomas	Chief Financial Officer	0	300,000	.38%
Thomas Ristow	Director	300,000		.38%
Rod Egan	Director	500,000		.64%
Craig Dansereau	Director	510,000	1,000,000	1.93%
Marlin Stutzman	Director	0	0	0.00%
All officers and directors (and management) as a group [6 persons]		12,310,000	5,300,000	22.54%
ETI Technologies Inc.		0	16,000,000	20.48%
Osmium Holdings LLC		17,696,000	0	22.65%
Bulldawg Capital, LLC		13,174,140	0	16.86%

This table is based upon information derived from our stock records. Unless otherwise indicated in the footnotes to this table and subject to community property laws where applicable, each of the shareholders named in this table has sole or shared voting and investment power with respect to the shares indicated as beneficially owned. Except as set forth above, applicable percentages are based upon 78,137,800 shares of common stock outstanding as of December 31, 2021.

Changes in Control

None.

Which Have Not Registered Securities Pursuant to Section 12 of the Act

ITEM 13. CERTAIN RELATIONSHIPS AND RELATED TRANSACTIONS, AND DIRECTOR INDEPENDENCE

General

The amounts and terms of related party transactions are not necessarily indicative of the amounts and terms which would have been incurred had the transactions been incurred with unrelated parties.

Notes Receivable

On July 3, 2019, the Company entered into a non-binding letter of intent with Worldwide Group, LLC ("seller") to acquire all of its outstanding units. Rod Egan, a current director of Perpetual Industries and managing partner of Worldwide Group, LLC. The acquisition is contingent on the parties entering into a Purchase Agreement at a later date. In connection with the non-binding letter of intent, the Company agreed to loan Worldwide Group, LLC $150,000. The loan has a coupon rate of 8% and has a maturity date of January 3, 2021.

The balances of related party notes receivable is as follows:

	December 31, 2021		December 31, 2020	
Notes receivable, related party*	$	-	$	150,000
Interest receivable, related party		-		17,984
Total notes receivable – related party	$	-	$	167,984

* On January 22, 2021, as mentioned in Note 11, the acquisition was completed. As such the notes receivable, related party is eliminated due to consolidation as of December 31, 2021.

Notes Payable

The Company, through its wholly-owned subsidiary Worldwide has a loan with Osmium Holdings LLC ("Osmium"). Osmium owns greater than 10% of the Company's common stock outstanding. The loans are as follows:

- On December 1, 2018, Worldwide received $1,500,000 against a line of credit promissory note from Osmium. The interest rate was 7.5% and the maturity date was November 30, 2021. During the year ended December 31, 2021, the Company repaid $760,945 on the note. On December 1, 2021, the note was replaced with a new note with principal balance of $700,000. The interest rate is 9.75% and the maturity date is November 30, 2022. As of December 31, 2021, the outstanding balance is $700,000. As of December 31, 2021, there is no accrued interest on this loan as the Company makes monthly interest payments.

Due to Related Parties

The members of Worldwide prior to it acquisition on January 22, 2021 were Twin Grille Holdings, LLC. which is controlled by Rod Egan ("TGH") and Junebug Holdings, Inc., which is controlled by John Kruse ("JHI"). These entities are still considered related parties. The Company owes these entities for past services amounting to $124,250 for TGH and $124,250 for JHI.

Management Service

During the years ended December 31, 2021 and 2020, the Company accrued management fees owed to Brent Bedford, the Company's Chairman, President and CEO in the amount of $0 and $80,496, respectively. During the year ended December 31, 2021, the Company paid Brent Bedford $153,057 in management fees. Brent Bedford has an oral agreement under which he provides management services through a private entity that he owns. The expenses are classified in the statement of operations as management service, related party.

During the years ended December 31, 2021 and 2020, the Company paid management fees to Trip Thomas, the Company's CFO in the amount of $24,250 and $19,500, respectively. Trip Thomas has an oral agreement under which he provides management services through a private entity that he owns. The expenses are classified in the statement of operations as management service, related party.

During the years ended December 31, 2021 and 2020, the Company paid management fees to Carl Dilley, the Company's COO in the amount of $31,500 and $58,500, respectively. Carl Dilley has an oral agreement under which he provides management services through two private entities that he owns. The expenses are classified in the statement of operations as management service, related party. Carl Dilley resigned as of July 16, 2021 as COO and Director.

General and Administrative Expenses

During the years ended December 31, 2021 and 2020, Shelley Bedford, a small shareholder of the Company and a relative of the Company's president, provided office management and administration support through a private entity that she owns amounting to $66,962 and $27,069, respectively. During the years ended December 31, 2021 and 2020, the Company also obtained network and website maintenance services from this private entity for $1,663 and $895 respectively. As of December 31, 2021 and 2020, the Company owed this small shareholder $5,953 and $2,604 respectively.

During the years ended December 31, 2021 and 2020, Brent Bedford, Chairman, President and CEO, provided office space, storage, and internet services through a private entity that he owns, to the Company totaling $18,066 and $8,944, respectively.

Related party operating expenses were comprised of the following:

	For the Years Ended			
	December 31, 2021		December 31, 2020	
Management service – related party	$	208,807	$	158,496
General and Administrative Expense:				
Office management & administrative support		66,962		27,069
Rent - Plectrum Enterprises		18,066		8,944
Rent - Kruse Plaza		155,000		0
Network and website maintenance		1663		895
Total general and administrative – related party		241,691		36,908
Total related party operating expenses	$	450,498	$	195,404

Accounts receivable

The balance of accounts receivable, related party was comprised of the following:

	As of December 31, 2021		As of December 31, 2020	
JKEC (controlled by John Kruse of Junebug Holdings, Inc.)	$	9,462	$	-
Brent Bedford, CEO		13,968		-
Total accounts payable – related party	$	23,430	$	-

Accounts payable and accrued liabilities

The balance of accounts payable, related party was comprised of the following:

	As of December 31, 2021		As of December 31, 2020	
Plectrum Enterprises, Inc. (owned by Brent Bedford, CEO)	$	269	$	21,476
Brent Bedford, CEO		1,619		6,361
Flip Flop Studios (owned by Shelley Bedford, relative of CEO)		5,953		2,604
A-Frame Accounting & Advisory, Inc.		483		-
Accrued wages (Junebug)		121,527		-
Accrued wages (Twin Grille Holdings)		110,755		-
Total accounts payable – related party	$	240,606	$	30,441

ITEM 14. PRINCIPAL ACCOUNTING FEES AND SERVICES.

The following table summarizes the breakdown of professional services rendered by the principal accountant for the last two fiscal years. Professional Accounting Services Related to Principal Accountant, Including Audit Fees, Audit-Related Fees, Tax Fees, and All Other Preparation Fees

Description of Services	Year Ended December 31, 2021	Year Ended December 31, 2020
Audit Review of Three Months Ended March 31st – Q1	$7,000	$5,000
Audit Review of Three Months Ended June 30th – Q2	$7,000	$5,000
Audit Review of Three Months Ended September 30th – Q3	$7,000	$5,000
Audit of Annual Financial Statements	$40,000	$15,000
Total	$61,000	$30,000

PART IV

ITEM 15. EXHIBITS, FINANCIAL STATEMENT SCHEDULES.

See Item 8 for Financial Statements.
All other Exhibits called for by Rule 601 of Regulation SK are not applicable to this filing.

SIGNATURES

Pursuant to the requirements of Section 13 or 15(d) of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

Perpetual Industries Inc.
Registrant

April 1, 2022	/s/ Brent W. Bedford
Date	Brent W. Bedford, Chairman of the Board, CEO, Principal Executive Officer, Principal Accounting Officer and Principal Financial Officer
April 1, 2022	/s/ William Griffin Thomas, III (“Trip”)
Date	Trip Thomas, Chief Financial Officer
April 1, 2022	/s/ Craig Dansereau
Date	Craig Dansereau, Director
April 1, 2022	/s/ Rod Egan
Date	Rod Egan, Director
April 1, 2022	/s/ Thomas Ristow
Date	Thomas Ristow, Director
April 1, 2022	/s/ Marlin Stutzman
Date	Marlin Stutzman, Director

Perpetual Industries Inc.
Registrant

Supplemental Information to be Furnished With Reports Filed Pursuant to Section 15(d) of the Act by Registrants Which Have Not Registered Securities Pursuant to Section 12 of the Act

No annual report or proxy material has been sent to security holders.