

# Disclosure Statement Pursuant to the Pink Basic Disclosure Guidelines

## **NEW AMERICA ENERGY CORP.**

A FLORIDA Corporation  
175 S. Main Street, Suite 1410  
Salt Lake City, UT 84111

[www.thirdbench.com](http://www.thirdbench.com)

SIC Codes: 321210/238900

Email: info@thirdbench.com

## **Quarterly Report**

**For the period ending 5/31/23 (the "Reporting Period")**

### **Outstanding Shares**

The number of shares outstanding of our Common Stock was:

13,368,617,932 as of May 31, 2023

12,168,617,932 as of August 31, 2022

### **Shell Status**

Indicate by check mark whether the company is a shell company (as defined in Rule 405 of the Securities Act of 1933, Rule 12b-2 of the Exchange Act of 1934 and Rule 15c2-11 of the Exchange Act of 1934):

Yes:  No:

Indicate by check mark whether the company's shell status has changed since the previous reporting period:

Yes:  No:

### **Change in Control**

Indicate by check mark whether a Change in Control<sup>1</sup> of the company has occurred over this reporting period:

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<sup>1</sup> "Change in Control" shall mean any events resulting in:

- (i) Any "person" (as such term is used in Sections 13(d) and 14(d) of the Exchange Act) becoming the "beneficial owner" (as defined in Rule 13d-3 of the Exchange Act), directly or indirectly, of securities of the Company representing fifty percent (50%) or more of the total voting power represented by the Company's then outstanding voting securities;
- (ii) The consummation of the sale or disposition by the Company of all or substantially all of the Company's assets;
- (iii) A change in the composition of the Board occurring within a two (2)-year period, as a result of which fewer than a majority of the directors are directors immediately prior to such change; or
- (iv) The consummation of a merger or consolidation of the Company with any other corporation, other than a merger or consolidation which would result in the voting securities of the Company outstanding immediately prior thereto continuing to represent (either by remaining outstanding or by being converted into voting securities of the

Yes:  No:

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

In answering this item, provide the current name of the issuer any names used by predecessor entities, along with the dates of the name changes.

The current name of the issuer is New America Energy Corp. We were originally incorporated in Nevada as Atheron Inc. on May 8, 2006 as a development stage company, initially developing a technology for ethanol-methanol gasoline. The Company did not progress the development of this technology.

On November 5, 2010, we underwent a change of control and the Company's newly appointed sole director and majority shareholder approved a name change to New America Energy Corp. and a twenty-five (25) new for one (1) old forward stock split of the Company's issued and outstanding shares of common stock.

On November 16, 2010, the Nevada Secretary of State accepted for filing the Certificate of Amendment to the Company's Articles of Incorporation to change our name from Atheron, Inc. to New America Energy Corp. The forward stock split and name change became effective with the Over-the-Counter Bulletin Board at the opening of trading on December 1, 2010.

On November 14, 2012, the Nevada Secretary of State accepted for filing an amendment to our articles of incorporation whereby we increased our authorized common shares from 75,000,000 to 800,000,000, pursuant to the approval of our board of directors and majority shareholders as of June 26, 2012.

In September 17, 2013, the Company purchased Title King LLC for 50,000,000 shares of common stock

During the quarter ended August 31, 2021, the authorized shares were increased from 7,000,000,000 to 12,000,000,000. On October 4, 2021, the Company increased the authorized number of shares from 12,000,000,000 to 50,000,000,000. The Company reincorporated in Florida.

Effective October 2, 2023, the Company effectuated a 1:500 reverse split.

The state of incorporation or registration of the issuer and of each of its predecessors (if any) during the past five years; Please also include the issuer's current standing in its state of incorporation (e.g., active, default, inactive):

The Company is incorporated in the State of Florida and is currently active.

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

None

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

None

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

175 S. Main Street, Suite 1410  
Salt Lake City, UT 84111

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surviving entity or its parent) at least fifty percent (50%) of the total voting power represented by the voting securities of the Company or such surviving entity or its parent outstanding immediately after such merger or consolidation.

The address(es) of the issuer's principal place of business:

X Check if principal executive office and principal place of business are the same address:

\_\_\_\_\_

Has the issuer or any of its predecessors been in bankruptcy, receivership, or any similar proceeding in the past five years?

No:  Yes:  If Yes, provide additional details below:

\_\_\_\_\_

## 2) Security Information

Trading symbol: NECA  
Exact title and class of securities outstanding: Common Stock  
CUSIP: 403775109  
Par or stated value: \$.00001

Total shares authorized: 50,000,000,000 as of date: 5.31.23  
Total shares outstanding: 13,368,617,932 as of date: 5.31.23  
Number of shares in the Public Float<sup>2</sup>: 13,358,735,769 as of date: 5.31.23  
Total number of shareholders of record: 65 as of date: 5.31.23

All additional class(es) of publicly traded securities (if any):

The Company has no other issues (e.g.- convertible debt, warrants, preferred shares) which are publicly traded

### Transfer Agent

Name: Empire Stock Transfer  
Phone: (702) 818-5898  
Email: [info@empirestock.com](mailto:info@empirestock.com)  
Address: 1859 Whitney Mesa Drive, Henderson NV 89014

Is the Transfer Agent registered under the Exchange Act?<sup>3</sup> Yes:  No:

### **Other classes of authorized or outstanding equity securities:**

*The goal of this section is to provide a clear understanding of the share information for its other classes of authorized or outstanding equity securities (e.g., preferred shares). Use the fields below to provide the information, as applicable, for all other authorized or outstanding equity securities.*

<sup>2</sup> "Public Float" shall mean the total number of unrestricted shares not held directly or indirectly by an officer, director, any person who is the beneficial owner of more than 10 percent of the total shares outstanding (a "control person"), or any affiliates thereof, or any immediate family members of officers, directors and control persons.

<sup>3</sup> To be included in the Pink Current Information tier, the transfer agent must be registered under the Exchange Act.

Exact title and class of the security:	Series A Preferred stock
CUSIP (if applicable):	N/A
Par or stated value:	\$.001
Total shares authorized:	51 as of date: 5.31.23
Total shares outstanding (if applicable):	51 as of date: 5.31.23
Total number of shareholders of record (if applicable):	1

Exact title and class of the security:	Series B Preferred stock
CUSIP (if applicable):	N/A
Par or stated value:	\$.00001
Total shares authorized:	510,000 as of date: 5.31.23
Total shares outstanding (if applicable):	510,000 as of date: 5.31.23
Total number of shareholders of record (if applicable):	2

Exact title and class of the security:	Series C Preferred stock
CUSIP (if applicable):	N/A
Par or stated value:	\$.00001
Total shares authorized:	360,000 as of date: 5.31.23
Total shares outstanding (if applicable):	243,614 as of date: 5.31.23
Total number of shareholders of record (if applicable):	4

Exact title and class of the security:	Series D Preferred stock
CUSIP (if applicable):	N/A
Par or stated value:	\$.00001
Total shares authorized:	45,500 as of date: 5.31.23
Total shares outstanding (if applicable):	45,500 as of date: 5.31.23
Total number of shareholders of record (if applicable):	2

**Security Description:**

*The goal of this section is to provide a clear understanding of the material rights and privileges of the securities issued by the company. Please provide the below information for each class of the company's equity securities, as applicable:*

**1. For common equity, describe any dividend, voting and preemption rights.**

Each common shareholder is entitled to one vote per share of common stock that he holds.

**2. For preferred stock, describe the dividend, voting, conversion, and liquidation rights as well as redemption or sinking fund provisions.**

The Series A Preferred stock has super-voting preferred rights. Assuming full dilution, the Series A preferred stock would have voting rights equivalent to approximately 271 billion shares.

**3. Describe any other material rights of common or preferred stockholders.**

\_\_\_\_ N/A

**4. Describe any material modifications to rights of holders of the company's securities that have occurred over the reporting period covered by this report.**

None

**3) Issuance History**

The goal of this section is to provide disclosure with respect to each event that resulted in any changes to the total shares outstanding of any class of the issuer's securities **in the past two completed fiscal years and any subsequent interim period.**

Disclosure under this item shall include, in chronological order, all offerings and issuances of securities, including debt convertible into equity securities, whether private or public, and all shares, or any other securities or options to acquire such securities, issued for services. Using the tabular format below, please describe these events.

**A. Changes to the Number of Outstanding Shares**

Indicate by check mark whether there were any changes to the number of outstanding shares within the past two completed fiscal years:

No:       Yes: x (If yes, you must complete the table below)

Shares Outstanding as of Second Most Recent Fiscal Year End:

Opening Balance

Date 8.31.21 Common: 7,938,541,946

Preferred::

Series A: 51

Series B: 511,000

Series C: 390,000

Series D: 45,500

\*Right-click the rows below and select "Insert" to add rows as needed.

Date of Transaction	Transaction type (e.g. new issuance, cancellation, shares returned to treasury)	Number of Shares Issued (or cancelled)	Class of Securities	Value of shares issued (\$/per share) at Issuance	Were the shares issued at a discount to market price at the time of issuance? (Yes/No)	Individual/ Entity Shares were issued to (entities must have individual with voting / investment control disclosed).	Reason for share issuance (e.g. for cash or debt conversion) -OR- Nature of Services Provided	Restricted or Unrestricted as of this filing.	Exemption or Registration Type.
<u>9/1/2021</u>	<u>Cancellation</u>	<u>(81.360)</u>	<u>Series C Preferred stock</u>	<u>N/A</u>	<u>N/A</u>	<u>Jeffrey M. Canouse</u>	<u>Redemption for cash</u>	<u>Restricted</u>	<u>Section 4(a)(2)</u>
<u>9/20/21</u>	<u>Issuance</u>	<u>400,000.000</u>	<u>Common</u>	<u>\$.0008</u>	<u>Yes</u>	<u>Jahoco LLC / Joseph Canouse</u>	<u>Direct purchase of stock</u>	<u>Unrestricted</u>	<u>Regulation A</u>
<u>9/23/21</u>	<u>Issuance</u>	<u>571,725.000</u>	<u>Common</u>	<u>\$.0007</u>	<u>Yes</u>	<u>J.P. Carey Limited Partners LP / Joseph Canouse</u>	<u>Direct purchase of stock</u>	<u>Unrestricted</u>	<u>Regulation A</u>
<u>11/3/21</u>	<u>Issuance</u>	<u>205,038.890</u>	<u>Common</u>	<u>\$.0012</u>	<u>Yes</u>	<u>Carpathia LLC/ Joseph Canouse</u>	<u>Common stock issued for dividends on preferred stock</u>	<u>Unrestricted</u>	<u>Regulation A</u>
<u>11/19/21</u>	<u>Issuance</u>	<u>142,019.925</u>	<u>Common</u>	<u>\$.0021</u>	<u>Yes</u>	<u>Oscleta Partners LLC/ Stephen M Hicks</u>	<u>Common stock issued for dividends on preferred stock</u>	<u>Unrestricted</u>	<u>Section 4(a)(2)</u>
<u>12/30/21</u>	<u>Issuance</u>	<u>153,228.310</u>	<u>Common</u>	<u>\$.0004</u>	<u>Yes</u>	<u>Jahoco LLC / Joseph Canouse</u>	<u>Common stock issued for dividends on preferred stock</u>	<u>Unrestricted</u>	<u>Section 4(a)(2)</u>
<u>1/27/22</u>	<u>Issuance</u>	<u>576,038.183</u>	<u>Common</u>	<u>\$.00055</u>	<u>Yes</u>	<u>Machiavelli Ltd, LLC / Joseph Canouse</u>	<u>Common stock issued for preferred stock and accrued dividends</u>	<u>Unrestricted</u>	<u>Section 4(a)(2)</u>
<u>1/27/22</u>	<u>Retirement</u>	<u>(21,851)</u>	<u>Series C Preferred stock</u>	<u>N/A</u>	<u>N/A</u>	<u>Machiavelli Ltd, LLC / Joseph Canouse</u>	<u>Retirement of preferred stock for common stock above</u>	<u>Unrestricted</u>	<u>Section 4(a)(2)</u>
<u>1/27/22</u>	<u>Retirement</u>	<u>(13,755)</u>	<u>Series C Preferred stock</u>	<u>N/A</u>	<u>N/A</u>	<u>Livingston Asset Management, LLC/ Stephen M. Hicks</u>	<u>Retirement of preferred stock for common stock</u>	<u>Restricted</u>	<u>Section 4(a)(2)</u>
<u>2/8/22</u>	<u>Retirement</u>	<u>(8,593)</u>	<u>Series C Preferred stock</u>	<u>N/A</u>	<u>N/A</u>	<u>Oscleta Partners, LLC/ Stephen M. Hicks</u>	<u>Retirement of preferred stock for common stock</u>	<u>Restricted</u>	<u>Section 4(a)(2)</u>

<u>2/8/22</u>	<u>Issuance</u>	<u>142,019,925</u>	<u>Common</u>	<u>\$.0004</u>	<u>Yes</u>	<u>Oscleta Partners, LLC / Stephen M. Hicks</u>	<u>Common stock issued for retirement of preferred stock</u>	<u>Unrestricted</u>	<u>Section 4(a)(2)</u>
<u>2/9/22</u>	<u>Retirement</u>	<u>(20,827)</u>	<u>Series C Preferred stock</u>	<u>N/A</u>	<u>N/A</u>	<u>Jahoco LLC / Joseph Canouse</u>	<u>Retirement of preferred stock for common stock</u>	<u>Restricted</u>	<u>Section 4(a)(2)</u>
<u>2/9/22</u>	<u>Issuance</u>	<u>540,005,753</u>	<u>Common</u>	<u>\$.0005</u>	<u>Yes</u>	<u>Jahoco LLC / Joseph Canouse</u>	<u>Common stock issued for retirement of preferred stock</u>	<u>Unrestricted</u>	<u>Section 4(a)(2)</u>
<u>3/11/22</u>	<u>Issuance</u>	<u>500,000,000</u>	<u>Common</u>	<u>\$.0004</u>	<u>Yes</u>	<u>J.P. Carey Limited Partners LP / Joseph Canouse</u>	<u>Direct purchase of stock</u>	<u>Unrestricted</u>	<u>Regulation A</u>
<u>3/21/22</u>	<u>Issuance</u>	<u>1,000,000,000</u>	<u>Common</u>	<u>\$.0003</u>	<u>Yes</u>	<u>Trillium Partners LP / Stephen M Hicks</u>	<u>Direct purchase of common stock</u>	<u>Unrestricted</u>	<u>Regulation A</u>
<u>9/29/22</u>	<u>Issuance</u>	<u>1,200,000,000</u>	<u>Common</u>	<u>\$.0002</u>	<u>Yes</u>	<u>Trillium Partners LP / Stephen M Hicks</u>	<u>Direct purchase of common stock</u>	<u>Unrestricted</u>	<u>Regulation A</u>
Shares Outstanding:									
<u>Balance sheet date:</u>									
<u>Date 5.31.23 Common: 13,368,617,932</u>									
<u>Series A: 51</u>									
<u>Series B 511,000</u>									
<u>Series C 243,614</u>									
<u>Series D 45,500</u>									
<u>Date of This Report:</u>									
<u>Date 10.5.23 Common: 13,368,617,932</u>									
<u>Preferred:</u>									
<u>Series A: 51</u>									
<u>Series B 511,000</u>									
<u>Series C 243,614</u>									
<u>Series D 45,500</u>									

**Example:** A company with a fiscal year end of December 31<sup>st</sup>, in addressing this item for its quarter ended December 31, 2022, would include any events that resulted in changes to any class of its outstanding shares from the period beginning on January 1, 2021 through December 31, 2022 pursuant to the tabular format above.

## B. Promissory and Convertible Notes

Indicate by check mark whether there are any outstanding promissory, convertible notes, convertible debentures, or any other debt instruments that may be converted into a class of the issuer's equity securities:

No:  Yes:  (If yes, you must complete the table below)

Date of Note Issuance	Outstanding Balance (\$)	Principal Amount at Issuance (\$)	Interest Accrued (\$)	Maturity Date	Conversion Terms (e.g., pricing mechanism for determining conversion of instrument to shares)	Name of Noteholder. *You must disclose the control person(s) for any entities listed.	Reason for Issuance (e.g., Loan, Services, etc.)
<u>7/21/21</u>	<u>\$80,000</u>	<u>\$300,000</u>	<u>\$28,350</u>	<u>7/21/22</u>	<u>Fixed price of \$.0003, non-convertible as of April 18, 2023</u>	<u>Trillium Partners LP/ Stephen M. Hicks</u>	<u>Loan</u>
<u>7/21/21</u>	<u>\$300,000</u>	<u>\$300,000</u>	<u>\$52,504</u>	<u>7/21/22</u>	<u>Fixed price of \$.0003</u>	<u>J.P. Carey Limited Partners L.P./ Joseph Canouse</u>	<u>Loan</u>
<u>9/27/21</u>	<u>\$240,000</u>	<u>\$300,000</u>	<u>48,526</u>	<u>9/27/22</u>	<u>Fixed price of \$.0001, non-convertible as of April 18, 2023</u>	<u>Trillium Partners LP/ Stephen M. Hicks</u>	<u>Loan</u>
<u>9/27/21</u>	<u>\$300,000</u>	<u>\$300,000</u>	<u>44,351</u>	<u>9/27/22</u>	<u>Fixed price of \$.0001</u>	<u>J.P. Carey Limited Partners L.P./ Joseph Canouse</u>	<u>Loan</u>
<u>3/1/22</u>	<u>50,000</u>	<u>50,000</u>	<u>8,945</u>	<u>1/31/23</u>	<u>Non-convertible</u>	<u>Frondeur Partners, LLC- William Gonyer</u>	<u>Advisory services</u>
<u>4/1/22</u>	<u>10,000</u>	<u>10,000</u>	<u>1,164</u>	<u>2/28/23</u>	<u>Non-convertible</u>	<u>Frondeur Partners, LLC- William Gonyer</u>	<u>Advisory services</u>
<u>5/1/22</u>	<u>10,000</u>	<u>10,000</u>	<u>1,082</u>	<u>3/31/23</u>	<u>Non-convertible</u>	<u>Frondeur Partners, LLC- William Gonyer</u>	<u>Advisory services</u>
<u>6/1/22</u>	<u>10,000</u>	<u>10,000</u>	<u>997</u>	<u>4/30/23</u>	<u>Non-convertible</u>	<u>Frondeur Partners, LLC- William Gonyer</u>	<u>Advisory services</u>
<u>8/1/22</u>	<u>35,000</u>	<u>35,000</u>	<u>2,905</u>	<u>6/30/23</u>	<u>Non-convertible</u>	<u>Frondeur Partners, LLC- William Gonyer</u>	<u>Advisory services</u>
<u>10/1/22</u>	<u>50,000</u>	<u>50,000</u>	<u>3,315</u>	<u>8/30/23</u>	<u>Non-convertible</u>	<u>Frondeur Partners, LLC- William Gonyer</u>	<u>Advisory services</u>
<u>11/1/22</u>	<u>25,000</u>	<u>25,000</u>	<u>1,445</u>	<u>9/30/23</u>	<u>Non-convertible</u>	<u>Frondeur Partners, LLC- William Gonyer</u>	<u>Advisory services</u>
<u>12/1/22</u>	<u>25,000</u>	<u>25,000</u>	<u>1,240</u>	<u>10/31/23</u>	<u>Non-convertible</u>	<u>Frondeur Partners, LLC- William Gonyer</u>	<u>Advisory services</u>
<u>1/1/23</u>	<u>25,000</u>	<u>25,000</u>	<u>1,027</u>	<u>10/31/23</u>	<u>Non-convertible</u>	<u>Frondeur Partners, LLC- William Gonyer</u>	<u>Advisory services</u>
<u>2/1/23</u>	<u>25,000</u>	<u>25,000</u>	<u>978</u>	<u>11/30/23</u>	<u>Non-convertible</u>	<u>Frondeur Partners, LLC- William Gonyer</u>	<u>Advisory services</u>

<u>3/1/23</u>	25,000	<u>25,000</u>	<u>748</u>	<u>12/31/23</u>	<u>Non-convertible</u>	<u>Frondeur Partners, LLC- William Gonyer</u>	<u>Advisory services</u>
<u>4/1/23</u>	25,000	<u>25,000</u>	<u>493</u>	<u>1/31/24</u>	<u>Non-convertible</u>	<u>Frondeur Partners, LLC- William Gonyer</u>	<u>Advisory services</u>
<u>5/1/23</u>	25,000	<u>25,000</u>	<u>247</u>	<u>2/29/24</u>	<u>Non-convertible</u>	<u>Frondeur Partners, LLC- William Gonyer</u>	<u>Advisory services</u>
<u>6/1/23</u>	25,000	<u>25,000</u>	<u>N/A</u>	<u>3/31/24</u>	<u>Non-convertible</u>	<u>Frondeur Partners, LLC- William Gonyer</u>	<u>Advisory services</u>
<u>7/1/23</u>	25,000	<u>25,000</u>	<u>N/A</u>	<u>4/30/24</u>	<u>Non-convertible</u>	<u>Frondeur Partners, LLC- William Gonyer</u>	<u>Advisory services</u>
<u>8/1/23</u>	25,000	<u>25,000</u>	<u>N/A</u>	<u>5/31/24</u>	<u>Non-convertible</u>	<u>Frondeur Partners, LLC- William Gonyer</u>	<u>Advisory services</u>
<u>9/1/23</u>	25,000	<u>25,000</u>	<u>N/A</u>	<u>5/31/24</u>	<u>Non-convertible</u>	<u>Frondeur Partners, LLC- William Gonyer</u>	<u>Advisory services</u>

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

Accrued interest is only showed through May 31, 2023 and not the date of this report

#### 4) Issuer's Business, Products and Services

The purpose of this section is to provide a clear description of the issuer's current operations. (Please ensure that these descriptions are updated on the Company's Profile on [www.otcm Markets.com](http://www.otcm Markets.com)).

A .Summarize the issuer's business operations (If the issuer does not have current operations, state "no operations")

The Company has two subsidiaries. Third Bench Holdings, LLC and Title King, Inc. Currently, only Third Bench Holdings, LLC is an operating entity.

Third Bench Holdings, LLC is a holding company for six subsidiary companies operating as an architectural millwork and dealers in the cabinetry, kitchen and bath areas. Third Bench, through its subsidiary companies offer products in categories: Residential Cabinets and countertops and commercial millwork throughout the Western U.S. for customers from California to Texas. Third Bench also provides installation services as a part of its vertical offering. The company provides its products and services through its architectural millwork and retail facilities, currently located in Albuquerque and Las Cruces, New Mexico and Tucson, Arizona.

Title King LCC provides for lending against the retail value of an outstanding automobile. This enterprise is currently non-operating. Management will continue to monitor the market for automobile lending and may restart operations if conditions warrant.

B List any subsidiaries, parent company, or affiliated companies.

The subsidiaries operations are described in Part A. above.

C. Describe the issuers' principal products or services.

Our target markets in order of importance are

- a) Regional and national homebuilders;
- b) Home remodelers;
- c) General contractors

## 5) Issuer's Facilities

The goal of this section is to provide a potential investor with a clear understanding of all assets, properties or facilities owned, used or leased by the issuer.

In responding to this item, please clearly describe the assets, properties or facilities of the issuer, give the location of the principal plants and other property of the issuer and describe the condition of the properties. If the issuer does not have complete ownership or control of the property (for example, if others also own the property or if there is a mortgage on the property), describe the limitations on the ownership.

If the issuer leases any assets, properties or facilities, clearly describe them as above and the terms of their leases.

As of the filing date of this report, the Company's headquarters is located at 175 Main Street, Suite 1410, Salt Lake City, UT 84111.

Other facilities include;

- Santa Fe Flooring, LLC
  - 3711 Paseo del Norte NE, Albuquerque, NM 87113
- Las Cruces Cabinets LLC
  - 400 N 17<sup>th</sup> St., Las Cruces NM 88005
- LL industries Inc.
  - 5355 E Broadway Blvd, Tucson, AZ 85711
- Third Bench Stone
  - 911 W Amador Ave, Las Cruces, NM 88005
- M&K Industries / KMT Resources
  - 2200 Eubank Blvd NE, Albuquerque, NM 87112

All of these facilities are leased. See Note 16, Commitments and Contingencies for details of these leases.

## 6) Officers, Directors, and Control Persons

Using the table below, please provide information, as of the period end date of this report, regarding any officers, or directors of the company, individuals or entities controlling more than 5% of any class of the issuer's securities, or any person that performs a similar function, regardless of the number of shares they own. **If any insiders listed are corporate shareholders or entities, provide the name and address of the person(s) beneficially owning or controlling such corporate shareholders, or the name and contact information (City, State) of an individual representing the corporation or entity in the note section.**

Include Company Insiders who own any outstanding units or shares of any class of any equity security of the issuer.

The goal of this section is to provide an investor with a clear understanding of the identity of all the persons or entities that are involved in managing, controlling or advising the operations, business development and disclosure of the issuer, as well as the identity of any significant or beneficial shareholders.

Name of Officer/Director and Control Person	Affiliation with Company (e.g. Officer/Director/Owner of more than 5%)	Residential Address (City / State Only)	Number of shares owned	Share type/class	Ownership Percentage of Class Outstanding	Note
David Fair	<u>Officer / Director / &gt; 5%</u>	Albuquerque, NM	51	<u>Preferred Stock-Series A</u>	<u>100%</u>	_____
David Fair	<u>Officer Director 5% owner</u>	<u>Albuquerque, NM</u>	204,400	<u>Preferred Stock-Series B</u>	<u>40%</u>	_____
Okane Enterprises, LLC- Melissa Handley	<u>5% owner</u>	West Bountiful, UT	306,600	<u>Preferred Stock-Series B</u>	<u>60%</u>	
Joseph Canouse	<u>5% owner</u>	<u>Atlanta GA</u>	119,919	<u>Preferred Stock-Series C</u>	<u>49%</u>	
Jeffrey M. Canouse	<u>5% owner</u>	<u>Atlanta, GA</u>	114,614	<u>Preferred Stock-Series C</u>	<u>47%</u>	
Trillium Partners LP- Stephen M. Hicks	<u>5% owner</u>	<u>Ridgefield CT</u>	28,437	<u>Preferred Stock-Series D</u>	<u>62.5%</u>	
Jeffrey M. Canouse	<u>5% owner</u>	<u>Atlanta, Georgia</u>	17,063	<u>Preferred Stock-Series D</u>	<u>37.5%</u>	

## 7) Legal/Disciplinary History

A. Identify whether any of the persons or entities listed above have, in the past 10 years, been the subject of:

1. A conviction in a criminal proceeding or named as a defendant in a pending criminal proceeding (excluding traffic violations and other minor offenses);

None

2. The entry of an order, judgment, or decree, not subsequently reversed, suspended or vacated, by a court of competent jurisdiction that permanently or temporarily enjoined, barred, suspended or otherwise limited such person's involvement in any type of business, securities, commodities, or banking activities;

None

3. A finding or judgment by a court of competent jurisdiction (in a civil action), the Securities and Exchange Commission, the Commodity Futures Trading Commission, or a state securities regulator of a violation of federal or state securities or commodities law, which finding or judgment has not been reversed, suspended, or vacated; or

None

4. The entry of an order by a self-regulatory organization that permanently or temporarily barred, suspended, or otherwise limited such person's involvement in any type of business or securities activities.

None

B. Describe briefly any material pending legal proceedings, other than ordinary routine litigation incidental to the business, to which the issuer or any of its subsidiaries is a party or of which any of their property is the subject. Include the name of the court or agency in which the proceedings are pending, the date instituted, the principal parties thereto, a description of the factual basis alleged to underlie the proceeding and the relief sought. Include similar information as to any such proceedings known to be contemplated by governmental authorities.

There are no such matters to disclose that are not disclosed in footnote 3 to the financial statements where all known legacy legal matters are discussed.

## 8) Third Party Service Providers

Provide the name, address, telephone number and email address of each of the following outside providers. You may add additional space as needed.

Securities Counsel (must include Counsel preparing Attorney Letters).

Name: N/A

Firm:

Address 1:

Address 2:

Phone:

Email:

Accountant or Auditor

Name: Laurence Ditkoff  
Firm: Seaman Neck LLC  
Address 1: 1706 Pinnacle Way  
Address 2: Danbury CT 06811  
Phone: 203.431.8300  
Email: Larry\_Ditkoff@sbcglobal.net

#### Investor Relations

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

*All other means of Investor Communication:*

Twitter: N/A  
Discord: N/A  
LinkedIn: N/A  
Facebook: N/A  
[Other ] N/A

#### Other Service Providers

Provide the name of any other service provider(s) that **that assisted, advised, prepared, or provided information with respect to this disclosure statement**. This includes counsel, broker-dealer(s), advisor(s), consultant(s) or any entity/individual that provided assistance or services to the issuer during the reporting period.

Name: \_\_\_\_\_  
Firm: \_\_\_\_\_  
Nature of Services: \_\_\_\_\_  
Address 1: \_\_\_\_\_  
Address 2: \_\_\_\_\_  
Phone: \_\_\_\_\_  
Email: \_\_\_\_\_

## 9) **Financial Statements**

A. The following financial statements were prepared in accordance with:

- IFRS  
 U.S. GAAP

B. The following financial statements were prepared by (name of individual)<sup>4</sup>:

Name: Laurence Ditkoff

Title:

Relationship to Issuer: Consultant

Describe the qualifications of the person or persons who prepared the financial statements: Certified Public Accountant (Status inactive), Chartered Financial Analyst

Provide the following financial statements for the most recent fiscal year or quarter. For the initial disclosure statement (qualifying for Pink Current Information for the first time) please provide reports for the two previous fiscal years and any subsequent interim periods.

- a. Audit letter, if audited;
- b. Balance Sheet;
- c. Statement of Income;
- d. Statement of Cash Flows;
- e. Statement of Retained Earnings (Statement of Changes in Stockholders' Equity)
- f. Financial Notes

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<sup>4</sup> The financial statements requested pursuant to this item must be prepared in accordance with US GAAP or IFRS and by persons with sufficient financial skills.

## 10) Issuer Certification

### *Principal Executive Officer:*

The issuer shall include certifications by the Chief Executive officer and Chief Financial officer of the issuer (or any other persons with different titles but having the same responsibilities) in each Quarterly Report or Annual Report.

The certifications shall follow the format below:

I, David Fair certify that:

1. I have reviewed this Disclosure Statement for NEW AMERICA ENERGY CORP;
2. Based on my knowledge, this disclosure statement does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this disclosure statement; and
3. Based on my knowledge, the financial statements, and other financial information included or incorporated by reference in this disclosure statement, fairly present in all material respects the financial condition, results of operations and cash flows of the issuer as of, and for, the periods presented in this disclosure statement.

10/4/23 [Date]

David Fair [CEO's Signature]

(Digital Signatures should appear as "/s/ [OFFICER NAME]")

### *Principal Financial Officer:*

I, David Fair, certify that:

1. I have reviewed this Disclosure Statement for NEW AMERICA ENERGY CORP.;
2. Based on my knowledge, this disclosure statement does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this disclosure statement; and
3. Based on my knowledge, the financial statements, and other financial information included or incorporated by reference in this disclosure statement, fairly present in all material respects the financial condition, results of operations and cash flows of the issuer as of, and for, the periods presented in this disclosure statement.

10/4/23 [Date]

David Fair [CFO's Signature]

digital Signatures should appear as "/s/ [OFFICER NAME]")

**NEW AMERICA ENERGY CORP.**  
**CONSOLIDATED FINANCIAL STATEMENTS**

**May 31, 2023**

Index to the Consolidated Financial Statements (Unaudited)

	<u>Page</u>
Consolidated Financial Statements	
Consolidated Balance Sheets at May 31, 2023 and August 31, 2022	17-18
Consolidated Statements of Operations for the three months ended May 31, 2023 and May 31, 2022	19
Consolidated Statements of Operations for the nine months ended May 31, 2023 and May 31, 2022	20
Consolidated Statement of Shareholders' Deficit from August 31, 2021 to May 31, 2022	21-22
Consolidated Statement of Shareholders' Deficit from August 31, 2022 to May 31, 2023	23
Consolidated Statement of Cash Flows for nine months ended May 31, 2023 and May 31, 2022	24-25
Notes to Consolidated Financial Statements	26

New America Energy, Corp.  
Consolidated Balance Sheet  
May 31 2023 and August 31, 2022  
(Unaudited)

	May 31, 2023	August 31, 2022
<b>Assets</b>		
Cash	\$ 575,572	\$ 587,460
Accounts Receivable (Note 5)	1,407,789	2,137,056
Earnings retention credit receivable (Note 11)	1,383,580	394,507
Intercompany receivable	-	-
Inventory (Note 6)	1,519,462	4,355,156
Deferred financing asset	350,875	423,119
Prepaid Expense & Other	1,008,244	752,686
Other Current Assets	575,895	62,750
<b>Total Current Assets</b>	<b>\$ 6,821,417</b>	<b>\$ 8,712,735</b>
Goodwill	-	-
Net Fixed Assets (Note 7)	1,406,102	1,407,491
Other Assets	267,215	261,543
Total Non- current assets	1,673,317	1,669,034
<b>Total Assets</b>	<b>\$ 8,494,734</b>	<b>\$ 10,381,769</b>
<b>Liabilities</b>		
Accounts Payable	\$ 2,177,372	\$ 2,569,498
Non-convertible notes	140,360	108,445
Convertible notes (Note 15)	862,549	87,560
Customer Deposits	843,367	2,108,495
Accrued Expenses	1,918,274	1,570,070
Other Liabilities	1,894,624	565,234
Put premium on stock settled debt	-	45,000
Common stock subscribed	-	240,000
Due to parent company	-	-
Accrued interest	198,318	56,370
Short term advances-related party	-	-
Line of credit (Note 9)	1,341,608	565,254
Related Parties Liabilities	557	157
<b>Total Current Liabilities</b>	<b>9,377,031</b>	<b>7,916,082</b>
Long term indebtedness	7,964,184	8,939,582
<b>Total Liabilities</b>	<b>17,341,215</b>	<b>16,855,663</b>

New America Energy, Corp.  
Consolidated Balance Sheet  
May 31 2023 and August 31, 2022  
(Unaudited)  
(Continued)

	May 31, 2023	August 31, 2022
<b>Stockholders Deficit</b>		
Commitments and Contingencies (Note 16)		
Preferred Stock- Series A -51 shares outstanding at May 31, 2023 and August 31, 2022, respectively	-	-
Preferred Stock- Series B -511,000 and 511,000 shares outstanding at May 31, 2023 and August 31, 2022, respectively	5	5
Preferred Stock- Series C -243,614 and 390,000 shares outstanding at May 31, 2023 and August 31, 2022, respectively	2	2
Preferred Stock- Series D-45,500 and 45,500 shares outstanding at May 31, 2023 and August 31, 2022, respectively	1	1
Preferred dividends paid	(1,379,657)	(1,379,657)
Common stock- 13,368,617,932 and 12,168,617,932, shares outstanding at May 31, 2023 and August 31, 2022, respectively	133,686	121,686
Additional paid-in capital	17,700,291	17,759,780
Retained Earnings	(25,300,809)	(22,975,708)
Total Stockholders' Deficit	(8,846,482)	(6,473,892)
<b>Total Liabilities &amp; Stockholders' Deficit</b>	<b>\$ 8,494,734</b>	<b>\$ 10,381,769</b>

The accompanying notes are an integral part of these financial statements

New America Energy, Corp.  
Consolidated Statement of Operations  
Three months ended May 31, 2023 and 2022  
(Unaudited)

	May 31, 2023	May 31, 2022
<b>Revenues</b>		
Net Sales	\$ 3,856,374	\$ 4,358,604
Cost of goods sold	(6,533,980)	(2,711,215)
Gross Profit	(2,677,606)	1,647,388
<b>Operating Expenses</b>		
Labor	469,521	856,635
Other Operating	47,628	193,467
General and administrative	710,913	1,207,443
Depreciation and Amortization	71,849	104,624
<b>Total Operating Expenses</b>	1,299,911	2,362,169
Net operating profit (loss)	(3,977,517)	(714,781)
<b>Other Income (Expense)</b>		
Other income	(6,712)	14,355
Interest expense	(51,541)	(166,792)
Amortization of debt discounts	-	(50,411)
Reconciliation of debt balances	(808,611)	-
Employee retention credits	-	-
Expensing of warrants upon issuance of notes, net of quarterly mark to market		800,121
Reconciliation of net assets in purchase of subsidiaries ( See Note 18)	-	(3,346,619)
Total Other Income (Expense)	(866,865)	(2,749,346)
Net income before income taxes	(4,844,382)	(3,464,126)
Provision for Income Taxes	-	-
Net income/(loss)	\$ (4,844,382)	\$ (3,464,126)
Weighted average shares outstanding-Basic	13,368,617,932	11,880,574,454
Weighted average shares outstanding-Diluted	271,905,607,427	283,122,990,855
Net income/(loss) per share - Basic	\$ (0.00)	\$ (0.00)
Net income/(loss) per share -Fully diluted	\$ (0.00)	\$ (0.00)

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

New America Energy, Corp.  
Consolidated Statement of Operations  
Nine months ended May 31, 2023 and 2022  
(Unaudited)

	May 31, 2023	May 31, 2022
<b>Revenues</b>		
Net Sales	\$ 12,923,712	\$ 14,825,570
Cost of goods sold	(11,635,098)	(9,527,860)
Gross Profit	1,288,614	5,297,710
<b>Operating Expenses</b>		
Labor	1,771,316	2,767,099
Other Operating	552,822	371,703
General and administrative	2,542,654	3,034,941
Depreciation and Amortization	206,732	384,323
<b>Total Operating Expenses</b>	5,073,525	6,558,066
Net operating profit (loss)	(3,784,911)	(1,260,355)
<b>Other Income (Expense)</b>		
Other income	331,586	17,449
Interest expense	(521,973)	(4,795,891)
Amortization of debt discounts	-	(142,192)
Forgiveness of PPP note	-	869,900
Reconciliation of debt balances	(808,611)	-
Reconciliation of net assets in purchase of subsidiaries ( See Note 18)		(3,346,619)
Earnings retention credit	2,458,808	179,773
Expensing of warrants upon issuance of notes, net of quarterly mark to market	-	(198,398)
Total Other Income (Expense)	1,459,810	(7,415,978)
Net income before income taxes	(2,325,101)	(8,676,333)
Provision for Income Taxes	-	-
Net income/(loss)	\$ (2,325,101)	\$ (8,676,333)
Weighted average shares outstanding-Basic	12,551,035,514	10,123,379,058
Weighted average shares outstanding-Diluted	269,027,915,856	10,123,379,058
Net income/(loss) per share - Basic	\$ (0.00)	\$ (0.00)
Net income/(loss) per share -Fully diluted	\$ (0.00)	\$ (0.00)

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

New America Energy Corp.  
Statement of Stockholders' Equity  
Period from August 31, 2021 to May 31, 2022  
(Unaudited)

	Series A Preferred stock		Series B Preferred stock		Series C Preferred stock		Series D Preferred stock	
	Shares	\$	Shares	\$	Shares	\$	Shares	\$
Balance at August 31, 2021	51	\$ -	511,000	\$ 5	390,000	\$ 4	45,500	\$ 1
Redemption of Series C Preferred stock for cash	-	-	-	-	(81,360)	(1)	-	-
Conversion of Series C Preferred stock for common stock	-	-	-	-	(65,026)	(1)	-	-
Interest expense incurred upon issuance of debt with a fixed conversion price	-	-	-	-	-	-	-	-
Return of capital to Management of Third Bench Holdings, LLC	-	-	-	-	-	-	-	-
Net investment at subsidiary level eliminated at subsidiary level	-	-	-	-	-	-	-	-
Fair value of warrant issued, adjusted for mark to market	-	-	-	-	-	-	-	-
Preferred Dividends paid	-	-	-	-	-	-	-	-
Shares Issued under Regulation A Financing	-	-	-	-	-	-	-	-
Net loss, nine months ended May 31, 2022	-	-	-	-	-	-	-	-
Balance at May 31, 2022	<u>51</u>	<u>\$ -</u>	<u>511,000</u>	<u>\$ 5</u>	<u>243,614</u>	<u>\$ 2</u>	<u>45,500</u>	<u>\$ 1</u>

The accompanying notes are an integral part of these financial statements

New America Energy Corp.  
Statement of Stockholders' Equity  
Period from August 31, 2021 to May 31, 2022  
(Unaudited)

	Preferred Dividends Issued \$	Common stock Shares	\$	Additional Paid- In Capital \$	Accumulated deficit \$	Total
Balance at August 31, 2021	\$ (191,736)	7,938,541,946	\$ 79,385	\$ 19,109,039	\$ (14,110,420)	\$ 4,886,277
Redemption of Series C Preferred stock for cash	-	-	-	(399,998)	-	(399,999)
Conversion of Series C Preferred stock for common stock	(643,632)	1,411,292,171	14,113	629,519	-	(1)
Interest expense incurred upon issuance of debt with a fixed conversion price	-	-	-	4,200,000	-	4,200,000
Return of capital to Management of Third Bench Holdings, LLC	-	-	-	(8,255)	-	(8,255)
Net investment at subsidiary level eliminated at subsidiary level	-	-	-	(30,041)	-	(30,041)
Fair value of warrant issued, adjusted for mark to market	-	-	-	798,398	-	798,398
Preferred Dividends paid	(544,289)	347,058,815	3,471	540,818	-	-
Shares Issued under Regulation A Financing	-	2,471,725,000	24,717	761,145	-	785,863
Net loss, nine months ended May 31, 2022	-	-	-	-	(8,676,334)	(8,676,334)
Balance at May 31, 2022	<u>\$ (1,379,657)</u>	<u>12,168,617,932</u>	<u>\$ 121,686</u>	<u>\$ 25,600,624</u>	<u>\$ (22,786,754)</u>	<u>\$ 1,555,908</u>

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

New America Energy Corp.  
Statement of Stockholders' Deficit  
Period from August 31, 2022 to May 31, 2023  
(Unaudited)

	Series A Preferred stock		Series B Preferred stock		Series C Preferred stock		Series D Preferred stock	
	Shares	\$	Shares	\$	Shares	\$	Shares	\$
Balance at August 31, 2022	51	\$ -	511,000	\$ 5	243,614	\$ 2	45,500	\$ 1
Partner capital repatriated	-	-	-	-	-	-	-	-
Goodwill at subsidiary eliminated								
Fair value of warrants issued	-	-	-	-	-	-	-	-
Issuance of common stock for funds previously received	-	-	-	-	-	-	-	-
Net loss, nine months ended May 31, 2023	-	-	-	-	-	-	-	-
Balance at May 31, 2023	<u>51</u>	<u>\$ -</u>	<u>511,000</u>	<u>\$ 5</u>	<u>243,614</u>	<u>\$ 2</u>	<u>45,500</u>	<u>\$ 1</u>

The accompanying footnotes are an integral part of these financial statements

New America Energy Corp.  
Statement of Stockholders' Deficit  
Period from August 31, 2022 to May 31, 2023  
(Unaudited)  
(Continued)

	Preferred Dividends Issued	Common stock		Additional Paid- In Capital	Accumulated deficit	Total
	\$	Shares	\$	\$	\$	
Balance at August 31, 2022	\$ (1,379,657)	12,168,617,932	\$ 121,686	\$ 17,107,280	\$ (22,975,708)	\$ (7,126,392)
Partner capital repatriated	-	-	-	652,500	-	652,500
Goodwill at subsidiary eliminated				262,500		262,500
Fair value of warrants issued	-	-	-	(549,989)	-	(549,989)
Issuance of common stock for funds previously received	-	1,200,000,000	12,000	228,000	-	240,000
Net loss, nine months ended May 31, 2023	-	-	-	-	(2,325,101)	(2,325,101)
Balance at May 31, 2023	<u>\$ (1,379,657)</u>	<u>13,368,617,932</u>	<u>\$ 133,686</u>	<u>\$ 17,700,291</u>	<u>\$ (25,300,809)</u>	<u>\$ (8,846,482)</u>

The accompanying footnotes are an integral part of these financial statements

NEW AMERICA ENERGY CORP.  
CONSOLIDATED STATEMENTS OF CASH FLOWS  
Nine months ended May 31, 2023 and 2022  
(Unaudited)

	May 31, 2023	May 31, 2022
OPERATING ACTIVITIES		
Net (loss)	\$ (2,325,101)	\$ (8,676,334)
Adjustments to reconcile net (loss) to cash used in operations		-
Depreciation Expense	206,732	384,323
Interest expense- Amortization of deferred financing costs	-	142,192
Forgiveness of Paycheck protection Program loan	-	(869,900)
Earnings Retention credits	(989,073)	(179,773)
Gain on adjustment in debt balances	(295,000)	-
Interest expense charged to Additional Paid-In Capital for convertible debt	-	4,200,000
Expensing of warrants upon issuance of notes, net of quarterly mark to market	-	198,398
Original issue discount expensed	225,000	-
Notes issued for services	-	7,500
Put premium on stock settled debt	(45,000)	30,000
Changes in operating assets and liabilities:		-
Accounts receivable	729,268	(1,894,248)
Inventory	2,835,695	(1,868,650)
Prepays and other current assets	(249,886)	(454,622)
Other Assets	(513,145)	(398,061)
Accounts payable	(298,731)	1,023,722
Other liabilities	1,329,391	-
Accrued liabilities	490,152	1,833,606
Customer deposits	(1,265,128)	811,702
Non-convertible notes payable	3,376	-
Line of Credits/Credit Cards	776,354	152,942
Reconciliation of subsidiary accounts	-	3,346,619
Short-term advances	28,539	63,445
Related party payable	400	(9,000)
Short term notes payable	-	70,000
Accrued compensation-officer	-	10,000
CASH FLOWS FROM OPERATING ACTIVITIES	643,842	(2,076,138)

NEW AMERICA ENERGY CORP.  
CONSOLIDATED STATEMENTS OF CASH FLOWS  
Nine months ended May 31, 2023 and 2022  
(Unaudited)  
(Continued)

	May 31, 2023	May 31, 2022
<b>INVESTING ACTIVITIES</b>		
Investment in Property Plant and equipment	(331,573)	(441,961)
Investment in subsidiary	-	(262,965)
Sale of fixed assets	116,240	-
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>	<b>(215,333)</b>	<b>(704,926)</b>
Issuance of common stock pursuant to Regulation A	240,000	911,886
Seller loans, net of repayment	-	101,533
Proceeds from non-convertible long-term indebtedness- net of repayments	(680,398)	661,160
Proceeds from Regulation A financings	-	492,500
Equity contributions by Founders	-	185,000
Retirement of Preferred stock	-	(400,000)
<b>CASH FLOWS FROM Proceeds from convertible notes payable</b>	<b>(440,398)</b>	<b>1,952,078</b>
Cash flow	(11,888)	(828,986)
Cash and Equivalents, Beginning of period	587,460	1,122,157
Cash and Equivalents, End of period	\$ 575,572	\$ 293,171
 Cash paid during the period for:		
Interest	\$ -	\$ -
Taxes	\$ -	\$ -
Cash issued for retirement of preferred stock	\$ -	\$ 400,000
Debt incurred on purchase of subsidiary	\$ -	\$ 150,000
Liability retired through issuance of common stock	\$ 240,000	\$ -
Gsin on elimiantion of note	\$ 295,000	\$ -

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

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**NEW AMERICA ENERGY CORP.**  
**NOTES TO FINANCIAL STATEMENTS**  
**MAY 31, 2023**

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**NOTE 1 - BASIS OF PRESENTATION AND ORGANIZATION**

The accompanying consolidated financial statements include the accounts of New America Energy Corp. and its subsidiaries (together with its subsidiaries, "NECA" or the "Company" and also referred to as "we," "us," and "our"), all of which are wholly-owned. All significant intercompany balances and transactions have been eliminated in consolidation. The accompanying financial statements have been prepared in accordance with U.S. generally accepted accounting principles ("GAAP") and with the instructions to Form 10-K, Regulation S-X, and Regulation S-K. These consolidated financial statements do not include any adjustments to the recoverability and classification of recorded asset amounts and classification of liabilities that might be necessary should the Company be unable to continue as a going concern.

The Company was incorporated in Nevada on May 8, 2006. The Company has two wholly owned subsidiaries: a) Third Bench Holdings LLC ("TBH") and b) Title King LLC ("TK"). TBH is a holding company of three subsidiary companies that provide operational millwork as well as providers of cabinetry, kitchen and bath areas. TBH provides its products and services through its architectural millwork from California to Texas. At May 31, 2023, the TBH had five subsidiaries as follows:

- Las Cruces Cabinets, LLC doing business as Sher-wood Cabinets
- LL Industries, Inc. doing business as Davis Kitchens of Tucson
- Santa Fe Flooring LLC doing business as OGB Architectural Millwork
- MK Industries LTD doing business as Davis Kitchens of Albuquerque
- KMT Resources d/b/a More Window and Door

Additionally, the Company split off the countertop operations of Santa Fe Flooring LLC and created a separate entity called Third Bench Stone, LLC.

TK operates in the alternative financial services industry, providing automobile title loans to consumers who own their vehicle free and clear and need convenient and simple access to funds. Currently TK is non-operating at this time.

These consolidated financial statements were prepared on a going concern basis, which implies the Company will continue to realize its assets and discharge its liabilities in the normal course of business. The continuation of the Company as a going concern is dependent upon the Company obtaining necessary equity and debt financing until it can generate sustainable revenue. There is no guarantee the Company will be able to raise adequate equity or debt financing or generate profitable operations. For the nine months ended May 31, 2023 and May 31, 2022, the Company incurred net income/(loss) of (\$2,325,101) and (\$ 8,), respectively, and had cash outflows from operations of \$643,842 and \$(2,076,138), respectively. Cash flows from operating activities were positive in the current period principally due to borrowings from short-term lines of credit and collections on Employee Retention Credit receipts. Management intends to raise additional funds, if necessary, through equity or debt financing and to generate cash from the sale of the Company's products.

## NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

### Accounting Method

The Company's consolidated financial statements are prepared using the accrual method of accounting. The Company has elected a fiscal year ending of August 31.

### Principles of Consolidation

The accompanying consolidated financial statements include the accounts of the Company and its wholly-owned subsidiaries, TBH and TK, and have been prepared in conformity with accounting principles generally accepted in the United States of America ("GAAP"). All significant intercompany transactions and balances have been eliminated.

### Use of Estimates

The preparation of financial statements in conformity with GAAP requires management to make estimates and assumptions. These estimates and assumptions 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. Actual results could differ from those estimates. It is possible that accounting estimates and assumptions may be material to the Company due to the levels of subjectivity and judgment involved.

### Restatements

Where appropriate, financial data has been reclassified to more accurately reflect financial condition. There was no impact on net profitability due to these statements.

### Cash and Cash Equivalents

Cash and cash equivalents include cash on hand and cash in time deposits, certificates of deposit and all highly liquid debt instruments with original maturities of three months or less.

### Accounts Receivable

Loans receivable are reported at their outstanding principal balances. The Company grants credit to customers under credit terms that it believes are customary in the industry and requires collateral to support customer loan balances. Normal loan terms vary from 30-180 days. Collateral is repossessed for delinquent loans. The Company reviews its receivables quarterly and establishes a reserve when appropriate.

### Long-lived Assets

Our long-lived assets include equipment and improvements, intangible assets, right-of-use assets, and goodwill. The Company continues to review its long-lived assets for possible impairment or loss of value at least annually or more frequently upon the occurrence of an event or when circumstances indicate that a reporting unit's carrying amount is greater than its fair value.

Equipment and improvements are stated at cost. Depreciation and amortization are provided using the straight-line method over the estimated useful asset lives (3 to 10 years) and the shorter of the initial lease term or estimated useful life for leasehold improvements. Intangible assets (other than goodwill) are originally recorded at fair value and are

amortized on a straight-line basis over their estimated useful lives of 10 years. Maintenance and repair costs are expensed as incurred.

Right-of-use assets are measured at the present value of future minimum lease payments, including all probable renewals, plus lease payments made to the lessor before or at lease commencement and indirect costs paid, less incentives received. Our right-of-use assets include long-term leases for facilities and equipment and are amortized over their respective lease terms.

### Debt Discount and Debt Issuance Costs

Debt discounts and debt issuance costs incurred in connection with the issuance of debt are capitalized and amortized to interest expense based on the related debt agreements using the straight-line method. Unamortized discounts are disclosed on the face of the financial statements and are netted against convertible notes.

### Fair Value of Financial Instruments

During the current fiscal year, the Company decided to adopt ASC 480- "Distinguishing Liabilities from Equity" when they enter into convertible notes, some of which contain, predominantly, fixed rate conversion features, whereby the outstanding principal and accrued interest may be converted by the holder, into common shares at a fixed discount to the market price of the common stock at the time of conversion. This results in a fair value of the convertible note being equal to a fixed monetary amount. The Company records the convertible note liability at its fixed monetary amount by measuring and recording a premium, as applicable, on the note date with a charge to interest expense.

Previously, The Company applied the provisions of ASC 820-10, "Fair Value Measurements and Disclosures." ASC 820-10 defines fair value, and establishes a three-level valuation hierarchy for disclosures of fair value measurement that enhances disclosure requirements for fair value measures. The three levels of valuation hierarchy are defined as follows:

- Level 1 inputs to the valuation methodology are quoted prices for identical assets or liabilities in active markets.
- Level 2 inputs to the valuation methodology include quoted prices for similar assets and liabilities in active markets, and inputs that are observable for the asset or liability, either directly or indirectly, for substantially the full term of the financial instrument.
- Level 3 inputs to the valuation methodology are unobservable and significant to the fair value measurement.

For certain financial instruments, the carrying amounts reported in the balance sheets for cash and current liabilities, including convertible notes payable, each qualify as financial instruments and are a reasonable estimate of their fair values because of the short period of time between the origination of such instruments and their expected realization and their current market rate of interest.

The Company uses Level 2 inputs for its valuation methodology for derivative liabilities as their fair values were determined by using the Black-Scholes-Merton pricing model based on various assumptions. The Company's derivative liabilities are adjusted to reflect fair value at each period end, with any increase or decrease in the fair value being recorded in results of operations as adjustments to fair value of derivatives.

The Company analyzes all financial instruments with features of both liabilities and equity under FASB ASC Topic 480, Distinguishing Liabilities from Equity, and FASB ASC Topic 815, Derivatives and Hedging.

## Derivative Financial Instruments

The Company evaluates all of its agreements to determine if such instruments have derivatives or contain features that qualify as embedded derivatives. For derivative financial instruments that are accounted for as liabilities, the derivative instrument is initially recorded at its fair value and is then re-valued at each reporting date, with changes in the fair value reported in the consolidated statements of operations. For stock-based derivative financial instruments, the Company uses a weighted average Black-Scholes-Merton option-pricing model to value the derivative instruments at inception and on subsequent valuation dates. The classification of derivative instruments, including whether such instruments should be recorded as liabilities or as equity, is evaluated at the end of each reporting period. Derivative instrument liabilities are classified in the balance sheet as current or non-current based on whether or not net-cash settlement of the derivative instrument could be required within 12 months of the balance sheet date.

## Revenue Recognition

The Company recognizes revenue from interest income on consumer loans as the interest is earned. The Company's revenue recognition policies comply with FASB ASC Topic 605. Revenue is recorded when earned, which is generally over the period services are provided and no contingencies exist.

## Income Taxes

The Company accounts for income taxes in accordance with ASC Topic 740, Income Taxes. ASC 740 requires a company to use the asset and liability method of accounting for income taxes, whereby deferred tax assets are recognized for deductible temporary differences, and deferred tax liabilities are recognized for taxable temporary differences. Temporary differences are the differences between the reported amounts of assets and liabilities and their tax bases. Deferred tax assets are reduced by a valuation allowance when, in the opinion of management, it is more likely than not that some portion, or all of, the deferred tax assets will not be realized. Deferred tax assets and liabilities are adjusted for the effects of changes in tax laws and rates on the date of enactment.

Under ASC 740, a tax position is recognized as a benefit only if it is "more likely than not" that the tax position would be sustained in a tax examination, with a tax examination being presumed to occur. The amount recognized is the largest amount of tax benefit that is greater than 50% likely of being realized on examination. For tax positions not meeting the "more likely than not" test, no tax benefit is recorded.

## Basic and Diluted Earnings (Loss) Per Share

Earnings per share is calculated in accordance with ASC Topic 260, Earnings Per Share. Basic earnings per share ("EPS") is based on the weighted average number of common shares outstanding. Diluted EPS is based on the assumption that all dilutive convertible shares and stock warrants were converted or exercised. Dilution is computed by applying the treasury stock method. Under this method, options and warrants are assumed to be exercised at the beginning of the period (or at the time of issuance, if later), and as if funds obtained thereby were used to purchase common stock at the average market price during the period. For the nine months ended May 31, 2023, the Company had approximately 270 billion shares outstanding on a fully diluted basis.

## Paycheck Protection Program Loan

The Company's policy is to account for forgivable loans received through the Small Business Administration (SBA) under the Coronavirus Aid, Relief, and Economic Security Act (CARES Act) Paycheck Protection Program (PPP) as a contingent liability in accordance with Accounting Standards Codification (ASC) 450-30, Contingencies, and other related accounting pronouncements. The forgiveness of debt, in whole or in part, is recognized once the forgiveness is realized or realizable, which occurs when the Company believes all uncertainties regarding the final forgiveness of the loan are resolved.

Any portion of debt forgiven, adjusted for accrued interest forgiven and unamortized debt issuance costs, is recorded as a gain on extinguishment of debt, and presented in the other income section of the statement of income. See Note 11 for forgiveness of these loans.

#### Presentation of Gross Receipts Tax

The State of New Mexico imposes gross receipts tax (GRT) to all non-exempt customers. The majority of the Company's customers are exempt from GRT under resale or out-of-state exemptions. When an event arises which requires the Company to collect the tax from the customer, the entire tax amounts are remitted to the state's taxation authority. The Company's policy is to exclude the tax collected for the state from revenue and cost of sales.

#### Leases

In February 2016, the FASB updated the accounting guidance related to leases. The most significant change in the updated accounting guidance requires lessees to recognize lease assets and liabilities on the balance sheet for all operating leases with the exception of short-term leases. The standard also expands the disclosures regarding the amount, timing, and uncertainty of cash flows arising from leases. For a lessee, the recognition, measurement, and presentation of expenses and cash flows arising from a lease did not significantly change from previous guidance. We adopted the updated guidance on December 1, 2020 on a prospective basis and as a result, prior period amounts were not adjusted to reflect the impacts of the updated guidance.

#### Segment Information

In accordance with the provisions of ASC 280-10, "Disclosures about Segments of an Enterprise and Related Information", the Company is required to report financial and descriptive information about its reportable operating segments. The Company at one time had two operating segments, Home Furnishings and car loans. The car loan portion of the business is now dormant. Segment reporting shows Home Furnishings and the parent company.

#### Restatements

All financial statements for prior periods have been restated to more accurately present Financial condition. There has been no profit and loss impact on any prior period statements.

#### Recent Accounting Pronouncements

**Recent Accounting Pronouncements** In August 2018, the FASB issued ASU 2018-13, "Fair Value Measurement (Topic 820): Disclosure Framework—Changes to the Disclosure Requirements for Fair Value Measurement" ("ASU 2018-13"). ASU 2018-13 removes, modifies and adds certain disclosure requirements in Topic 820 "Fair Value Measurement". ASU 2018-13 eliminates certain disclosures related to transfers and the valuations process, modifies disclosures for investments that are valued based on net asset value, clarifies the measurement uncertainty disclosure, and requires additional disclosures for Level 3 fair value measurements. ASU 2018-13 is effective for the Company for annual and interim reporting periods beginning January 1, 2020. The adoption of this standard did not have a material impact on the Company's consolidated financial statements and related disclosures. In December 2019, the FASB issued authoritative guidance intended to simplify the accounting for income taxes (ASU 2019-12, "Income Taxes (Topic 740): Simplifying the Accounting for Income Taxes"). This guidance eliminates certain exceptions to the general approach to the income tax accounting model and adds new guidance to reduce the complexity in accounting for income taxes. This guidance is effective for fiscal years beginning after December 15, 2020, including interim periods within those annual periods. The Company is currently evaluating the potential impact of this guidance on its consolidated financial statements. In January 2020, the FASB issued ASU 2020-01, Investments - Equity Securities (Topic 321), Investments - Equity Method and Joint Ventures (Topic 323), and Derivative and Hedging (Topic 815), which clarifies the interaction of rules for equity securities, the equity method of accounting, and forward contracts and purchase options on certain types of securities. The guidance clarifies how to account for the transition into and out of the equity method of accounting when considering observable transactions under the measurement alternative. The ASU is effective for annual reporting periods beginning after December 15, 2020, including interim reporting periods within those annual periods, with early adoption permitted. The Company is currently evaluating the impact of the new guidance on our consolidated financial statements.

In August 2020, the FASB 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. This ASU amends the guidance on convertible instruments and the derivatives scope exception for contracts in an entity’s own equity, and also improves and amends the related EPS guidance for both Subtopics. The ASU will be effective for annual reporting periods after December 15, 2021 and interim periods within those annual periods and early adoption is permitted. The Company is currently evaluating the impact of the new guidance on our consolidated financial statements. Management does not believe that any recently issued, but not yet effective accounting pronouncements, when adopted, will have a material effect on the accompanying consolidated financial statements.

In April 2020, the FASB issued a Staff Q&A, Topic 842 and 840: Accounting For Lease Concessions Related to the Effects of the COVID-19 Pandemic in order to provide clarity regarding the accounting treatment for lease concessions provided as a result of COVID-19. Under existing lease guidance, changes to certain lease terms not specified in the original lease agreement require modification accounting treatment. To provide relief, the FASB Staff Q&A permits alternatives to modification accounting under Topic 842. For concessions related to the effects of the COVID-19 pandemic that do not result in a substantial increase in the rights of the lessor or our obligations as the lessee, we are not required to analyze each contract to determine whether enforceable rights and obligations for concessions exist in the lease agreement and can elect to apply or not apply the lease modification guidance in Topic 842. In fiscal year 2020 and 2021, no financial concessions had been taken by the Company or any of its subsidiaries.

In August 2020, the FASB issued ASU 2020-06, which amends the measurement and disclosure of convertible instruments, contracts in an entity’s own equity, and EPS guidance. The guidance can be adopted using a modified retrospective method or a fully retrospective method. The amendments are effective for fiscal years beginning after December 15, 2021 for public entities, excluding those that are smaller reporting companies. For all other entities the amendments are effective for fiscal years beginning after December 15, 2023. The Company does not expect the update to have a material impact on its consolidated financial statements and related disclosures.

In June, 2020 the FASB issued ASU No. 2020-05, Revenue from Contracts with Customers (Topic 606). Topic 606 outlines a single comprehensive model for entities to use in accounting for revenue arising from contracts with customers. The Company adopted Topic 606 in September 2019, and recognizes revenue when control of goods and services is transferred to customers. The Company recognizes revenue in accordance with ASC Topic 606. The Company recognizes revenue upon transfer of control of goods to customers.

In November, 2021, the Financial Accounting Standards Board (FASB) issued ASU 2021-10 Government Assistance (Topic 832) Disclosures by Business Entities about Government Assistance is effective for fiscal periods after December 15, 2021, for both public and private companies. The Company has not yet adopted this standard and has disclosed its financial assistance received in the form of Payroll Protection Program (PPP) and SBA Economic Injury Disaster (EIDL) Loans in accordance with Accounting Standards Codification (ASC) 470, Debt until the point of forgiveness and then as a government grant by analogy to International Accounting Standard (IAS) 20, Accounting for Government Grants and Disclosure of Government Assistance.

### **NOTE 3 – ACQUISITION OF TBH**

TBH acquired the following subsidiaries on the following dates:

Santa Fe Flooring LLC doing business as OGB Architectural Millwork- September 26, 2019

Las Cruces Cabinets, LLC doing business as Sher-wood Cabinets-September 18, 2020

LL Industries, Inc. doing business as Davis Kitchens of Tucson – March 12, 2021

MK Industries, Inc. doing business as Davis Kitchens of Albuquerque – October 1 2021

KMT Resources d/b/a More Window and Door- October 1, 2021

On July 12, 2021, the Company acquired TBH for the issuance of 511,000 shares of Series B Preferred stock. At the same time the Company reached agreements with its prior secured creditors and former Chief Executive officer 390,000 shares of Series C Preferred stock and 100,000 shares of Series D Preferred stock. With the issuances of these

securities, the Company eliminated almost \$2,000,000 of liabilities in the form of convertible debt, accrued interest and accrued officer compensation. Please refer to the Stockholders' Deficit footnote, Note 17, below for more detail.

#### NOTE 4 – CASH AND CASH EQUIVALENTS

Cash and cash equivalents represent deposits at local banking institutions, petty cash and any risk-free assets held. As of May 31, 2023 and August 31, 2021, the balances were as follows:

Cash and cash equivalents on hand by operating subsidiary are as follows:

	<u>May 31, 2023</u>	<u>August 31, 2022</u>
TBH	\$ 575,350	\$ 585,829
TK	<u>222</u>	<u>1,631</u>
,Total	<u>\$ 575,572</u>	<u>\$ 587,460</u>

#### NOTE 5- ACCOUNTS RECEIVABLE

Accounts receivable, including loan receivables, are predominately at the three operating subsidiaries of TBH. The Company grants unsecured credit to customers after performing credit checks through various reporting agencies. The risk of loss on the accounts receivable is the balance due at the time of default. Management reviews accounts receivable monthly and determines when receivables are past due or delinquent based on contractual terms and past experience of the customer base. The Company considers all receivables over 45 days to be past due. Management of the Company has not provided an allowance for doubtful accounts receivable at May 31, 2023 and August 31, 2022. Generally, the Company requires deposits against orders of up to 100% of the order value. Management considers all receivables collectable and are reflected at net realizable value. As of May 31, 2023 and August 31, 2022, the balances were as follows:

	<u>May 31, 2023</u>	<u>August 31, 2022</u>
TBH	\$ 1,407,789	\$ 2,137,056
TK	<u>-</u>	<u>-</u>
Total	<u>\$ 1,407,789</u>	<u>\$ 2,137,056</u>

#### NOTE 6- INVENTORY

Inventory is valued using the first-in, first-out periodic ("FIFO") method and is stated at historical cost. Costs included in finished goods are composed primarily of materials, labor, and allocations of factory overhead. Raw materials are valued at historical cost. As of May 31, 2023 and August 31, 2022, the balances were as follows:

	<u>May 31, 2023</u>	<u>August 31, 2022</u>
TBH	\$ 1,519,462	\$ 4,355,156
TK	<u>-</u>	<u>-</u>
Total	<u>\$ 1,519,462</u>	<u>\$ 4,355,156</u>

Inventory consists of the following at May 31, 2023 and August 31, 2022:

	<u>May 31, 2023</u>	<u>August 31, 2022</u>
Santa Fe Flooring	\$ 263,542	\$ 2,770,202
Las Cruces Cabinets	614,789	614,969
LL Industries	188,742	337,906
MK Industries	193,845	317,822
KMT Resources	258,544	258,635
Total	<u>\$ 1,519,462</u>	<u>\$ 4,355,156</u>

Inventory at Santa Fe Flooring had been approximately \$4.3 million for the quarter ended February 28, 2023. The \$4 million decrease was mostly due to a \$4.2 million expensing in inventory that was related to work-in process inventory. This inventory should have been expenses in prior periods but was added to Cost of goods sold in this period, resulting in negative gross margin for the quarter.

#### NOTE 7- NET FIXED ASSETS

Fixed Assets, Net of accumulated depreciation, consist of the following as of May 31, 2023 and August 31, 2023:

	<u>May 31, 2023</u>	<u>August 31, 2023</u>
Equipment	\$ 2,281,930	\$ 2,381,627
Vehicles and Trailers	525,183	468,761
Leasehold Improvements	154,500	159,266
Capitalized Leased Assets	2,847	31,967
Furniture & Fixtures	174,965	38,086
Fixed Assets Gross	<u>3,139,425</u>	<u>3,079,707</u>
Depre. and Amor.	(1,733,323)	(1,672,216)
Fixed Assets Net	<u>\$ 1,406,102</u>	<u>1,407,491</u>

## NOTE 8- ACCOUNTS PAYABLE

Accounts payable principally reside at the three operating subsidiaries of TBH. Payables are for expenses and costs such as salaries and inventory.

As of May 31, 2023 and August 31, 2022, the balances were as follows:

	<u>May 31, 2023</u>	<u>August 31, 2022</u>
TBH	\$ 2,053,372	\$ 2,560,498
TK	<u>124,000</u>	<u>9,000</u>
Total	<u>\$ 2,177,372</u>	<u>\$ 2,569,498</u>

## NOTE 9- LINE OF CREDIT

The Company has various revolving lines of credit, each with maximum borrowing limit of \$200,000, including variable interest of 2% over the monthly LIBOR rate. The line matures on February 5<sup>th</sup>, 2023. The outstanding balances as of May 31, 2023 and August 31, 2022 were \$1,341,608 and \$565,254, respectively. During the nine months ended May 31, 2023, the Company took out four new lines of credit totaling approximately \$800,000. The Company was in compliance with all loan covenants as of May 31, 2023 and August 31, 2022.

## NOTE 10 – CONVERTIBLE NOTES

As of May 31, 2023 and August 31, 2022, the balances were as follows:

<u>Date Issued</u>	<u>Creditor</u>	<u>May 31, 2023</u>	<u>August 31, 2022</u>
7-21-21	Trillium Partners, LP	\$ 80,000	\$ 80,000
7-21-21	J.P. Carey Limited Partners, Inc	240,000	240,000
9-27-21	Trillium Partners, LP	300,000	300,000
9-27-21	J.P. Carey Limited Partners, Inc.	300,000	300,000
3-1-22	Frondeur Partners, LLC	50,000	50,000
4-1-22	Frondeur Partners, LLC	10,000	10,000
5-1-22	Frondeur Partners, LLC	10,000	10,000
6-1-22	Frondeur Partners, LLC	10,000	10,000
8-1-22	Frondeur Partners, LLC	35,000	35,000
10-1-22	Frondeur Partners, LLC	50,000	-
11-1-22	Frondeur Partners, LLC	25,000	-
12-1-22	Frondeur Partners, LLC	25,000	-
01-1-23	Frondeur Partners, LLC	25,000	-
02-1-23	Frondeur Partners, LLC	25,000	-
03-1-23	Frondeur Partners, LLC	25,000	-
04-1-23	Frondeur Partners, LLC	25,000	-
05-1-23	Frondeur Partners, LLC	<u>25,000</u>	<u>-</u>
	Total convertible notes, gross	\$ 1,260,000	\$ 1,035,000
	Less; discount	( 397,451)	( 947,440)
	Total convertible notes, net	<u>\$ 862,549</u>	<u>\$ 87,560</u>

During the quarter ended m

See Item 3B, Issuance History, for conversion features on these obligations.

## NOTE 11- PAYROLL PROTECTION PROGRAM AND EMPLOYEE RETENTION CREDITS

Due to the COVID pandemic, the United States Government allowed for credits to be issued for the following:

Employee retention credits- Employee retention credits are credits for payroll taxes paid during the pandemic.

During the following years, the following credits were as follows:

	<u>May 31,</u> <u>2023</u>		<u>August 31,</u> <u>2022</u>
Employee retention credits (ERC)	\$ 1,383,580	\$	394,507

## NOTE 12- COMMON STOCK SUBSCRIBED

Common stock subscribed represents the following. In August 2022, an investor purchased 1,200,000,000 shares at \$.0002 for a total of \$240,000. There was a delay in issuing the shares until September 29, 2022. The Company recorded a liability for common stock subscribed as of August 31, 2022. Upon the issuance of the shares on September 29, 2022, the liability was reversed and the equity was recorded.

## NOTE 13 – INTEREST EXPENSE

For the nine months ended May 31, 2023 and May 31, 2022, interest expense was as follows:

	<u>May 31, 2023</u>	<u>May 31, 2022</u>
Conversion price below prevailing price*	\$ -	\$ 4,200,000
Put premium**	(45,000)	30,000
Accrued interest on debt	<u>566,973</u>	<u>565,891</u>
Total	<u>\$ 521,973</u>	<u>\$ 4,795,891</u>

\*- Per Note 11- Convertible Notes (See above), the Company issued \$600,000 worth of convertible notes during the quarter ended August 31, 2022. These notes are convertible at a price of \$.0001. On September 27, 2021, the date of issuance, the stock price of the Company was \$.0008. The difference between those two prices, \$.0007 was then applied against the number of shares upon conversion, 2,000,000,000. This resulted in a charge to interest expense and an offset to Additional Paid-In capital.

\*\* - During the nine months ended May 31, 2023, the Company's variable conversion price debt were converted into non-convertible debt. As such, the put premium associated with these notes were reversed.

## NOTE 14 – WARRANTS

In connection with the convertible notes referenced in the convertible notes footnote above, the Company has issued 2,000,000,000 warrants each to Trillium Partners LP and JPC Investors, Inc. 2,000,000,000 of the warrants have an exercise price of \$.0003, and 2,000,000,000 of the warrants have an exercise price of \$.0001

The warrants with a fixed exercise price of \$.0003 expire on July 21, 2028. The aggregate fair value of the warrants, totaled \$399,140 based on the Black Scholes Merton pricing model marked to market at August 31, 2022. In puts in the calculation were as follows: a) exercise price of \$.0003; b) risk-free rate of 2%; c) volatility of 250% and expected life of the warrants of 6.15 years.

The warrants with a fixed exercise price of \$.0001 expire on September 27, 2028. The aggregate fair value of the warrants, totaled \$399,258 based on the Black Scholes Merton pricing model marked to market at November 30, 2021. In puts in the calculation were as follows: a) exercise price of \$.0001; b) risk-free rate of 2%; c) volatility of 250% and expected life of the warrants of 6.33 years.

In addition, 1,800,000 warrants were issued as part of the Advisory notes issued between August 1, 2022 and May 31, 2023.

<u>Range of Exercise prices</u>		<u>Warrants outstanding</u>	<u>Remaining life (in years)</u>	<u>Valuation</u>
\$	0.00030	1,000,000,000	3.39	\$ 95,727
\$	0.00010	1,550,000,000	3.58-4.93	227,107
\$	0.00005	1,250,000,000	4.5-5	74,617
		<u>3,800,000,000</u>		<u>\$ 397,451</u>

#### NOTE 15 – LONG TERM INDEBTEDNESS

Long term indebtedness is as follows at May 31, 2023 and August 31, 2022:

		<u>May 31, 2023</u>	<u>August 31, 2022</u>
Note 1	SBA Loan	1,486,842	1,603,570
Note 2	Seller Notes	-	155,023
Note 3	EIDL	145,614	150,000
Note 4	Seller Notes	527,559	515,681
Note 5	Long Term Debt	2,725,000	2,725,000
Note 6	Long Term Debt	1,500,000	1,500,000
Note 7	Seller Notes	835,645	872,840
Note 8	Long Term Debt	34,227	37,627
Note 9	Long Term Debt	21,211	34,227
Note 10	Long Term Debt	11,942	16,256
Note 11	Long Term Debt	6,877	11,506
Note 12	Long Term Debt	19,613	25,832
Note 13	Seller Notes	122,403	146,195
Note 14	Long Term Debt	-	205,679
Note 15	Long Term Debt	-	304,322
Note 16	Long Term Debt	150,000	150,000
Miscellaneous	Long Term Debt	-	2,500
Note 17	Long Term Debt	-	270,893
Note 18	Long Term Debt	-	212,431
Note 19	Long Term Debt	150,000	-
Note 20	Long Term Debt	83,064	-
Note 21	Member loans	144,187	-
Total:		<u>\$ 7,964,184</u>	<u>\$ 8,939,582</u>

- 1) On September 26, 2019 the Company entered into an SBA guaranteed note agreement with a finance company, maturing September 26, 2029 in the original amount of \$1,995,000 at a variable annual interest rate of WSJ Prime + 2.75% with monthly payments of \$22,571 per month. Secured by Accounts Receivable and Fixed Assets of Santa Fe Flooring LLC.
- 2) On September 26, 2019 the Company entered into a Promissory Note with the Seller of OGB Millworks maturing September 30, 2022 at a fixed annual interest rate of 8.0% with monthly installments of \$8,226. Secured by the transferred asset within the Sale Agreement.
- 3) On May 21, 2020 the Company entered into an Economic Injury Disaster Loan (EIDL) with the US Small Business Administration maturing May 21, 2050 in the original amount of \$150,000 at a fixed annual interest rate of 3.75% with the first payment due May 21, 2022 with anticipated monthly payments of approximately \$5,700 per month
- 4) On October 11, 2020 the Company entered into an unsecured Promissory Note with the seller of Sher-Wood Fine Wood Design maturing September 11, 2025 in the original amount of \$710,000 at an annual interest rate of 6% with monthly payments of \$13,726.
- 5) On December 3, 2020 the Company entered into a note agreement with a finance company, maturing December 3, 2023 in the original amount of \$2,000,000 at a fixed annual interest rate of 15% with monthly payments of \$25,000 interest only. The loan principal is due upon the maturity of the loan. The loan term provided for bi-weekly draws of \$500,000 to the maximum of \$2,000,000 with the initial draw of \$550,000 taken on December 31 2020 and the remainder in the first quarter of 2021. The loan provides for a loan bonus earned at maturity or change in ownership control in the amount of \$400,000. Secured by Accounts Receivable and Fixed Assets of Santa Fe Flooring LLC. Secured by a Senior Subordination Agreement covering all accounts, inventory, equipment, intangibles and investment property of Third Bench Holdings LLC.
- 6) On April 30, 2021 the Company entered into a Mezzanine loan agreement with a finance company, maturing April 30, 2024 in the original amount of \$1,500,000 at a fixed annual interest rate of 15% with monthly interest only payments of \$18,750 per month. The loan provides for a loan bonus earned at maturity or change in ownership control in the amount of \$300,000. Secured by a Senior Subordination Agreement covering all accounts, inventory, equipment, intangibles and investment property of Third Bench Holdings LLC
- 7) On March 9, 2021 the Company entered into a Promissory Note with the sellers of Davis Kitchens – Tucson maturing March 9, 2031 in the original amount of \$965,023 at an interest rate of 3% with monthly payments of \$9,484. Secured by AR and Fixed Assets.  
On September 23, 2020 as part of the acquisition of Sher-Wood Fine Wood Design the Company assumed the following notes of the Company :

- 8) Company assumed an auto loan with a bank maturing January 17, 2024 in the original amount of \$100,000 at a rate of 6% with monthly payments of principal and interest of \$2,341. Secured by a Company owned service trucks
- 9) Company assumed an auto loan with a bank maturing September 17, 2024 in the original amount of \$47,668 at a rate of 6% with monthly payments of principal and interest of \$1,189. Secured by Company owned vehicle
- 10) Company assumed an auto loan with an Auto loan with a bank maturing December 24, 2024 in the original amount of \$23,605 at a rate of 12.5% with monthly payments of principal and interest of \$633. Secured by Company owned vehicle
- 11) Company assumed an autoX (Equipment) loan with a bank maturing December 1, 2023 in the original amount of \$45,371 at a rate of 10.6% with monthly payments of principal and interest of \$926. Secured by Company owned vehicle
- 12) On June 30, 2021 The Company entered into a Promissory Note for the purchase of a Company Vehicle in the original amount of \$28,842 maturing 8/15/2026 at an interest rate of 8.59% secured by the vehicle purchased
- 13) On October 1, 2021 the Company entered into a Promissory Note with the Seller of Davis Kitchens Albuquerque maturing October 1,2026 at a fixed annual interest rate of 3.0% with monthly installments of \$3,144. Secured by the transferred asset within the Sale Agreement.
- 14) On November 15, 2021 the Company entered into a Factoring Merchant Agreement with a finance company whereby \$366,000 of Accounts receivable were sold at a discounted rate of 22% repayable upon collection of the sold receivables. The loan is repayable at a rate of \$6,535.71 per week
- 15) On December 10, 2021 the Company entered into a Factoring Merchant Agreement with a finance company whereby \$387,000 of Accounts receivable were sold at a discounted rate of 25% repayable upon collection of the sold receivables. The loan is repayable at a rate of \$7,442 per week
- 16) On February 22, 2022 the Company entered into an Economic Recovery loan with the State of New Mexico in the amount of \$150,000 Maturing 2/22/2032 with an interest rate of 1.6%. The terms provide for interest only payments beginning 2/22/2023 and monthly principal and interest payments from 3/22/2023 until maturity.
- 17) On January 12, 2022 the Company entered into a Factoring Merchant Agreement with a finance company whereby \$387,000 of Accounts receivable were sold at a discounted rate of 25% repayable upon collection of the sold receivables. The loan is repayable at a rate of \$7,443 per week
- 18) On April 25, 2022 the Company entered into a Factoring Merchant Agreement with a finance company whereby \$268,150 of Accounts receivable were sold at a discounted rate of 25% repayable upon collection of the sold receivables. The loan is repayable at a rate of \$6,233 per week.
- 20) On February 10, 2023 the company entered into a vehicle loan for a box truck

with Premier Financing at a fixed rate of 11.10% with a \$1,661 monthly payment.

#### **NOTE 16- COMMITMENTS AND CONTINGENCIES – LEASES**

On July 19, 2019, upon the acquisition of OGB Millwork by the Company's subsidiary Santa Fe Flooring, LLC, Santa Fe Flooring entered into an operating lease for an operational facility located in Albuquerque, New Mexico from the seller. The agreement expires September 30, 2024 with a monthly rent of \$19,765.

On September 23, 2020, upon the acquisition of Sher-wood Fine Wood Design by the Company's subsidiary Las Cruces Cabinets entered into a lease for an operational facility located at 911 West Amador, Las Cruces, New Mexico from the seller. The agreement expires in May 31, 2026, with an initial monthly rent of \$4000 and increasing each year.

On September 11, 2020, upon the acquisition of Sher-wood Fine Wood Design by the Company's subsidiary Las Cruces Cabinets entered into a lease for an operational facility located at 400 N 17<sup>th</sup> St Las Cruces, NM, New Mexico from the seller. The agreement expires in September, 2025, with an initial monthly base rent of \$5000.

On March 15, 2021 upon acquisition of Davis Kitchens Tucson by the Company's subsidiary LL Industries, Inc entered into a Sublease Agreement for a showroom and operational facility located in Tucson, Arizona. The agreement expires on May 31, 2027 with an initial base monthly rent of \$15,073 beginning on June 1, 2022. The Company is additionally obligated to pay Common Area Maintenance charges which are variable but are \$12,096 per month include property taxes and repair and maintenance costs prorated on a square footage basis and a 'percentage rent' beginning July 1, 2022 payable quarterly and calculated at 1% of Company's quarterly revenue in excess of \$3 million.

Rent from May 15, 2021 through 05/31/2022 was deferred until May, 2021 as part of the overall sale agreement)

On October 1, 2021 upon acquisition of Davis Kitchens Albuquerque the Company assumed a lease Agreement for a showroom and operational facility located in Albuquerque, New Mexico. The agreement expires on December 31, 2024 with a base monthly rent of \$8,000 beginning on Jan 1, 2022 through expiration of the lease.

Minimum lease payments over their remaining terms is as follows:

2022	\$ 192,714
2023	\$ 772,776
2024	\$ 715,449
2025	\$ 424,680
2026	\$ 326,028
Thereafter	\$ 326,028
	<hr/>
	\$ 3,232,035

#### **NOTE 17 – STOCKHOLDERS' DEFICIT**

##### Common stock

The Company has authorized the issuance of 50,000,000,000 shares of common stock, \$0.001 par value. At May 31, 2023 and August 31, 2022, the Company had 13,368,617,932 and 12,168,617,932 respectively, shares of common stock issued and outstanding.

As of the balance sheet, if all convertible securities were converted into common stock, there would be approximately 269 billion shares outstanding as follows:

Common stock outstanding at May 31, 2023	13,368,617,932
<u>Preferred stock</u>	
Series A	51
Series B	246,540,612,838
Series C	3,897,828,660
Series D	455,000,000
Convertible debt	6,968,547,945
Warrants	<u>675,000,000</u>
Total shares assuming full conversion	<u>271,905,607,427</u>

The Company has an approved Regulation A filing with the SEC to issue 50 billion shares at \$.0002 for a maximum of \$ 10 million.

#### Preferred stock

On September 28, 2013, the Company issued 51 shares of No par Series A Preferred stock to Jeffrey M. Canouse, our Chief Executive. Each share is convertible into one share of our existing common stock. However, for voting purposes, they are convertible into 51% of the outstanding common stock at any time. These shares were transferred to David Fair, our current CEO when he assumed that role.

On July 12, 2021 the Company issued 511,000 shares of Series B Preferred stock to the owners of TBH in consideration for the assets contributed. The Series B stock is convertible into 90% ownership of the Company on a fully diluted basis for a period of one year.

On July 12, 2021 the Company issued 390,000 shares of Series C Preferred stock to the creditors of the Company for extinguishment of their outstanding debt. Each share is convertible into 16,000 shares of common stock subject to anti-dilution provisions.

On September 1, 2021, the Company paid \$400,000 to retire 81,360 of Jeffrey M. Canouse's Series C Preferred stock.

During the year ended August 31, 2022, the Company extinguished another 65,026 shares through the issuance of approximately 1.4 billion shares of common stock

243,614 shares of Series C preferred stock remain outstanding.

On July 12, 2021 the Company issued 45,500 shares of Series D Preferred stock for services provided. Each share is convertible into 10,000 shares of common stock subject to anti-dilution provisions.

#### **NOTE 18 – LEGAL PROCEEDINGS**

As a commercial enterprise and employer, the Company is subject to various claims and legal actions in the ordinary course of business. These matters can include professional liability, employment-relations issues, workers' compensation, tax, payroll and employee-related matters, other commercial disputes arising in the course of its business, and inquiries and investigations by governmental agencies regarding our employment practices or other matters. The Company is not aware of any pending or threatened litigation that it believes is reasonably likely to have a material adverse effect on its results of operations, financial position or cash flows.

#### **NOTE 19- SEGMENT REPORTING**

Due to inactivity in the car loan segment, there is no segment reporting required. However, the Company has decided to show the Balance sheet and twelve month income statements broken down between the parent company and the operating subsidiary to accurately reflect operating income. The consolidated Balance sheet is presented first and then the Statement of Operations.

New America Energy, Corp.  
Segment Balance Sheet  
May 31 2023  
(Unaudited)

	PARENT COMPANY	THIRD BENCH HOLDINGS, LLC	ELIMINATIONS	May 31, 2023
<b>Assets</b>				
Cash	\$ 222	\$ 575,351	\$ -	\$ 575,572
Accounts Receivable (Note 5)		1,407,789	-	1,407,789
Earnings retention credit receivable (Note 11)		1,383,580		1,383,580
Intercompany receivable	2,032,500		(2,032,500)	-
Inventory (Note 6)		1,519,462	-	1,519,462
Deferred financing asset	48,219	302,656	-	350,875
Prepaid Expense & Other		1,008,244	-	1,008,244
Other Current Assets		575,895	-	575,895
<b>Total Current Assets</b>	<u>2,080,941</u>	<u>6,772,976</u>	<u>(2,032,500)</u>	<u>\$ 6,821,417</u>
Goodwill	-	262,500	(262,500)	-
Net Fixed Assets (Note 7)		1,406,102	-	1,406,102
Other Assets		267,214	-	267,215
Investments	5,422,391	262,965	(5,685,356)	-
<b>Total Non-current assets</b>	<u>5,422,391</u>	<u>2,198,781</u>	<u>(5,947,856)</u>	<u>1,673,317</u>
<b>Total Assets</b>	<u>\$ 7,503,332</u>	<u>\$ 8,971,757</u>	<u>\$ (7,980,356)</u>	<u>\$ 8,494,734</u>
<b>Liabilities</b>				
Accounts Payable	\$ 124,000	\$ 2,053,372	\$ -	\$ 2,177,372
Non-convertible notes	136,984	3,376	-	140,360
Convertible notes (Note 15)	862,549		-	862,549
Customer Deposits		843,367	-	843,367
Accrued Expenses	10,000	1,908,274	-	1,918,274
Other Liabilities		1,894,624		1,894,624
Due to parent company		2,032,500	(2,032,500)	-
Accrued interest	198,318			198,318
Line of credit (Note 9)		1,341,608	-	1,341,608
Related Parties Liabilities	557		-	557
<b>Total Current Liabilities</b>	<u>1,332,409</u>	<u>10,077,122</u>	<u>(2,032,500)</u>	<u>9,377,031</u>
Long term indebtedness	-	7,964,184	-	7,964,184
<b>Total Liabilities</b>	<u>1,332,409</u>	<u>18,041,306</u>	<u>(2,032,500)</u>	<u>17,341,215</u>
<b>Stockholders Deficit</b>	<u>6,170,923</u>	<u>(9,069,549)</u>	<u>(5,947,856)</u>	<u>(8,846,481)</u>
<b>Total Liabilities and Stockholders Deficit</b>	<u>7,503,332</u>	<u>8,971,757</u>	<u>(7,980,356)</u>	<u>8,494,734</u>

New America Energy, Corp.  
Segment Statement of Operations  
Three months ended May 31, 2023  
(Unaudited)

	PARENT COMPANY	THIRD BENCH	ELIMINATIONS	May 31, 2023
<b>Revenues</b>				
Net Sales	\$ -	\$ 3,856,374	\$ -	\$ 3,856,374
Cost of goods sold	-	(6,533,980)	-	(6,533,980)
Gross Profit	-	(2,677,606)	-	(2,677,606)
<b>Operating Expenses</b>				
Labor	-	469,521	-	469,521
Other Operating	-	47,628	-	47,628
General and administrative	75,654	635,259	-	710,913
Depreciation and Amortization	-	71,849	-	71,849
<b>Total Operating Expenses</b>	<b>75,654</b>	<b>1,224,257</b>	<b>-</b>	<b>1,299,911</b>
Net operating profit (loss)	(75,654)	(3,901,863)	-	(3,977,517)
<b>Other Income (Expense)</b>				
Other income	-	(6,712)	-	(6,712)
Interest expense	161,682	(213,223)	-	(51,541)
Amortization of debt discounts	-	-	-	-
Reconciliation of debt balances	-	(808,611)	-	(808,611)
Employee retention credits	-	-	-	-
Expensing of warrants upon issuance of notes, net of quarterly mark to market	-	-	-	-
Reconciliation of net assets in purchase of subsidiaries ( See Note 18)	-	-	-	-
Total Other Income (Expense)	161,682	(1,028,547)	-	(866,865)
Net income before income taxes	86,028	(4,930,410)	-	(4,844,382)
Provision for Income Taxes	-	-	-	-
Net income/(loss)	<u>\$ 86,028</u>	<u>\$ (4,930,410)</u>	<u>\$ -</u>	<u>\$ (4,844,382)</u>
Weighted average shares outstanding-Basic				<u>13,368,617,932</u>
Weighted average shares outstanding-Diluted				<u>271,905,607,427</u>
Net income/(loss) per share - Basic				<u>\$ (0.00)</u>
Net income/(loss) per share -Fully diluted				<u>\$ (0.00)</u>

New America Energy, Corp.  
Consolidated Statement of Operations  
Nine months ended May 31, 2023 and 2022  
(Unaudited)

	PARENT COMPANY	THIRD BENCH	ELIMINATIONS	May 31, 2023
<b>Revenues</b>				
Net Sales	\$ -	\$ 12,923,712	\$ -	\$ 12,923,712
Cost of goods sold	-	(11,635,098)	-	(11,635,098)
Gross Profit	-	1,288,614	-	1,288,614
<b>Operating Expenses</b>				
Labor	-	1,771,316	-	1,771,316
Other Operating	-	552,822	-	552,822
General and administrative	370,349	2,172,305	-	2,542,654
Depreciation and Amortization	-	206,732	-	206,732
<b>Total Operating Expenses</b>	<b>370,349</b>	<b>4,703,175</b>	<b>-</b>	<b>5,073,525</b>
Net operating profit (loss)	(370,349)	(3,414,561)	-	(3,784,911)
<b>Other Income (Expense)</b>				
Other income	-	331,586	-	331,586
Interest expense	(96,948)	(425,025)	-	(521,973)
Amortization of debt discounts	-	-	-	-
Forgiveness of PPP note	-	-	-	-
Reconciliation of debt balances	-	(808,611)	-	(808,611)
Reconciliation of net assets in purchase of subsidiaries ( See Note 18)	-	-	-	-
Earnings retention credit	-	2,458,808	-	2,458,808
Expensing of warrants upon issuance of notes, net of quarterly mark to market	-	-	-	-
Total Other Income (Expense)	(96,948)	1,556,758	-	1,459,810
Net income before income taxes	(467,297)	(1,857,803)	-	(2,325,101)
Provision for Income Taxes	-	-	-	-
Net income/(loss)	<u>\$ (467,297)</u>	<u>\$ (1,857,803)</u>	<u>\$ -</u>	<u>\$ (2,325,101)</u>
Weighted average shares outstanding-Basic				<u>12,551,035,514</u>
Weighted average shares outstanding-Diluted				<u>269,027,915,856</u>
Net income/(loss) per share - Basic				<u>\$ (0.00)</u>
Net income/(loss) per share -Fully diluted				<u>\$ (0.00)</u>

## **NOTE 20- INTERCOMPANY TRANSACTIONS**

The Subsidiary Companies have very little activity among one another. Each Subsidiary pays or accrues a management fee to Third Bench Holdings LLC and settles those obligations as working capital permits. The Seller loan from the acquisition of Sher-wood Fine Wood Design is recorded on the books of Las Cruces Cabinets and is reimbursed by Third Bench Holdings LLC. On occasion either Third Bench Holdings LLC or one of the Equity holders may advance the Subsidiaries money's for short-term working capital. Such amounts paid by members that are not included in the consolidated financial statements are reflected in the member notes in the Current Liabilities of the Consolidated Balance Sheet. All other related party activity between the Consolidated Entities has been eliminated from the financial statements in the Consolidating of the financial statements.

## **NOTE 21- COVID-19**

The Company, like all enterprises, is currently dealing with the impact of COVID-19 on future prospects. Recent events such as the vaccinations mitigate, but do not eliminate, the possible adverse consequences to the domestic and international economies. However, several new variants have been identified and their impact has yet to be determined.

## **NOTE 22- IMPACT OF CLIMATE CHANGE**

The Financial Stability Board created the Task Force on Climate-related Financial Disclosures (TCFD) to improve and increase reporting of climate-related financial information. The TCFD requires that the impact of climate change upon risk assessment, capital allocation and strategic planning be discussed. Recently, Exxon Mobil has stated that the worldwide climate targets established by the Intergovernmental Panel on Climate Change will not be met. At this time, the impact of the world not meeting its worldwide goals cannot be quantified.

## **NOTE 23- SUBSEQUENT EVENTS**

Pursuant to ASC 855-10, the Company has evaluated all events or transactions that occurred from December 1, 2022 to the date of this report. The Company believes that the following events meet the criterion and require disclosure.

### **Issuance of debt**

On June 1, 2023 The Company has issued a note to Frondeur Partners for services provided. The note is for \$25,000, carries an interest rate of 10%. In addition, 125,000,000 warrants were issued with an exercise price of \$.00005 and a term of five years

On July 1, 2023 The Company has issued a note to Frondeur Partners for services provided. The note is for \$25,000, carries an interest rate of 10

On August 1, 2023 The Company has issued a note to Frondeur Partners for services provided. The note is for \$25,000, carries an interest rate of 10%.

On September 1, 2023 The Company has issued a note to Frondeur Partners for services provided. The note is for \$25,000, carries an interest rate of 10%.

### **Reverse Split**

Effective October 2, 2023, the Company effectuated a reverse split of 1:500 common shares.