

# AMERICAN GREEN



## AMERICAN GREEN INC

**Financial Statements & Notes**

(Unaudited)

For the years ended  
June 30, 2018 and 2017

**AMERICAN GREEN INC.**  
**UNAUDITED CONSOLIDATED BALANCE SHEET**  
**AT JUNE 30, 2018**

**ASSETS**

**CURRENT ASSETS:**

Cash	\$	288,088
Inventory		30,611
Accounts receivable		37,500
Total current assets		356,199

**OTHER ASSETS:**

Equipment-smart machines		523,944
Investments		450,000
Leasehold improvements		3,365,504
Project costs		751,646
Land & improvements - Nipton Arizona		5,759,929
Unamortized discount		41,667
Vehicles		27,063
Patents		93,665
Deposits		21,986
Total assets	\$	11,391,603

**LIABILITIES**

**CURRENT**

Accounts payable and accrued expenses	\$	413,969
Loans from shareholders		2,067,818
Debentures payable and accrued interest		11,529,469
Total current liabilities		14,011,256

**LONG TERM**

Mortgage payable-Nipton		2,732,416
Acquisition Debt		565,784
Other liabilities		757,201
Total Liabilities		18,066,657

Minority interest		10,519
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**STOCKHOLDERS' DEFICIT**

Preferred stock Series B		79,000
Preferred stock Series C		60,000
Common stock		22,594,483
Additional paid-in capital		7,197,403
Accumulated (deficit)		(36,616,459)
Total stockholders' deficit		(6,685,573)

Total liabilities and stockholders' deficit	\$	11,391,603
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See accompanying notes to these unaudited consolidated financial statements.

**AMERICAN GREEN INC.**  
**CONSOLIDATED STATEMENTS OF OPERATIONS**  
**UNAUDITED**

	<b>For the years ended June 30,</b>	
	<b>2018</b>	<b>2017</b>
<b>SALES REVENUE</b>		
Machine sales	\$ 59,180	\$ -
Online store sales	41,984	15,504
Paw Puddy sales	88,573	23,831
Total sales revenue	<u>189,737</u>	<u>39,335</u>
<b>COST OF SALES</b>		
Machine sales	33,041	-
Online store sales	26,893	6,972
Paw Puddy sales	48,836	15,312
Total cost of sales	<u>108,770</u>	<u>22,284</u>
<b>GROSS PROFIT</b>	<b>80,967</b>	<b>17,051</b>
<b><u>OPERATING EXPENSES</u></b>		
General and administrative	127,449	19,979
Sales and marketing	139,946	130,156
Staff consultants	356,154	175,930
Outside consultants	421,357	346,281
Legal and accounting	247,173	414,587
Officer & Director compensation	237,750	216,500
Travel	25,725	30,295
Shareholder communication	36,621	20,334
Rent and utilities	158,130	101,190
Interest expense	854,436	400,004
Minority interest in joint ventures		-
Depreciation and amortization		1,904
Total operating expenses	<u>2,604,741</u>	<u>1,857,160</u>
(Loss) from operations	(2,523,774)	(1,840,109)
Net (loss) from Cannawake Corp.	(665,998)	
Minority interest in Cannawake	<b>93,240</b>	-
(Loss) on sale of Nipton Inc	(400,982)	
Abandoned projects	<b>(194,445)</b>	(40,000)
Gain on sale of building	-	6,923
Net (loss)	<u>\$ (3,691,959)</u>	<u>\$ (1,873,186)</u>

See accompanying notes to these unaudited consolidated financial statements.

# AMERICAN GREEN INC.

## CONSOLIDATED STATEMENTS OF CHANGES IN STOCKHOLDERS DEFICIT UNAUDITED

	Preferred Shares	Amount	Common Shares	Amount	Paid-In Capital	Accumulated (Deficit)	Total
Balance at June 30, 2016	6,500,000	\$65,000	7,247,693,042	7,247,693	16,353,076	(31,051,314)	(7,385,545)
Preferred B shares issued for cash	1,400,000	14,000			2,800		16,800
Preferred C shares issued for cash	3,000,000	30,000			6,000		36,000
Shares issued for debt			82,060,744	82,060	8,940		91,000
Shares repurchased			(14,823,132)	(14,823)	(7,425)		(22,248)
Shares issued for debentures prin & accrued interest			7,236,680,544	7,236,681	(4,973,368)		2,263,313
Net (loss) for the year ended Jun. 30, 2017						(1,873,186)	(1,873,186)
Balance at June 30, 2017	<u>10,900,000</u>	<u>109,000</u>	<u>14,551,611,198</u>	<u>14,551,611</u>	<u>11,390,023</u>	<u>(32,924,500)</u>	<u>(6,873,866)</u>
Shares issued for debentures prin & accrued interest			8,042,873,705	7,860,002	(4,322,250)		3,537,752
Preferred C shares issued for cash	3,000,000	30,000			6,000		36,000
Shares issued for debt and services				182,870	123,630		306,500
Net (loss) for the year ended Jun. 30, 2018						(3,691,959)	(3,691,959)
Balance at June 30, 2018	<u>13,900,000</u>	<u>\$139,000</u>	<u>22,594,484,903</u>	<u>\$22,594,483</u>	<u>\$7,197,403</u>	<u>(\$36,616,459)</u>	<u>(\$6,685,573)</u>
Balance at 6/30/17	10,900,000	109,000	14,551,611,198	14,551,611	11,390,023	(32,924,500)	(6,873,866)
Quarter 1	3,000,000	30,000	2,617,360,000	2,617,360	(1,832,152)	(611,694)	209,514
Quarter 2	0	0	1,952,597,879	1,952,598	(984,825)	(613,146)	354,627
Quarter 3			2,977,841,826	2,977,840	(1,134,106)	(631,655)	1,212,079
Quarter 4			495,074,000	495,074	(247,537)		247,537
	<u>3,000,000</u>	<u>30,000</u>	<u>8,042,873,705</u>	<u>8,042,872</u>	<u>(4,198,620)</u>	<u>(1,856,495)</u>	<u>2,023,757</u>
Balance at 6/30/18	<u>13,900,000</u>	<u>139,000</u>	<u>22,594,484,903</u>	<u>22,594,483</u>	<u>7,191,403</u>	<u>(34,780,995)</u>	<u>(4,850,109)</u>

See accompanying notes to these unaudited consolidated financial statements.

# AMERICAN GREEN INC.

## UNAUDITED CONSOLIDATED STATEMENTS OF CASH FLOWS

For the years ended ended

June 30,

<b>OPERATING ACTIVITIES</b>	<b>2018</b>	<b>2017</b>
Net (loss) for the period	\$ (3,691,959)	\$ (1,873,186)
Adjustments to reconcile net loss to net cash (used in) provided by operating activities:		
Shares issued - debt & services	306,500	91,000
Shares issued - debentures & interest	3,537,752	(28,931)
Depreciation & amortization	0	1,904
Changes in assets and liabilities		
(Incr)/decr -accounts receivable	(37,500)	6,000
(Incr)/decr - Inventory	(25,690)	0
(Incr)/decr - Investments		35,079
(Incr)/decr - Deposits		2,591
(Incr)/decr - prepaid expenses	0	0
(Incr)/decr - loan receivable	100,000	
Incr/(decr) in accounts payable	279,358	0
Incr/(decr) in debentures payable	0	0
Incr/(decr) in accrued interest	143,733	97,010
Incr/(decr) - loans from shareholders	(178,500)	253,500
<b>Net cash (used in) provided by operating activities</b>	<b>433,694</b>	<b>(1,415,033)</b>
<b>INVESTING ACTIVITIES</b>		
Capitalized project costs	(378,737)	(13,148)
Shares repurchased from shareholder		(22,248)
Purchase leasehold improvements	(2,878,148)	(448,932)
Investment in Mediatechnics	0	(50,000)
Investment in machine technology	(23,618)	(59,942)
Other investments	141,195	
Vehicles-Nipton	(27,063)	
Land & improvements - Nipton	(5,759,929)	
Minority interest in net assets	10,519	
<b>Net cash (used in) provided by investing activities</b>	<b>(8,915,781)</b>	<b>(594,270)</b>
<b>FINANCING ACTIVITIES</b>		
Issuance of debentures for cash	5,049,187	2,320,710
Acquisition liabilities	757,201	
Preferred B shares issued for cash	0	16,800
Preferred C shares issued for cash	36,000	36,000
Reduction in acquisition debt	(120,500)	(61,123)
Mortgage secured by land-Nipton	2,732,416	
<b>Net cash (used in) provided by financing activities</b>	<b>8,454,304</b>	<b>2,312,387</b>
<b>INCREASE (DECREASE) IN CASH</b>	<b>(27,783)</b>	<b>303,084</b>
<b>CASH, BEGINNING OF PERIOD</b>	<b>315,871</b>	<b>12,787</b>
<b>CASH, END OF PERIOD</b>	<b>\$ 288,088</b>	<b>\$ 315,871</b>

### NON CASH TRANSACTIONS IN COMMON SHARES

NONE

See accompanying notes to these unaudited consolidated financial statements.

# AMERICAN GREEN INC.

## Notes to Unaudited Consolidated Financial Statements For the years ended June 30, 2018 and 2017 (Unaudited)

### NOTE 1. THE COMPANY AND ITS SIGNIFICANT ACCOUNTING POLICIES

#### The Company

The Company was formed on December 10, 1998 as the result of a Plan and Agreement of Reorganization in Nevada between Ti-Mail, Inc. and Whitney Corporation and became known as Desert Winds Entertainment, Inc. During 2000 the Company changed its name to SunnComm, Inc., during 2002 to SunnComm Technologies, Inc., and during 2004 to SunnComm International Inc. On June 14, 2007 the Company changed its name from SunnComm Technologies Inc. to The Amergence Group, Inc. On March 8, 2011 the Company changed its name to Altitude Organic Corporation. On January 6, 2012, the Company changed its name to Tranzbyte Corporation and on May 9, 2014 changed its name to American Green, Inc. On May 10, 2016 the Company re-domesticated to Wyoming as American Green Inc.

The Company is developing a cultivation facility in Phoenix Arizona for medical marijuana, owns proprietary dispensing machines and all of the rights to line of health supplements under the label OneBode.

The unaudited financial statements included herein were prepared from the records of the Company in accordance with Generally Accepted Accounting Principles. These financial statements reflect all adjustments that are, in the opinion of management, necessary to provide a fair statement of the results of operations and financial position for the periods presented. Significant adjustments may be required upon the financial statements being audited to be in conformity with Generally Accepted Accounting Principles.

#### Going Concern

The Company operates in an industry that is subject to rapid change. The Company's operations will be subject to significant risk and uncertainties including financial, operational, technological, regulatory and other risks, including the potential risk of business failure.

The ability of the Company to continue as a going concern is dependent on the successful execution of Management's plans, which include sales of its products, further implementation of its business plan and continuing to raise funds through debt or equity financings. The Company will likely need to rely upon debt or equity financing in order to ensure the continuing existence of the business.

The accompanying unaudited financial statements have been prepared on a going concern basis, which contemplates the realization of assets and the satisfaction of liabilities in the normal course of business.

#### Principles of Consolidation

The Company's consolidated financial statements include the assets, liabilities and operating results of the Company and its majority owned subsidiary named CannAwake Corporation. Minority interest is recorded for other shareholder interests in CannAwake.

#### Use of Estimates

The unaudited financial statements included herein were prepared from the records of the Company in accordance with Generally Accepted Accounting Principles. These financial statements reflect all adjustments that are, in the opinion of management, necessary to provide a fair statement of the results of operations and financial position.

## **Cash & Cash Equivalents**

The company's policy is to consider cash and cash equivalents to consist of checking accounts, money market accounts or certificates of deposit having maturity dates of 180 days or less.

## **Financial Instruments**

Financial instruments consist primarily of cash, security deposits and obligations under accounts payable and accrued expenses. The carrying amounts of cash, accounts receivable, security deposits, accounts payable and accrued expenses approximate fair value because of the short-term maturity of those instruments.

## **Income Taxes**

The Company records its federal and state income tax liability as it is incurred. The company has accumulated net operating losses and does not have any outstanding income tax liabilities.

## **NOTE 2. INVESTMENTS**

At May 24, 2010, the company entered into a Joint Venture Production Agreement with PanPacific International Limited, "PanPacific", whereby it would receive 50% of the profits in three scheduled concerts with internationally known artists to be performed in Hong Kong, and other agreed-upon joint enterprises, for 60 million restricted common shares valued at \$2,400,000. On August 9, 2010, PanPacific and the company formed a Nevada corporation and named it PanPacific International, Inc., "Pan International". PanPacific contributed its business operation allowing Tranzbyte to establish a presence and capabilities in Hong Kong, Macao, and China mainland enabling the company to consider future joint ventures to be identified and its advertising network for 75% ownership and the company received 25% for its prior capital investment of 60 million common shares. During December 2010, the company issued a restricted stock dividend to its shareholders comprised of 80% of its holdings, which was 20% of Pan International's total outstanding common shares. The company reduced its investment in Pan International by 80% to 480,000 shares for the dividend. The company owns 10 million shares of Pan International representing 5% of Pan International's total outstanding common shares with a cost basis of \$480,000 and valued at \$400,000 after impairment.

On December 8, 2016, the Company invested \$50,000 in MediaTechnics Corporation in a class of preferred shares.

## **NOTE 3. LEASEHOLD IMPROVEMENTS**

Leasehold improvements will be amortized over the remaining life of the lease for the cultivation facility when it is put into productive use.

## **NOTE 4. PROJECT COSTS**

The Company is working on the development of technology or acquisition of products to primarily support the medical marijuana industry.

## **NOTE 5. LAND & IMPROVEMENTS – NIPTON**

On September 13, 2017, the Company purchased the unincorporated community of Nipton, California comprised approximately of 120 acres of land with improvements. The Company acquired the community for \$5 million with a \$2 million down payment and financing the remaining \$3 million. The Company is responsible to maintain the improvements which are:

- a. RV Park
- b. Nipton, Hotel
- c. Eco-Cabins
- d. Rental Properties
- e. Water Quality and Quantity

f. Equipment and Machinery

During September 2017 the Company formed a wholly owned subsidiary named Nipton Inc. and during March 2018 transferred all of the assets and liabilities pertaining to the Nipton purchase into Nipton Inc. On April 4, 2018 the Company sold all of Nipton Inc. to Cannawake Corporation for its preferred stock resulting in the Company having approximately 84% voting control of Cannawake.

## **NOTE 6. PATENTS**

On August 6, 2014, the Company acquired the patent rights to technology supporting the Zazz Vending Machine. The patents will start being amortized when the Zazz machines are placed in service.

## **NOTE 7. DEPOSITS**

### **Security Deposits**

The Company has security deposits outstanding on lease space rentals.

## **NOTE 8. DEBENTURES PAYABLE**

### **Retired Debentures – Fiscal Year 2017**

On April 24, 2014 the Company issued a debenture for \$310,000 for cash advanced to Company from April 3, 2014 to April 23, 2014. The debenture accrues interest at 10% per annum and will convert into the company's common stock at 50% of the lowest closing bid price 12 months before the conversion date. The Holder is restricted from any conversions that would result in the Holder owning over 9.9% of the outstanding common shares of the Company after the conversion. During the quarter ended December 31, 2015 the Company effected two conversions totaling \$182,083 comprised of \$138,166 in principal and \$43,917 in accrued interest. During the quarter ended March 31, 2016 the debenture accrued interest of \$2,305 and the Company paid \$79,636 in principal and \$2,864 in accrued interest by issuing 150,000,000 common shares. During the quarter ended September 30, 2016 the Company paid off the remaining balance of \$67,003 in principal and \$1,675 of accrued interest.

On April 24, 2014 the Company issued a debenture for \$500,000 for cash in the same amount on the same date. The debenture accrues interest at 10% per annum and will convert into the company's common stock at 50% of the lowest closing bid price 12 months before the conversion date. The Holder is restricted from any conversions that would result in the Holder owning over 9.9% of the outstanding common shares of the Company after the conversion. Interest expense during the quarter ended September 30, 2014 was \$12,500. Since July 1, 2014 the Debenture has accrued \$15,500 of interest during each quarter. During the quarter ended June 30, 2015 the debenture accrued \$20,833 in interest. Also, the Holder converted \$30,000 of accumulated accrued interest into 9,677,419 common shares. During the quarter ended September 30, 2015, the Holder converted \$110,000 of principal for 99,490,662 common shares and \$28,333 of accrued interest for 18,279,355 common shares. During the quarter ended March 31, 2016 the debenture accrued \$9,750 of interest. During the quarter ended September 30, 2016 the Company reduced its outstanding principal by \$149,000 and accrued interest by \$2,256 by issuing 410,731,429 common shares resulting in the debenture having \$121,788 in principal and \$4,907 in accrued interest outstanding at September 30, 2016. During the quarter ended December 31, 2016 the Company paid off the entire Debenture by retiring the outstanding principal of \$121,788 and accrued interest of \$4,907 by issuing 422,316,666 common shares.

On December 1, 2014 the Company issued a debenture for \$125,000 for two cash advances during the quarter ended December 31, 2014. The debenture accrues interest at 10% per annum and will convert into the company's common stock at 50% of the lowest closing bid price 12 months before the conversion date. The Holder is restricted from any conversions that would result in the Holder owning over 9.9% of the outstanding common shares of the Company after the conversion. Since its inception the debenture accrued \$3,125 of interest during each quarter. During the quarter ended March 31, 2016 the debenture accrued \$3,125 of interest. During the quarter ended September 30, 2016 the debenture accrued \$3,125 of interest resulting in the debenture having \$125,000 in principal and \$21,875 in accrued interest outstanding at September 30, 2016.



During the quarter ended December 31, 2016 the debenture accrued \$1,563 of interest prior to the company retiring the entire debenture by paying \$125,000 of principal and \$23,438 in accrued by issuing 494,793,333 common shares.

On March 31, 2015 the Company issued a debenture for \$353,000 for four cash advances during March 2015. The debenture accrues interest at 10% per annum and will convert into the company's common stock at 50% of the lowest closing bid price 12 months before the conversion date. The Holder is restricted from any conversions that would result in the Holder owning over 9.9% of the outstanding common shares of the Company after the conversion. Since its inception the debenture accrued \$8,825 of interest during each quarter. During the quarter ended March 31, 2016 the debenture accrued \$8,825 of interest resulting in the debenture having \$353,000 in principal and \$35,300 in accrued interest outstanding at March 31, 2016. On April 26, 2016, the debenture was sold to a different Holder and the Company agreed to change the terms of the debenture to a restated principal balance of \$398,450 that includes a discounted interest rate and a due date of January 27, 2017. During the quarter ended September 30 2016 the Company reduced the outstanding principal balance by \$112,000 by issuing 400,000,000 common shares. The outstanding balance on the debenture at September 30, 2016 was \$110,450. During the quarter ended December 31, 2016, the Debenture was paid off with the issuance of 552,250,000 common shares.

On August 31, 2015 the Company issued a debenture for \$20,000 for cash advances during August 2015. The debenture accrues interest at 10% per annum and will convert into the company's common stock at 50% of the lowest closing bid price 12 months before the conversion date. The Holder is restricted from any conversions that would result in the Holder owning over 9.9% of the outstanding common shares of the Company after the conversion. Since its inception the debenture will accrue \$500 of interest during each quarter. During the quarter ended March 31, 2016 the debenture accrued \$500 of interest. During the quarter ended June 30, 2016 the debenture accrued \$500 in interest resulting in the debenture having \$20,000 in principal and \$1,500 in accrued interest outstanding at June 30, 2016. During the quarter ended September 30, 2016 the debenture accrued \$500 in interest resulting in the debenture having \$20,000 in principal and \$2,000 in accrued interest outstanding at September 30, 2016. During the quarter ended December 31, 2016 the Company paid off the Debenture and accrued interest by issuing 73,333,333 common shares.

On December 31, 2010, the Company issued a debenture payable for \$162,706 for cash advances during the 2010 calendar year. The debenture accrues interest at 10% per annum and can convert into the company's common stock at 50% of the lowest closing bid price 360 trading days before the conversion date. The Holder is restricted from any conversions that would result in the Holder owning over 9.9% of the outstanding common shares of the Company after the conversion. During the quarter ended September 30, 2012, the Company issued 6,666,667 common shares valued at \$6,667 reducing the principal by \$1,092 and accrued interest \$5,575. At September 30, 2012, the Company owed the Holder \$4,324 in principal and \$7,816 in accrued interest. During the quarter ended June 30, 2013, the Holder converted \$590 of principal and \$2,848 of accrued interest for 6,250,000 common shares of the Company. During the quarter ended December 31, 2013 the debenture accrued \$108 in accrued interest resulting in the Company owing \$4,324 in principal and \$8,462 in accrued interest at December 31, 2013. The Company paid off the debenture during the quarter ended March 31, 2014 by issuing 7,861,818 common shares for \$4,324 of principal and 15,385,455 common shares for \$8,462 of accrued interest through the end of the same quarter. On January 29, 2015, 28,800,000 common shares were returned to the Company that had been originally issued from a conversion of this debenture on April 27, 2012. The amount of the debenture was increased by \$28,800 representing the amount of the reduction of the debenture at the time of its conversion on April 27, 2012. No gain or loss was recognized by the Company in the transaction. During the quarter ended December 31, 2016 the debenture accrued \$720 of interest resulting in the debenture having \$28,800 in principal and \$5,040 in accrued interest outstanding at December 31, 2016. On February 24, 2017, the Company paid off all of the outstanding principal and interest on the debenture.

On September 30, 2014 the Company issued a debenture for \$210,000 for services in the same amount on the same rendered from January 1, 2012 through December 31, 2013. The debenture accrues interest at 10% per annum and will convert into the company's common stock at 50% of the lowest closing bid price 12 months before the conversion date. The Holder is restricted from any conversions that would result in the Holder owning over 9.9% of the outstanding common shares of the Company after the conversion. During the quarter ended March 31, 2016 the debenture accrued \$5,250 of interest. During each quarter of 2016 the Company accrued \$5,250 of interest resulting in the debenture having \$210,000 in principal and \$47,250 in accrued interest

outstanding at December 31, 2016. On February 15, 2017, the Company paid off all of the outstanding principal and interest with cash.

On October 30, 2014 the Company issued a debenture for \$300,000 for three cash advances during October 2014. The debenture accrues interest at 10% per annum and will convert into the company's common stock at 50% of the lowest closing bid price 12 months before the conversion date. The Holder is restricted from any conversions that would result in the Holder owning over 9.9% of the outstanding common shares of the Company after the conversion.

During the quarter ended March 31, 2016 the debenture accrued interest of \$6,750 and the Company paid \$30,000 in principal and \$25,000 in accrued interest by issuing 100,000,000 common shares. During the quarter ended September 30, 2016 the Company accrued \$6,750 of interest resulting in \$20,250 of accrued interest and \$270,000 in principal outstanding at September 30, 2016. During the quarter ended December 31, 2016 the company paid \$189,750 of principal and \$20,250 of accrued interest by issuing 700,000,000 common shares resulting in an outstanding balance of \$80,250 of principal and \$1,753 of accrued interest at December 31, 2016. During the quarter ended March 31, 2017 the company paid \$80,250 of principal and \$2,422 of accrued interest by issuing 73,374,041 common shares resulting in an outstanding balance of \$80,250 of principal and \$2,422 of accrued interest resulting in the debenture being paid off.

On November 25, 2014 the Company issued a debenture for \$170,000 for two cash advances during November 2014. The debenture accrues interest at 10% per annum and will convert into the company's common stock at 50% of the lowest closing bid price 12 months before the conversion date. The Holder is restricted from any conversions that would result in the Holder owning over 9.9% of the outstanding common shares of the Company after the conversion.

During the quarter ended March 31, 2016 the debenture accrued \$4,250 of interest. During each quarter in 2016 the debenture accrued \$4,250 of interest resulting in the debenture having \$170,000 in principal and \$34,000 in accrued interest outstanding at December 31, 2016. During the quarter ended March 31, 2017, the Company retired the debenture by issuing 957,906,666 common shares for \$170,000 of principal and \$34,700 of accrued interest.

On January 9, 2015 the Company issued a debenture for \$100,000 for a cash advance. The debenture accrues interest at 10% per annum and will convert into the company's common stock at 50% of the lowest closing bid price 12 months before the conversion date. The Holder is restricted from any conversions that would result in the Holder owning over 9.9% of the outstanding common shares of the Company after the conversion. At December 31, 2015, the Debenture had \$100,000 of principal and \$9,167 of accrued interest outstanding. During the quarter ended March 31, 2016 the debenture accrued \$2,500 of interest. During the quarter June 30, 2016 the debenture accrued \$2,500 of interest resulting in the debenture having \$100,000 in principal and \$14,167 in accrued interest outstanding at June 30, 2016. During the quarter ended September 30, 2016 the debenture accrued \$2,500 of interest resulting in the debenture having \$100,000 in principal and \$16,667 in accrued interest outstanding at September 30, 2016. During the quarter ended December 31, 2016 the debenture accrued 2,083 of interest prior to the Company paying \$41,250 of principal and \$18,750 of accrued interest by issuing 200,000,000 common shares. The Debenture had \$58,750 of principal and no accrued interest outstanding at December 31, 2016. On January 6, 2017, the Company paid off \$58,750 of principal and \$18,750 of accrued interest by issuing 196,156,667 common shares.

On May 1, 2015 the Company issued a debenture for \$25,000 for a cash advance. The debenture accrues interest at 10% per annum and will convert into the company's common stock at 50% of the lowest closing bid price 12 months before the conversion date. The Holder is restricted from any conversions that would result in the Holder owning over 9.9% of the outstanding common shares of the Company after the conversion. Since its inception the debenture accrued \$625 of interest during each quarter. During the quarter ended March 31, 2016 the debenture accrued \$625 of interest. During the quarter ended June 30, 2015 the debenture accrued \$625 in interest resulting in the debenture having \$25,000 in principal and \$2,917 in accrued interest outstanding at June 30, 2016. During each quarter in 2016 the debenture accrued \$625 in interest resulting in the debenture having \$25,000 in principal and \$4,167 in accrued interest outstanding at December 31, 2016. On February 15, 2017, the Company paid off the \$25,000 of principal and \$4,375 of accrued interest by issuing 97,916,667 common shares.

On June 26, 2015 the Company issued a debenture for \$165,000 for a \$150,000 cash advance. The debenture will convert into the company's common stock at 50% of the lowest closing bid price 12 months

before the conversion date but can't convert below \$.000825 per common share. The Holder is restricted from any conversions that would result in the Holder owning over 9.9% of the outstanding common shares of the Company after the conversion and is due June 25, 2016. At September 30, 2016, the Debenture had \$165,000 of principal outstanding that includes imputed interest. During the quarter ended December 31, 2016, the Company paid down the Debenture by \$72,600 resulting in the outstanding balance of \$92,400 at December 31, 2016. On January 19, 2017, the Company paid off the outstanding balance of \$92,400 by issuing 254,545,454 common shares.

On June 30, 2015 the Company issued a debenture for \$240,000 for services rendered from July 1, 2014 through June 30, 2015. The debenture accrues interest at 10% per annum and will convert into the company's common stock at 50% of the lowest closing bid price 12 months before the conversion date. The Holder is restricted from any conversions that would result in the Holder owning over 9.9% of the outstanding common shares of the Company after the conversion. Since its inception the debenture will accrue \$6,000 of interest during each quarter. During the quarter ended March 31, 2016 the debenture accrued \$6,000 of interest. During the quarter ended June 30, 2016 the debenture accrued \$6,000 in interest resulting in the debenture having \$240,000 in principal and \$24,000 in accrued interest outstanding at June 30, 2016. During each quarter during 2016 the debenture accrued \$6,000 in interest resulting in the debenture having \$240,000 in principal and \$36,000 in accrued interest outstanding at December 31, 2016. On February 24, 2017, the Company paid off the \$240,000 of principal and \$36,000 in accrued interest in cash.

On July 31, 2015 the Company issued a debenture for \$85,000 for cash advances during July 2015. The debenture accrues interest at 10% per annum and will convert into the company's common stock at 50% of the lowest closing bid price 12 months before the conversion date. The Holder is restricted from any conversions that would result in the Holder owning over 9.9% of the outstanding common shares of the Company after the conversion. Since its inception the debenture will accrue \$2,125 of interest during each quarter. During the quarter ended March 31, 2016 the debenture accrued \$2,125 of interest. During the quarter ended June 30, 2016 the debenture accrued \$2,125 in interest resulting in the debenture having \$85,000 in principal and \$6,375 in accrued interest outstanding at June 30, 2016. During each quarter in 2016 the debenture accrued \$2,125 in interest resulting in the debenture having \$85,000 in principal and \$10,625 in accrued interest outstanding at December 31, 2016. On March 30, 2017, the Company paid off the \$85,000 of principal and \$12,042 of accrued interest with cash.

On September 13, 2015 the Company issued a debenture for \$20,000 for cash advances during September 2015. The debenture accrues interest at 10% per annum and will convert into the company's common stock at 50% of the lowest closing bid price 12 months before the conversion date. The Holder is restricted from any conversions that would result in the Holder owning over 9.9% of the outstanding common shares of the Company after the conversion. Since its inception the debenture will accrue \$500 of interest during each quarter. During the quarter ended March 31, 2016 the debenture accrued \$500 of interest. During the quarter ended June 30, 2016 the debenture accrued \$500 in interest resulting in the debenture having \$20,000 in principal and \$1,500 in accrued interest outstanding at June 30, 2016. During each quarter ended during 2016 the debenture accrued \$500 in interest resulting in the debenture having \$20,000 in principal and \$2,500 in accrued interest outstanding at December 31, 2016. On February 15, 2017, the Company paid off \$20,000 of principal and \$2,667 of accrued interest by issuing 75,556,667 common shares.

On September 29, 2015 the Company issued a debenture for \$60,000 for cash advances during September 2015. The debenture accrues interest at 10% per annum and will convert into the company's common stock at 50% of the lowest closing bid price 12 months before the conversion date. The Holder is restricted from any conversions that would result in the Holder owning over 9.9% of the outstanding common shares of the Company after the conversion. Since its inception the debenture will accrue \$1,500 of interest during each quarter. During the quarter ended March 31, 2016 the debenture accrued \$1,500 of interest. During the quarter ended June 30, 2016 the debenture accrued \$1,500 in interest resulting in the debenture having \$60,000 in principal and \$4,500 in accrued interest outstanding at June 30, 2016. During each quarter in 2016 the debenture accrued \$1,500 in interest resulting in the debenture having \$60,000 in principal and \$7,500 in accrued interest outstanding at December 31, 2016. On February 11, 2017, the Company paid off \$60,000 of principal and \$8,000 of accrued interest by issuing 226,666,667 common shares.

On November 30, 2015 the Company issued a debenture for \$72,500 for two cash advances during November 2015. The debenture accrues interest at 10% per annum and will convert into the company's common stock at 50% of the lowest closing bid price 12 months before the conversion date. The Holder is

restricted from any conversions that would result in the Holder owning over 9.9% of the outstanding common shares of the Company after the conversion. Since its inception the debenture will accrue \$1,812 of interest during each quarter. During the quarter ended March 31, 2016 the debenture accrued \$1,813 of interest. During the quarter ended June 30, 2016 the debenture accrued \$1,813 in interest resulting in the debenture having \$72,500 in principal and \$4,230 in accrued interest outstanding at June 30, 2016. During each quarter in 2016 the debenture accrued \$1,813 in interest resulting in the debenture having \$72,500 in principal and \$7,856 in accrued interest outstanding at December 31, 2016. At March 31, 2017, the Company had \$72,500 in principal and \$9,667 in accrued interest outstanding. During the quarter ended June 30, 2017, the Company retired the debenture by issuing 277,916,667 common shares for \$72,500 in principal and \$10,875 of accrued interest.

### **Retired Debentures – Fiscal Year 2018**

On September 30, 2014 the Company issued a debenture for \$550,000 for cash advances during the quarter. The debenture accrues interest at 10% per annum and will convert into the company's common stock at 50% of the lowest closing bid price 12 months before the conversion date. The Holder is restricted from any conversions that would result in the Holder owning over 9.9% of the outstanding common shares of the Company after the conversion. Since its inception the Debenture has been accruing interest at \$13,750 each quarter. During the quarter ended March 31, 2016 the debenture accrued interest of \$12,500 and the Company paid \$50,000 in principal and \$68,750 in accrued interest by issuing 215,909,091 common shares. During the quarter ended September 30, 2016 the debenture accrued \$12,350 of interest and the Company reduced the outstanding principal by \$35,000 and accrued interest by \$25,000 by issuing 200,000,000 common shares. At September 30, 2016 the debenture had \$465,000 of principal and \$12,350 of accrued interest outstanding. During the quarter ended December 31, 2016 the Company reduced \$47,650 of principal and \$12,350 of accrued interest by issuing 200,000,000 common shares resulting in the outstanding principal being \$417,350 and accrued interest being \$10,434. During the quarter ended March 31, 2017 the Company reduced \$19,566 of principal and \$10,434 of accrued interest by issuing 26,625,959 common shares resulting in the outstanding principal being \$397,784 and accrued interest being \$9,944. During the quarter ended June 30, 2017 the Company reduced \$73,761 of principal and \$16,239 of accrued interest by issuing 300,000,000 common shares resulting in the outstanding principal being \$324,023 and no accrued interest. During the quarter ended September 30, 2017, the Company paid off the Debenture's remaining \$174,600 of principal and \$5,400 of accrued interest by issuing 600,000,000 common shares.

On February 24, 2015 the Company issued a debenture for \$155,000 for two cash advances during February 2015. The debenture accrues interest at 10% per annum and will convert into the company's common stock at 50% of the lowest closing bid price 12 months before the conversion date. The Holder is restricted from any conversions that would result in the Holder owning over 9.9% of the outstanding common shares of the Company after the conversion.

Since its inception the debenture accrued \$3,875 of interest during each quarter. During the quarter ended March 31, 2016 the debenture accrued \$3,875 of interest. During the quarter ended June 30, 2016 the Company reduced its outstanding principal \$38,208 and accrued interest by \$16,792 having issued 100,000,000 common shares. During the quarter ended September 30, 2016 and December 31, 2016 the debenture accrued \$2,920 of interest in each quarter resulting in the debenture having \$116,792 in principal and \$8,760 in accrued interest outstanding at December 31, 2016. At June 30, 2017 the Company had \$116,792 in principal and \$14,599 in accrued interest outstanding. During the quarter ended September 30, 2017, the Company paid off the remaining \$116,792 of principal and \$973 of accrued interest by issuing 441,213,333 common shares.

On May 1, 2015 the Company issued a debenture for \$105,000 for two cash advances during April 2015. The debenture accrues interest at 10% per annum and will convert into the company's common stock at 50% of the lowest closing bid price 12 months before the conversion date. The Holder is restricted from any conversions that would result in the Holder owning over 9.9% of the outstanding common shares of the Company after the conversion. During the quarter ended March 31, 2016 the debenture accrued \$2,625 of interest. During the quarter ended June 30, 2016 the debenture accrued \$2,625 in interest resulting in the debenture having \$105,000 in principal and \$12,250 in accrued interest outstanding at June 30, 2016. During each quarter of 2016 the debenture accrued \$2,625 in interest resulting in the debenture having \$105,000 in principal and \$17,500 in accrued interest outstanding at December 31, 2016. At June 30, 2017, the Company had \$105,000 in principal and \$22,750 in accrued interest outstanding. During the quarter ended September 30, 2017 the Company paid off the debenture's remaining \$105,000 of principal and \$24,500 of accrued interest by issuing 431,666,667.

On December 31, 2015 the Company issued a debenture for \$40,000 for three cash advances during December 2015. The debenture accrues interest at 10% per annum and will convert into the company's common stock at 50% of the lowest closing bid price 12 months before the conversion date. The Holder is restricted from any conversions that would result in the Holder owning over 9.9% of the outstanding common shares of the Company after the conversion. Since its inception the debenture will accrue \$1,000 of interest during each quarter. During the quarter ended March 31, 2016 the debenture accrued \$1,000 of interest. During the quarter ended June 30, 2016 the debenture accrued \$1,000 in interest resulting in the debenture having \$40,000 in principal and \$2,000 in accrued interest outstanding at June 30, 2016. During each quarter in 2016 the debenture accrued \$1,000 in interest resulting in the debenture having \$40,000 in principal and \$4,000 in accrued interest outstanding at December 31, 2016. At June 30, 2017, the Company had \$40,000 in principal and \$6,000 in accrued interest outstanding. During the quarter ended September 30, 2017 the Company retired the debenture by issuing 154,443,333 common shares for \$40,000 of principal and \$6,333 of accrued interest.

On January 31, 2016 the Company issued a debenture for \$32,500 for cash advances during January 2016. The debenture accrues interest at 10% per annum and will convert into the company's common stock at 50% of the lowest closing bid price 12 months before the conversion date. The Holder is restricted from any conversions that would result in the Holder owning over 9.9% of the outstanding common shares of the Company after the conversion. During the quarter ended March 31, 2016 the debenture accrued \$542 of interest. During the quarter ended June 30, 2016 the debenture accrued \$812 in interest resulting in the debenture having \$32,500 in principal and \$1,354 in accrued interest outstanding at June 30, 2016. During each subsequent quarter in 2016 the debenture accrued \$812 in interest resulting in the debenture having \$32,500 in principal and \$2,979 in accrued interest outstanding at December 31, 2016. At June 30, 2017, the Company had \$32,500 in principal and \$4,604 in accrued interest outstanding. During the quarter ended September 30, 2017, the Company retired the debenture by issuing 124,583,333 common shares for \$32,500 of principal and \$4,875 of accrued interest.

On February 28, 2016 the Company issued a debenture for \$112,000 for cash advances during February 2016. The debenture accrues interest at 10% per annum and will convert into the company's common stock at 50% of the lowest closing bid price 12 months before the conversion date. The Holder is restricted from any conversions that would result in the Holder owning over 9.9% of the outstanding common shares of the Company after the conversion. During the quarter ended March 31, 2016 the debenture accrued \$933 of interest. During the quarter ended June 30, 2016 the debenture accrued \$2,800 in interest resulting in the debenture having \$112,000 in principal and \$3,733 in accrued interest outstanding at June 30, 2016. During each full quarter of 2016 the debenture accrued \$2,800 in interest resulting in the debenture having \$112,000 in principal and \$9,333 in accrued interest outstanding at September 30, 2016. At June 30, 2017, the Company had \$112,000 in principal and \$12,133 in accrued interest outstanding. During the quarter ended September 30, 2017, the Company retired the debenture by issuing 426,220,000 common shares for \$122,000 of principal and \$19,316 of accrued interest.

On May 31, 2016 the Company issued a debenture for \$107,500 for cash advances during May 2016. The debenture accrues interest at 10% per annum and will convert into the company's common stock at 50% of the lowest closing bid price 12 months before the conversion date. The Holder is restricted from any conversions that would result in the Holder owning over 9.9% of the outstanding common shares of the Company after the conversion. During the quarter ended June 30, 2016 the debenture accrued \$895 in interest resulting in the debenture having \$107,500 in principal and \$895 in accrued interest outstanding at June 30, 2016. During each subsequent quarter in 2016 the debenture accrued \$2,688 in interest resulting in the debenture having \$107,500 in principal and \$6,271 in accrued interest outstanding at December 31, 2016. At June 30, 2017, the Company had \$107,500 in principal and \$11,646 in accrued interest outstanding. During the quarter ended September 30, 2017, the Company paid off the debenture by issuing 403,123,333 common shares for \$107,500 of principal and \$13,437 of accrued interest.

On October 31, 2016 the Company issued a debenture for \$10,000 for a cash advance during October of 2016. The debenture accrues interest at 10% per annum and will convert into the company's common stock at 50% of the lowest closing bid price 12 months before the conversion date. The Holder is restricted from any conversions that would result in the Holder owning over 9.9% of the outstanding common shares of the Company after the conversion. During the quarter ended December 31, 2016 the debenture accrued \$167 of interest resulting in the debenture having \$10,000 in principal and \$167 of accrued interest outstanding at December 31, 2016. At June 30, 2017, the Company had \$10,000 in principal and \$667 of accrued interest outstanding. During the quarter ended September 30, 2017, the debenture holder sold its debt to a non-affiliate

that converted the entire debenture into 36,110,000 common shares that paid off \$10,000 of principal and \$833 of accrued interest.

On June 30, 2016 the Company issued a debenture for \$101,500 for cash advances during June 2016. The debenture accrues interest at 10% per annum and will convert into the company's common stock at 50% of the lowest closing bid price 12 months before the conversion date. The Holder is restricted from any conversions that would result in the Holder owning over 9.9% of the outstanding common shares of the Company after the conversion. During the quarter ended June 30, 2016 the debenture accrued no interest resulting in the debenture having \$101,500 in principal and no accrued interest outstanding at June 30, 2016. During each subsequent quarter in 2016 the debenture accrued \$2,538 in interest resulting in the debenture having \$101,500 in principal and \$5,076 in accrued interest outstanding at December 31, 2016. At June 30, 2017, the Company had \$101,500 in principal and \$10,151 in accrued interest outstanding. At September 30, 2017, the debenture had \$101,500 in principal and \$12,687 in accrued interest outstanding. On October 2, 2017, the company paid off \$101,500 of principal and \$12,687 of accrued interest by issuing 380,623,333 common shares.

On December 19, 2014 the Company issued a debenture for \$275,000 for five cash advances during the December 2014. The debenture accrues interest at 10% per annum and will convert into the company's common stock at 50% of the lowest closing bid price 12 months before the conversion date. The Holder is restricted from any conversions that would result in the Holder owning over 9.9% of the outstanding common shares of the Company after the conversion.

During the quarter ended March 31, 2016 the debenture accrued \$6,875 of interest. During each quarter of 2016 the debenture accrued \$6,875 resulting in the debenture having \$275,000 in principal and \$55,000 in accrued interest outstanding at December 31, 2016. At June 30, 2017, the Company had \$275,000 in principal and \$68,750 in accrued interest. At September 30, 2017, the debenture had \$275,000 in principal and \$75,625 in accrued interest. During the quarter ended December 31, 2017 the debenture accrued \$4,583 in accrued interest and the company paid off the entire debenture by issuing 645,832,727 shares of common stock for \$275,000 of principal and \$80,208 of accrued interest.

On March 31, 2016 the Company issued a debenture for \$40,500 for cash advances during March 2016. The debenture accrues interest at 10% per annum and will convert into the company's common stock at 50% of the lowest closing bid price 12 months before the conversion date. The Holder is restricted from any conversions that would result in the Holder owning over 9.9% of the outstanding common shares of the Company after the conversion. During the quarter ended March 31, 2016 the debenture accrued no interest. During the quarter ended June 30, 2016 the debenture accrued \$1,012 in interest resulting in the debenture having \$40,500 in principal and \$1,012 accrued interest outstanding at June 30, 2016. During each subsequent quarter in 2016 the debenture accrued \$1,012 in interest resulting in the debenture having \$40,500 in principal and \$3,037 accrued interest outstanding at December 31, 2016. At June 30, 2017, the Company had \$40,500 in principal and \$5,062 accrued interest outstanding. At September 30, 2017, the debenture had \$40,500 in principal and \$6,074 accrued interest outstanding. During the quarter ended December 31, 2016 the debenture accrued \$675 of interest and the company paid off the debenture by issuing 85,907,273 common shares for \$40,500 of principal and \$6,749 of accrued interest.

On April 30, 2016 the Company issued a debenture for \$56,000 for cash advances during April 2016. The debenture accrues interest at 10% per annum and will convert into the company's common stock at 50% of the lowest closing bid price 12 months before the conversion date. The Holder is restricted from any conversions that would result in the Holder owning over 9.9% of the outstanding common shares of the Company after the conversion. During the quarter ended June 30, 2016 the debenture accrued \$933 in interest resulting in the debenture having \$56,000 in principal and \$933 in accrued interest outstanding at June 30, 2016. During each subsequent quarter in 2016 the debenture accrued \$1,400 in interest resulting in the debenture having At March 31, 2017, the Company had outstanding at December 31, 2016. At June 30, 2017, the Company had \$56,000 in principal and \$6,533 in accrued interest outstanding. At September 30, 2017, the debenture had \$56,000 in principal and \$7,933 in accrued interest outstanding. During the quarter ended December 31, 2017 the debenture accrued \$933 of accrue interest and the company paid off the debenture by issuing 117,938,182 common shares for \$56,000 of principal and \$8,866 of accrued interest.

On August 31, 2016 the Company issued a debenture for \$110,000 for cash advances during August of 2016. The debenture accrues interest at 10% per annum and will convert into the company's common stock at 50% of the lowest closing bid price 12 months before the conversion date. The Holder is restricted from any

conversions that would result in the Holder owning over 9.9% of the outstanding common shares of the Company after the conversion. The debenture accrued \$917 in interest during the quarter ended September 30, 2016 and \$2,750 in interest for the quarter ending at December 31, 2016 resulting in the debenture having \$110,000 in principal and \$3,667 in accrued interest outstanding at December 31, 2016. At June 30, 2017, the Company had \$110,000 in principal and \$9,167 in accrued interest outstanding. At September 30, 2017, the debenture had \$110,000 in principal and \$11,917 in accrued interest outstanding. During the quarter ended December 31, 2017 the debenture accrued \$2,630 of accrued interest and the company paid off the debenture by issuing 226,449,091 common shares for \$110,000 of principal and \$14,547 of accrued interest.

On January 30, 2015 the Company issued a debenture for \$175,000 for three cash advances during the January 2015. The debenture accrues interest at 10% per annum and will convert into the company's common stock at 50% of the lowest closing bid price 12 months before the conversion date. The Holder is restricted from any conversions that would result in the Holder owning over 9.9% of the outstanding common shares of the Company after the conversion.

During the quarter ended March 31, 2016 the debenture accrued \$4,375 of interest. During each quarter in 2016 the debenture accrued \$4,375 of interest resulting in the debenture having \$175,000 in principal and \$33,541 in accrued interest outstanding at December 31, 2016. At June 30, 2017, the Company had \$175,000 in principal and \$42,291 in accrued interest outstanding. At September 30, 2017, the debenture had \$175,000 in principal and \$46,666 in accrued interest outstanding. At December 31, 2017 the debenture had \$175,000 in principal outstanding and \$51,041 in accrued interest. During the quarter ended March 31, 2018, the Company retired the debenture by issuing 410,983,636 common shares to payoff \$175,000 of principal and \$51,041 of accrued interest.

On June 3, 2015 the Company issued a debenture for \$180,000 for three cash advances. The debenture accrues interest at 10% per annum and will convert into the company's common stock at 50% of the lowest closing bid price 12 months before the conversion date. The Holder is restricted from any conversions that would result in the Holder owning over 9.9% of the outstanding common shares of the Company after the conversion. During the quarter ended March 31, 2016 the debenture accrued \$4,500 of interest. During the quarter ended June 30, 2016 the debenture accrued \$4,500 in interest resulting in the debenture having \$180,000 in principal and \$18,000 in accrued interest outstanding at June 30, 2016. During each quarter in 2016 the debenture accrued \$4,500 in interest resulting in the debenture having \$180,000 in principal and \$27,000 in accrued interest outstanding at December 31, 2016. At June 30, 2017 the Company had \$180,000 in principal and \$36,000 in accrued interest outstanding. At September 30, 2017, the debenture had \$180,000 in principal and \$40,500 in accrued interest outstanding. At December 31, 2017 the debenture had \$180,000 in principal outstanding and \$45,000 in accrued interest. During the quarter ended March 31, 2018, the Company retired the debenture by issuing 415,909,091 common shares to payoff \$180,000 of principal and \$48,750 of accrued interest.

On June 30, 2015 the Company issued a debenture for \$200,000 for three cash advances. The debenture accrues interest at 10% per annum and will convert into the company's common stock at 50% of the lowest closing bid price 12 months before the conversion date. The Holder is restricted from any conversions that would result in the Holder owning over 9.9% of the outstanding common shares of the Company after the conversion. During the quarter ended March 31, 2016 the debenture accrued \$5,000 of interest. During the quarter ended June 30, 2016 the debenture accrued \$5,000 in interest resulting in the debenture having \$200,000 in principal and \$20,000 in accrued interest outstanding at June 30, 2016. During each quarter during 2016 the debenture accrued \$5,000 in interest resulting in the debenture having \$200,000 in principal and \$30,000 in accrued interest outstanding at December 31, 2016. At June 30, 2017, the Company had \$200,000 in principal and \$40,000 in accrued interest outstanding. At September 30, 2017, the debenture had \$200,000 in principal and \$45,000 in accrued interest outstanding. At December 31, 2017 the debenture had \$200,000 in principal outstanding and \$50,000 in accrued interest. During the quarter ended March 31, 2018, the Company retired the debenture by issuing 457,576,364 common shares to payoff \$200,000 of principal and \$51,667 of accrued interest.

On August 31, 2015 the Company issued a debenture for \$90,000 for cash advances during August 2015. The debenture accrues interest at 10% per annum and will convert into the company's common stock at 50% of the lowest closing bid price 12 months before the conversion date. The Holder is restricted from any conversions that would result in the Holder owning over 9.9% of the outstanding common shares of the Company after the conversion. Since its inception the debenture will accrue \$2,250 of interest during each quarter. During the

quarter ended March 31, 2016 the debenture accrued \$2,250 of interest. During the quarter ended June 30, 2016 the debenture accrued \$2,250 in interest resulting in the debenture having \$90,000 in principal and \$6,750 in accrued interest outstanding at June 30, 2016. During each quarter in 2016 the debenture accrued \$2,250 in interest resulting in the debenture having \$90,000 in principal and \$11,250 in accrued interest outstanding at December 31, 2016. At June 30, 2017, the Company had \$90,000 in principal and \$15,750 in accrued interest outstanding. At September 30, 2017, the debenture had \$90,000 in principal and \$18,000 in accrued interest outstanding. At December 31, 2017 the debenture had \$90,000 in principal outstanding and \$20,250 in accrued interest. During the quarter ended March 31, 2018, the Company retired the debenture by issuing 203,863,636 common shares to payoff \$90,000 of principal and \$22,125 of accrued interest.

On July 31, 2016 the Company issued a debenture for \$30,000 for cash advances during July of 2016. The debenture accrues interest at 10% per annum and will convert into the company's common stock at 50% of the lowest closing bid price 12 months before the conversion date. The Holder is restricted from any conversions that would result in the Holder owning over 9.9% of the outstanding common shares of the Company after the conversion. The debenture accrued \$500 in interest during the quarter ended September 30, 2016 and \$750 of interest during the quarter ended December 31, 2016 resulting in the debenture having \$30,000 in principal and \$1,250 in accrued interest outstanding at December 31, 2016. At June 30, 2017, the Company had \$30,000 in principal and \$2,750 in accrued interest outstanding. At September 30, 2017, the debenture had \$30,000 in principal and \$3,500 in accrued interest outstanding. At December 31, 2017 the debenture had \$30,000 in principal outstanding and \$4,250 in accrued interest. During the quarter ended March 31, 2018 the Company paid off the debenture by issuing 62,272,727 common shares for \$30,000 of principal and \$4,250 of accrued interest.

On September 30, 2016 the Company issued a debenture for \$59,100 for cash advances during September of 2016. The debenture accrues interest at 10% per annum and will convert into the company's common stock at 50% of the lowest closing bid price 12 months before the conversion date. The Holder is restricted from any conversions that would result in the Holder owning over 9.9% of the outstanding common shares of the Company after the conversion. During the quarter ended December 31, 2016 the debenture accrued \$1,478 of interest resulting in the debenture having \$59,100 in principal and \$1,478 of accrued interest outstanding at December 31, 2016. At June 30, 2017, the Company had \$59,100 in principal and \$4,433 of accrued interest outstanding. At September 30, 2017, the debenture had \$59,100 in principal and \$5,911 of accrued interest outstanding. During the quarter ended March 31, 2018 the Company paid off the debenture by issuing 120,889,091 common shares for \$59,100 of principal and \$7,389 of accrued interest.

On October 31, 2016 the Company issued a debenture for \$36,000 for cash advances during October of 2016. The debenture accrues interest at 10% per annum and will convert into the company's common stock at 50% of the lowest closing bid price 12 months before the conversion date. The Holder is restricted from any conversions that would result in the Holder owning over 9.9% of the outstanding common shares of the Company after the conversion. During the quarter ended December 31, 2016 the debenture accrued \$600 of interest resulting in the debenture having \$36,000 in principal and \$600 of accrued interest outstanding at December 31, 2016. At June 30, 2017, the Company had \$36,000 in principal and \$2,400 of accrued interest. At September 30, 2017, the debenture had \$36,000 in principal and \$3,300 of accrued interest. At December 31, 2017 the debenture had \$36,000 in principal outstanding and \$4,200 in accrued interest. During the quarter ended March 31, 2018 the Company paid off the debenture by issuing 73,363,636 common shares for \$36,000 of principal and \$4,350 of accrued interest.

On November 17, 2016 the Company issued a debenture for \$220,000 for \$200,000 of cash with a \$20,000 discount. The debenture will convert into the company's common stock after November 10, 2017 at 50% of the lowest closing stock price 90 days before the conversion notice through the conversion date. The Holder is restricted from any conversions that would result in the Holder owning over 9.9% of the outstanding common shares of the Company after the conversion. During the quarter ended December 31, 2017 the Company retired \$110,000 of principal by issuing 220,000,000 common shares resulting in \$110,000 being outstanding at December 31, 2017. During the quarter ended March 31, 2018 the Company paid off the debenture by issuing 200,000,000 common shares.

On November 30, 2016 the Company issued a debenture for \$65,000 for cash advances during November of 2016. The debenture accrues interest at 10% per annum and will convert into the company's common stock at 50% of the lowest closing bid price 12 months before the conversion date. The Holder is restricted from any conversions that would result in the Holder owning over 9.9% of the outstanding common shares of the



Company after the conversion. During the quarter ended December 31, 2016 the debenture accrued \$541 of interest resulting in the debenture having \$65,000 in principal and \$541 of accrued interest outstanding at December 31, 2016. At June 30, 2017, the Company had \$65,000 in principal and \$3,791 of accrued interest outstanding. At September 30, 2017, the debenture had \$65,000 in principal and \$5,416 of accrued interest outstanding. At December 31, 2017 the debenture had \$65,000 in principal outstanding and \$7,041 in accrued interest. During the quarter ended March 31, 2018 the Company paid off the debenture by issuing 131,476,364 common shares to retire \$65,000 of principal and 47,312 of accrued interest.

On December 31, 2016 the Company issued a debenture for \$50,000 for cash advances during December of 2016. The debenture accrues interest at 10% per annum and will convert into the company's common stock at 50% of the lowest closing bid price 12 months before the conversion date. The Holder is restricted from any conversions that would result in the Holder owning over 9.9% of the outstanding common shares of the Company after the conversion. During the quarter ended December 31, 2016 the debenture accrued no interest resulting in the debenture having \$50,000 in principal and no accrued interest outstanding at December 31, 2016. At June 30, 2017, the Company had \$50,000 in principal and \$2,500 of accrued interest outstanding. At September 30, 2017, the debenture had \$50,000 in principal and \$3,750 of accrued interest outstanding. At December 31, 2017 the debenture had \$50,000 in principal outstanding and \$5,000 in accrued interest. During the quarter ended March 31, 2018 the Company paid off the debenture by issuing 100,758,182 common shares to retire \$50,000 of principal and \$5,417 of accrued interest.

On January 31, 2017 the Company issued a debenture for \$30,000 for cash advances during January of 2017. The debenture accrues interest at 10% per annum and will convert into the company's common stock at 50% of the lowest closing bid price 12 months before the conversion date. The Holder is restricted from any conversions that would result in the Holder owning over 9.9% of the outstanding common shares of the Company after the conversion. At June 30, 2017, the Company had \$30,000 in principal and \$1,250 of accrued interest outstanding. At September 30, 2017, the debenture had \$30,000 in principal and \$2,000 of accrued interest outstanding. At December 31, 2017 the debenture had \$30,000 in principal outstanding and \$2,750 in accrued interest. During the quarter ended March 31, 2018 the Company paid off the debenture by issuing 60,000,000 common shares for \$30,000 of principal and \$3,000 accrued interest.

On February 15, 2017 the Company issued a debenture for \$280,000 for cash advances during February of 2017. The debenture accrues interest at 10% per annum and will convert into the company's common stock at 50% of the lowest closing bid price 12 months before the conversion date. The Holder is restricted from any conversions that would result in the Holder owning over 9.9% of the outstanding common shares of the Company after the conversion. At June 30, 2017, the Company had \$280,000 in principal and \$9,333 of accrued interest outstanding. At September 30, 2017, the debenture had \$280,000 in principal and \$16,333 of accrued interest outstanding. At December 31, 2017 the debenture had \$280,000 in principal outstanding and \$23,333 in accrued interest. During the quarter ended March 31, 2018 the Company retired the debenture by issuing 557,878,182 common shares for \$280,000 of principal and \$26,833 of accrued interest.

On March 31, 2016 the Company issued a debenture for \$122,398 for cash advances during March 2016.

The debenture had been disclosed in prior statements as \$157,398 and was subsequently adjusted due to a disclosure error. The debenture accrues interest at 10% per annum and will convert into the company's common stock at 50% of the lowest closing bid price 12 months before the conversion date. The Holder is restricted from any conversions that would result in the Holder owning over 9.9% of the outstanding common shares of the Company after the conversion. During the quarter ended March 31, 2016 the debenture accrued no interest. The debenture accrued \$3,935 of interest in each of the three quarters starting with June 30, 2016 resulting in the debenture having \$157,398 in principal and \$11,805 accrued interest outstanding at December 31, 2016. At June 30, 2017, the Company had \$157,398 in principal and \$19,675 accrued interest outstanding. At September 30, 2017, the debenture had \$157,398 in principal and \$23,610 accrued interest outstanding. At December 31, 2017 the debenture had \$157,398 in principal outstanding and \$27,545 in accrued interest. During the quarter ended March 31, 2018, the Debenture was adjusted to \$122,398 with accrued interest of \$14,464. On April 30, 2018, the Company issued 273,724,000 common shares to the Holder and paid off the balance of debenture comprised of \$122,398 of principal and accrued interest of \$14,464.

On February 28, 2017 the Company issued a debenture for \$30,000 for cash advances during February of 2017. The debenture accrues interest at 10% per annum and will convert into the company's common stock at 50% of the lowest closing bid price 12 months before the conversion date. The Holder is restricted from any

conversions that would result in the Holder owning over 9.9% of the outstanding common shares of the Company after the conversion. At June 30, 2017, the Company had \$30,000 in principal and \$500 of accrued interest outstanding. At September 30, 2017, the debenture had \$30,000 in principal and \$1,750 of accrued interest outstanding. At March 31, 2018 the debenture had \$30,000 in principal outstanding and \$3,250 in accrued interest. On April 25, 2018 the Company issued

66,750,000 shares to pay off the debenture comprised of \$30,000 in principal and \$3,375 in accrued interest.

On March 31, 2017 the Company issued a debenture for \$70,000 for cash advances during March of 2017. The debenture accrues interest at 10% per annum and will convert into the company's common stock at 50% of the lowest closing bid price 12 months before the conversion date. The Holder is restricted from any conversions that would result in the Holder owning over 9.9% of the outstanding common shares of the Company after the conversion. At June 30, 2017, the Company had \$70,000 in principal and \$1,750 accrued interest outstanding. At September 30, 2017, the debenture had \$70,000 in principal and \$3,500 accrued interest outstanding. At March 31, 2018 the debenture had \$70,000 in principal outstanding and \$7,000 in accrued interest. On April 25, 2018 the Company issued

154,600,000 shares to pay off the debenture comprised of \$122,398 in principal and \$14,464 in accrued interest.

### **Outstanding Debentures**

On September 30, 2014 the Company issued a debenture for \$127,177 for expenses paid on behalf of the Company during the quarter. The debenture accrues interest at 10% per annum and will convert into the company's common stock at 50% of the lowest closing bid price 12 months before the conversion date. The Holder is restricted from any conversions that would result in the Holder owning over 9.9% of the outstanding common shares of the Company after the conversion. Since its inception the Debenture has been accruing interest at \$3,179 each quarter. During the quarter ended March 31, 2016 the debenture accrued interest of \$1,529 and the Company paid \$66,000 in principal and \$15,897 in accrued interest by issuing 148,903,606 common shares. During each quarter in 2016 the debenture accrued \$1,529 of accrued interest resulting in \$6,118 of accrued interest and \$61,177 in principal outstanding at December 31, 2016. At June 30, 2017 the debenture had \$61,177 in principal outstanding and \$9,176 in accrued interest. At September 30, 2017 the debenture had \$61,177 in principal outstanding and \$10,706 in accrued interest.

At June 30, 2018 the debenture had \$61,177 in principal outstanding and \$15,294 in accrued interest.

On June 30, 2015 the Company issued a debenture for \$226,966 for expenses paid on behalf of the Company from April 1, 2014 through June 30, 2014. The debenture accrues interest at 10% per annum and will convert into the company's common stock at 50% of the lowest closing bid price 12 months before the conversion date. The Holder is restricted from any conversions that would result in the Holder owning over 9.9% of the outstanding common shares of the Company after the conversion. During the quarter ended March 31, 2016 the debenture accrued \$5,674 of interest. During the quarter ended June 30, 2016 the debenture accrued \$5,674 in interest resulting in the debenture having \$226,966 in principal and \$22,696 in accrued interest outstanding at June 30, 2016. During each quarter in 2016 the Debenture accrued \$5,674 in interest resulting in the debenture having \$226,966 in principal and \$34,044 in accrued interest outstanding at December 31, 2016. At June 30, 2017, the Company had \$226,966 in principal and \$45,392 in accrued interest outstanding. At September 30, 2017, the debenture had \$226,966 in principal and \$51,067 in accrued interest outstanding. At June 30, 2018 the debenture had \$226,966 in principal outstanding and \$68,089 in accrued interest.

On June 30, 2015 the Company issued a debenture for \$120,000 for services rendered from January 1, 2014 through December 31, 2014. The debenture accrues interest at 10% per annum and will convert into the company's common stock at 50% of the lowest closing bid price 12 months before the conversion date. The Holder is restricted from any conversions that would result in the Holder owning over 9.9% of the outstanding common shares of the Company after the conversion. Since its inception the debenture will accrue \$3,000 of interest during each quarter. During the quarter ended March 31, 2016 the debenture accrued \$3,000 of interest. During the quarter ended June 30, 2016 the debenture accrued \$3,000 in interest resulting in the debenture having \$120,000 in principal and \$12,000 in accrued interest outstanding at June 30, 2016. During each quarter in 2016 the debenture accrued \$3,000 in interest resulting in the debenture having \$120,000 in principal and \$18,000 in accrued interest outstanding at December 31, 2016. At June 30, 2017, the Company had \$120,000 in

principal and \$24,000 in accrued interest outstanding. At September 30, 2017, the debenture had \$120,000 in principal and \$27,000 in accrued interest outstanding. At June 30, 2018 the debenture had \$120,000 in principal outstanding and \$36,000 in accrued interest.

On September 30, 2015 the Company issued a debenture for \$85,000 for cash advances during September 2015. The debenture accrues interest at 10% per annum and will convert into the company's common stock at 50% of the lowest closing bid price 12 months before the conversion date. The Holder is restricted from any conversions that would result in the Holder owning over 9.9% of the outstanding common shares of the Company after the conversion. Since its inception the debenture will accrue \$2,125 of interest during each quarter. During the quarter ended June 30, 2016 the debenture accrued \$2,125 in interest resulting in the debenture having \$85,000 in principal and \$8,500 in accrued interest outstanding at June 30, 2016. During each quarter in 2016 the debenture accrued \$2,125 in interest resulting in the debenture having \$85,000 in principal and \$12,750 in accrued interest outstanding at December 31, 2016. At June 30, 2017 the Company had \$85,000 in principal and \$17,000 in accrued interest outstanding. At September 30, 2017 the debenture had \$85,000 in principal and \$19,125 in accrued interest outstanding. At June 30, 2018 the debenture had \$85,000 in principal outstanding and \$25,500 in accrued interest.

On October 31, 2015 the Company issued two debentures for \$83,000 totaling 166,000 for five cash advances during October 2015. Each debenture accrues interest at 10% per annum and will convert into the company's common stock at 50% of the lowest closing bid price 12 months before the conversion date. The Holders are restricted from any conversions that would result in the Holder owning over 9.9% of the outstanding common shares of the Company after the conversion. Since their inception the debentures will accrue a total of \$4,150 of interest during each quarter. During the quarter ended March 31, 2016 the debentures accrued \$4,150 of interest. During the quarter ended June 30, 2016 each debenture accrued \$2,767 in interest resulting in the debentures having \$166,000 in principal and \$11,066 in accrued interest outstanding at June 30, 2016. During each quarter in 2016 each debenture accrued \$2,075 in interest resulting in the debentures totaling \$166,000 in principal and \$19,366 in accrued interest outstanding at December 31, 2016. During the quarter ended June 30, 2017, one of the debentures was paid in full by issuing 313,556,667 common shares resulting in one debenture remaining outstanding with \$83,000 of principal and \$13,833 of accrued interest outstanding. At September 30, 2017 the debenture had \$83,000 of principal and \$15,908 accrued interest. At June 30, 2018 the debenture had \$83,000 in principal outstanding and \$22,133 in accrued interest.

On November 30, 2015 the Company issued a debenture for \$60,000 for two cash advances during November 2015. The debenture accrues interest at 10% per annum and will convert into the company's common stock at 50% of the lowest closing bid price 12 months before the conversion date. The Holder is restricted from any conversions that would result in the Holder owning over 9.9% of the outstanding common shares of the Company after the conversion. Since its inception the debenture will accrue \$1,500 of interest during each quarter. During the quarter ended March 31, 2016. During the quarter ended June 30, 2016 the debenture accrued \$500 in interest resulting in the debenture having \$60,000 in principal and \$1,500 in accrued interest outstanding at June 30, 2016. During each quarter ended in 2016 the debenture accrued \$1,500 in interest resulting in the debenture having \$60,000 in principal and \$6,500 in accrued interest outstanding at December 31, 2016. At June 30, 2017, the Company had \$60,000 in principal and \$9,500 in accrued interest outstanding. At September 30, 2017 the debenture had \$60,000 of principal and \$11,000 accrued interest. At June 30, 2018 the debenture had \$60,000 in principal outstanding and \$15,468 in accrued interest.

On December 31, 2015 the Company issued a debenture for \$115,000 for four cash advances during December 2015. The debenture accrues interest at 10% per annum and will convert into the company's common stock at 50% of the lowest closing bid price 12 months before the conversion date. The Holder is restricted from any conversions that would result in the Holder owning over 9.9% of the outstanding common shares of the Company after the conversion. Since its inception the debenture will accrue \$2,875 of interest during each quarter. During the quarter ended March 31, 2016 the debenture accrued \$2,875 of interest. During the quarter ended June 30, 2016 the debenture accrued \$2,875 in interest resulting in the debenture having \$115,000 in principal and \$5,750 in accrued interest outstanding at June 30, 2016. During each quarter in December 31, 2016 the debenture accrued \$2,875 in interest resulting in the debenture having \$115,000 in principal and \$11,500 in accrued interest outstanding at December 31, 2016. At June 30, 2017, the Company had \$115,000 in principal and \$17,250 in accrued interest outstanding. At September 30, 2017, the debenture had \$115,000 in principal and \$20,125 in accrued interest outstanding. At June 30, 2018 the debenture had \$115,000 in principal outstanding and \$28,671 in accrued interest.

On January 31, 2016 the Company issued a debenture for \$90,000 for cash advances during January 2016. The debenture accrues interest at 10% per annum and will convert into the company's common stock at 50% of the lowest closing bid price 12 months before the conversion date. The Holder is restricted from any conversions that would result in the Holder owning over 9.9% of the outstanding common shares of the Company after the conversion. During the quarter ended March 31, 2016 the debenture accrued \$150 of interest. During the quarter ended June 30, 2016 the debenture accrued \$2,250 in interest resulting in the debenture having \$90,000 in principal and \$2,400 in accrued interest outstanding at June 30, 2016. During each subsequent quarter in 2016 the debenture accrued \$2,250 in interest resulting in the debenture having \$90,000 in principal and \$6,900 in accrued interest outstanding at December 31, 2016. At June 30, 2017, the Company had \$90,000 in principal and \$11,400 in accrued interest outstanding. At September 30, 2017, the Company had \$90,000 in principal and \$13,650 in accrued interest outstanding. At June 30, 2018 the debenture had \$90,000 in principal outstanding and \$20,400 in accrued interest.

On February 28, 2016 the Company issued a debenture for \$122,000 for cash advances during February 2016. The debenture accrues interest at 10% per annum and will convert into the company's common stock at 50% of the lowest closing bid price 12 months before the conversion date. The Holder is restricted from any conversions that would result in the Holder owning over 9.9% of the outstanding common shares of the Company after the conversion. During the quarter ended March 31, 2016 the debenture accrued \$1,016 of interest. During the quarter ended June 30, 2016 the debenture accrued \$3,050 in interest resulting in the debenture having \$122,000 in principal and \$4,066 in accrued interest outstanding at June 30, 2016. During each subsequent quarter in 2016 the debenture accrued \$3,050 in interest resulting in the debenture having \$122,000 in principal and \$10,166 in accrued interest outstanding at December 31, 2016. At June 30, 2017, the Company had \$122,000 in principal and \$14,933 in accrued interest outstanding. At September 30, 2017, the debenture had \$122,000 in principal and \$19,316 in accrued interest outstanding. At June 30, 2018 the debenture had \$122,000 in principal outstanding and \$28,466 in accrued interest.

On March 31, 2016 the Company issued a debenture for \$75,000 for a cash advance during March 2016. The debenture accrues interest at 10% per annum and will convert into the company's common stock at 50% of the lowest closing bid price 12 months before the conversion date. The Holder is restricted from any conversions that would result in the Holder owning over 9.9% of the outstanding common shares of the Company after the conversion. During the quarter ended March 31, 2016 the debenture accrued no interest. The debenture accrued \$1,875 of interest in each of the three quarters starting with June 30, 2016 resulting in the debenture having \$75,000 in principal and \$5,625 accrued interest outstanding at December 31, 2016. At June 30, 2017, the debenture had \$75,000 in principal and \$9,375 accrued interest outstanding. At September 30, 2017, the debenture had \$75,000 in principal and \$11,250 accrued interest outstanding. At June 30, 2018 the debenture had \$75,000 in principal outstanding and \$16,875 in accrued interest.

On April 30, 2016 the Company issued a debenture for \$56,000 for cash advances during April 2016. The debenture accrues interest at 10% per annum and will convert into the company's common stock at 50% of the lowest closing bid price 12 months before the conversion date. The Holder is restricted from any conversions that would result in the Holder owning over 9.9% of the outstanding common shares of the Company after the conversion. During the quarter ended June 30, 2016 the debenture accrued \$933 in interest resulting in the debenture having \$56,000 in principal and \$933 in accrued interest outstanding at June 30, 2016. During each subsequent quarter in 2016 the debenture accrued \$1,400 in interest resulting in the debenture having \$56,000 in principal and \$3,733 in accrued interest outstanding at December 31, 2016. At June 30, 2017, the Company had \$56,000 in principal and \$6,533 in accrued interest outstanding. At September 30, 2017, the debenture had \$56,000 in principal and \$7,933 in accrued interest outstanding. At June 30, 2018 the debenture had \$56,000 in principal outstanding and \$12,133 in accrued interest.

On May 31, 2016 the Company issued a debenture for \$107,500 for cash advances during May 2016. The debenture accrues interest at 10% per annum and will convert into the company's common stock at 50% of the lowest closing bid price 12 months before the conversion date. The Holder is restricted from any conversions that would result in the Holder owning over 9.9% of the outstanding common shares of the Company after the conversion. During the quarter ended June 30, 2016 the debenture accrued \$895 in interest resulting in the debenture having \$107,500 in principal and \$895 in accrued interest outstanding at June 30, 2016. During each subsequent quarter in 2016 the debenture accrued \$2,688 in interest resulting in the debenture having \$107,500 in principal and \$6,271 in accrued interest outstanding at December 31, 2016. At June 30, 2017, the Company had \$107,500 in principal and \$11,646 in accrued interest outstanding. At September 30, 2017, the debenture

had \$107,500 in principal and \$14,334 in accrued interest outstanding. At June 30, 2018 the debenture had \$107,500 in principal outstanding and \$22,397 in accrued interest.

On June 30, 2016 the Company issued a debenture for \$17,500 for cash advances during June 2016. The debenture had previously been disclosed for \$47,000 of principal but was adjusted for a disclosure error. The debenture accrues interest at 10% per annum and will convert into the company's common stock at 50% of the lowest closing bid price 12 months before the conversion date. The Holder is restricted from any conversions that would result in the Holder owning over 9.9% of the outstanding common shares of the Company after the conversion. During the quarter ended June 30, 2016 the debenture accrued no interest resulting in the debenture having \$47,000 in principal and no accrued interest outstanding at June 30, 2016. During each subsequent quarter in 2016 the debenture accrued \$1,175 in interest resulting in the debenture having \$47,000 in principal and \$2,350 in accrued interest outstanding at December 31, 2016. At June 30, 2017, the Company had \$47,000 in principal and \$4,700 in accrued interest outstanding. At September 30, 2017, the debenture had \$47,000 in principal and \$5,875 in accrued interest outstanding. At June 30, 2018 the debenture had \$17,500 in principal outstanding and \$3,501 in accrued interest.

On June 30, 2016 the Company issued a debenture for \$12,000 for cash advances during June 2016. The debenture had not been previously been disclosed because it had been included with a different disclosure but has now been adjusted for the disclosure error. The debenture accrues interest at 10% per annum and will convert into the company's common stock at 50% of the lowest closing bid price 12 months before the conversion date. The Holder is restricted from any conversions that would result in the Holder owning over 9.9% of the outstanding common shares of the Company after the conversion. At June 30, 2018 the debenture had \$12,000 in principal outstanding and \$2,400 in accrued interest.

On August 31, 2016 the Company issued a debenture for \$48,000 for cash advances during July and August of 2016. The debenture had previously been disclosed for \$38,000 but has been adjusted for an accounting error. The debenture accrues interest at 10% per annum and will convert into the company's common stock at 50% of the lowest closing bid price 12 months before the conversion date. The Holder is restricted from any conversions that would result in the Holder owning over 9.9% of the outstanding common shares of the Company after the conversion. The debenture accrued \$375 in interest during the quarter ended September 30, 2016 and \$950 during the quarter ended December 31, 2016 resulting in the debenture having \$38,000 in principal and \$1,325 in accrued interest outstanding at December 31, 2016. At June 30, 2017, the Company had \$38,000 in principal and \$3,225 in accrued interest outstanding. At September 30, 2017, the debenture had \$38,000 in principal and \$4,175 in accrued interest outstanding. At June 30, 2018 the debenture had \$48,000 in principal outstanding and \$9,600 in accrued interest.

On September 30, 2016 the Company issued a debenture for \$89,600 for cash advances during September of 2016. The debenture accrues interest at 10% per annum and will convert into the company's common stock at 50% of the lowest closing bid price 12 months before the conversion date. The Holder is restricted from any conversions that would result in the Holder owning over 9.9% of the outstanding common shares of the Company after the conversion. During the quarter ended December 31, 2016 the debenture accrued \$2,240 of interest resulting in the debenture having \$89,600 in principal \$2,240 of accrued interest outstanding at December 31, 2016. At June 30, 2017, the Company had \$89,600 in principal \$6,720 of accrued interest outstanding. At September 30, 2017, the debenture had \$89,600 in principal \$8,960 of accrued interest outstanding. At June 30, 2018 the debenture had \$89,600 in principal outstanding and \$15,680 in accrued interest.

On October 31, 2016 the Company issued a debenture for \$36,000 for cash advances during October of 2016. The debenture accrues interest at 10% per annum and will convert into the company's common stock at 50% of the lowest closing bid price 12 months before the conversion date. The Holder is restricted from any conversions that would result in the Holder owning over 9.9% of the outstanding common shares of the Company after the conversion. During the quarter ended December 31, 2016 the debenture accrued \$600 of interest resulting in the debenture having \$36,000 in principal and \$600 of accrued interest outstanding at December 31, 2016. At June 30, 2017, the Company had \$36,000 in principal and \$2,400 of accrued interest. At September 30, 2017, the debenture had \$36,000 in principal and \$3,300 of accrued interest. At December 31, 2017 the debenture had \$36,000 in principal outstanding and \$4,200 in accrued interest. During the quarter ended June 30, 2018 the Company had \$36,000 of principal and \$6,000 in accrued interest.

On November 30, 2016 the Company issued a debenture for \$50,000 for cash advances during November of 2016. The debenture accrues interest at 10% per annum and will convert into the company's common stock at 50% of the lowest closing bid price 12 months before the conversion date. The Holder is restricted from any conversions that would result in the Holder owning over 9.9% of the outstanding common shares of the Company after the conversion. During the quarter ended December 31, 2016 the debenture accrued \$417 of interest resulting in the debenture having \$50,000 in principal and \$417 of accrued interest outstanding at December 31, 2016. At June 30, 2017, the Company had \$50,000 in principal and \$2,917 of accrued interest outstanding. At September 30, 2017, the debenture had \$50,000 in principal and \$4,167 of accrued interest outstanding. At December 31, 2017 the debenture had \$50,000 in principal outstanding and \$5,417 in accrued interest. During the quarter ended June 30, 2018 the Company had \$50,000 of principal and \$7,917 in accrued interest.

On December 31, 2016 the Company issued a debenture for \$50,000 for cash advances during December of 2016. The debenture accrues interest at 10% per annum and will convert into the company's common stock at 50% of the lowest closing bid price 12 months before the conversion date. The Holder is restricted from any conversions that would result in the Holder owning over 9.9% of the outstanding common shares of the Company after the conversion. During the quarter ended December 31, 2016 the debenture accrued no interest resulting in the debenture having \$50,000 in principal and no accrued interest outstanding at December 31, 2016. At June 30, 2017, the Company had \$50,000 in principal and \$2,500 of accrued interest outstanding. At September 30, 2017, the debenture had \$50,000 in principal and \$3,750 of accrued interest outstanding. At December 31, 2017 the debenture had \$50,000 in principal outstanding and \$5,000 in accrued interest. During the quarter ended June 30, 2018 the Company had \$50,000 of principal and \$7,500 in accrued interest.

On January 31, 2017 the Company issued a debenture for \$32,000 for cash advances during January of 2017. The debenture had previously been disclosed as \$45,000 as a result of a disclosure error. The debenture accrues interest at 10% per annum and will convert into the company's common stock at 50% of the lowest closing bid price 12 months before the conversion date. The Holder is restricted from any conversions that would result in the Holder owning over 9.9% of the outstanding common shares of the Company after the conversion. At June 30, 2017, the Company had \$45,000 in principal and \$1,875 of accrued interest outstanding. At September 30, 2017, the debenture had \$45,000 in principal and \$3,000 of accrued interest outstanding. At June 30, 2018 the debenture had \$32,000 in principal outstanding and \$4,533 in accrued interest.

On January 31, 2017 the Company issued a debenture for \$13,000 for cash advances during January of 2017. The debenture had not been previously disclosed as a result of a disclosure error. At June 30, 2018 the debenture had \$13,000 in principal outstanding and \$1,842 in accrued interest.

On February 28, 2017 the Company issued a debenture for \$350,000 for cash advances during February of 2017. The debenture accrues interest at 10% per annum and will convert into the company's common stock at 50% of the lowest closing bid price 12 months before the conversion date. The Holder is restricted from any conversions that would result in the Holder owning over 9.9% of the outstanding common shares of the Company after the conversion. At June 30, 2017, the Company had \$350,000 in principal and \$11,667 of accrued interest outstanding. At September 30, 2017, the debenture had \$350,000 in principal and \$20,417 of accrued interest outstanding. At June 30, 2018 the debenture had \$350,000 in principal outstanding and \$46,667 in accrued interest.

On February 28, 2017 the Company issued a debenture for \$25,000 for cash advances during February of 2017. The debenture accrues interest at 10% per annum and will convert into the company's common stock at 50% of the lowest closing bid price 12 months before the conversion date. The Holder is restricted from any conversions that would result in the Holder owning over 9.9% of the outstanding common shares of the Company after the conversion. At June 30, 2017, the Company had \$25,000 in principal and \$833 of accrued interest outstanding. At September 30, 2017, the debenture had \$25,000 in principal and \$1,458 of accrued interest outstanding. At June 30, 2018 the debenture had \$25,000 in principal outstanding and \$3,333 in accrued interest.

On April 30, 2017 the Company issued a debenture for \$90,000 for cash advances during April of 2017. The debenture accrues interest at 10% per annum and will convert into the company's common stock at 50% of the lowest closing bid price 12 months before the conversion date. The Holder is restricted from any conversions that would result in the Holder owning over 9.9% of the outstanding common shares of the Company after the

conversion. At June 30, 2017, the Company had \$90,000 in principal and \$1,550 accrued interest outstanding. At September 30, 2017, the debenture had \$90,000 in principal and \$3,750 accrued interest outstanding. At June 30, 2018 the debenture had \$90,000 in principal outstanding and \$10,500 in accrued interest.

On April 30, 2017 the Company issued a debenture for \$50,000 for cash advances during April of 2017. The debenture accrues interest at 10% per annum and will convert into the company's common stock at 50% of the lowest closing bid price 12 months before the conversion date. The Holder is restricted from any conversions that would result in the Holder owning over 9.9% of the outstanding common shares of the Company after the conversion. At June 30, 2017, the Company had \$50,000 in principal and \$833 accrued interest outstanding. At September 30, 2017, the debenture had \$50,000 in principal and \$1,666 accrued interest outstanding. At June 30, 2018 the debenture had \$50,000 in principal outstanding and \$5,417 in accrued interest.

On May 31, 2017 the Company issued a debenture for \$50,000 for cash advances during May of 2017. The debenture accrues interest at 10% per annum and will convert into the company's common stock at 50% of the lowest closing bid price 12 months before the conversion date. The Holder is restricted from any conversions that would result in the Holder owning over 9.9% of the outstanding common shares of the Company after the conversion. At June 30, 2017, the Company had \$50,000 in principal and \$417 accrued interest outstanding. At September 30, 2017, the debenture had \$50,000 in principal and \$1,667 accrued interest outstanding. At June 30, 2018 the debenture had \$50,000 in principal outstanding and \$5,726 in accrued interest.

On May 31, 2017 the Company issued a debenture for \$130,000 for cash advances during May of 2017. The debenture accrues interest at 10% per annum and will convert into the company's common stock at 50% of the lowest closing bid price 12 months before the conversion date. The Holder is restricted from any conversions that would result in the Holder owning over 9.9% of the outstanding common shares of the Company after the conversion. At June 30, 2017, the Company had \$130,000 in principal and \$1,083 accrued interest outstanding. At September 30, 2017, the debenture had \$130,000 in principal and \$2,166 accrued interest outstanding. At June 30, 2018 the debenture had \$130,000 in principal outstanding and \$13,784 in accrued interest.

On June 30, 2017 the Company issued a debenture for \$215,000 for cash advances during June of 2017. The debenture accrues interest at 10% per annum and will convert into the company's common stock at 50% of the lowest closing bid price 12 months before the conversion date. The Holder is restricted from any conversions that would result in the Holder owning over 9.9% of the outstanding common shares of the Company after the conversion. At June 30, 2017, the Company had \$215,000 in principal and no accrued interest outstanding. At September 30, 2017, the debenture had \$215,000 in principal and \$5,375 accrued interest outstanding. At June 30, 2018 the debenture had \$215,000 in principal outstanding and \$21,500 in accrued interest.

On June 30, 2017 the Company issued a debenture for \$35,000 for cash advances during June of 2017. The debenture accrues interest at 10% per annum and will convert into the company's common stock at 50% of the lowest closing bid price 12 months before the conversion date. The Holder is restricted from any conversions that would result in the Holder owning over 9.9% of the outstanding common shares of the Company after the conversion. At June 30, 2017, the Company had \$35,000 in principal and no accrued interest outstanding. At September 30, 2017, the debenture had \$35,000 in principal and \$875 accrued interest outstanding. At June 30, 2018 the debenture had \$35,000 in principal outstanding and \$3,500 in accrued interest.

On June 30, 2017 the Company issued a debenture for \$100,000 for cash advances during June of 2017. The debenture accrues interest at 10% per annum and will convert into the company's common stock at 50% of the lowest closing bid price 12 months before the conversion date. The Holder is restricted from any conversions that would result in the Holder owning over 9.9% of the outstanding common shares of the Company after the conversion. At September 30, 2017, the debenture had \$100,000 in principal and \$2,500 accrued interest outstanding. At June 30, 2018 the debenture had \$100,000 in principal outstanding and \$10,000 in accrued interest.

On July 30, 2017 the Company issued a debenture for \$100,000 for cash advances during July of 2017. The debenture accrues interest at 10% per annum and will convert into the company's common stock at 50% of the lowest closing bid price 12 months before the conversion date. The Holder is restricted from any conversions that would result in the Holder owning over 9.9% of the outstanding common shares of the Company after the conversion. At September 30, 2017, the debenture had \$100,000 in principal and \$1,667 accrued interest outstanding. At June 30, 2018 the debenture had \$100,000 in principal outstanding and \$9,167 in accrued interest.

On July 30, 2017 the Company issued a debenture for \$100,000 for cash advances during July of 2017. The debenture accrues interest at 10% per annum and will convert into the company's common stock at 50% of the lowest closing bid price 12 months before the conversion date. The Holder is restricted from any conversions that would result in the Holder owning over 9.9% of the outstanding common shares of the Company after the conversion. At September 30, 2017, the debenture had \$100,000 in principal and \$1,667 accrued interest outstanding. At June 30, 2018 the debenture had \$100,000 in principal outstanding and \$9,167 in accrued interest.

On August 31, 2017 the Company issued a debenture for \$285,000 for cash advances during August of 2017. The debenture accrues interest at 10% per annum and will convert into the company's common stock at 50% of the lowest closing bid price 12 months before the conversion date. The Holder is restricted from any conversions that would result in the Holder owning over 9.9% of the outstanding common shares of the Company after the conversion. At September 30, 2017, the debenture had \$285,000 in principal and \$2,375 accrued interest outstanding. At June 30, 2018 the debenture had \$285,000 in principal outstanding and \$23,750 in accrued interest.

On August 31, 2017 the Company issued a debenture for \$310,000 for cash advances during August of 2017. The debenture accrues interest at 10% per annum and will convert into the company's common stock at 50% of the lowest closing bid price 12 months before the conversion date. The Holder is restricted from any conversions that would result in the Holder owning over 9.9% of the outstanding common shares of the Company after the conversion. At September 30, 2017, the debenture had \$310,000 in principal and \$2,583 accrued interest outstanding. At June 30, 2018 the debenture had \$310,000 in principal outstanding and \$25,833 in accrued interest.

On September 13, 2017 the Company issued a debenture for \$2,200,000 for a \$2,000,000 direct payment to the escrow agent to purchase Nipton, California with a \$200,000 discount. The debenture will convert into the company's common stock after November 10, 2017 at 50% of the lowest closing stock price 90 days before the conversion notice through the conversion date. The Holder is restricted from any conversions that would result in the Holder owning over 9.9% of the outstanding common shares of the Company after the conversion.

On September 30, 2017 the Company issued a debenture for \$200,000 for cash advances during September of 2017. The debenture accrues interest at 10% per annum and will convert into the company's common stock at 50% of the lowest closing bid price 12 months before the conversion date. The Holder is restricted from any conversions that would result in the Holder owning over 9.9% of the outstanding common shares of the Company after the conversion.

At June 30, 2018 the debenture had \$200,000 in principal outstanding and \$15,000 in accrued interest.

On September 30, 2017 the Company issued a debenture for \$125,000 for cash advances during September of 2017. The debenture accrues interest at 10% per annum and will convert into the company's common stock at 50% of the lowest closing bid price 12 months before the conversion date. The Holder is restricted from any conversions that would result in the Holder owning over 9.9% of the outstanding common shares of the Company after the conversion.

At June 30, 2018 the debenture had \$125,000 in principal outstanding and \$9,375 in accrued interest.

On October 15, 2017 the Company issued a debenture for \$160,000 for cash advances during October of 2017. The debenture accrues interest at 10% per annum and will convert into the company's common stock at 50% of the lowest closing bid price 12 months before the conversion date. The Holder is restricted from any conversions that would result in the Holder owning over 9.9% of the outstanding common shares of the Company after the conversion.

At June 30, 2018 the debenture had \$160,000 in principal outstanding and \$11,333 in accrued interest.

On October 20, 2017 the Company issued a debenture for \$160,000 for cash advances during October of 2017. The debenture accrues interest at 10% per annum and will convert into the company's common stock at 50% of the lowest closing bid price 12 months before the conversion date. The Holder is restricted from any conversions that would result in the Holder owning over 9.9% of the outstanding common shares of the Company after the conversion.

At June, 2018 the debenture had \$160,000 in principal outstanding and \$11,125 in accrued interest.



On October 30, 2017 the Company issued a debenture for \$165,000 for cash advances during October of 2017. The debenture accrues interest at 10% per annum and will convert into the company's common stock at 50% of the lowest closing bid price 12 months before the conversion date. The Holder is restricted from any conversions that would result in the Holder owning over 9.9% of the outstanding common shares of the Company after the conversion.

At June 30, 2018 the debenture had \$165,000 in principal outstanding and \$11,000 in accrued interest.

On October 31, 2017 the Company issued a debenture for \$165,000 for cash advances during October of 2017. The debenture accrues interest at 10% per annum and will convert into the company's common stock at 50% of the lowest closing bid price 12 months before the conversion date. The Holder is restricted from any conversions that would result in the Holder owning over 9.9% of the outstanding common shares of the Company after the conversion.

At June 30, 2018 the debenture had \$165,000 in principal outstanding and \$11,000 in accrued interest.

On November 15, 2017 the Company issued a debenture for \$140,000 for cash advances during November of 2017. The debenture accrues interest at 10% per annum and will convert into the company's common stock at 50% of the lowest closing bid price 12 months before the conversion date. The Holder is restricted from any conversions that would result in the Holder owning over 9.9% of the outstanding common shares of the Company after the conversion.

At June 30, 2018 the debenture had \$140,000 in principal outstanding and \$8,750 in accrued interest.

On November 15, 2017 the Company issued a debenture for \$140,000 for cash advances during November of 2017. The debenture accrues interest at 10% per annum and will convert into the company's common stock at 50% of the lowest closing bid price 12 months before the conversion date. The Holder is restricted from any conversions that would result in the Holder owning over 9.9% of the outstanding common shares of the Company after the conversion.

At June 30, 2018 the debenture had \$140,000 in principal outstanding and \$8,750 in accrued interest.

On November 30, 2017 the Company issued a debenture for \$80,000 for cash advances during November of 2017. The debenture accrues interest at 10% per annum and will convert into the company's common stock at 50% of the lowest closing bid price 12 months before the conversion date. The Holder is restricted from any conversions that would result in the Holder owning over 9.9% of the outstanding common shares of the Company after the conversion.

At June 30, 2018 the debenture had \$80,000 in principal outstanding and \$4,667 in accrued interest.

On November 30, 2017 the Company issued a debenture for \$80,000 for cash advances during November of 2017. The debenture accrues interest at 10% per annum and will convert into the company's common stock at 50% of the lowest closing bid price 12 months before the conversion date. The Holder is restricted from any conversions that would result in the Holder owning over 9.9% of the outstanding common shares of the Company after the conversion.

At June 30, 2018 the debenture had \$80,000 in principal outstanding and \$4,667 in accrued interest.

On December 15, 2017 the Company issued a debenture for \$125,000 for cash advances during December of 2017. The debenture accrues interest at 10% per annum and will convert into the company's common stock at 50% of the lowest closing bid price 12 months before the conversion date. The Holder is restricted from any conversions that would result in the Holder owning over 9.9% of the outstanding common shares of the Company after the conversion.

At June 30, 2018 the debenture had \$125,000 in principal outstanding and \$6,771 in accrued interest.

On December 15, 2017 the Company issued a debenture for \$125,000 for cash advances during December of 2017. The debenture accrues interest at 10% per annum and will convert into the company's common stock at 50% of the lowest closing bid price 12 months before the conversion date. The Holder is restricted from any conversions that would result in the Holder owning over 9.9% of the outstanding common shares of the Company after the conversion.

At June 30, 2018 the debenture had \$125,000 in principal outstanding and \$6,771 in accrued interest.

On December 31, 2017 the Company issued a debenture for \$250,000 for cash advances during December of 2017. The debenture accrues interest at 10% per annum and will convert into the company's common stock at 50% of the lowest closing bid price 12 months before the conversion date. The Holder is restricted from any conversions that would result in the Holder owning over 9.9% of the outstanding common shares of the Company after the conversion.

At June 30, 2018 the debenture had \$250,000 in principal and \$12,500 in accrued interest outstanding.

On December 31, 2017 the Company issued a debenture for \$250,000 for cash advances during December of 2017. The debenture accrues interest at 10% per annum and will convert into the company's common stock at 50% of the lowest closing bid price 12 months before the conversion date. The Holder is restricted from any conversions that would result in the Holder owning over 9.9% of the outstanding common shares of the Company after the conversion.

At June 30, 2018 the debenture had \$250,000 in principal and \$12,500 in accrued interest outstanding.

On January 12, 2018 the Company issued a debenture for \$450,000 for cash advances. The debenture accrues interest at 10% per annum and will convert into the company's common stock at 50% of the lowest closing bid price 12 months before the conversion date. The Holder is restricted from any conversions that would result in the Holder owning over 9.9% of the outstanding common shares of the Company after the conversion. At June 30, 2018 the debenture had \$450,000 in principal and \$18,750 in accrued interest outstanding.

On January 16, 2018 the Company issued a debenture for \$110,000 for cash advances. The debenture accrues interest at 10% per annum and will convert into the company's common stock at 50% of the lowest closing bid price 12 months before the conversion date. The Holder is restricted from any conversions that would result in the Holder owning over 9.9% of the outstanding common shares of the Company after the conversion. At June 30, 2018 the debenture had \$110,000 in principal and \$4,583 in accrued interest outstanding.

On January 31, 2018 the Company issued a debenture for \$175,000 for cash advances. The debenture accrues interest at 10% per annum and will convert into the company's common stock at 50% of the lowest closing bid price 12 months before the conversion date. The Holder is restricted from any conversions that would result in the Holder owning over 9.9% of the outstanding common shares of the Company after the conversion. At June 30, 2018 the debenture had \$175,000 in principal and \$7,292 in accrued interest outstanding.

On January 31, 2018 the Company issued a debenture for \$175,000 for cash advances. The debenture accrues interest at 10% per annum and will convert into the company's common stock at 50% of the lowest closing bid price 12 months before the conversion date. The Holder is restricted from any conversions that would result in the Holder owning over 9.9% of the outstanding common shares of the Company after the conversion. At June 30, 2018 the debenture had \$175,000 in principal and \$7,292 in accrued interest outstanding.

On February 15, 2018 the Company issued a debenture for \$125,000 for cash advances. The debenture accrues interest at 10% per annum and will convert into the company's common stock at 50% of the lowest closing bid price 12 months before the conversion date. The Holder is restricted from any conversions that would result in the Holder owning over 9.9% of the outstanding common shares of the Company after the conversion. At June 30, 2018 the debenture had \$125,000 in principal and \$4,167 in accrued interest outstanding.

On February 16, 2018 the Company issued a debenture for \$125,000 for cash advances. The debenture accrues interest at 10% per annum and will convert into the company's common stock at 50% of the lowest closing bid price 12 months before the conversion date. The Holder is restricted from any conversions that would result in the Holder owning over 9.9% of the outstanding common shares of the Company after the conversion. At June 30, 2018 the debenture had \$125,000 in principal and \$4,167 in accrued interest outstanding.

On February 28, 2018 the Company issued a debenture for \$150,000 for cash advances. The debenture accrues interest at 10% per annum and will convert into the company's common stock at 50% of the lowest closing bid price 12 months before the conversion date. The Holder is restricted from any conversions that

would result in the Holder owning over 9.9% of the outstanding common shares of the Company after the conversion. At June 30, 2018 the debenture had \$150,000 in principal and \$5,000 in accrued interest outstanding.

On March 1, 2018 the Company issued a debenture for \$100,000 for cash advances. The debenture accrues interest at 10% per annum and will convert into the company's common stock at 50% of the lowest closing bid price 12 months before the conversion date. The Holder is restricted from any conversions that would result in the Holder owning over 9.9% of the outstanding common shares of the Company after the conversion. At June 30, 2018 the debenture had \$100,000 in principal and \$2,500 in accrued interest outstanding.

On March 15, 2018 the Company issued a debenture for \$120,000 for cash advances. The debenture accrues interest at 10% per annum and will convert into the company's common stock at 50% of the lowest closing bid price 12 months before the conversion date. The Holder is restricted from any conversions that would result in the Holder owning over 9.9% of the outstanding common shares of the Company after the conversion. At June 30, 2018 the debenture had \$120,000 in principal and \$3,000 in accrued interest outstanding.

On March 15, 2018 the Company issued a debenture for \$120,000 for cash advances. The debenture accrues interest at 10% per annum and will convert into the company's common stock at 50% of the lowest closing bid price 12 months before the conversion date. The Holder is restricted from any conversions that would result in the Holder owning over 9.9% of the outstanding common shares of the Company after the conversion. At June 30, 2018 the debenture had \$120,000 in principal and \$3,000 in accrued interest outstanding.

On March 28, 2018 the Company issued a debenture for \$120,000 for cash advances. The debenture accrues interest at 10% per annum and will convert into the company's common stock at 50% of the lowest closing bid price 12 months before the conversion date. The Holder is restricted from any conversions that would result in the Holder owning over 9.9% of the outstanding common shares of the Company after the conversion. At June 30, 2018 the debenture had \$120,000 in principal and \$3,000 of accrued interest outstanding.

On March 29, 2018 the Company issued a debenture for \$120,000 for cash advances. The debenture accrues interest at 10% per annum and will convert into the company's common stock at 50% of the lowest closing bid price 12 months before the conversion date. The Holder is restricted from any conversions that would result in the Holder owning over 9.9% of the outstanding common shares of the Company after the conversion. At June 30, 2018 the debenture had \$120,000 in principal and \$3,000 of accrued interest outstanding.

On April 30, 2018 the Company issued a debenture for \$310,000 for cash advances. The debenture accrues interest at 10% per annum and will convert into the company's common stock at 50% of the lowest closing bid price 12 months before the conversion date. The Holder is restricted from any conversions that would result in the Holder owning over 9.9% of the outstanding common shares of the Company after the conversion. At June 30, 2018 the debenture had \$310,000 in principal and \$5,167 of accrued interest outstanding.

On April 30, 2018 the Company issued a debenture for \$150,000 for cash advances. The debenture accrues interest at 10% per annum and will convert into the company's common stock at 50% of the lowest closing bid price 12 months before the conversion date. The Holder is restricted from any conversions that would result in the Holder owning over 9.9% of the outstanding common shares of the Company after the conversion. At June 30, 2018 the debenture had \$150,000 in principal and \$2,500 of accrued interest outstanding.

On May 31, 2018 the Company issued a debenture for \$170,000 for cash advances. The debenture accrues interest at 10% per annum and will convert into the company's common stock at 50% of the lowest closing bid price 12 months before the conversion date. The Holder is restricted from any conversions that would result in the Holder owning over 9.9% of the outstanding common shares of the Company after the conversion. At June 30, 2018 the debenture had \$170,000 in principal and \$1,417 of accrued interest outstanding.

On May 31, 2018 the Company issued a debenture for \$80,000 for cash advances. The debenture accrues interest at 10% per annum and will convert into the company's common stock at 50% of the lowest closing bid price 12 months before the conversion date. The Holder is restricted from any conversions that would result in the Holder owning over 9.9% of the outstanding common shares of the Company after the conversion. At June 30, 2018 the debenture had \$80,000 in principal and \$667 of accrued interest outstanding.

On June 30, 2018 the Company issued a debenture for \$350,000 for cash advances. The debenture accrues interest at 10% per annum and will convert into the company's common stock at 50% of the lowest closing bid price 12 months before the conversion date. The Holder is restricted from any conversions that would result in the Holder owning over 9.9% of the outstanding common shares of the Company after the conversion. At June 30, 2018 the debenture had \$350,000 in principal and no accrued interest outstanding.

On June 30, 2018 the Company issued a debenture for \$50,000 for cash advances. The debenture accrues interest at 10% per annum and will convert into the company's common stock at 50% of the lowest closing bid price 12 months before the conversion date. The Holder is restricted from any conversions that would result in the Holder owning over 9.9% of the outstanding common shares of the Company after the conversion. At June 30, 2018 the debenture had \$50,000 in principal and no accrued interest outstanding.

## **NOTE 9. LOANS FROM SHAREHOLDERS**

Amounts owed to directors, officers or other consultants for services that are also shareholders are accrued as loans from shareholders.

## **NOTE 10. STOCKHOLDERS EQUITY**

### **Preferred Stock**

On January 20, 2012, David Gwyther obtained 6,500,000 Preferred Series B shares from the prior owner. The Preferred Series B shares held by the Company's Chairman, David Gwyther have voting control of the Company with 1,000 votes for each preferred share held. Each Preferred B share can convert into 20 shares of common stock.

On September 13, 2016 the Company issued 1,400,000 Preferred Series B shares to two non-affiliates for \$16,800.

On June 1, 2017 the Company amended its articles and designated 6,000,000 Preferred Series C class of shares that it sold. A total of 3 million shares were sold to both directors of the Company for \$36,000 and 3 million shares were sold to two non-affiliates for \$36,000. Each Preferred C share has 1,000 votes and can convert into 20 shares of common stock.

At March 31, 2018 the Company had authorized 30,000,000 preferred shares with 13,900,000 preferred shares outstanding at \$.001 par and can issue shares of preferred stock in such classes and with such preferences as may be determined by the board of directors or the bylaws of the Company.

### **Common Stock**

On June 14, 2007 the Company consolidated its authorized and outstanding common shares at a 1 for 1,000 ratio. After the stock consolidation the Company had authorized 870,000 common shares at a par value of \$.001.

On May 29, 2012, the Company increased its authorized common shares to 1,350,000,000.

On December 14, 2012, the Company increased its authorized common shares to 1,995,000,000.

On January 17, 2013, the Company increased its authorized common shares to 2,750,000,000.

On August 30, 2013, the Company increased its authorized common shares to 3,750,000,000.

On January 9, 2014 the Company increased its authorized common shares to 4,750,000,000.

On July 7, 2015 the Company increased its authorized common shares to 7,750,000,000.

On July 15, 2016 the Company increased its authorized common shares to 9,750,000,000.

On October 25, 2016 the Company increased its authorized common shares to 14,750,000,000.

On August 2, 2017 the Company increased its authorized common shares to 25,000,000,000.

During the quarter ended June 30, 2016 the Company issued 859,090,909 common shares to two debenture holders to retire \$358,615 of principal and \$56,135 of accrued interest.

During the quarter ended September 30, 2016 the Company issued 1,206,954,286 common shares to three debenture holders to retire \$363,003 of principal and \$28,931 of accrued interest.

During the quarter ended December 31, 2016 the Company issued 2,842,693,333 common shares to four debenture holders to retire \$728,488 of principal and \$81,695 of accrued interest. It also issued 82,062,744 restricted common shares to directors valued at \$91,000 for accrued services.

During the quarter ended March 31, 2017 the Company issued 2,545,778,788 common shares to five debenture holders to retire \$693,966 of principal and \$104,457 of accrued interest. It also purchased 14,823,132 common shares from a shareholder for \$22,248 and returned them to its treasury and cancelled them.

During the quarter ended June 30, 2017 the Company issued 577,916,667 common shares to two debenture holders to retire \$146,261 of principal and \$27,114 of accrued interest. It also issued 63,337,471 common shares valued at \$108,000 to pay accrued compensation to two directors.

During the quarter ended September 30, 2017 the Company issued 2,617,360,000 common shares to retire \$698,392 of principal and \$86,816 of accrued interest to three non-affiliate lenders.

During the quarter ended December 31, 2017 the Company issued 1,952,597,879 common shares to three debenture holders to retire six debentures and pay down one debenture totaling \$842,423 of principal and \$125,350 of accrued interest.

During the quarter ended March 31, 2018 the Company issued 32,052,521 common shares valued at \$74,000 to consultants for legal and consulting services, 35,882,673 common shares to a company officer valued at \$52,500 for services and 114,935,673 common shares valued at \$180,000 to directors for past services and 2,794,970,909 common shares to retire 12 debentures that had \$1,305,100 of principal and \$232,134 of accrued interest.

During the quarter ended June 30, 2018 the Company issued 495,074,000 common shares to retire 3 debentures that collectively had \$222,398 of principal and \$25,139 of accrued interest.

At June 30, 2018, the Company had 25,000,000,000 authorized common shares and 22,594,484,903 common shares issued and outstanding.