
Code Green Apparel Corp.

(a Nevada corporation)

(OTC Pink: CGAC)

Supplemental Information — March 14, 2023

CHANGE OF “SHELL COMPANY” STATUS

Background

Code Green Apparel Corp., a Nevada corporation (the “Company” or “CGAC”), is filing this Supplemental Information Disclosure Statement to notify shareholders that the Company is no longer a “shell company” as defined by Rule 405 of the Securities Act of 1933, as amended (“Rule 405”) and Rule 12b-2 of the Securities Exchange Act of 1934 (“Rule 12b-2”).

Rule 405 and Rule 12b-2 define a “shell company” as an issuer that has: (1) no or nominal operations; and (2) either: (i) no or nominal assets; (ii) assets consisting solely of cash and cash equivalents; or (iii) assets consisting of any amount of cash and cash equivalents and nominal other assets.

Change in Shell Status

As of the annual report for the period ended December 31, 2022, the Company showed no revenues and minimal operating expenses, primarily attributed to general and administrative costs. The Company believes that its financial statements for the period ended December 31, 2022, represented those of a “shell company.”

Effective March 13, 2023, the Company acquired two businesses engaged in Bitcoin mining. The acquired businesses were embodied by two distinct operating asset groups which are referred to as “Operating Group 1” and “Operating Group 2.” Since their respective inceptions, both of these acquired businesses have operated as a Bitcoin mining company in the manner of a traditional gold mining company, that is, each mines Bitcoin and sells the mined Bitcoin for cash.

On the date of acquisition of Operating Group 1 and Operating Group 2, the Company ceased being a “shell company.”

At December 31, 2022, Operating Group 1 had a tangible book value of \$1,083,460¹ (unaudited), plus mined Bitcoin held of \$26,376 (unaudited); at December 31, 2022, Operating Group 2 had a tangible book value of \$52,865² (unaudited), plus mined Bitcoin held of \$1,388 (unaudited). All of the tangible assets comprising Operating Group 1 and Operating Group 2 are Bitcoin “miners,” that is, the specialized computer hardware that process the algorithms to validate “blocks” of transactions and add them to the public ledger, thereby building a “blockchain.” All of the Bitcoin “miners” were purchased with cash by their former owners.

For the period from inception, August 6, 2022, to December 31, 2022, Operating Group 1 generated \$51,861 (unaudited) in revenues from its Bitcoin mining operations and earned a net profit of \$18,174 (unaudited). For the period from inception, April 19, 2022, through December 31, 2022, Operating Group 2 generated \$934 (unaudited) in revenues from its Bitcoin mining operations and incurred a net loss of \$1,768 (unaudited).

New Business Operations. With the acquisitions of Operating Group 1 and Operating Group 2, the Company now operates as a Bitcoin mining company in the manner of a traditional gold mining company, that is, the Company (1) mines Bitcoin, (2) sells the mined Bitcoin for cash and, (3) on a regular basis, intends to declare and distribute dividends with respect to “Available Cash” (as established by the Company’s Board of Directors) to holders of the Company’s capital stock.

The Company’s overarching business strategy is to purchase as many Bitcoin miners as available capital will allow and install the purchased Bitcoin miners at a third-party’s secure Bitcoin mining facility, while maintaining low operating expenses. All of the Company’s Bitcoin miners are co-located in Texas, pursuant to separate lease agreements. It is intended that this strategy will serve to yield “Available Cash” for dividend distribution to holders of our capital stock.

¹ These tangible assets are comprised of 100 ASICS “miners” (specialized computer hardware that process the algorithms to validate “blocks” of transactions and add them to the public ledger, thereby building a “blockchain.”)

² These tangible assets are comprised of 5 ASICS “miners” (specialized computer hardware that process the algorithms to validate “blocks” of transactions and add them to the public ledger, thereby building a “blockchain.”)

Conclusion

Based upon the current business conducted by the Company, the Company hereby declares that, effective March 13, 2023, it has ceased to be a “shell company” under Rule 405 and Rule 12b-2 and has not returned to “shell company” status at any time since such date.

CERTIFICATION

I, Logan William Rice, CEO of Code Green Apparel Corp., hereby certifies the following:

1. I have reviewed this Supplemental Information Disclosure Statement of Code Green Apparel Corp.
2. Based upon my knowledge, this Supplemental Information Disclosure Statement does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the information covered by this Supplemental Information Disclosure Statement.
3. Pursuant to the requirements of the Securities Exchange Act of 1934, Code Green Apparel Corp. has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

Dated: March 14, 2023.

/s/ Logan William Rice

Logan William Rice
Chief Executive Officer
Code Green Apparel Corp.