HXPN, Inc.
(aka Harris Exploration, Inc.)
Financial Statements as of December 31, 2022
(Unaudited)

HXPN, INC.
Consolidated Balance Sheets
(Unaudited)

	December 31, 2022	December 31, 2021
	(Unaudited)	(Unaudited)
Assets		
Current Assets		
Cash	$ 50,315	$ 1,451
Security Deposits	4,303	-
Receivables – related parties	108,331	-
Total Current Assets	**162,949**	**1,451**
Property & equipment, net	322,447	113,888
Total Assets	**$ 485,396**	**$ 115,339**
Liabilities & Stockholders' Deficit		
Current Liabilities		
Accounts payable	$ -	$ -
Accrued expenses	68,250	48,750
Accrued interest	18,289	2,465
Advances - Related parties	-	35,752
Advances - Other	-	32,898
Total Current Liabilities	**86,539**	**119,865**
Long Term Liabilities		
Notes Payable	517,475	121,331
Total Long Term Liabilities	**517,475**	**121,331**
Total Liabilities	**$ 604,014**	**$ 241,196**
Commitments and Contingencies (Note 9)		
Stockholders' Deficit		
Common stock 500,000,000 shares authorized, par value $0.001, 408,317,505 and 404,817,505 outstanding at December 31, 2022 and December 31, 2021, respectively	$ 408,318	$ 404,818
Additional paid-in capital (Note 7)	465,500	294,000
Common stock to be issued	-	175,000
Accumulated deficit	(992,436)	(999,675)
Total Stockholders' Deficit	**(118,618)**	**(125,857)**
Total Liabilities & Stockholders' Deficit	**$ 485,396**	**$ 115,339**

See accompanying notes to the unaudited consolidated financial statements.

HXPN, INC.
Consolidated Statements of Operations
For the years ended December 31, 2022 and 2021
(Unaudited)

	2022	2021
Revenues	$ 2,024,939	$ -
Expenses		
Cost of Revenues	(574,830)	-
General and administrative	(670,828)	(557,170)
Total Expense	(1,245,658)	(557,170)
Operating profit	779,281	(557,170)
Other income (expenses)		
Interest expense	(16,843)	(3,670)
Option expense	(630,000)	-
Other Miscellaneous Income, net	(125,199)	76,250
Total other income / (expense), net	(772,042)	72,580
Income before income taxes	7,239	(484,590)
Provision for income taxes	-	-
Net income	**$ 7,239**	**$ (484,590)**
Net loss per share		
Basic and diluted net loss per share	$ (0.00)	$ (0.00)
Weighted average shares Outstanding		
Basic and diluted	408,317,505	404,817,505

See accompanying notes to the unaudited consolidated financial statements.

HXPN, INC.
Consolidated Statements of Stockholders' Deficit
For the years ended December 31, 2022 and 2021
(Unaudited)

Year ended December 31, 2022 (Unaudited)

	Common Stock, par value $0.001		Additional	Common stock to		
	Number of shares	Amount	paid-in capital	be issued	Accumulated deficit	Total
Balance, December 31, 2021	404,817,505	$404,818	$ 294,000	$ 175,000	$ (999,675)	$ (125,857)
Shares to be issued for Private Placement	-	-	-	(175,000)	-	(175,000)
Shares issued for Private Placement	3,500,000	3,500	171,500	-	-	175,500
Net income for the year ended December 31, 2022	-	-	-	-	7,239	7,239
Balance, December 31, 2022 (Unaudited)	408,317,505	$408,318	$ 465,500	$ -	$ (992,436)	$ (118,618)

Year Ended December 31, 2021 (Unaudited)

	Common Stock, par value $0.001					
	Number of shares	Amount	Additional paid-in capital	Common stock to be issued	Accumulated deficit	Total
Balance, December 31, 2020	398,817,505	$398,818	$ (306,000)	$ 50,000	$ (209,085)	$ (66,267)
Prior Period Adjustment	-	-	306,000	-	(306,000)	-
Shares to be issued for Private Placement	-	-	-	125,000	-	125,000
Shares issued for Private Placement	6,000,000	6,000	294,000	-	-	300,000
Net loss for the year ended December 31, 2021	-	-	-	-	(484,590)	(484,590)
Balance, December 31, 2021 (Unaudited)	404,817,505	$404,818	$ 294,000	$ 175,000	$ (999,675)	$ (125,857)

See accompanying notes to the unaudited consolidated financial statements.

HXPN, INC.
Consolidated Statements of Cash Flows
For the years ended December 31, 2022 and 2021
(Unaudited)

	Year Ended 2022	Year Ended 2021
Cash Flows from Operating Activities:		
Net income	$ 7,239	$ (484,590)
Adjustments to reconcile net loss to net cash used in operating activities:		
Depreciation and depletion expense	127,692	11,112
Adjusted Net income	**134,931**	**(473,478)**
Changes in operating assets and liabilities:		
Accrued expenses	19,500	48,750
Accrued interest	15,824	2,465
Accounts payable	-	(14,981)
Notes payable	46,145	(3,669)
Net Cash Provided by Operating Activities	**81,469**	**32,565**
Cash flows from investing activities:		
Purchases of Property	286,250	-
Purchases of Equipment	50,000	125,000
Net Cash Used in Investing Activities	**336,250**	**125,000**
Cash Flows from Financing Activities		
Advances - Other	(32,898)	(7,025)
Advances - Related parties	(148,388)	22,403
Proceeds from issuance of Notes	350,000	125,000
Proceeds from sale of common stock	-	425,000
Net Cash Provided by Financing Activities	**168,714**	**565,378**
Net (Decrease) Increase in Cash	**48,864**	**(535)**
Cash Beginning of Period	1,451	1,986
Cash End of Period	$ 50,315	$ 1,451
Supplemental Disclosure of Cash Flow Information:		
Cash Paid during the period for interest	$ 16,843	$ 3,670
Cash Paid during the period for taxes	$ -	$ -
Non-Cash investing and financing activities		
	$ -	$ -

See accompanying notes to the unaudited consolidated financial statements.

HXPN, INC.
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
December 31, 2022
(Unaudited)

NOTE 1 – ORGANIZATION

Background and Nature of Operations

HXPN, Inc. ("HXPN, Inc.," "HXPN" or the "Company"), a re-brand of the originally incorporated "Harris Exploration, Inc.," is a Nevada corporation formed in 1970 and is publicly traded under the symbol **OTCPINK: HXPN**. The Company successfully executed a trade name filing with the Company's State of Incorporation to register the use of the "HXPN, Inc." trade name.

In 2012, approximately 96.8% of the Company's issued and outstanding common stock was purchased by a corporation in a single transaction, and was subsequently transferred into an irrevocable trust, establishing the trust as an affiliate shareholder owning greater than 10% of the Company's outstanding shares. Since the transfer into the trust, the Company has been dormant of any significant operational activity as the Company's Board of Directors searched for a new leader to define a vision and to direct the Company. In June, 2020, the affiliate shareholder trust transferred a portion of its shares to an individual known as Stephen L. Bailey, in a negotiated transaction, making Bailey an affiliate shareholder owning greater than 10% of the Company's issued and outstanding shares. The trust continues to own a sufficient number of shares to be classified as an affiliate shareholder, owning greater than 10% of the Company's issued and outstanding shares. The remaining approximately 3.2% of the Company's issued and outstanding common stock has been traded in the public float since 2012. The Company's capital structure is further described in Note 7.

In October, 2020, the Board engaged affiliate shareholder Bailey as a consultant with the expectation of Bailey being named Chairman, CEO and President at a later date. Affiliate shareholder Bailey was named to those positions in May, 2021, as described in Note 10. The Board has re-focused HXPN into a company engaged in the emerging technologies (water, food, power generation, etc.), minerals and energy industry segments. The Company will acquire organizations and/or knowledge capital that develop and/or commercialize new technologies in the specified industries of focus.

NOTE 2 - BASIS OF PRESENTATION AND GOING CONCERN UNCERTAINTIES

Basis of Presentation

HXPN has historically been listed as an OTC-quoted "No Information" company and has provided little, if any, financial information regarding the Company's activities. As the Company desires to provide full disclosure of its activities and in light of recent amendments to SEC rules regarding OTC-quoted securities, the accompanying unaudited consolidated financial statements have been prepared in accordance with accounting principles generally accepted in the United States of America ("GAAP") for financial information. In the opinion of management, these unaudited consolidated financial statements contain all adjustments considered necessary for a fair presentation of the results of the Company for the periods presented.

On September 16, 2020, the SEC adopted amendments to Rule 15c2-11 of the Securities and Exchange Act of 1934, which is an important component of the over-the-counter (OTC) market regulatory structure. The amended rule enhances disclosure and investor protection in the OTC exchange by ensuring that broker-dealers, in their role as professional gatekeepers to this market, do not publish quotations for an issuer's security when current issuer information is not publicly available, subject to certain exceptions.

On June 17, 2021, the Company made application to OTC Markets to comply with the amended Rule 15c2-11 requirements. Companies desiring the continuance of their securities being quoted on the OTC exchange must be compliant with the revised Rule by September 28, 2021. The Company was notified by OTC Markets on June 30, 2021 that it had fully complied with all requirements of amended Rule 15c2-11, and is now listed as a "Limited Information" company on the OTC.

Principles of Consolidation

The accompanying unaudited consolidated financial statements include the financial statements of HXPN, Inc and its wholly owned subsidiaries, if any. All significant intercompany accounts and transactions have been eliminated in consolidation.

Going Concern Uncertainties

The accompanying unaudited consolidated financial statements have been prepared on a going concern basis, which contemplates realization of assets and the satisfaction of liabilities in the normal course of business. As of December 31, 2022, the Company has an accumulated deficit of $992,436. For the year ended December 31, 2022, the Company generated net income of $7,239. The ability of the Company to continue as a going concern is in doubt and dependent upon achieving a profitable level of operations or on the ability of the Company to obtain necessary financing to fund ongoing operations. While the Company is attempting to commence revenue generating operations and thereby generate sustainable revenues, the Company's current cash position is not sufficient to support its ongoing daily operations and requires the Company to raise addition capital through debt and/or equity sources. Management believes that its current and future plans will enable it to continue as a going concern for the next twelve months.

The accompanying unaudited consolidated financial statements do not include any adjustment to the recorded assets or liabilities that might be necessary should the Company have to curtail operations or be unable to continue in existence.

NOTE 3 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A summary of significant accounting policies applied in the presentation of the unaudited consolidated financial statements are as follows:

Property and Equipment

Property and equipment are recorded at cost. Major additions and improvements are capitalized. The cost and related accumulated depreciation of equipment retired or sold, are removed from the accounts and any differences between the undepreciated amount and the proceeds from the sale or salvage value are recorded as a gain or loss on sale of equipment. Depreciation is computed using the straight-line method over the estimated useful life of the assets.

Impairment of Long-Lived Assets

The Company assesses the impairment of long-lived assets whenever events or changes in circumstances indicate that the carrying amount may not be recoverable, in accordance with Accounting Standards Codification, ASC Topic 360, *Property, Plant and Equipment*. An asset or asset group is considered impaired if its carrying amount exceeds the undiscounted future net cash flow the asset or asset group is expected to generate. If an asset or asset group is considered impaired, the impairment to be recognized is measured by the amount by which the carrying amount of the assets exceeds its fair value. If estimated fair value is less than the book value, the asset is written down to the estimated fair value and an impairment loss is recognized. There were no impairment charges for the period ended December 31, 2022.

Revenue Recognition

The FASB issued ASC 606 as guidance on the recognition of revenue from contracts with customers in May 2014 with amendments in 2015 and 2016. Revenue recognition will depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. The guidance also requires disclosures regarding the nature, amount, timing and uncertainty of revenue and cash flows arising from contracts with customers. The Company does not, to date, have any revenues affected by ASC 606.

Use of Estimates

The preparation of unaudited consolidated financial statements in conformity with U.S. Generally Accepted Accounting Principles ("GAAP") 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 condensed unaudited consolidated financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from such estimates.

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. There were no cash equivalents December 31, 2022. Unless otherwise indicated, all references to "dollars" in these unaudited consolidated financial statements are to U.S. dollars.

Income Taxes

The Company accounts for income taxes in accordance with FASB ASC 740, "Income Taxes," which requires that the Company recognize deferred tax liabilities and assets based on the differences between the financial statement carrying amounts and the tax bases of assets and liabilities, using enacted tax rates in effect in the years the differences are expected to reverse. Deferred income tax benefit (expense) results from the change in net deferred tax assets or deferred tax liabilities. A valuation allowance is recorded when it is more likely than not that some or all deferred tax assets will not be realized.

The Company has adopted the provisions of FASB ASC 740-10-05 Accounting for Uncertainty in Income Taxes. The ASC clarifies the accounting for uncertainty in income taxes recognized in an enterprise's financial statements. The ASC prescribes a recognition threshold and measurement attribute for the financial statement recognition and measurement of a tax position taken or expected to be taken in a tax return. The ASC provides guidance on de-recognition, classification, interest and penalties, accounting in interim periods, disclosure and transition. Open tax years, subject to IRS examination include 2013 – 2021, with no corporate tax returns filed for the years ending 2013 to 2021.

Net Loss Per Share, basic and diluted

Basic loss per share has been computed by dividing net loss available to common shareholders by the weighted average number of common shares issued and outstanding for the period. As of December 31, 2022, there are no shares outstanding but not yet issued.

Derivative Instruments

The Company accounts for derivative instruments in accordance with Accounting Standards Codification 815, *Derivatives and Hedging ("ASC 815"),* which establishes accounting and reporting standards for derivative instruments, including certain derivative instruments embedded in other contracts, and for hedging activities. They require that an entity recognize all derivatives as either assets or liabilities in the balance sheet and measure those instruments at fair value.

If certain conditions are met, a derivative may be specifically designated as a hedge, the objective of which is to match the timing of gain or loss recognition on the hedging derivative with the recognition of (i) the changes in the fair value of the hedged asset or liability that are attributable to the hedged risk or (ii) the earnings effect of the hedged forecasted transaction. For a derivative not designated as a hedging instrument, the gain or loss is recognized in income in the period of change. Through the period ending December 31, 2022, the Company had not entered into any transaction resulting in a derivative instrument.

Stock Based Compensation

The Company follows Accounting Standards Codification subtopic 718-10, *Compensation* ("ASC 718-10") which requires that all share-based payments to both employees and non-employees be recognized in the income statement based on their fair values. At December 31, 2022 and 2021, the Company did not have any outstanding stock options.

Concentration and Credit Risk

Financial instruments and related items, which potentially subject the Company to concentrations of credit risk consist primarily of cash. The Company places its cash with high credit quality institutions. At times, such deposits may be in excess of the FDIC insurance limit of $250,000. The Company did not have cash on deposit in excess of such limits on December 31, 2022 and December 31, 2021.

Issuance of Common Stock

The issuance of common stock for other than cash is recorded by the Company at market values based on the closing price of the stock on the date of any such grant.

Impact of New Accounting Standards

Management does not believe that any recently issued, but not yet effective accounting pronouncements, if adopted, would have a material effect on the accompanying consolidated financial statements.

NOTE 4 – PROPERTY, PLANT, AND EQUIPMENT

	Range of Lives in Years	December 31, 2022	December 31, 2021
Equipment	3	$ 175,000	$ 125,000
Oil and gas producing properties	8	286,250	-
		-	-
Less accumulated depreciation		138,803	11,112
		$ 322,447	$ 113,888

During 2022, the Company purchased a twenty-five percent (25%) working interest in the Bayou Villars oil field in south Louisiana for $286,250. The field includes two workover opportunities in two existing well bores and one drilling location. The first recompletion was made in September 2022 and production commenced and has since maintained steady production at eighty (80) barrels of oil per day since that time. The Company sold a Net Profits Interest of 50% in the first recompletion to finance the acquisition and workover. The production rate is ultimately expected to reach 150 barrels per day. The second recompletion is expected to take place in Q2 of 2023 and is expected to produce oil at the same rate as the first recompletion. The Net Profits Interest sold in the second recompletion was 33%.

Depreciation expense was $127,692 and $11,112 for the years ended December 31, 2022 and 2021, respectively.

NOTE 5 – TERM NOTES PAYABLE, CONVERTIBLE NOTES PAYABLE AND NOTES PAYABLE RELATED PARTIES

Term notes payable, including notes payable to related parties consisted of the following at December 31, 2022 and December 31, 2021, respectively:

	December 31, 2022	December 31, 2021
Notes payable - related parties	$ -	$ -
Total notes payable - related parties	-	-
Notes payable	167,475	121,331
Convertible notes payable	350,000	-
Total notes payable and convertible notes payable	$ 517,475	$ 121,331

NOTE 6 – ACCRUED EXPENSES & ADVANCES

Accrued Expenses & Advances consisted of the following for the periods ended:

	December 31, 2022	December 31, 2021
Accrued Expenses	$ 68,250	$ 48,750
Advances – related parties	-	35,752
Advances - other	$ -	$ 32,898
Total Advances	$ 68,250	$ 68,650

NOTE 7 – CAPITAL STRUCTURE

The Company is authorized to issue 500,000,000 shares of Common Stock with a par value of $.001 per share, with each share having one voting right. The Company is also authorized to issue 15,000 shares of Preferred Stock.

Common Stock

As of December 31, 2022, there were 408,317,505 total shares of Common Stock outstanding. There were no stock subscriptions subscribed during the year ended December 31, 2022.

386,000,000 of the total shares of Common Stock outstanding are owned by two affiliate shareholders, with each affiliate shareholder owning greater than 10% of the Company's issued and outstanding common stock. These shares are no longer subject to the Rule 144 holding period, but they continue to be subject to the Rule 144 "leak-out" provisions, which limit the number of shares that an affiliate can sell during any given three-month period to 1% of the total shares of Common Stock outstanding of the Company.

During the year ended December 31, 2022, the Company entered into no stock subscription agreements.

At December 31, 2022, there were 408,317,505 shares of Common Stock issued and outstanding.

Preferred Stock

At December 31, 2022, there were no Preferred shares issued and outstanding. For the same period ending December 31, 2021, there were no shares of Preferred stock issued and outstanding.

Stock options, warrants and other rights

As of December 31, 2022, and 2021 respectively, the Company has not adopted and does not have an employee stock option plan.

As of December 31, 2022, the Company had no warrants issued and outstanding.

At the year ended December 2021, the Company had no warrants issued and outstanding.

Prior Period Adjustment

During the year ended December 31, 2021, the Company charged its Retained Earnings to correct a prior period charge to Additional Paid-in Capital of $306,000, which was originally recorded to reflect common shares sold at a discount to the par value of the common stock. Upon further investigation of the Company's historical stock transaction records, it was determined that the Company never issued common stock at a discount to par value, and this Prior Period Adjustment was made to reflect this fact.

NOTE 8 - RELATED PARTY TRANSACTIONS

During the year ended December 31, 2022, the Company repaid the advances from affiliate shareholder Bailey, which had been made throughout the year ended December 31, 2021 and prior. The Company had received $35,752 in cash and payment advances from affiliate shareholder Bailey, who is a greater than 10% shareholder. The cash and payment advances had been accrued as "Advances - related parties" for the period. As further described in Note 10, affiliate shareholder Bailey was named the Company's Chairman, Chief Executive Officer and President in May, 2021.

NOTE 9 – COMMITMENTS and CONTINGENCIES

Employment Agreements

Through the year ended December 31, 2022, the Company had not entered into any employment agreements.

Consulting Agreements

Effective October 1, 2020, the Company entered into a month-to-month consulting agreement with Advent Consulting for CEO consulting services. Advent Consulting is a company controlled 100% by affiliate shareholder Bailey. Advent Consulting has agreed to accrue the consulting fees as necessary until the Company procures sufficient operating cash to make payment of the accrued consulting fees. As further described in Note 10, affiliate shareholder Bailey became the Company's Chairman, Chief Executive Officer and President in May 2021.

Effective January 1, 2021, the Company entered into an additional month-to-month consulting agreement with Advent Consulting to provide services as interim Chief Financial Officer of the Company, as well as accounting and related consulting services. Advent Consulting is a company controlled 100% by affiliate shareholder Bailey. Advent Consulting has agreed to accrue the consulting fees as necessary until the Company procures sufficient operating cash to make payment of the accrued consulting fees. As further described in Note 10, affiliate shareholder Bailey became the Company's Chairman, Chief Executive Officer and President in May 2021.

Leases

In February 2016, the Financial Accounting Standards Board ("FASB") issued 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. This guidance is effective for interim and annual reporting periods beginning after December 15, 2018. The Company adopted this guidance effective January 1, 2019. As of the year ended December 31, 2022, the Company did not have any leases impacted by ASU 2016-02.

Option Agreement

In 2022 the Company purchased a "right of first refusal" option for $630,000 from an undisclosed oil and gas exploration company to acquire a majority interest in the undisclosed company. The option expires in five years from the option agreement date. The undisclosed company has current oil/gas production revenue and is negotiating a purchase of a significant property in south Louisiana.

Legal Matters

During 2022, the Company announced that it had signed a letter of intent with Sheppard Pool Energy LLC (SPE), an Oklahoma-based oil and gas exploration company, to acquire 75% of the equity interest of SPE. The agreement was finalized in January 2022 and through September 2022, the Company has provided more than $378,000 of capital for the recompletion of fifteen (15) wells within the SPE leasehold. In October, 2022, after the recompletion of two wells, the Company terminated SPE's operator (Sheppard Pool Operating LLC, an affiliate company of SPE) due to incompetence. SPE disagreed with this action and has threatened to sue the Company, but has not yet done so as of the report issue date. The Company is currently negotiating with SPE and expects to reach a settlement to include terms favorable to the Company. SPE owns leasehold interests of just over 4,900 gross acres in northeastern Oklahoma. However, if such negotiations are ultimately unsuccessful, the Company may have to seek a legal remedy in order to resolve the dispute.

In March 2022, the Company announced that it had entered into an agreement with OPUS AMDG, Inc. (OPUS) to raise $500 million of debt capital through the issuance of a Global Note in a private placement. The Company had intended to use the funds for various equity investments and for general corporate purposes. In March 2022, the Company executed and funded the OPUS Service Agreement in the amount of $125,000. OPUS has failed to deliver on its commitment to raise the debt capital and the Company is considering its options with regard to OPUS, which may include litigation against OPUS.

NOTE 10 - SUBSEQUENT EVENTS

There are no subsequent events to report as of the report date.