BARREL ENERGY INC
BALANCE SHEETS

	September 30, 2021	September 30, 2020
	(Unaudited)	(Audited)
ASSETS		
Current assets:		
Cash and cash equivalents	$ --	$ --
Prepaid	50,000	--
Total current assets	50,000	--
Right to use asset, operating lease, net of amortization-related party	3,141,074	3,796,290
Total assets	$ 3,191,074	$3,796,290
LIABILITIES AND STOCKHOLDERS' EQUITY (DEFICIT)		
Current liabilities:		
Bank overdraft	$ 167	$ 67
Accounts payable and accrued expense	1,261,019	674,884
Advances from shareholder	13,202	13,202
Accrued expense – relate parties	410,260	451,837
Convertible notes – net of unamortized debt discount	1,211,020	226,314
Derivative liability	1,666,327	94,275
Operating lease liability, current portion-related party	301,720	301,720
Current liabilities	4,863,739	1,762,299
Notes payable- long term	23,125	33,125
Operating lease liability- related party	3,065,274	3,720,490
Total liabilities	7,952,114	5,515,846
Commitments and Contingencies	--	--
Stockholders' equity (deficit):		
Preferred stock, $0.001 par value, 5,000,000 authorized, zero issued and outstanding, respectively	-	-
Common stock, $0.001 par value, 450,000,000 authorized, 312,629,984 and 291,629,984 issued and outstanding, respectively	312,694	291,629
Additional paid-in capital	20,049,452	19,154,944
Stock not issued	40,000	40,000
Accumulated deficit	(25,163,186)	(21,206,197)
Total Stockholders' deficit	(4,761,040)	(1,719,624)
Total liabilities and stockholders' equity (deficit)	$ 3,191,074	$3,796,2900

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

BARREL ENERGY INC
STATEMENTS OF OPERATIONS
(Unaudited)

	Years Ended September 30,	
	2021	**2020**
Operating expenses:		
Consulting expense	$ 542,156	$ 390,420
Professional fees	193,636	19,063
Marketing & travel	73,823	18,959
Rent	602,000	601,720
General and administrative expense	165,165	11,248
Loss from operations	(1,576,780)	(1,041,610)
Other income (expense)		
Loss on debt settlement	--	(27,927)
Gain on extinguishment of debt	(2,026)	2,406
Change in currency	--	(14,039)
Change in fair value	(2,262,593)	(1,380,545)
Financing costs	3,750	(120,530)
Interest expense	(111,840)	(30,526)
Total other expense	(2,380,209)	(1,703,954)
Net loss	(3,956,989)	(2,745,564)
Deemed dividend from down round	--	(16,363,600)
Net loss attributable to common stockholders	$ (3,956,989)	$ (19,109,165)
Net loss per common share, basic and diluted	$ (0.01)	$ (0.17)
Weighted average number of common shares outstanding, basic and diluted	301,741,537	112,736,939

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

BARREL ENERGY INC
STATEMENTS OF CHANGES IN STOCKHOLDERS' EQUITY (DEFICIT)
FOR THE YEARS ENDED SEPTEMBER 30, 2021 and 2020
(Unaudited)

	Common Stock Shares	Common Stock Amount	Additional Paid-In Capital	Stock Subscription Receivable	Accumulative Deficit	Other Comprehensive Income (Loss)	Total Stockholders' Equity (Deficit)
Balance at September 30, 2019	41,093,618	41,093	870,515	--	(2,102,824)	(5,361)	(1,196,577)
Common stock issued for cash	2,000,000	2,000	38,000	--	--	--	40,000
Common stock issued for debt conversion	257,736,366	257,736	148,113	--	--	--	405,849
Common stock issued for note conversion	800,000	800	99,200	--	--	--	100,000
Common stock return to treasury	(10,000,000)	(10,000)	10,000	--	--	--	--
Deemed dividend	--	--	16,363,600	--	(16,363,600)	--	--
Loss on stock value at conversion	--	--	(51,784)	--	--	--	(51,784)
Common stock subscribed but issued	--	--	--	40,000	--	--	40,000
Effect on APIC upon conversion of debt	--	--	1,677,300	--	--	--	1,324,880
Comprehensive gain (loss)	--	--	--	--	5,791	5,361	11,152
Net loss	--	--	--	--	(2,745,5647)	--	(2,745,564)
Balance at September 30, 2020	291,629,984	291,629	19,154,944	40,000	(21,206,197)	--	(1,719,624)
Common stock issued for debt conversion	33,375,000	33,375	191,657	--	--	--	225,032
Effect on APIC on debt conversion	--	--	690,541	--	--	--	690,541
Common stock issued for cashless warrants	9,270,420	9,270	(9,270)	--	--	--	--
Common stock returned to treasury	(21,580,420)	(21,580)	21,580	--	--	--	--
Net loss	--	--	--	--	(3,956,989)	--	(3,956,989)
Balance at September 30, 2021	312,694,984	$ 312,694	$ 20,049,452	$40,000	$(25,163,186)	--	$ (4,761,040)

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

BARREL ENGERGY INC
STATEMENTS OF CASH FLOWS
(Unaudited)

	Years Ended September 30, 2021	2020
Cash flows from operating activities:		
Net loss	$ (3,956,989)	$ (2,745,564)
Adjustments to reconcile net loss to net cash provided by (used in) operating activities:		
Amortization of debt discount	--	132,793
Financing costs	--	12,350
Change in fair value of derivative liability	2,262,593	1,380,545
Right to use lease	655,216	308,694
Loss on debt settlement	52,186	27,927
Changes in operating assets and liabilities:		
Operating lease liability- related party	(655,216)	(308,525)
Prepaid	(50,000)	--
Accounts payable and accrued expense	644,687	615,045
Accounts payable – related party	(41,577)	330,412
Net cash used in operating activities	(1,089,100)	(140,549)
Cash flows from financing activities:		
Bank overdraft	100	(115)
Proceeds from sale of common stock	--	40,000
Proceeds from convertible notes	1,099,000	89,000
Notes payable	--	33,125
Repayment of notes payable	(10,000)	--
Repayment of advances by related parties	--	(35,500)
Net cash provided by financing activities	1,089,100	126,510
Effects of currency translation	--	14,039
Net increase (decrease) in cash	--	--
Cash – beginning of year	--	--
Cash – end of year	$ --	$ --
SUPPLEMENT DISCLOSURES:		
Interest paid	$ -	$ -
Income taxes paid	$ -	$ -
Non-Monetary Transactions		
Effect on APIC from debt conversion	$ 690,541	$ 1,366,491
Common stock issued for convertible debt	$ 218,513	$ 405,849
Common stock issued for notes payable	$ --	$100,000
Deemed dividend from down round	$ --	$ 16,363,600
Right to use asset upon adoption of ASC 842	$ --	$ 4,104,984
Common stock issued for cashless warrants	$ 9,270	$ --

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

BARREL ENERGY INC
NOTES TO FINANCIAL STATEMENTS
(Unaudited)

NOTE 1 – NATURE OF BUSINESS

BARREL ENERGY INC. is a Nevada corporation, incorporated January 17, 2014, which was engaged historically in the oil and gas sector of the energy industry. In January 2019, the Company terminated the agreement. The Company entered into an agreement in the lithium exploration business but terminated the contract. The Company has leased land in central California to grow hemp for extracting CBD and the use of fiber in clothing and other materials. The Company has reengaged in the lithium battery business under new agreement subsequent to the filing of this report.

On April 11, 2019, the Company amended its articles of incorporation to increase its number of authorized shares of common stock from 75,000,000 to 450,000,000.

The occurrence of an uncontrollable event such as the COVID-19 pandemic may negatively affect our operations. A pandemic typically results in social distancing, travel bans, and quarantine. This may limit access to our, suppliers, management, support staff and professional advisors. Although the Company's operations are virtual, we depend on numerous third party consultants and contract suppliers so we cannot measure the impact on our operations or financial condition at this point in time.

NOTE 2 – ACCOUNTING POLICIES

Accounting Method

The Company's financial statements are prepared using the accrual method of accounting in accordance with accounting principles generally accepted in the United States of America.

The Company has elected a fiscal year ending on September 30.

Cash and Cash Equivalents

The Company considers all highly liquid investments purchased with an original maturity of three months or less to be cash equivalents.

Property and equipment

Property and equipment are carried at the cost of acquisition and depreciated over the estimated useful lives of the assets. Costs associated with repair and maintenance is expensed as incurred. Costs associated with improvements which extend the life, increase the capacity or improve the efficiency of our property and equipment are capitalized and depreciated over the remaining life of the related asset. Gains and losses on dispositions of equipment are reflected in operations. Depreciation is provided using the straight-line method over the estimated useful lives of the assets.

Foreign currency translation

The Company's functional currency and reporting currency is in U.S. dollars. The financial statements of the Company are translated to U.S. dollars in accordance with SFAS No. 52, "*Foreign Currency Translation*". Monetary assets and liabilities denominated in foreign currencies are translated using the exchange rate prevailing at the balance sheet date. Gains and losses arising on translation or settlement of foreign currency denominated transactions or balances are included in the determination of income. The Company has not, to the date of these financial statements, entered into derivative instruments to offset the impact of foreign currency fluctuations.

Impairment of Long-lived Assets

The Company reviews the carrying value of its long-lived assets annually or whenever events or changes in circumstances indicate that the historical cost carrying value of an asset may no longer be appropriate. The Company assesses recoverability of the asset by comparing the undiscounted future net cash flows expected to result from the asset to its carrying value. If the carrying value exceeds the undiscounted future net cash flows of the asset, an impairment loss is measured and recognized. An impairment loss is measured as the difference between the net book value and the fair value of the long-lived asset. Fair value is estimated based upon either discounted cash flow analysis or estimated salvage value. See Footnote 6.

Estimates and Assumptions

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosures of contingent assets and liabilities at the date of the financial statements and the reported amounts of income and expenses during the reporting period. The Company's significant estimates include the fair value of common stock issued for services. Actual results could differ from those estimates.

Income Taxes

Deferred tax assets and liabilities are determined based on the differences between the financial reporting and tax bases of assets and liabilities using the enacted tax rates and laws that will be in effect when the differences are expected to reverse. A valuation allowance is established when necessary to reduce deferred tax assets to the amounts expected to be realized.

The Company accounts for income taxes under the provisions of Financial Accounting Standards Board) Accounting Standards Codification 740, Accounting *for Income Taxes*. It prescribes a recognition threshold and measurement attributes for the financial statement recognition and measurement of a tax position taken or expected to be taken in a tax return. As a result, the Company has applied a more likely than not recognition threshold for all tax uncertainties. The guidance only allows the recognition of those tax benefits that have a greater than 50% likelihood of being sustained upon examination by the various taxing authorities.

The Company classifies penalties and interest related to unrecognized tax benefits as income tax expense in the Statements of Operations.

Basic and diluted net loss per share

Basic loss per share is calculated as net loss to common stockholders divided by the weighted average number of common shares outstanding during the period. Diluted loss per share for the period equals basic loss per share as the effect of any stock based compensation awards or stock warrants would be antidilutive. As of September 30, 2021 the potential shares at conversion outstanding was 69,518,520 consisting of conversion of debt to common stock of approximately 67,916,234 and conversion warrants to common stock of 1,602,286 compared to a total of 25,155,126 for the year ended September 30, 2019.

Stock-Based Compensation

The Company accounts for stock-based compensation to employees and consultants in accordance with FASB ASC 718. Stock-based compensation to employees is measured at the grant date, based on the fair value of the award, and is recognized as expense over the requisite employee service period. The Company accounts for stock-based compensation to other than employees in accordance with FASB ASC 505-50. Equity instruments issued to other than employees are valued at the earlier of a commitment date or upon completion of the services, based on the fair value of the equity instruments and is recognized as expense over the service period. The Company estimates the fair value of stock-based payments using the Black Scholes option-pricing model for common stock options and warrants and the closing price of the Company's common stock for common share issuances.

Gain (Loss) on Modification/Extinguishment of Debt

In accordance with ASC 470, a modification or an exchange of debt instruments that adds or eliminates a conversion option that was substantive at the date of the modification or exchange is considered a substantive change and is measured and accounted for as extinguishment of the original instrument along with the recognition of a gain or loss. Additionally, under ASC 470, a substantive modification of a debt instrument is deemed to have been accomplished with debt instruments that are substantially different if the present value of the cash flows under the terms of the new debt instrument is at least 10 percent different from the present value of the remaining cash flows under the terms of the original instrument. A substantive modification is accounted for as an extinguishment of the original instrument along with the recognition of a gain or loss.

Recent Accounting Pronouncements

In February 2016, the Financial Accounting Standards Board ("FASB") issued ASU 2016-02 Leases which requires an entity to recognize assets and liabilities arising from a lease for both financing and operating leases with terms greater than 12 months. In July 2018, the FASB issued ASU 2018-10 Leases, Codification Improvements and ASU 2018-11 Leases, Targeted Improvements, to provide additional guidance for the adoption of ASU 2016-02. ASU 2018-10 clarifies certain provisions and corrects unintended applications of the guidance such as the application of implicit rate, lessee reassessment of lease classification, and certain transition adjustments that should be recognized to earnings rather than to stockholders' (deficit) equity. ASU 2018-11 provides an alternative transition method and practical expedient for separating contract components for the adoption of ASU 2016-02. ASU 2016-02, ASU 2018-10, ASU 2018-11, (collectively, "Topic 842") are effective for fiscal years beginning after December 15, 2018, with early adoption permitted. In December 2019, the Company adopted Topic 842 and made the following elections:

- The Company did not elect the hindsight practical expedient, for all leases.
- The Company elected the package of practical expedients to not reassess prior conclusions related to contracts containing leases, lease classification and initial direct costs for all leases.
- In March 2018, the FASB approved an optional transition method that allows companies to use the effective date as the date of initial application on transition. The Company elected this transition method, and as a result, will not adjust its comparative period financial information or make the newly required lease disclosures for periods before the effective date.
- The Company elected to not separate lease and non-lease components, for all leases.

On October 1, 2019, the Company recorded a Right of Use Asset of $4,104,985, a corresponding Lease Liability of $4,330,735 in accordance with Topic 842.

The FASB recently issued ASU 2020-06, Debt – Debt with Conversion and Other Options (Subtopic 470-20) and Derivatives and Hedging – Contracts in Entity's Own Equity (Subtopic 815-40): Accounting for Convertible Instruments and Contracts in an Entity's Own Equity, to reduce complexity in applying GAAP to certain financial instruments with characteristics of liabilities and equity. The guidance in ASU 2020-06 simplifies the accounting for convertible debt instruments and convertible preferred stock by removing the existing guidance in ASC 470-20, Debt: Debt with Conversion and Other Options, that requires entities to account for beneficial conversion features and cash conversion features in equity, separately from the host convertible debt or preferred stock. The guidance in ASC 470-20 applies to convertible instruments for which the embedded conversion features are not required to be bifurcated from the host contract and accounted for as derivatives. These amendments are expected to result in more freestanding financial instruments qualifying for equity classification (and, therefore, not accounted for as derivatives), as well as fewer embedded features requiring separate accounting from the host contract. The amendments in ASU 2020-06 further revise the guidance in ASC 260, Earnings Per Share, to require entities to calculate diluted earnings per share (EPS) for convertible instruments by using the if-converted method. In addition, entities must presume share settlement for purposes of calculating diluted EPS when an instrument may be settled in cash or shares. The amendments in ASU 2020-06 are effective for public entities for fiscal years beginning after December 15, 2021 with early adoption permitted (for "emerging growth company" beginning after December 15, 2023). The Company will be evaluating the impact this standard will have on the Company's consolidated financial statements.

Derivative Instruments

Derivative financial instruments are recorded in the accompanying consolidated balance sheets at fair value in accordance with ASC 815. When the Company enters into a financial instrument such as a debt or equity agreement (the "host contract"), the Company assesses whether the economic characteristics of any embedded features are clearly and closely related to the primary economic characteristics of the remainder of the host contract. When it is determined that (i) an embedded feature possesses economic characteristics that are not clearly and closely related to the primary economic characteristics of the host contract, and (ii) a separate, stand-alone instrument with the same terms would meet the definition of a financial derivative instrument, then the embedded feature is bifurcated from the host contract and accounted for as a derivative instrument. The estimated fair value of the derivative feature is recorded in the accompanying balance sheets separately from the carrying value of the host contract. Subsequent changes in the estimated fair value of derivatives are recorded as a gain or loss in the Company's statements of operations.

Fair Value of Financial Instruments

The Company's financial instruments consist of cash and cash equivalents, accounts payable and accrued expenses and shareholder loans. The carrying amount of these financial instruments approximates fair value due either to length of maturity or interest rates that approximate prevailing market rates unless otherwise disclosed in these financial statements.

Financial assets and liabilities recorded at fair value in our condensed consolidated balance sheets are categorized based upon a fair value hierarchy established by GAAP, which prioritizes the inputs used to measure fair value into the following levels:

Level 1— Quoted market prices in active markets for identical assets or liabilities at the measurement date.

Level 2— quoted prices for similar assets or liabilities in active markets; quoted prices for identical or similar assets and liabilities in markets that are not active; or other inputs that are observable and can be corroborated by observable market data.

Level 3— Inputs reflecting management's best estimates and assumptions of what market participants would use in pricing assets or liabilities at the measurement date. The inputs are unobservable in the market and significant to the valuation of the instruments.

A financial instrument's categorization within the valuation hierarchy is based upon the lowest level of input that is significant to the fair value measurement.

Deemed Dividend

The Company issues instruments which contain a provision for the change in conversion price should a new instrument issued hold a conversion price lower than the conversion price of the instrument issued earlier. The provision lowers the conversion price to the new instrument triggering the down round feature and creates a deemed dividend. The deemed dividend is added to the net income or loss for the period and used in calculating the earnings per share for the period.

NOTE 3 – GOING CONCERN

The Company’s financial statements are prepared using accounting principles generally accepted in the United States of America applicable to a going concern that contemplates the realization of assets and liquidation of liabilities in the normal course of business. The Company, as shown in the accompanying balance sheets, an accumulated deficit of $25,163,186 and negative working capital of $4,813,739. The Company has not established any source of revenue to cover its operating costs. These factors raise substantial doubt about the company’s ability to continue as a going concern. The Company will engage in very limited activities that must be satisfied in cash until a source of funding is secured. The Company will offer noncash consideration and seek equity lines as a means of financing its operations. If the Company is unable to obtain revenue producing contracts or financing or if the revenue or financing it does obtain is insufficient to cover any operating losses it may incur, it may substantially curtail or terminate its operations or seek other business opportunities through strategic alliances, acquisitions or other arrangements that may dilute the interests of existing stockholders. The financial statements do not include any adjustments that might result from the outcome of this uncertainty.

NOTE 4 – INCOME TAXES

The Company follows Accounting Standards Codification 740, Accounting for Income Taxes. During 2009, there was a change in control of the Company.

Under section 382 of the Internal Revenue Code such a change in control negates much of the tax loss carry forward and deferred income tax. Deferred income taxes reflect the net tax effects of (a) temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for income tax reporting purposes, and (b) net operating loss carry forwards. For federal income tax purposes, the Company uses the accrual basis of accounting, the same that is used for financial reporting purposes.

The Company did not have taxable income for the years ended September 30, 2021 and 2020. The Company’s deferred tax assets consisted of the following as of September 30, 2021, and 2020

	2021	2020
Net tax loss carry forward	1,049,687	978,397
Less: Valuation allowance	(1,049,687)	(978,397)
Net deferred tax asset	$ --	$ --

The Company had a net loss of 3,956,989 for the year ended September 30, 2021 and $2,745,564 for the year ended September 30, 2010. As of September 30, 2021 the Company’s net tax loss carry forward was

$ 4,998,508 will begin to expire in the year 2039. All tax years from inception of the Company are open to review by appropriate taxing authorities.

A reconciliation of income taxes at the federal statutory rate to amounts provided for the years ended September 30, 2021 and 2020 is as follows:

	2019	2020
U.S. federal statutory rate	21%	21%
Net operating loss	(21%)	(21%)
Effective tax rate	--%	--%

The Company due to its loses has not filed US Corporate tax returns and is subject to examination back to inception.

NOTE 5 – COMMON STOCK

On November 13, 2018 the Company entered into a $3,000,000 equity purchase agreement with Crown Bridge Partners. Under the terms of the agreement, the Company may put to the investor shares of the Company common stock in minimums of $10,000 to maximums of either $100,000 or 200% of the average trading volume, whichever is less. The agreement may be terminated at any time by the Company or when the total commitment of shares are sold by the Company to the investor. As part of the agreement, the Company issued 175,000 shares of its common stock at $0.75 per share as a commitment fee. The value of the transaction of $131,250 was expensed as a financing cost.

During the year ended September 30, 2020 the Company issued 800,000 shares of common stock with a value of $100,000 for note conversion.

During the year ended September 30, 2020 the Company issued 2,000,000 with a value of $40,000 for cash.

During the year ended September 30, 2020 the Company issued 257,736,366 with a value of $405,849 for the conversion of convertible debt.

During the year ended September 30, 2020 the Company issued 10,000,000 with a value of $65,500 for the inducement to extend a note payable.

During the year ended September 31, 2020 10,000,000 shares were returned by a relate party to treasuary.

During the year ended September 30, 2021 the Company issued 33.375,000 shares of common stock with a value of $225,032 for the conversion of debt.

During the year ended September 30, 2021 the Compnay issued 9,270,420 shares of common stock with a value of $9,270 for the conversion of cashless warrants.

During the year ended September 31, 2021, 21,580,420 shares were returned to treasuary.

NOTE 6 – WARRANTS

During the year ended September 30, 2019 the Company issued 477,286 warrants to twenty individuals as part of their purchase of 477,286 shares of common stock. The warrants mature in three years and are convertible into one share of common stock for each warrant at $0.50 per share.

During the year ended September 30, 2019 the Company issued 1,125,000 warrants to 2 convertible debt entities as part of the note issued. The warrants were issued as an inducement of the issuance of the two notes for an aggregate of $225,000. The warrants are convertible at $0.20 per share or if the price of the company's common stock is greater than the exercise price of the warrant, the warrant may be converted by the holder as a cashless warrant in lieu of a cash warrant. The warrants also contain an antidilution clause allowing the holder to adjust the number of warrants and or price should the Company issue any convertible instrument at a lower value or conversion price than the warrants issue.

The Company used the Black Scholes Pricing model to estimate the fair value of the warrants as of grant date, using the following key inputs: market prices of the Company's common stock at dates of grant between $0.28 - $3.00 per share, conversion price of $0.20-0.50, volatility of 272.63% and discount rate of 2.40%. Based on the fair value of the common stock of $221,000 and value of the warrants of $535,293 the fair value of the warrants was calculated to be 38 % of the total value or $288,411. During the period ended September 30, 2019 the valuation resulted in a deemed dividend from the down round calculation of the 1,125,000 warrants of $30,938.

The 1,125,000 warrants provided a provision that adjusted the conversion price if any other convertible instrument provides for a lower conversion price. As the Company agreed to the conversion price on a convertible note at $0.00275 during the quarter ended December 31, 2019, the warrants became eligible for that conversion price and triggered a down round and deemed dividend of $16,363,600.

On March 12, 2021, the Company entered into an agreement with Crown Bridge Partners, LLC whereby the remaining balance of the note dated November 12, 2018 and any remaining warrants issued to Crown Bridge are extinguished.

On March 12, 2021, the Company entered into an agreement with First Fire Global Opportunities Fund, LLC whereby the remaining balance of the note dated May 28, 2019 with principal of $125,000 and a remaining warrant of 625,000 issued to First Fire are extinguished.

T

	Warrants	Weighted Average Exercise Price	Weighted Average Remaining Contract Life	Intrinsic Value
Outstanding at September 30, 2020	1,125,000	0.20	4.62	--
Granted	--	--	--	--
Expired	--	--	--	--
Exercised	(1,125,000)	--	--	--
Outstanding at March 31, 2021	--	$ 0.00	--	$ --

NOTE 7 – IMPAIRMENT OF UNPROVED PROPERTY

The Company reviewed the status of its asset which is an unimproved oil property under lease. From this review the Company determined it does not have the adequate resources combined with the present market price of oil to develop it into a producing property. As of September 30, 2017, the Company elected to impair the asset and reduce its value to zero. The Company had impairment expense of $0 for the years ended September 30, 2021 and 2020, respectively.

NOTE 8 – NOTES PAYABLE

On November 15, 2018, the Company received an advance from one non-related party for $65,000. On December 3, 2018, the Company received an additional advance of $35,000 from the same individual for a total of $100,000. Both advances are unsecured, on demand and bear no interest. The Company has calculated an imputed interest of $2,500 for the last period. During the year ended September 30, 2020 the Company issued 800,000 shares of common stock with a value of $100,000 for the payment of the note and implied interest. The transaction resulted in a loss on settlement of debt of $25,600.

During the year ended September 30, 2020 the Company issued four notes totaling $33,125. The notes all mature in two years from date of issuance with one note for $10,000 bearing 20% interest and the balance of the bearing 10% interest per annum. As of September 30, 2021 the outstanding balance of notes payable was $23,125.

NOTE 9- DERIVATIVE LIABILITIES

Fair Value of Financial Instruments

The Company's financial instruments consist of cash and cash equivalents, accounts payable and accrued expenses and shareholder loans. The carrying amount of these financial instruments approximates fair value due either to length of maturity or interest rates that approximate prevailing market rates unless otherwise disclosed in these financial statements.

Financial assets and liabilities recorded at fair value in our condensed consolidated balance sheets are categorized based upon a fair value hierarchy established by GAAP, which prioritizes the inputs used to measure fair value into the following levels:

Level 1— Quoted market prices in active markets for identical assets or liabilities at the measurement date.

Level 2— quoted prices for similar assets or liabilities in active markets; quoted prices for identical or similar assets and liabilities in markets that are not active; or other inputs that are observable and can be corroborated by observable market data.

Level 3— Inputs reflecting management's best estimates and assumptions of what market participants would use in pricing assets or liabilities at the measurement date. The inputs are unobservable in the market and significant to the valuation of the instruments.

A financial instrument's categorization within the valuation hierarchy is based upon the lowest level of input that is significant to the fair value measurement.

Financial assets and liabilities measured at fair value on a recurring basis are summarized below as of September 30, 2021 and September 30, 2020:

	Level 1	Level 2	Level 3	Total
As of September 30, 2020:				
Assets				
None	$ -	$ -	$ -	$ -
Liabilities				
Derivative liability	$ -	$ -	$ 94,275	$ 94,275
As of September 30, 2021:				
Assets				
None	$ -	$ -	$ -	$ -
Liabilities				

Derivative liability	$	-	$	-	$ 1,666,327	$	1,666,327

The following table summarizes the change in the fair value of the derivative liability during the year ended September 30, 2020:

Fair value as of September 30,2020	$	94,275
Derivative attributed to debt conversion		(690,541)
Change in fair value		2,262,593
Fair value as of September 30, 2021	$	1,666,327

NOTE 10– CONVERTIBLE NOTE

On July 1, 2014, the Company issued a USD $67,215 (CAD $75,000) convertible note for cash. The note bears an interest rate of 9.5% and matured on December 31, 2015. The note, plus accrued interest, is convertible by the holder, as, in part or whole, until the date of maturity into common stock of the Company at CAD $0.00275 per share. The Company by resolution has elected to allow conversion of any and all the notes outstanding principal and interest until the note is fully paid. On September 30, 2017, the Company issued 700,000 shares of common stock with a value of $5,612 (CDN $7,000) for partial conversion of the convertible note. The note was amended stating the note in US dollars with an agreed principal balance of $82,496 maturing on December 31, 2018. As of April 1 2020 the note was further amended extending the closing date to December 31, 2015, interest increased as of April 1, 2020 to 18% per annum, the note's principal increased by $30,000 and the note holder receiving 10,000,000 shares of the Company's stock. As of September 30, 2021, the convertible debt outstanding was USD $5,065 plus accrued interest .

On November 12, 2018, the Company issued a $36,000 convertible note to Crown Partners, LLC. The note bears an original discount of $3,500, matures in 12 months from the origination date and bears interest at 5% per annum. The note is convertible at any time, in part or whole, at $0.50 per share until the 180th date of the note at which time it is convertible at 55% of the market price which is defined as the lowest trading price 25 days prior to conversion. As of September 30, 2021 through a debt settlement the balance of the note was zero.

On May 15, 2019 the Company issued a $100,000 convertible note plus 500,000 warrants to Auctus Funding, LLC. The note bears an original discount of $3,500, matures February 17, 2020 and bears interest at 5% per annum. The note is convertible at any time, at 55% of the market price which is defined as the lowest trading price 25 days prior to conversion. Interest of $9,972 has been accrued as of September 30, 2021. The warrants are convertible at $0.20 per share or if the price of the company's common stock is greater than the exercise price of the warrant, the warrant may be converted by the holder as a cashless warrant in lieu of a cash warrant. (See Note 6: Warrants)

On May 16, 2019 the Company issued a $125,000 convertible note and 625,000 warrants to Firstfire Global Opportunity Fund, LLC. The note bears an original discount of $12,500, matures in 12 months from the origination date and bears interest at 7% per annum. The note is convertible at any time, in part or whole, at %0.25 per share or 60% of the market price which is defined as the lowest trading price 20 days prior to conversion. The warrants are convertible at $0.20 per share or if the price of the company's common stock is greater than the exercise price of the warrant, the warrant may be converted by the holder as a cashless warrant in lieu of a cash warrant. As of September 30, 2021 the balance of the note was zero.(See Note 6: Warrants)

On June 26, 2020, the Company issued a convertible note to Harp Sangha for $21,500 which matures one year from date of issuance. The note bears interest of 8% per annum and is convertible into common stock of the Company at $0.10 per share.

On July 17, 2020, the Company issued a convertible note to Harp Sangha for $21,500 which matures one year from date of issuance. The note bears interest of 8% per annum and is convertible into common stock of the Company at $0.10 per share.

On September 11, 2020, the Company issued a convertible note to Harp Sangha for $45,000 which matures one year from date of issuance. The note bears interest of 8% per annum and is convertible into common stock of the Company at $0.10 per share

On December 23, 2020 the Company issued a $25,000 convertible note EROP Enterprises, LLC. The note matures in 12 months from the origination date and bears interest at 8% per annuum. The note is convertible in part or whole, at $0.10 per share or 70% of the market price which is defined as the lowest trading price 5 days prior to conversion. As of September 30, 2021 the outstanding balance had been repaid.

On December 3, 2019 the Company issued a $30,000 convertible note to a related party. The note matures in 12 months from the origination date and bears interest at 8% per annuum. The note is convertible in part or whole, at $0.10 per share 70% of the market price which is defined as the lowest trading price 5 days prior to conversion. As of September 30, 2021 the outstanding balance of principal is $30,000 plus accrued interest.

On February 5, 2021, the Company issued a convertible note to EROP Capital for $115,000 which matures one year from date of issuance. The note bears interest of 8% per annum and is convertible into common stock of the Company at $0.10 per share or 70% of the lowest trade five days prior to conversion. As of September 30, 2021 the outstanding balance was $115,000.

On February 10, 2021, the Company issued a convertible note to Harp Sangha for $324,000 which matures one year from date of issuance. The note bears interest of 8% per annum and is convertible into common stock of the Company at $0.10 per share. As of September 30, 2021 the outstanding balance was $324,000.

On March 3, 2021, the Company issued a convertible note to Harp Sangha for $250,000 which matures one year from date of issuance. The note bears interest of 8% per annum and is convertible into common stock of the Company at $0.10 per share. As of September 30, 2021 the outstanding balance was zero.

On March 12, 2021, the Company entered into an agreement with Crown Bridge Partners, LLC whereby the remaining balance of the note dated November 12, 2018 and any remaining warrants of 28,800 issued to Crown Bridge are extinguished. In addition Crown Bridge will instruct the Company transfer agent to cancel 8,330,420 shares held by Crown Bridge by March 17, 2021. As of September 30, 2021 the balance on the note outstanding was zero.

On March 12, 2021, the Company entered into an agreement with First Fire Global Opportunities Fund, LLC whereby the remaining balance of the note dated May 28, 2019 with principal of $125,000 and a remaining warrant of 625,000 issued to First Fire are extinguished. The Company issued 2,000,000 shares with a value of $145,000 for final settlement and payment of all principal, interest and penalties, plus the cancellation of any reserve shares held by First Fire with the Company's Transfer Agent. The outstanding balance as of September 30, 2021 was zero.

On March 29, 2021, the Company issued a convertible note to EROP Capital for $25,000 which matures one year from date of issuance. The note bears interest of 8% per annum and is convertible into common stock of the Company at $0.01 per share or 70% of the lowest trade five days prior to conversion. As of September 30, 2021 the outstanding balance was $25,000.

On April 1 2021, the Company issued a convertible note to EROP Capital for $50,000 which matures one year from date of issuance. The note bears interest of 8% per annum and is convertible into common stock of the Company at $0.01 per share or 70% of the lowest trade five days prior to conversion. As of September 30, 2021 the outstanding balance was $50,000.

On June 30, 2021 the Company issued a convertible note to EROP Capital for $50,000 which matures one year from date of issuance. The note bears interest of 8% per annum and is convertible into common stock of the Company at $0.01 per share or 70% of the lowest trade five days prior to conversion. As of September 30, 2021 the outstanding balance was $250,000.

On July 12, 2021, the Company issued a convertible note to EROP Capital for $50,000 which matures one year from date of issuance. The note bears interest of 8% per annum and is convertible into common stock of the Company at $0.01 per share or 70% of the lowest trade five days prior to conversion.

On July 28, 2021, the Company issued a convertible note to EROP Capital for $50,000 which matures one year from date of issuance. The note bears interest of 8% per annum and is convertible into common stock of the Company at $0.01 per share or 70% of the lowest trade five days prior to conversion.

On September 2, 2021, the Company issued a convertible note to EROP Capital for $50,000 which matures one year from date of issuance. The note bears interest of 8% per annum and is convertible into common stock of the Company at $0.01 per share or 70% of the lowest trade five days prior to conversion.

During the year ended September 30, 2021 the Company issued 33,375,000 shares of common stock with a value of $225,032 for the reduction of the notes.

As of September 30, 2021 the Company has $1,211,020, net of discount, convertible notes outstanding compared to $266,314 for the same period in 2020.

NOTE 11 – RELATED PARTY TRANSACTIONS

During the years ended September 30, 2019 and 2018 the Company's operations conducted out of the premises at 14890 66a Ave., Surrey, B.C. V3S 9Y6 Canada. Mr. Gurm Sangha, the former President , Director made these premises available to the Company rent-free.

During the period ended September 30, 2019 Harpreet Sangha, the Company's Chairman and Chief Financial Officer, entered into an agreement and purchased 10,000,000 shares of the Company's common stock for $10,000 and Craig Alford, the Company's President, who entered into an agreement and purchased 4,000,000 shares of the Company's common stock for $4,000.On June 24, 2020 Harpreet Sangha returned the 10,000,000 shares to the Company. During the year ended September 30, 2019, the Company signed a land lease agreement for the production of hemp. The lease is a 10 year lease with annual payments of $602,000 and was modified for the initial payments of $301,000 each in May and June 2020. A director of the Company is related to the owner of the land leased.

On June 26, 2020, the Company issued a convertible note to Harp Sangha for $21,500 which matures one year from date of issuance. The note bears interest of 8% per annum and is convertible into common stock of the Company at $0.10 per share.

On July 17, 2020, the Company issued a convertible note to Harp Sangha for $21,500 which matures one year from date of issuance. The note bears interest of 8% per annum and is convertible into common stock of the Company at $0.10 per share.

On September 11, 2020, the Company issued a convertible note to Harp Sangha for $45,000 which matures one year from date of issuance. The note bears interest of 8% per annum and is convertible into common stock of the Company at $0.10 per share.

On February 10, 2021, the Company issued a convertible note to Harp Sangha for $324,000 which matures one year from date of issuance. The note bears interest of 8% per annum and is convertible into common stock of the Company at $0.10 per share. As of September 30, 2021 the outstanding balance was $324,000. On March 3, 2021, the Company issued a convertible note to Harp Sangha for $250,000 which matures one year from date of issuance. The note bears interest of 8% per annum and is convertible into common stock of the Company at $0.10 per share. As of September 30, 2021 the outstanding balance was zero.

During the year ended September 30, 2021, the Company accrued $420,898 which is due due the related parties compared to $451,837 for the same period in 2020.

NOTE 12 – COMMITMENTS AND CONTINGENCIES

On October 11, 2018, Barrel Energy Inc. (the “Company”) entered into an Earn-In Agreement (the “Agreement”) with True Grit Resources, a British Columbia corporation (“TGR”), an unrelated third party. In exchange for the payment by the Company of certain consideration, the Company may earn of to 100% participation interest in certain mineral rights leases that TGR has in Arizona. The first payment for $100,000 is due within ten (10) days of the execution of the Agreement and another payment of $300,000 or expenditure to the property is due within 30 days of the first payment. Upon receipt of $400,000, the Company will have a 49% participation interest in the Arizona property mineral lease rights .The Company may require a 70% earn-in interest by expending a cumulative $1,400,000 on the property. In order to secure the 100% participation interest, the Company is required to expend a cumulative number of payments and property expenditures of $2,400,000.

The mineral rights the Company is acquiring is subject to an option agreement dated October 3, 2017 between True Grit and two individuals with beneficial ownership of the mining Permit issued by the State of Arizona in accordance with ARS 27-234. The Company at the date of this filing is unable to confirm that the either the beneficial owners and or True Grit’s claims are current and active.

On November 5, 2018 the Company received an extension for the initial payments of $400,000 of which the initial $100,000 was required to be paid by February 28, 2019. The Company required the extension but it had not been received from True Grit. On January 17,2019 the Company terminated the Earn-In agreement with True Grit Resources.

NOTE 13- OPERATING LEASE

On May 14, 2019, the Company signed a land lease in central California for 602 acres at $1,000 per acre to grow hemp for fiber usage. The lease is for 10 years with annual costs of $602,000 with the initial payment of $301,000 on March 30, 2020 and second payment of $301,000 on June 30, 2020 with the balance of the annual payments being made on April 1 of each subsequent year. The lease holder is a related party to one of the directors of the Company. As of September 30, 2020 the Company has accrued $602,000 of unpaid lease payments as accounts payable. The lease terminates in May 2029. As of September 30, 2021 the Company recorded a right of use asset of $3,304,878 and operating lease liability of $3,530,798with a lease expense for the year of $601,920, respectively.

The yearly rental obligations including the lease agreements are as follows:

Fiscal Year ended September 30,		
2022	$	602,000
2023	$	602,000
2024		602,000
2025 and years thereafter	$	3,010,000
Total lease payments	$	4,907 ,000
Less present value discount	$	1,376,202)
	$	3,530,798
Less operating lease short term	$	(301,720)
Operating lease liability, long term	$	3,229,078

NOTE 14-COMMITMENT AND CONTINGENCIES

On February 9, 2021, the Company entered into a Memorandum of Understanding with Rosh Energy Technology Pvt, Inc. Under the terms of the agreement the Company will provide the capital for the manufacturing of lithium batteries in India.

On February 22, 2021, the Company entered into a Stock Purchase and Sale Agreement ("SPA") with Flote App, Inc. ("Flote") of Las Vegas, Nevada. Under the SPA, the Company has agreed to purchase a 25% equity interest in Flote based on a Company valuation of $10,000,000 and, subsequently, a 20% equity interest in Flote based on a Flote valuation of $30,000,000 (for a cumulative total of 45% equity interest after transaction). The investment is to be made in two tranches, with an initial closing to take place on or before April 30, 2021 and the second tranche closing to take place on or before December 31, 2021. Closing is subject to a number of customary conditions including the accuracy of representations and warranties contained in the Agreement. Flote is in the business of designing advanced social media, virtual reality and token platforms Flote are the creators of a new Social Network system built on respect for the user's personal data, privacy and pocketbook. The Flote platform fully delivers on the internet's promise of a wholly connected community without censorship, murky guidelines, or infringement. The platform provides a valuable marketspace with multi-currency wallets and more ways for content providers and creators to monetize their goods and services, even including their content from third-party social applications. Flote and Barrel are presently mapping out a methodology that is able to tokenize Lithium Resources in various stages of development and production.

On March 4, 2021, the Company signed a memorandum of Understanding with American Lithium Minerals, Inc. Under the terms of the agreement, AMLM will assist in the development of lithium battery technology in the US and India including the manufacturing, assembly, distribution and recycling of Lithium batteries.

NOTE 15 –SUBSEQUENT EVENT

On October 7, 2021 the Company issued note payable on demand for $9,800. The note bears interest at 5% per annum.

On December 30, 2021 The Company issued a note payable on demand for $50,000. The note bears interest of 5% per annum.

On January 18, 2022, the Company issued a convertible note to EROP Capital for $25,000 which matures one year from date of issuance. The note bears interest of 8% per annum and is convertible into common stock of the Company at $0.01 per share or 70% of the lowest trade five days prior to conversion.

The Company has evaluated subsequent events to determine events occurring after September 30, 2021through March__, 2022 that would have a material impact on the Company’s financial results or require disclosure and have determined none exist other than those noted above in this footnote.

Issuer Certification

Principal Executive Officer:

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

I, Craig Alford certify that:

1. I have reviewed this annual financial statement of Barrel Energy, Inc;

2. Based on my knowledge, this annual statement does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this disclosure statement; and

3. Based on my knowledge, the financial statements, and other financial information included or incorporated by reference in this disclosure statement, fairly present in all material respects the financial condition, results of operations and cash flows of the issuer as of, and for, the periods presented in this disclosure statement.

March 18, 2022

/s/ Craig Alford [CEO's Signature]

Principal Financial Officer:

I, Harpreet Sangha certify that:

1. I have reviewed this annual financial statement of Barrel Energy, Inc;

2. Based on my knowledge, this annual statement does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this disclosure statement; and

3. Based on my knowledge, the financial statements, and other financial information included or incorporated by reference in this disclosure statement, fairly present in all material respects the financial condition, results of operations and cash flows of the issuer as of, and for, the periods presented in this disclosure statement.

March 18, 2022

/s/ Harpreet Sangha [CFO's Signature]