ORHUB, INC.

FINANCIAL STATEMENTS

(UNAUDITED)

JUNE 30, 2017

Chief Financial Officer Certification

I, Lanny R. Lang, certify that:

I have reviewed ORhub, Inc.'s unaudited financial statements as of June 30, 2017 and 2016 and for the year ending June 30, 2017 and for the period from November 12, 2015 (date of inception) to June 30, 2016. Based on my knowledge, the unaudited financial statements, and other financial information included herein, fairly present in all material respects the financial condition, results of operations and cash flows of ORhub, Inc. as of and for the periods presented.

/s/ Lanny R. Lang
Lanny R. Lang
Chief Financial Officer

October 13, 2017
Date

ORHUB, INC.
BALANCE SHEETS
(UNAUDITED)

	June 30, 2017	June 30, 2016
ASSETS		
Current assets:		
Cash and cash equivalents	$ 4,274	$ 192
Prepaid expenses and other current assets	85,334	5,814
Total current assets	89,608	6,006
Property and equipment, net	31,287	8,314
	$ 120,895	$ 14,320
LIABILITIES AND STOCKHOLDERS' EQUITY (DEFICIT)		
Current liabilities:		
Accounts payable	$ 247,794	$ 72,632
Accounts payable to related parties	104,200	38,036
Accrued salaries and payroll taxes	101,242	26,016
Accrued liabilities	47,854	53,516
Accrued interest payable to related party	27,099	-
Loans due to related parties	33,700	49,505
Note payable	12,330	
Current portion of long-term debt	150,000	-
Total current liabilities	724,219	239,705
Long-term liabilities:		
Notes payable due to related party, net of current portion	-	350,000
Convertible Notes payable	678,300	
Total long-term liabilities	678,300	350,000
Total liabilities	1,402,519	589,705
Stockholders' equity (deficit):		
Preferred stock - undesignated, $0.001 par value; 7,775,827 shares authorized	-	-
Common stock, $0.001 par value; 190,000,000 shares authorized, 128,716,527 and 116,698,608 shares issued and outstanding, respectively	128,717	116,699
Additional paid-in capital	4,285,765	222,961
Accumulated deficit	(5,696,106)	(915,045)
Total stockholders' equity (deficit)	(1,281,624)	(575,385)
Total liabilities and stockholders' equity (deficit)	$ 120,895	$ 14,320

The accompanying notes are an integral part of these financial statements

ORHUB, INC.
STATEMENT OF OPERATIONS
(UNAUDITED)

	For the year ended June 30, 2017	For the period from November 12, 2015 (date of inception) to June 30, 2016
OPERATING EXPENSES		
Software development	$ 1,666,764	$ 260,240
Selling and marketing	214,770	63,407
General and administrative	1,483,058	27,300
Legal and professional fees	282,610	83,487
Depreciation and amortization	8,468	1,259
Total operating expenses	3,655,670	435,693
OTHER INCOME (EXPENSE):		
Interest expense	(61,650)	-
Settlement agreements	(16,234)	(473,445)
Loss recognized on Eliseo Note	(1,047,507)	-
Total other expense	(1,125,391)	(473,445)
NET INCOME (LOSS)	$ (4,781,061)	$ (909,138)
BASIC AND DILUTED NET INCOME (LOSS) PER SHARE	$ (0.04)	$ (0.01)
BASIC AND DILUTED WEIGHTED AVERAGE NUMBER OF SHARES OUTSTANDING	123,240,585	102,241,269

The accompanying notes are an integral part of these financial statements

ORHUB, INC.
STATEMENT OF STOCKHOLDERS' EQUITY (DEFICIT)
(UNAUDITED)
For the year ended June 30, 2017 and for period from November 12, 2015 (date of inception) to June 30, 2016

	Common stock		Preferred stock - all Series		Additional Paid-in	Accumulated	
	Shares	Amount	Shares	Amount	Capital	Deficit	Total
November 12, 2015 (date of inception)	-	$ -	-	$ -	$ -	$ -	$ -
Common stock issued to founders	101,084,524	101,084	-	-	50,916	-	152,000
Common stock sold	826,690	827	-	-	285,080	(5,907)	280,000
Common stock issued in settlement agreements	783,561	784	-	-	270,645	-	271,429
Recapitalization as a result of the reverse merger	14,003,833	14,004	-	-	(383,680)	-	(369,676)
Net loss	-	-	-	-	-	(909,138)	(909,138)
Balance at June 30, 2016	116,698,608	$ 116,699	-	$ -	$ 222,961	$ (915,045)	$ (575,385)
Common stock issued under private placement	538,563	539			161,030		161,569
Common stock issued upon exercise of warrants	10,554,271	10,554			3,507,175		3,517,729
Common stock issued for services	570,000	570			247,135		247,705
Common stock issued in settlement of claim	342,316	342			142,062		142,404
Common stock issued for conversion of interest	12,769	13			5,402		5,415
Net loss	-	-	-	-	-	(4,781,061)	(4,781,061)
Balance at June 30, 2017	128,716,527	$ 128,717	-	$ -	$ 4,285,765	$ (5,696,106)	$ (1,281,624)

The accompanying notes are an integral part of these financial statements

ORHUB, INC.
STATEMENTS OF CASH FLOWS
(UNAUDITED)

	For the year ended June 30, 2017	For the period from November 12, 2015 (date of inception) to June 30, 2016
CASH FLOWS FROM OPERATING ACTIVITIES:		
Net income (loss)	$ (4,781,061)	$ (909,138)
Adjustments to reconcile net loss to net cash used in operating activities		
Depreciation and amortization	8,468	1,259
Common stock issued in settlement agreements	158,638	271,429
Common stock issued for services	247,705	-
Convertible Note issued for services	10,300	-
Loss on liability assumed under settlement agreements	-	202,016
Changes in operating assets and liabilities:		
Prepaid expenses and other current assets	(79,520)	(5,814)
Accounts payable	175,162	62,882
Accounts payable to related parties	55,759	58,505
Accrued salaries and payroll taxes	75,226	26,016
Accrued liabilities	(23,040)	-
Accrued interest payable	6,559	-
Accrued interest payable to related party	27,099	-
Net cash used in operating activities	(4,118,705)	(292,845)
CASH FLOWS FROM INVESTING ACTIVITIES:		
Cash acquired in Acquisition	-	110
Purchases of property and equipment	(31,441)	(9,573)
Net cash used in investing activities	(31,441)	(9,463)
CASH FLOWS FROM FINANCING ACTIVITIES:		
Common stock issued upon exercise of warrants	3,517,729	-
Common stock sold in private placement	161,569	270,000
Borrowings on Convertible Notes	488,000	-
Borrowings on Note Payable	44,414	-
Repayments of Note Payable	(32,084)	-
Loans from related parties	70,500	51,500
Loan repayments to related parties	(95,900)	(19,000)
Net cash provided by financing activities	4,154,228	302,500

- *Continued* -

ORHUB, INC.
STATEMENT OF CASH FLOWS
Page 2

	For the year ended June 30, 2017	For the period from November 12, 2015 (date of inception) to June 30, 2016
NET CHANGE IN CASH	4,082	192
CASH AT BEGINNING OF PERIOD	192	-
CASH AT END OF PERIOD	$ 4,274	$ 192
SUPPLEMENTAL DISCLOSURE OF CASH FLOW INFORMATION		
Cash paid for:		
Interest	$ 25,890	$ -
Income taxes	$ -	$ -
NONCASH INVESTING AND FINANCIAL ACTIVITIES		
Common stock issued for conversion of interest	$ 5,415	$ -
Note payable exchanged for Convertible Note	$ 180,000	$ -
Proceeds from sale of stock paid directly to related party	$ -	$ 10,000
Settlements paid by founders as contributed capital	$ -	$ 148,500
Shares issued to founders upon formation	$ -	$ 3,500
Shares issued for annual preference	$ -	$ 5,907
Reclassification of accounts payable to related party loan	$ 10,405	$ 30,505

The accompanying notes are an integral part of these financial statements

NOTES TO THE FINANCIAL STATEMENTS
June 30, 2017
(Unaudited)

NOTE 1 – ORGANIZATION AND OPERATIONS

Current Operations

ORhub, Inc. (the "*Company*") was originally organized as an Arizona corporation in 2004 and later changed its state of incorporation to Nevada. On June 30, 2016, pursuant to an Asset Purchase Agreement ("*APA*"), the Company acquired all the assets and assumed certain liabilities of ORhub, LLC, including its name, business, technology, website and patents (the "*Acquisition*") (see Note 3). Immediately subsequent to the closing of the APA, the Company consummated a tax free split-off ("*Split-off*") of its wholly owned subsidiary, Memorability Registry Corp. ("*MRC*") to 22 common and preferred stockholders (see Note 4). Effective February 9, 2017, the Company received regulatory approval to change its name to ORhub, Inc. to better reflect its business after the Acquisition.

Under the terms of the APA, the ORhub, LLC stockholders held approximately 88% of the common stock of the Company immediately after the closing of the APA. For accounting purposes, ORhub, LLC will be deemed to be the accounting acquirer in the transaction and, consequently, the transaction will be treated as a recapitalization of the Company. Accordingly, ORhub, LLC's assets, liabilities and results of operations will become the historical financial statements of the Company and the Company's assets, liabilities and results of operations will be consolidated with ORhub, LLC effective as of the date of the closing of the APA. No step-up in basis or intangible assets or goodwill will be recorded in this transaction (see Note 3).

With the acquisition of ORhub, LLC and the Split-off of MRC, the Company is engaged in software development, primarily in the development of a proprietary, 100% cloud based software application for the management of implantable devices and biologic components (the "*ORhub Software*"). The ORhub Software provides hospitals an ability to track and monitor inventory, compare costs and identify financial impacts in the operating room at the point of surgery using empirical data at the point of surgery. The Company believes its ORhub Software will allow hospitals and surgeons to make real-time, data driven decisions to improve business profitability and the quality of patient care.

Background and Formation

The Company was originally incorporated in Arizona on September 3, 2004 under the name VT Gaming Services, Inc. ("*VTG*"). The Company was a wholly owned subsidiary of Visitalk Capital Corporation ("*VCC*") and formed as part of the implementation of a confirmed Chapter 11 reorganization plan (the "*Visitalk Plan*") of visitalk.com, Inc. The Visitalk Plan was deemed effective by the Bankruptcy Court on September 17, 2004 (the "*Effective Date*").

In December 2004, the Company acquired DynaSig Corporation ("*DynaSig*") as a wholly owned subsidiary. In April 2005, the Company changed its name to Dynamic Biometric Systems, Inc. ("*DBSI*"). In October 2005, the Company changed its state of incorporation from Arizona to Nevada. In November 2009, the company formed a new wholly owned subsidiary, MRC. In April 2011, the Company changed its name from DBSI to MemReg, Inc. In December 2013, the Company sold DynaSig to focus on the MRC business. On June 30, 2016, immediately subsequent to the closing of the APA, the Company Split-off MRC (see Note 4).

Going concern and management's plans

As of June 30, 2017, the accompanying financial statements have been presented on the basis that it is a going concern which contemplates the realization of assets and the satisfaction of liabilities in the normal course of business. For the year ending June 30, 2017, the Company had a net loss of $4,781,061, consisting of software development, selling and marketing, general and administrative, legal, professional and settlement expenses. In addition, as of June 30, 2017, the Company had stockholder's deficit of $1,281,624 and a working capital deficit of $634,611. In view of these matters, recoverability of any asset amounts shown in the accompanying financial statements is dependent upon the Company's ability to begin operations and to achieve a level of profitability. These factors raise substantial doubt about the Company's ability to continue as a going concern. The financial statements do not include any adjustments that might result from the outcome of this uncertainty.

The Company has financed its activities principally from the sale of equity securities, the exercise of the Company's Plan Warrants (see Note 14) and the sale of 12% Convertible Notes (see Note 11). The Company intends on financing its future development activities and its working capital needs largely from loans, the sale of equity securities, the exercise of Plan Warrants and the sale of Convertible Notes until such time that funds provided by operations are sufficient to fund working capital requirements.

Although no assurances can be given, management believes that its funding plans will allow the Company to obtain sufficient capital for operations and to continue as a going concern.

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

This summary of significant accounting policies is presented to assist the reader in understanding and evaluating the Company's financial statements. These accounting policies conform to generally accepted accounting principles and have been consistently applied in the preparation of the financial statements.

Basis of Presentation

The accompanying financial statements have been prepared in accordance with U.S. generally accepted accounting principles for financial information and reflect all adjustments which are, in the opinion of the Company's management, necessary for a fair presentation of the financial position and operating results as of and for the period ended June 30, 2017. As part of the reverse merger presentation there is no comparable data for the prior year. For the fiscal year ending June 30, 2017, the Company has elected to early adopt Accounting Standards Update ("*ASU*") No. 2015-10, Development Stage Entities (Topic 915): Elimination of Certain Financial Reporting Requirements. The adoption of this ASU allows the Company to remove the inception to date information and all references to development stage.

Cash and cash equivalents

Cash and cash equivalents as of June 30, 2017 included cash on-hand. The Company considers all highly liquid instruments with maturity dates within 90 days at the time of issuance to be cash equivalents.

Use of Estimates

The preparation of the financial statements in conformity with U.S. generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the reporting period. Actual results could differ from those estimates. The more significant estimates and assumptions made by management include depreciation of property and equipment, realizability of long lived assets and fair market value of equity instruments issued for goods or services. The current economic environment has increased the degree and uncertainty inherent in these estimates and assumptions.

Concentrations of Credit Risk

Financial instruments that potentially subject the Company to concentrations of credit risk consist principally of cash and accounts receivables. The Company places its cash with high credit quality financial institutions. At times such amounts may exceed federally insured limits.

Fair Value of Financial Instruments

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

Revenue Recognition and Presentation

The Company follows FASB Accounting Standards Codification ("*FASB ASC*") paragraph 605-10-S99-1 of the for revenue recognition. The Company will recognize revenue when it is realized or realizable and earned. The Company considers revenue realized or realizable and earned when all of the following criteria are met: (i) persuasive evidence of an arrangement exists, (ii) the product has been shipped or the services have been rendered to the customer, (iii) the sales price is fixed or determinable, and (iv) collectability is reasonably assured.

Property and equipment

Property and equipment consists primarily of computer equipment used in software development activities and are stated at cost. Depreciation is computed using the straight-line method based upon the estimated useful lives of the underlying assets, generally three years. Major renewals and betterments that extend the life of the property are capitalized. Expenditures for repairs and maintenance are expensed as incurred.

Long-lived Assets

The Company's long-lived assets consisted of property and equipment and are reviewed for impairment in accordance with the guidance of the FASB ASC 360, *Property, Plant, and Equipment*. The Company tests for impairment losses on long-lived assets used in operations whenever events or changes in circumstances indicate that the carrying amount of the asset may not be recoverable. Through June 30, 2017, the Company had not experienced impairment losses on its long-lived assets as management determined that there were no indicators that a carrying amount of the asset may not be recoverable.

Software Development Costs

Software development costs consist primarily of salary and benefits for the Company's development and technical staff, contractors' fees and other costs associated with the development of the Company's software products and services. Costs incurred for software development prior to technological feasibility are expensed in the period incurred. Once the point of technological feasibility is reached, development costs are capitalized until the product is ready for general release. No software development costs were capitalized for the year ended June 30, 2017.

Stock-based compensation

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

Income Tax Provision

The Company accounts for income taxes under FASB ASC Section 740-10-30, which requires recognition of deferred tax assets and liabilities for the expected future tax consequences of events that have been included in the financial statements or tax returns. Under this method, deferred tax assets and liabilities are based on the differences between the financial statement and tax bases of assets and liabilities using enacted tax rates in effect for the fiscal year in which the differences are expected to reverse. Deferred tax assets are reduced by a valuation allowance to the extent management concludes it is more likely than not that the assets will not be realized. Deferred tax assets and liabilities are measured using enacted tax rates expected to apply to taxable income in the fiscal years in which those temporary differences are expected to be recovered or settled. The effect on deferred tax assets and liabilities of a change in tax rates is recognized in the Statements of Income and Comprehensive Income in the period that includes the enactment date.

The estimated future tax effects of temporary differences between the tax basis of assets and liabilities are reported in the accompanying balance sheet, as well as tax credit carry-backs and carry-forwards. The Company periodically reviews the recoverability of deferred tax assets recorded on its balance sheet and provides valuation allowances as management deems necessary.

Management makes judgments as to the interpretation of the tax laws that might be challenged upon an audit and cause changes to previous estimates of tax liability. In addition, the Company operates within multiple taxing jurisdictions and is subject to audit in these jurisdictions. In management's opinion, adequate provisions for income taxes have been made for all years. If actual taxable income by tax jurisdiction varies from estimates, additional allowances or reversals of reserves may be necessary.

Commitment and Contingencies

The Company follows FASB ASC subtopic 450-20 to report accounting for contingencies. Certain conditions may exist as of the date financial statements are issued, which may result in a loss to the Company but which will only be resolved when one or more future events occur or fail to occur. The Company assesses such contingent liabilities, and such assessment inherently involves an exercise of judgment. In assessing loss contingencies related to legal proceedings that are pending against the Company or unasserted claims that may result in such proceedings, the Company evaluates the perceived merits of any legal proceedings or unasserted claims as well as the perceived merits of the amount of relief sought or expected to be sought therein.

If the assessment of a contingency indicates that it is probable that a material loss has been incurred and the amount of the liability can be estimated, then the estimated liability would be accrued in the Company's financial statements. If the assessment indicates that a potentially material loss contingency is not probable but is reasonably possible, or is probable but cannot be estimated, then the nature of the contingent liability, and an estimate of the range of possible losses, if determinable and material, would be disclosed.

Loss contingencies considered remote are generally not disclosed unless they involve guarantees, in which case the guarantees would be disclosed. Management does not believe, based upon information available at this time, that these matters will have a material adverse effect on the Company's financial position, results of operations or cash flows. However, there is no assurance that such matters will not materially and adversely affect the Company’s business, financial position, and results of operations or cash flows.

Net Income (Loss) per Common Share

Net income (loss) per common share is computed pursuant to FASB ASC section 260-10-45. Basic net income (loss) per common share is computed by dividing net income (loss) by the weighted average number of shares of common stock outstanding during the period. Diluted net income (loss) per common share is computed by dividing net income (loss) by the weighted average number of shares of common stock and potentially outstanding shares of common stock during the period to reflect the potential dilution that could occur from common shares issuable through stock options and warrants. There were no potentially outstanding dilutive securities as of June 30, 2017.

Related Parties

The Company follows ASC 850, *Related Party Disclosures*, (“*ASC Topic 850*”) for the identification of related parties and disclosure of related party transactions (see Note 16).

Recently Issued Accounting Pronouncements

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

NOTE 3 – ACQUISITION OF ASSETS OF ORHUB, LLC

As discussed in Note 1, on June 30, 2016, under the terms of the APA, the Company acquired all the assets and assumed certain liabilities of ORhub, LLC, including its name, business, technology, website and patents (the “*Acqusition*”). Since the ORhub, LLC stockholders gained more than 80% control of the Company following the closing of the APA, this transaction was tax free to the ORhub, LLC stockholders under the Internal Revenue Code §351.

The Company issued 102,694,775 shares of its common stock, representing 88% of the common stock of the Company at the closing of the APA. For accounting purposes, ORhub, LLC is deemed to be the accounting acquirer in the transaction and, consequently, the transaction will be treated as a recapitalization of the Company. Accordingly, ORhub, LLC’s assets, liabilities and results of operations will become the historical financial statements of the Company and the Company’s assets, liabilities and results of operations will be consolidated with ORhub, LLC effective as of the date of the closing of the APA. No step-up in basis or intangible assets or goodwill will be recorded in this transaction.

Subsequent to the closing of the APA, the Company consummated a Split-off of MRC (see Note 4). With the acquisition of ORhub, LLC and the Split-off of MRC, the Company is now focused solely on continuing to develop the ORhub Software.

NOTE 4 – SPLIT-OFF OF MRC

As discussed in Note 1, immediately upon the closing of the APA (see Note 3), the Company consummated a Split-off of MRC to 22 common and preferred stockholders. The Company received back 9,447,602 shares of common stock and 775,000 shares of Class C Preferred stock for 100% of its ownership in MRC. The Class C Preferred stock had a liquidation value of approximately $1,350,000. The shares of common stock and Series C Preferred stock received back by the Company were retired and returned to the status of authorized and unissued shares.

NOTE 5 – PROPERTY AND EQUIPMENT

Property and equipment consisted of the following:

	June 30, 2017		June 30, 2016	
Computer equipment	$	41,013	$	9,573
Less: accumulated depreciation		(9,726)		(1,259)
	$	31,287	$	8,314

Depreciation is computed using the straight-line method based upon the estimated useful lives of the underlying assets, generally three years. Depreciation expense was $8,468 and $1,259 for the years ended June 30, 2017 and for the period from November 12, 2015 (date of inception) to June 30, 2016, respectively.

NOTE 6 – PATENT AND INTELLECTUAL PROPERTY

Christopher Wiggins and William Dobkin, founders of ORhub, LLC (the "*ORhub Founders*") and members of the Company's Technical Advisory Board, applied for patents related to the ORhub Software in 2011 and again in 2015. These patents were assigned to ORhub, LLC and subsequently assigned to the Company under the terms of the APA. These patents are both pending. The initial 2011 patent claims have been rejected by the Patent Office. Since the Patents have not been awarded, costs of pursuing the patents are expensed as incurred.

NOTE 7 – ACCRUED LIABILITIES

Accrued liabilities consisted of the following:

	June 30, 2017		June 30, 2016	
Due to Mack Consulting, Inc. ("*MCI*")	$	33,750	$	53,516
Other accrued liabilities		14,104		-
	$	47,854	$	53,516

The amount due to MCI is in connection with a settlement agreement made by ORhub, LLC (see Note 18). Subsequent to June 30, 2017, the Mack Claim was settled for $33,750 and that amount was recorded as a liability as of June 30, 2017. This amount has been paid in full subsequent to June 30, 2017 and the ORhub Founders received a final dismissal of the case. As a result of this settlement, the Company recorded an additional settlement expense of $16,234 as shown on the accompanying statement of operations for the year ended June 30, 2017.

NOTE 8 – LOANS DUE TO RELATED PARTIES

Loans due to related parties consisted of the following:

	June 30, 2017	June 30, 2016
Castillo Misterio, LLC (beneficially owned by Colton Melby)	$ 12,000	$ 32,400
JAATRL, LLC (beneficially owned by William Dobkin)	1,350	1,350
Wylde, LLC (beneficially owned by Christopher Wiggins)	20,350	15,755
	$ 33,700	$ 49,505

Loans due to related parties are unsecured and do not have a maturity date. The Company accrued interest at 15% per annum on the loans and recognized interest expense of $2,553 for the year ended June 30, 2017, which is included in accrued interest to related parties on the accompanying balance sheet as of June 30, 2017 (see Note 16).

NOTE 9 – NOTE PAYABLE

On November 17, 2016, the Company entered into a Premium Finance Agreement with AFCO Credit Corporation in the original principal amount of $48,568. The note payable provides for an initial down payment of $4,154 and 11 monthly installments of $4,154 commencing December 16, 2016. The balance of the note payable is $12,330 as of June 30, 2017.

NOTE 10 – LONG TERM NOTES PAYABLE DUE TO RELATED PARTY

Long-term notes payable due to related party consisted of the following:

	June 30, 2017	June 30, 2016
Aztoré Capital Corp. ("*ACC*")	$ 150,000	$ 350,000
Less: current portion	(150,000)	-
	$ -	$ 350,000

Long-term notes payable due to related party in the original amount of $350,000 is the remaining note payable obligation of the Company due to Aztoré Capital Corp. ("*ACC*") after the Acquisition (the "*ACC Note*"). The ACC Note is unsecured and accrues interest at 15% per annum, with interest payable quarterly. The maturity date of the ACC Note is July 1, 2019. During the year ended June 30, 2017, the Company paid $20,000 toward the principal of the ACC Note and $25,890 of interest. On June 30, 2017, ACC agreed to convert $180,000 of the ACC Note into a 12% Convertible Note (see Note 11), leaving a balance of $150,000. Subsequent to June 30, 2017, the Company paid off the remaining balance of the ACC Note, accordingly, the balance is shown as a current obligation as of June 30, 2017. Accrued interest of $24,546 is included in accrued interest to related party on the accompanying balance sheet as of June 30, 2017. This amount was also paid off subsequent to June 30, 2017.

NOTE 11 – CONVERTIBLE NOTES PAYABLE

On April 27, 2017, the Company authorized a private placement offering (the "*Offering*") of up to $5,000,000 of Series 2017-A 12% Convertible Notes (the "*Convertible Notes*"). The Convertible Notes will be offered and sold in compliance with Rule 506 of Regulation D and only to investors that qualify as "accredited investors." The Convertible Notes will be issued under a Master Unsecured Note Agreement (the "*Note Agreement*").

Convertible Notes issued under the Note Agreement are convertible, with any accrued interest, into the Company's common stock at $.40 per share at any time. If the Company's common stock trades for ten days at a VWAP (volume weighted average price) greater than three times the conversion price, the Company can mandatorily convert the Convertible Notes.

The Convertible Notes bear interest at 12% per annum due quarterly with the first payment on June 30, 2017. A Holder has the option of allowing the interest to accrue and be converted at maturity, or receive common stock valued at the lower of 75% of the prior ten day VWAP on the quarterly interest due date. The Convertible Notes are unsecured, may be prepaid in whole or in part at any time and are due on July 30, 2020. The Convertible Notes also provide for a 30% warrant coverage with an exercise price of $.50 expiring on June 30, 2021 (the "*Detachable Warrants*"). The Convertible Notes and the Detachable Warrants include customary anti-dilution protection.

During the year ended June 30, 2017, $488,000 of Convertible Notes have been sold under the Offering. In addition, as discussed in Note 10, ACC agreed to convert $180,000 of the ACC Note into a Convertible Note. ACC was also issued a Convertible Note for $10,300 for services provided. A total of $678,300 of Convertible Notes are outstanding as of June 30, 2017, which includes 508,725 newly issued Detachable Warrants.

On June 30 June 2017, pursuant to the terms of the Note Agreement, the Company issued 12,769 shares of common stock in payment of $5,414 of accrued interest to Holders who elected to convert interest into common stock at the lower of 75% of the prior ten day VWAP price.

NOTE 12 – STOCKHOLDERS' EQUITY

Common stock

The Company's authorized capital consisted of 190,000,000 shares of common stock, $.001 par value. A summary of the Company's common stock transactions during the year ended June 30, 2017 is as follows:

- In July 2016, the Company sold 538,563 shares of common stock in a private transaction to an unaffiliated party for $161,569.

- Between August 2016 and June 2017, the Company issued 6,846,966 shares of common stock upon the exercise of common stock purchase warrants at a Special Exercise Price of $.3333, for total proceeds of $2,282,084 (see Note 14).

- On December 19, 2016, the Company issued 3,707,305 shares of common stock upon the exercise of common stock purchase warrants at a Special Exercise Price of $.3333 to Eliseo Partners (Asia) Limited ("*Eliseo*"), a New Zealand corporation. The Company accepted a promissory note for $1,235,645 as full payment of the Special Exercise Price (the "*Eliseo Note*"). The Eliseo Note was originally due on January 10, 2017, but the parties agreed informally to extend the due date until March 27, 2017. The Eliseo Note bears interest at 15% per annum from the original due date maturity. During the year ended June 30, 2017, Eliseo made principal payments of $188,138 on the Eliseo Note. The balance of the Eliseo Note is $1,047,507. The

Company formally noticed Eliseo that they are in default. Eliseo has not responded and the Company has determined that the Eliseo Note is not collectible and the costs of pursuing collection against a New Zealand corporation is not justified. Accordingly, the Company charged off the remaining balance of the Eliseo Note as a loss on the accompanying statement of operations for the year ended June 30, 2017.

- In May and June 2017, the Company issued 570,000 shares of common stock to four unaffiliated parties and one related party for consulting and advisory services and recorded an expense of $247,705 representing the fair market value of the common stock issued. Of this total, ACC, a related party, was issued 200,000 shares of common stock for an expense of $83,800.

- In June 2017, the Company settled a potential claim with a departing employee and issued 342,316 shares of common stock and recorded an expense of $142,404 representing the fair market value of the common stock issued (see Note 18).

- On June 30 June 2017, pursuant to the terms of the Note Agreement, the Company issued 12,769 shares of common stock in payment of $5,414 of accrued interest to Holders who elected to convert interest into common stock at the lower of 75% of the prior ten day VWAP price (see Note 11).

As of June 30, 2017, the Company has 128,716,527 shares of common stock outstanding. In addition, a total of 47,050,000 shares of common stock have been reserved for potential exercises under the Company's stock option plan (see Note 13), the potential exercise of common stock purchase warrants (see Note 14) and the potential conversion of the Convertible Notes, assume maximum proceeds are received (see Note 11). The adequacy of this reserve is reviewed and adjusted as necessary quarterly.

Preferred stock

The Company's authorized capital also originally provided for 10,000,000 shares of undesignated preferred stock. The board of directors of the Company, in its sole discretion, may establish par value, divide the shares of preferred stock into series, and fix and determine the dividend rate, designations, preferences, privileges, and ratify the powers, if any, and determine the restrictions and qualifications of any series of preferred stock as established. As of June 30, 2017, the Company has 7,775,827 shares of undesignated preferred stock authorized, due to the prior exercise of Series A, B and C Preferred stock. All series of Preferred stock have been withdrawn.

NOTE 13 – STOCK OPTION PLAN

On June 29, 2016, the Company's stockholders approved a new equity incentive plan ("*2016 EIP*") for employees, non-employee directors and other service providers covering 10,000,000 shares of common stock. As of June 30, 2016, no options were outstanding.

Any options to be granted under the 2017 EIP may be either "incentive stock options," as defined in Section 422A of the Internal Revenue Code, or "nonqualified stock options," subject to Section 83 of the Internal Revenue Code, at the discretion of the board of directors of the Company and as reflected in the terms of the written option agreement. The option price shall not be less than 100% of the fair market value of the optioned common stock on the date the option is granted. The option price shall not be less than 110% of the fair market value of the optioned common stock for an optionee holding at the time of grant, more than 10% of the total combined voting power of all classes of stock of the Company. Options become exercisable based on the discretion of the board of directors of the Company and must be exercised within ten years from the date of grant (five years from date of grant for Company affiliated grantees.)

The Company has adopted the disclosure-only provisions of SFAS No. 123, *Accounting for Stock-Based Compensation*, and will account for stock based compensation using the intrinsic value method prescribed by APB No. 25, *Accounting for Stock Issued to Employees*. Under the provisions of SFAS No. 123, the fair value of each option granted would be imputed using the minimum value method based on the most recent arm's length stock issuance transaction.

A summary of stock option activity for the year ended June 30, 2017 is as follows:

	Number	Weighted Average Exercise price
Options outstanding June 30, 2016		
Granted	8,428,040	$.351
Exercised	-	
Expired or Forfeited	(1,023,040)	.300
Options outstanding June 30, 2017	7,405,000	$ .358
Options available for grant as of June 30, 2017	2,595,000	
Options exercisable as of June 30, 2017	1,625,836	$ .331

NOTE 14 – COMMON STOCK PURCHASE WARRANTS

The Company has five series of common stock purchase warrants outstanding allowing holders to purchase additional shares of common stock (the "*Plan Warrants*"). Each Plan Warrant provides for the purchase of one share of common stock and is callable at any time by the Company for a price of $.0001 per warrant. The Plan Warrants are governed by a Warrant Agreement. Currently, the Company is acting as the Warrant Agent and the Warrant Transfer Agent but has the right to appoint alternatives to either position in accordance with the Warrant Agreement. The Board of Directors can extend the expiration date of the Plan Warrants or reduce the exercise price of any Plan Warrant on a temporary or permanent basis.

Pursuant to the Warrant Agreement, without Company approval, a holder may not exercise Plan Warrants which when combined with current beneficial ownership would increase such holder's ownership in the Company above 5%. On August 1, 2016, in response to a request, the Company waived the 5% ownership restriction for nine large shareholders who owned greater than 5% of the Company in exchange for undertakings regarding current information to meet the Company's disclosure requirements.

A summary of the Plan Warrants outstanding as of June 30, 2017, is as follows:

	Series B Warrants	Series C Warrants	Series D Warrants	Series E & F Warrants
Warrants outstanding, June 30, 2016	8,293,025	8,423,491	8,423,491	16,846,982
Exercised	3,754,362	2,382,089	1,669,787	2,748,033
Expired	-	-	-	-
Warrants outstanding, June 30, 2017	4,538,663	6,041,402	6,753,704	14,098,949
Exercise price (1)	$ .50	$ 3.00	$ .50	$ 4.00
Warrant Expiration date	Dec. 31, 2017	Dec. 31, 2017	Dec. 31, 2017	Dec. 31, 2017

On July 8, 2016, the board of directors approved reducing the exercise price of all Plan Warrants to $.3333 (the "*Special Exercise Price*") which initially expired on October 6, 2016. The board of directors extended the Special Exercise Price until December 5, 2016 but only for the Series B Plan Warrants. The Special Exercise was extended again for all Plan Warrants until February 27, 2017. A total of 10,554,271 warrants were exercised during the year ended June 30, 2017 at the Special Exercise Price. On February 28, 2017, the Plan Warrants reverted to their original exercise prices. On June 21, 2017, the board of directors approved reducing the exercise price of the Series B and D Plan Warrants to $.50 until December 31, 2017.

NOTE 15 – INCOME TAXES

Deferred income taxes reflect the net tax effects of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for income tax purposes. The Company has an estimated deferred income tax asset of approximately $1,000,000 as of June 30, 2017. The net deferred income tax asset has been reduced in its entirety by a valuation allowance. No provision or benefit for income taxes has been reported in the accompanying statements of operations since any current income tax benefit would be offset by an equal increase in the valuation allowance. The total net operating loss carryforward is estimated to be $2,000,000 as of June 30, 2017, for both federal and state purposes. Under the terms of the APA, the Company is committed to share the tax benefit arising from the Company's NOL. In the event the Company uses the NOL to shelters its taxes, it will remit 75% of the cash benefit to MRC.

NOTE 16 – RELATED PARTIES

ASC Topic 850 requires that transactions with related parties that would make a difference in decision making be disclosed so that users of the financial statements can evaluate their significance. The following are significant related party transactions between the Company and its related parties.

Advisory Board (Christopher Wiggins, William Dobkin and Richard Lee)

Christopher Wiggins and William Dobkin are the founders of ORhub, LLC (the "*ORhub Founders*") and, together with Richard Lee, are members of the Company's Surgical, Business and Technical Advisory Board (the "*Advisory Board.*"). As discussed in Note 6, the ORhub Founders developed Patents that were assigned to ORhub, LLC and subsequently assigned to the Company under the terms of the APA. As discussed in Note 8, the ORhub Founders have loaned money to the Company through their investment entities, Wylde, LLC and JAATRL, LLC, with a balance due of $20,350 and $1,350, respectively, as of June 30, 2017. Mr. Wiggins, Dr. Dobkin and Dr. Lee own approximately 17.0%, 19.4% and 11.9%, respectively, of the Company as of June 30, 2017. On August 1, 2016, each member of the Advisory Board was granted 100,000 Non-qualified Stock Options at $.30 for their services during the fiscal year ending June 30, 2017. These options vested 50% on December 31, 2016 and 50% on June 30, 2017.

On June 30, 2017, each member of the Advisory Board, including Mr. Wiggins, Dr. Dobkin and Dr. Lee, were granted 100,000 Non-qualified Stock Options at $.433 for their two-year commitment to the Advisory Board. These options vest in eight equal quarters beginning on September 30, 2017.

Castillo Misterio, LLC and Castillo de Coachella, LLC

Colton Melby, the Company's Chief Executive Officer, is the beneficial owner of Castillo Misterio, LLC ("*Misterio*") and Castillo de Coachella, LLC ("*Coachella*"). On August 1, 2016, the Company contracted with Misterio to supply management services at a rate of $350,000 per annum, plus supply Mr. Melby health insurance. This Agreement was retroactive to July 1, 2016. Misterio was also granted 1,500,000 Non-qualified Stock Options at $.33. These options vest in 12 equal quarterly amounts starting on September 30, 2016 with customary acceleration upon sale. As discussed in Note 8, Misterio loaned money to the Company, with a balance due of $12,000 as of June 30, 2017. As of June 30, 2017, Mr. Melby's beneficial ownership was approximately 13.3% of the Company.

Wesley Mitchell / Sudden Valley, LLC

Wesley Mitchell is the Company's Chief Technical Officer and beneficial owner of Sudden Valley, LLC. Mr. Mitchell is compensated at the rate of $285,000 per year for his services to the Company. As of June 30, 2017, Sudden Valley, LLC owned approximately 12.9% of the Company. He was owed $7,000 of expenses as of June 30, 2017, included in accounts payable to related parties.

Aztoré Capital Corp.

ACC is a Phoenix, Arizona-based investment company. Effective July 1, 2016, the Company contracted with ACC to provide management services for $29,167 per month. Michael S Williams, the President of ACC, served as the Company's EVP and director of the Company until July 31, 2017 and Lanny R. Lang, the Chief Financial Officer of ACC, served as the Chief Financial Officer of the Company until July 31, 2017. On July 31, 2017, Michael S. Williams retired from his role as a director and Executive Vice President of the Company. On August 1, 2017, Lanny R. Lang, agreed to continue as the named CFO of the Company through and agreement with Lang Financial Services, Inc. ("*LFSI*") (see Note 19).

On August 1, 2016, ACC and LFSI were also each awarded 500,000 non-statutory stock options at $.30. These options vest in 12 equal quarterly amounts starting on September 30, 2016 with customary acceleration upon sale. These options became full vested as of July 31, 2017 (see Note 19). Excluding the above options, Messrs. Williams and Lang own directly or beneficially 0.2% and 0.5%, respectively, of the Company and ACC owned approximately 8.1% of the Company as of June 30, 2017.

The Company reimburses ACC $750 monthly for its use of ACC's office facility. ACC was issued 200,000 shares of common stock for an expense of $83,800 (see Note 12). As discussed in Note 10, ACC agreed to convert $180,000 of the ACC Note into a Convertible Note, leaving a balance of $150,000. Subsequent to June 30, 2017, the Company paid off the remaining balance of the ACC Note. Accrued interest of $24,546 as of June 30, 2017 was also paid off subsequent to June 30, 2017. ACC was also issued a Convertible Note for $10,300 for services provided (see Note 11).

Corey Lambrecht

Corey Lambrecht serves as an independent director of the Company. Mr. Lambrecht owned approximately 0.3% of the Company as of June 30, 2017. On August 1, 2016, Mr. Lambrecht was granted 200,000 Non-qualified Stock Options at $.30 for his service during the fiscal year. These options vested 50% on December 31, 2016 and 50% on June 30, 2017.

NOTE 17 – COMMITMENTS AND CONTINGENCIES

In the normal course of its business, the Company may be subject to certain contractual obligations and litigation. In management's opinion, upon consultation with legal counsel, there is no current litigation that will materially affect the Company's financial position or results of operations.

Office Facility Lease

The Company currently leases 873 square feet pursuant to an Office Lease Agreement with Regus Management Group, LLC ("*Regus*") in Bellevue, WA. Regus held a deposit of $24,350 as of June 30, 2017. The Company incurred $124,703 and $14,027 of rent expense, including parking, business services and other related costs, for the year ended June 30, 2017 for the period from November 12, 2015 (date of inception) to June 30, 2016, respectively. The maturity of this lease is June 30, 2018. The Company's lease liability for the remainder of the lease is approximately $146,100. The Company must provide Regus a 60-day notice no later than April 30, 2018 to terminate this lease. The Company is confident alternative or additional space will be available at competitive prices.

NOTE 18 – SETTLEMENT AGREEMENTS

Settlements of ORhub, LLC claims

As reflected in the accompanying Statement of Operations, ORhub, LLC recorded a settlement expense of $473,445 for the period from November 12, 2015 (date of inception) to June 30, 2016. This is comprised of settlements with Lenders of $271,429 and a settlement with Mack Consulting, Inc. ("*MCI*") of $202,016, both of which are discussed below.

In 2011, the ORhub Founders formed i22, LLC ("*i22*"), an entity which had originally attempted to develop what became the ORhub System. i22 contracted with various parties including CESi22, LLC, Packaging 22, LLC and Crescent Enterprise Solutions, Inc. (together the "*i22 Entities*.") In November 2014, and amended in January 2015, when i22 failed to meet its plan objectives, the ORhub Founders executed a settlement with the i22 Entities to obtain 100% of the ownership of i22. This settlement included assigning all the intellectual property related to the ORhub System that had been developed into the ORhub Founder's names as well as the assumption of certain liabilities.

During 2015, the ORhub Founders resolved to make another effort at developing the ORhub System. They formed ORhub, LLC in November 2015 and transferred all the intellectual property to ORhub, LLC and eventually to the Company under the APA. To avoid any potential claims against the Company from any and all members, affiliates, lenders and others in i22, the Company entered into the following settlement agreements:

Lender Settlements. During 2014, two parties ("*Lenders*") lent money to i22. The Company negotiated Settlement Agreements for a comprehensive release of any potential claims against the Company from the Lenders. In exchange for this comprehensive release, the Company recorded an expense of $271,429 related to this settlement for the period from November 12, 2015 (date of inception) to June 30, 2016.

MCI Settlement. As part of the settlement with the i22 Entities, the ORhub Founders entered into a Transfer, Settlement and Confidentiality Agreement dated November 4, 2014 (the "*Mack Agreement*") agreeing to pay MCI $202,016 (the "*Mack Claim*"). Under the Mack Agreement, MCI and all members of i22 released all their claims, returned all i22 membership interests, agreed to maintain confidentiality, and entered into non-compete agreements expiring in November 2019. The ORhub Founders contributed the benefits of the Mack Agreement and any other benefits to the Company along with the pending patents for the Company assumption of the Mack Claim. Accordingly, the Company recorded an expense of $202,016 related to the Mack Agreement for the period from November 12, 2015 (date of inception) to June 30, 2016. Pursuant to the APA, the Company assumed the Mack Claim.

On January 24, 2017, the ORhub Founders received a Notice of Default and Demand for Cure ("*Notice*") from a lawyer representing MCI demanding payment of the outstanding principal, interest and late fees totaling $29,299 as of January 31, 2017. The Notice was directed against the ORhub Founders, each of which are jointly and severally liable for payment of the Mack Claim. The Notice did not name the Company, although the Company assumed the Mack Claim under the APA.

Subsequent to June 30, 2017, the Mack Claim was settled for $33,750 and that amount was recorded as a liability as of June 30, 2017 and was paid in full. The ORhub Founders received a final dismissal of the case. As a result of this settlement, the Company recorded an additional settlement expense of $16,234 as shown on the accompanying statement of operations for the year ended June 30, 2017.

Employee termination and stock settlement

On May 5, 2017, an employee terminated their employment with the Company. This employee was originally hired by ORhub, LLC and had a potential claim regarding this transaction. Although the Company had not assumed this claim from ORhub, LLC, the Company and this employee reached an agreement to settle such claim, whereby the Company agreed to issue 342,316 shares of common stock and recorded an expense of $142,404 representing the fair market value of the common stock issued. The settlement agreement included other agreements regarding releases, confidentiality, intellectual property and waiver of all Company employee stock options.

NOTE 19 – SUBSEQUENT EVENTS

As of October 13, 2017, the date of these financial statements, there are no subsequent events that are required to be recorded or disclosed in the accompanying financial statements as of and for the year ended June 30, 2017 other than those listed below:

Mack Consulting, Inc. Settlement

Subsequent to June 30, 2017, the Mack Claim was settled for $33,750 and that amount was recorded as a liability as of June 30, 2017 and was paid in full. As a result of this settlement, the Company recorded an additional settlement expense of $16,234 as shown on the accompanying statement of operations for the year ended June 30, 2017 (see Note 16).

Officer and Director changes

On July 31, 2017, Michael S. Williams retired from his role as a director and Executive Vice President of the Company. Mr. Williams had been affiliated with ORhub and its predecessor since 2004. Mr. Williams is the President of ACC and his services to the Company were provided under a Financial Services Agreement with ACC (see Note 16). During a transitional period, the Company agreed to a new Consulting Agreement with ACC for $8,375, per pay cycle ($15^{th}$ and last day of each month) while services are provided, full vesting of 500,000 non-statutory stock options granted on July 1, 2016, and a lock-up agreement limiting the sale of Company common stock owned by ACC to 125,000 shares per month starting in November 2017 for six months.

On August 1, 2017, Lanny R. Lang, agreed to continue as the named CFO of the Company through an agreement with Lang Financial Services, Inc. The agreement is for three years at the rate of $6,875, per pay cycle ($15^{th}$ and last day of each month) and included the full vesting of 500,000 non-statutory stock options granted on July 1, 2016 and an additional grant of 1,000,000 non-statutory stock options at an exercise price of $.665. The new options vest equally over 12 calendar quarters starting on September 30, 2017. Mr. Lang has resigned as an officer and director of ACC (see Note 16).

On August 31, 2017, the Company executed a Separation and Settlement Agreement with Dr. Cy Olsen, the Company's Chief Financial Officer since March 2017. Under terms of the agreement, Dr. Olsen vacated the position of COO as of August 31, 2017 and will be taking a leave of absence from the Company effective September 18, 2017, but will act in an advisory role to the Company through December 31, 2017. Dr. Olsen is entitled to his base salary and medical insurance coverage through December 31, 2017. The Company agreed to full vesting of the stock options granted to Dr. Olsen, including 100,000 non-statutory options vested as of June 30, 2017 at an exercise price of $.44; 300,000 non-statutory options vested as of September 18, 2017 at an exercise price of $.638; and 1,500,000 non-statutory options vested as of September 18, 2017 at an exercise price of $.638. On October 4, 2017, the Company returned the $60,000 in cash invested by Dr. Olsen under the Convertible Note which cancelled the Convertible Note and the accompanying 45,000 Detachable Warrants.

Convertible Notes sold

Subsequent to June 30, 2017 to October 13, 2017, the date of these financial statements, an additional $865,000 of Convertible Notes have been sold under the Offering (see Note 11), which includes 648,750 newly issued Detachable Warrants. LFSI was also issued a Convertible Note for $18,500 for services provided, which includes 13,875 newly issued Detachable Warrants. Pursuant to Settlement and Separation with Dr. Cy Olsen, as discussed above, the Company returned the $60,000 in cash invested by Dr. Olsen under the Convertible Note which cancelled the Convertible Note and the accompanying 45,000 Detachable Warrants. A total of $1,501,800 of Convertible Notes are outstanding as of October 13, 2017, which includes 1,126,350 newly issued Detachable Warrants.

Stock Options

A summary of stock option activity subsequent to June 30, 2017 to October 13, 2017, the date of these financial statements, is as follows:

	Number	Weighted Average Exercise price
Options outstanding June 30, 2017	7,405,000	$.358
Granted	2,850,000	$.638
Exercised	-	
Expired or Forfeited	(300,000)	$.440
Options outstanding October 13, 2017	9,955,000	$ .436
Options available for grant as of October 13, 2017	45,000	
Options exercisable as of October 13, 2017	2,950,414	$ .519

Plan Warrants exercised

A summary of Plan Warrant activity subsequent to June 30, 2017 to October 13, 2017, the date of these financial statements, is as follows:

	Series B Warrants	Series C Warrants	Series D Warrants	Series E & F Warrants
Warrants outstanding, June 30, 2017	4,538,663	6,041,402	6,753,704	14,098,949
Exercised	385,466	-	941,000	-
Expired	-	-	-	-
Warrants outstanding, Oct 13, 2017	4,153,197	6,041,402	5,812,704	14,098,949
Exercise price (1)	$ .50	$ 3.00	$ .50	$ 4.00
Warrant Expiration date	Dec. 31, 2017	Dec. 31, 2017	Dec. 31, 2017	Dec. 31, 2017

(1) On June 21, 2017, the board of directors approved reducing the exercise price of the Series B and D Plan Warrants to $.50 until December 31, 2017.

Common stock transactions

A summary of the Company's common stock transactions subsequent to June 30, 2017 to October 13, 2017, the date of these financial statements as of October 13, 2017, the date of these financial statements is as follows:

- In July 2017, the Company sold 115,000 shares of common stock in a private transaction to an unaffiliated party for $33,750. The proceeds from this private placement were paid directly to MCI to pay off the Mack Claim.

- In July 2017, the Company issued 30,000 shares of common stock to an unaffiliated parties for services and recorded an expense of $16,770 representing the fair market value of the common stock issued.

- In July 2017, the Company issued 2,500 shares of common stock to ACC as consideration for the use of ACC's credit card and recorded an expense of $1,663 representing the fair market value of the common stock issued

- In September 2017, the Company issued 15,000 shares of common stock to an unaffiliated parties for services and recorded an expense of $9,150 representing the fair market value of the common stock issued.