

Disclosure Statement Pursuant to the Pink Basic Disclosure Guidelines

AMERICAN ENERGY PARTNERS, INC.

A Colorado Corporation

PO Box 443
Allentown, PA 18105

(610) 217-3275

<http://www.americanenergy-inc.com>

Contact@americanenergy-inc.com

SIC Code: 4941

Quarterly Report

For the Period Ending: June 30, 2021
(the "Reporting Period")

As of June 30, 2021, the number of shares outstanding of our Common Stock was:

210,175,506 shares of Class A Common Stock

As of March 31, 2021, the number of shares outstanding of our Common Stock was:

206,439,493 shares of Class A Common Stock

As of December 31, 2020, the number of shares outstanding of our Common Stock was:

721,477,325 shares of Class A Common Stock

212,500,000 shares of Class B Common Stock

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

Yes: No: (Double-click and select "Default Value" to check)

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

Yes: No:

Indicate by check mark whether a Change in Control of the company has occurred over this reporting period:

Yes: No:

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

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

American Energy Partners, Inc.	08-05-2017 - Present
Converde Energy USA Inc.	09-09-2014 - 08-05-2017
W2 Energy, Inc.	12-01-2004 - 09-09-2014
World Wise Technologies, Inc.	10-12-2004 - 12-01-2004

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

American Energy Partners, Inc. (the "Company") was originally incorporated in Nevada on October 12, 2004 as World Wise Technologies, Inc.

On August 5, 2017, the Company entered into a Plan of Conversion where it changed its name and domicile from Converde Energy USA, Inc. a Nevada corporation, to American Energy Partners, Inc., a Colorado corporation. The trading symbol for the Common Stock was changed from "XFUL" to "AEPT."

The Company is currently active in the State of Colorado.

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

None

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

On February 1, 2021, the Company converted all outstanding shares of Class B common stock and amended its certificate of incorporation to eliminate Class B common stock. Common stock of the Company consists of shares of Class A common stock only as of February 1, 2021.

On February 1, 2021, the entirety of issued and outstanding preferred stock of the Company was converted into Class A common stock on a 1-for-20 basis. The Company's authorized preferred stock consists of 250 million shares, par value \$0.001 per share, as of February 19, 2021.

On February 19, 2021, the Company effected a 1-for-100 reverse stock split of all outstanding shares of Class A common stock.

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

1275 Glenlivet Drive Suite 100
Allentown, PA 18106

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

1275 Glenlivet Drive Suite 100
Allentown, PA 18106

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

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

Yes: No:

If this issuer or any of its predecessors have been the subject of such proceedings, please provide additional details in the space below:

Not applicable.

2) Security Information

Trading symbol: AEPT
 Exact title and class of securities outstanding: Class A Common Stock
 CUSIP: 02563X102
 Par or stated value: \$0.001

Total shares authorized: 1,500,000,000 as of date: June 30, 2021
 Total shares outstanding: 210,175,506 as of date: June 30, 2021
 Number of shares in the Public Float: 3,378,743 as of date: June 30, 2021
 Total number of shareholders of record: 167 as of date: June 30, 2021

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

Transfer Agent

Name: Transfer Online, Inc.
 Address: 512 SE Salmon St., Portland, OR 097214
 Phone: (503) 227-2950
 E-mail: info@transferonline.com

Is the Transfer Agent registered under the Exchange Act?1 Yes: No:

3) Issuance History

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

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

A. Changes to the Number of Outstanding Shares

Check this box to indicate there were no changes to the number of outstanding shares within the past two completed fiscal years and any subsequent periods:

Number of Shares outstanding as of <u>January 1, 2017</u>	<u>Opening Balance:</u> Common A: <u>21,382,184</u> Common B: <u>56,000,000</u> Preferred: <u>215,498,745</u>	*Right-click the rows below and select "Insert" to add rows as needed.
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1 To be included in the Pink Current Information tier, the transfer agent must be registered under the Exchange Act.

CLASS A COMMON STOCK

Date of Transaction	Transaction type (e.g. new issuance, cancellation, shares returned to treasury)	Number of Shares Issued (or cancelled)	Class of Securities	Value of shares issued (\$-per share) at Issuance	Were the shares issued at a discount to market price at the time of issuance? (Yes-No)	Individual-Entity Shares were issued to (entities must have individual with voting - investment control disclosed).	Reason for share issuance (e.g. for cash or debt conversion) OR Nature of Services Provided (if applicable)	Restricted or Unrestricted as of this filing?	Exemption or Registration Type?
03-10-2017	New Issuance	105,000,000	Common A	N/A	No	West End Consulting Group LLC, controlled by Brad Domitrovitsch	See Item A below	Restricted	N/A
03-20-2017	New Issuance	60,000	Common A	\$0.50	No	Thomas W. Fogle	Investment	Restricted	N/A
03-20-2017	New Issuance	10,000,000	Common A	\$0.0025	Yes	DJK Investments 10 Inc., controlled by DaNew Issuancecel Manceno	See Item B below	Unrestricted	N/A
03-20-2017	New Issuance	10,000,000	Common A	\$0.0025	Yes	Paladin Advisors LLC, controlled by DaNew Issuancecel Fried	See Item B below	Unrestricted	N/A
03-20-2017	New Issuance	10,000,000	Common A	\$0.0025	Yes	WT Consulting Group LLC, controlled by Bill Hershey	See Item B below	Unrestricted	N/A
03-20-2017	New Issuance	10,000,000	Common A	\$0.0025	Yes	2V Capital Inc., controlled by Mike Gulyas	See Item B below	Unrestricted	N/A
04-07-2017	New Issuance	315,955	Common A	N/A	No	Aaron Reyer & JenNew Issuancefer Reyer	See Item A below	Restricted	N/A
04-07-2017	New Issuance	631,911	Common A	N/A	No	Chris Bernal & Charlene Bernal	See Item A below	Restricted	N/A
04-07-2017	New Issuance	126,382	Common A	N/A	No	Gregory Barnes	See Item A below	Restricted	N/A
08-05-2017	20:1 Reverse Stock Split	(158,340,476)	Common A	N/A	N/A	N/A	N/A	N/A	N/A
08-23-2017	New Issuance	34	Common A	N/A	No	Fast Cede & Co. (brokerage)	See Item C below	Unrestricted	N/A
09-21-2017	New Issuance	8,333,333	Common A	\$0.03	No	William T. Rousis	Investment	Restricted	N/A
10-10-2017	New Issuance	434,667	Common A	\$0.05	No	Asymtote Capital, LLC, controlled by Aaron White	See Section B below	Restricted	N/A
11-29-2017	New Issuance	1,700,000	Common A	\$0.05	Yes	GPL Ventures, LLC, controlled by Alexander Dillon	Investment	Unrestricted	Regulation A
11-29-2017	Share Cancellation	(800,000)	Common A	\$0.05	N/A	GPL Ventures, LLC, controlled by Alexander Dillon	Item D	N/A	N/A

CLASS A COMMON STOCK

Date of Transaction	Transaction type (e.g. new issuance, cancellation, shares returned to treasury)	Number of Shares Issued (or cancelled)	Class of Securities	Value of shares issued (\$-per share) at Issuance	Were the shares issued at a discount to market price at the time of issuance? (Yes-No)	Individual-Entity Shares were issued to (entities must have individual with voting - investment control disclosed).	Reason for share issuance (e.g. for cash or debt conversion) OR Nature of Services Provided (if applicable)	Restricted or Unrestricted as of this filing?	Exemption or Registration Type?
11-29-2017	New Issuance	2,000,000	Common A	\$0.05	No	Josh Hickman	Compensation	Restricted	N/A
11-29-2017	New Issuance	3,000,000	Common A	\$0.05	No	West End Consulting Group, LLC, controlled by Brad Domitrovitsch	Compensation	Restricted	N/A
12-19-2017	New Issuance	2,000,000	Common A	\$0.05	Yes	GPL Ventures, LLC, controlled by Alexander Dillon	Investment	Unrestricted	Regulation A
01-16-2018	New Issuance	2,000,000	Common A	\$0.05	Yes	GPL Ventures, LLC, controlled by Alexander Dillon	Investment	Unrestricted	Regulation A
01-30-2018	New Issuance	2,700,000	Common A	\$0.02	Yes	GPL Ventures, LLC, controlled by Alexander Dillon	Investment	Unrestricted	Regulation A
02-08-2018	New Issuance	1,250,000	Common A	\$0.02	Yes	Tri-Bridge Ventures, LLC, controlled by John Forsyth III	Investment	Unrestricted	Regulation A
02-12-2018	New Issuance	2,000,000	Common A	\$0.058	No	Josh Hickman	2017 Bonus	Restricted	N/A
02-12-2018	New Issuance	3,000,000	Common A	\$0.058	No	West End Consulting Group, LLC, controlled by Brad Domitrovitsch	2017 Bonus	Restricted	N/A
03-08-2018	New Issuance	2,100,000	Common A	\$0.01	Yes	GPL Ventures, LLC, controlled by Alexander Dillon	Investment	Unrestricted	Regulation A
03-20-2018	New Issuance	1,250,000	Common A	\$0.01	Yes	Tri-Bridge Ventures, LLC, controlled by John Forsyth III	Investment	Unrestricted	Regulation A
03-29-2018	New Issuance	3,000,000	Common A	\$0.005	Yes	GPL Ventures, LLC, controlled by Alexander Dillon	Investment	Unrestricted	Regulation A
04-05-2018	New Issuance	3,000,000	Common A	\$0.015	No	John Rattaporn Pippy	Shares issued in lieu of cash compensation	Restricted	N/A
04-05-2018	New Issuance	5,000,000	Common A	\$0.015	No	Josh Hickman	Shares issued in lieu of cash compensation	Restricted	N/A
04-05-2018	New Issuance	7,500,000	Common A	\$0.015	No	West End Consulting Group, LLC, controlled by Brad Domitrovitsch	Shares issued in lieu of cash compensation	Restricted	N/A

CLASS A COMMON STOCK

Date of Transaction	Transaction type (e.g. new issuance, cancellation, shares returned to treasury)	Number of Shares Issued (or cancelled)	Class of Securities	Value of shares issued (\$-per share) at Issuance	Were the shares issued at a discount to market price at the time of issuance? (Yes-No)	Individual-Entity Shares were issued to (entities must have individual with voting - investment control disclosed).	Reason for share issuance (e.g. for cash or debt conversion) OR Nature of Services Provided (if applicable)	Restricted or Unrestricted as of this filing?	Exemption or Registration Type?
04-06-2018	New Issuance	5,000,000	Common A	\$0.015	No	Random Walk Consulting LLC, controlled by Gardner Dean Schroth	Shares issued in lieu of cash compensation	Restricted	N/A
05-09-2018	New Issuance	1,000,000	Common A	\$0.005	Yes	Gardner Dean Schroth	Investment	Unrestricted	Regulation A
06-28-2018	New Issuance	3,000,000	Common A	\$0.0065	No	John Rattaporn Pippy	Shares issued in lieu of cash compensation	Restricted	N/A
06-28-2018	New Issuance	5,000,000	Common A	\$0.0065	No	Josh Hickman	Shares issued in lieu of cash compensation	Restricted	N/A
06-28-2018	New Issuance	7,500,000	Common A	\$0.0065	No	West End Consulting Group, LLC, controlled by Brad Domitrovitsch	Shares issued in lieu of cash compensation	Restricted	N/A
08-01-2018	New Issuance	1,500,000	Common A	\$0.007	No	Damian Georgino	Shares issued in lieu of cash compensation	Restricted	N/A
10-15-2018	New Issuance	5,000,000	Common A	\$0.0051	No	Josh Hickman	Shares issued in lieu of cash compensation	Restricted	N/A
10-15-2018	New Issuance	7,500,000	Common A	\$0.0051	No	West End Consulting Group, LLC, controlled by Brad Domitrovitsch	Shares issued in lieu of cash compensation	Restricted	N/A
10-15-2018	New Issuance	3,000,000	Common A	\$0.0051	No	John Rattaporn Pippy	Shares issued in lieu of cash compensation	Restricted	N/A
01-07-2019	New Issuance	5,000,000	Common A	\$0.003	No	Damian Georgino	Shares issued in lieu of cash compensation	Restricted	N/A
01-07-2019	New Issuance	3,000,000	Common A	\$0.003	No	John Rattaporn Pippy	Shares issued in lieu of cash compensation	Restricted	N/A
01-07-2019	New Issuance	5,000,000	Common A	\$0.003	No	Josh Hickman	Shares issued in lieu of cash compensation	Restricted	N/A
01-07-2019	New Issuance	7,500,000	Common A	\$0.003	No	West End Consulting Group, LLC, controlled by Brad Domitrovitsch	Shares issued in lieu of cash compensation	Restricted	N/A
04-29-2019	New Issuance	3,000,000	Common A	\$0.006	No	John Rattaporn Pippy	Shares issued in lieu of cash compensation	Restricted	N/A
04-29-2019	New Issuance	5,000,000	Common A	\$0.006	No	Josh Hickman	Shares issued in lieu of cash compensation	Restricted	N/A
04-29-2019	New Issuance	7,500,000	Common A	\$0.006	No	West End Consulting Group, LLC, controlled by Brad Domitrovitsch	Shares issued in lieu of cash compensation	Restricted	N/A

CLASS A COMMON STOCK

Date of Transaction	Transaction type (e.g. new issuance, cancellation, shares returned to treasury)	Number of Shares Issued (or cancelled)	Class of Securities	Value of shares issued (\$-per share) at Issuance	Were the shares issued at a discount to market price at the time of issuance? (Yes-No)	Individual-Entity Shares were issued to (entities must have individual with voting - investment control disclosed).	Reason for share issuance (e.g. for cash or debt conversion) OR Nature of Services Provided (if applicable)	Restricted or Unrestricted as of this filing?	Exemption or Registration Type?
08-20-2019	New Issuance	5,000,000	Common A	\$0.0055	No	Carmel, Milazzo & DiChiara, LLP, controlled by Ross David Carmel, Esq.	Shares issued in lieu of cash compensation	Restricted	N/A
10-11-2019	New Issuance	5,000,000	Common A	\$0.0025	No	Carmel, Milazzo & DiChiara, LLP, controlled by Ross David Carmel, Esq.	Shares issued in lieu of cash compensation	Restricted	N/A
10-11-2019	New Issuance	9,000,000	Common A	\$0.0025	No	John Rattaporn Pippy	Shares issued in lieu of cash compensation	Restricted	N/A
10-11-2019	New Issuance	15,000,000	Common A	\$0.0025	No	Josh Hickman	Shares issued in lieu of cash compensation	Restricted	N/A
10-11-2019	New Issuance	5,000,000	Common A	\$0.0025	No	Sewickley Capital Partners LLC, controlled by Damian Georgino	Shares issued in lieu of cash compensation	Restricted	N/A
10-11-2019	New Issuance	22,500,000	Common A	\$0.0025	No	West End Consulting Group, LLC, controlled by Brad Domitrovitsch	Shares issued in lieu of cash compensation	Restricted	N/A
01-27-2020	New Issuance	1,000,000	Common A	\$0.0050	No	Derekallen L. Krieg	Shares issued in consideration of acquisition of 100% of outstanding equity of Oilfield Basics, LLC	Restricted	N/A
01-29-2020	New Issuance	13,333,334	Common A	\$0.0030	Yes	GPL Ventures LLC controlled by Alexander Dillon	Investment under Regulation A offering qualified on January 24, 2020	Unrestricted	Regulation A offering qualified on January 24, 2020
01-31-2020	New Issuance	5,000,000	Common A	\$0.0030	Yes	Continuation Capital Inc., controlled by Paul Winkle	Investment under Regulation A offering qualified on January 24, 2020	Unrestricted	Regulation A offering qualified on January 24, 2020
02-26-2020	New Issuance	10,000,000	Common A	\$0.0030	No	GPL Ventures LLC controlled by Alexander Dillon	Investment under Regulation A offering qualified on January 24, 2020	Unrestricted	Regulation A offering qualified on January 24, 2020
03-09-2020	New Issuance	5,000,000	Common A	\$0.0030	No	Continuation Capital Inc., controlled by Paul Winkle	Investment under Regulation A offering qualified on January 24, 2020	Unrestricted	Regulation A offering qualified on January 24, 2020

CLASS A COMMON STOCK

Date of Transaction	Transaction type (e.g. new issuance, cancellation, shares returned to treasury)	Number of Shares Issued (or cancelled)	Class of Securities	Value of shares issued (\$-per share) at Issuance	Were the shares issued at a discount to market price at the time of issuance? (Yes-No)	Individual-Entity Shares were issued to (entities must have individual with voting - investment control disclosed).	Reason for share issuance (e.g. for cash or debt conversion) OR Nature of Services Provided (if applicable)	Restricted or Unrestricted as of this filing?	Exemption or Registration Type?
04-20-2020	New Issuance	15,000,000	Common A	\$0.0030	Yes	GPL Ventures LLC controlled by Alexander Dillon	Investment under Regulation A offering qualified on January 24, 2020	Unrestricted	Regulation A offering qualified on January 24, 2020
05-07-2020	New Issuance	10,000,000	Common A	\$0.0027	No	Random Walk Consulting LLC, controlled by Gardner Dean Schroth	Shares issued in lieu of cash compensation	Restricted	N/A
06-08-2020	New Issuance	6,500,000	Common A	\$0.0030	Yes	Continuation Capital Inc., controlled by Paul Winkle	Investment under Regulation A offering qualified on January 24, 2020	Unrestricted	Regulation A offering qualified on January 24, 2020
06-17-2020	New Issuance	25,000,000	Common A	\$0.0010	Yes	Random Walk Consulting LLC, controlled by Gardner Dean Schroth	Debt conversion: Random Walk Consulting converted \$25,000 of interest under \$100,000 convertible note	Unrestricted	Rule 144
06-19-2020	New Issuance	13,333,334	Common A	\$0.0030	Yes	GPL Ventures LLC controlled by Alexander Dillon	Investment under Regulation A offering qualified on January 24, 2020	Unrestricted	Regulation A offering qualified on January 24, 2020
07-08-2020	New Issuance	20,000,000	Common A	\$0.0030	Yes	GPL Ventures LLC controlled by Alexander Dillon	Investment under Regulation A offering qualified on January 24, 2020	Unrestricted	Regulation A offering qualified on January 24, 2020
07-08-2020	New Issuance	8,000,000	Common A	\$0.0030	Yes	Continuation Capital Inc., controlled by Paul Winkle	Investment under Regulation A offering qualified on January 24, 2020	Unrestricted	Regulation A offering qualified on January 24, 2020
07-13-2020	New Issuance	30,000,000	Common A	\$0.0001	Yes	Ice Group Inc., controlled by Bash Ahmed	Conversion of the promissory note resulting from assignment of a portion of the promissory note held by Random Walk Consulting	Unrestricted	Rule 144, Section 3(a)(9) of the Securities Act
07-21-2020	New Issuance	8,000,000	Common A	\$0.0030	Yes	Continuation Capital Inc., controlled by Paul Winkle	Investment under Regulation A offering qualified on January 24, 2020	Unrestricted	Regulation A offering qualified on January 24, 2020

CLASS A COMMON STOCK

Date of Transaction	Transaction type (e.g. new issuance, cancellation, shares returned to treasury)	Number of Shares Issued (or cancelled)	Class of Securities	Value of shares issued (\$-per share) at Issuance	Were the shares issued at a discount to market price at the time of issuance? (Yes-No)	Individual-Entity Shares were issued to (entities must have individual with voting - investment control disclosed).	Reason for share issuance (e.g. for cash or debt conversion) OR Nature of Services Provided (if applicable)	Restricted or Unrestricted as of this filing?	Exemption or Registration Type?
07-28-2020	New Issuance	10,000,000	Common A	\$0.0030	Yes	Continuation Capital Inc., controlled by Paul Winkle	Investment under Regulation A offering qualified on January 24, 2020	Unrestricted	Regulation A offering qualified on January 24, 2020
10-14-2020	New Issuance	320,000,000	Common A	N/A	N/A	West End Consulting Group, LLC, controlled by Brad Domitrovitsch	Shares issued as result of conversion of preferred stock	Restricted	Section 3(a)(9) of Securities Act of 1933
12-14-2020	New Issuance	26,666,667	Common A	\$0.0030	Yes	GPL Ventures, LLC, controlled by Alexander Dillon	Investment under Regulation A offering qualified on January 24, 2020	Unrestricted	Regulation A offering qualified on January 24, 2020
02-01-2021	New Issuance	100,000,000	Common A	N/A	N/A	Carmel, Milazzo & DiChiara, LLP, controlled by Ross David Carmel, Esq.	Shares issued as result of conversion of preferred stock	Restricted	Section 3(a)(9) of Securities Act of 1933
02-01-2021	New Issuance	1,000,000,000	Common A	N/A	N/A	Converde Industries Inc., controlled by Michael McLaren	Shares issued as result of conversion of preferred stock	Restricted	Section 3(a)(9) of Securities Act of 1933
02-01-2021	New Issuance	50,000,000	Common A	N/A	N/A	Dan Sisolak Dan Sisolak	Shares issued as result of conversion of preferred stock	Restricted	Section 3(a)(9) of Securities Act of 1933
02-01-2021	New Issuance	100,000,000	Common A	N/A	N/A	Derekallen L. Krieg	Shares issued as result of conversion of preferred stock	Restricted	Section 3(a)(9) of Securities Act of 1933
02-01-2021	New Issuance	100,000,000	Common A	N/A	N/A	John Rattaporn Pippy	Shares issued as result of conversion of preferred stock	Restricted	Section 3(a)(9) of Securities Act of 1933
02-01-2021	New Issuance	588,000,000	Common A	N/A	N/A	Josh Hickman	Shares issued as result of conversion of preferred stock	Restricted	Section 3(a)(9) of Securities Act of 1933
02-01-2021	New Issuance	810,000,000	Common A	N/A	N/A	Josh Hickman	Shares issued as result of conversion of preferred stock	Restricted	Section 3(a)(9) of Securities Act of 1933
02-01-2021	New Issuance	20,000,000	Common A	N/A	N/A	Karl Georg Neubacher	Shares issued as result of conversion of preferred stock	Unrestricted	Section 3(a)(9) of Securities Act of 1933
02-01-2021	New Issuance	59,400,000	Common A	N/A	N/A	Mark Brierley	Shares issued as result of conversion of preferred stock	Restricted	Section 3(a)(9) of Securities Act of 1933
02-01-2021	New Issuance	6,600,000	Common A	N/A	N/A	Mark Brierly	Shares issued as result of conversion of preferred stock	Unrestricted	Section 3(a)(9) of Securities Act of 1933
02-01-2021	New Issuance	90,000,000	Common A	N/A	N/A	Michael Brierley	Shares issued as result of conversion of preferred stock	Restricted	Section 3(a)(9) of Securities Act of 1933

CLASS A COMMON STOCK

Date of Transaction	Transaction type (e.g. new issuance, cancellation, shares returned to treasury)	Number of Shares Issued (or cancelled)	Class of Securities	Value of shares issued (\$-per share) at Issuance	Were the shares issued at a discount to market price at the time of issuance? (Yes-No)	Individual-Entity Shares were issued to (entities must have individual with voting - investment control disclosed).	Reason for share issuance (e.g. for cash or debt conversion) OR Nature of Services Provided (if applicable)	Restricted or Unrestricted as of this filing?	Exemption or Registration Type?
02-01-2021	New Issuance	10,000,000	Common A	N/A	N/A	Michael Brierly	Shares issued as result of conversion of preferred stock	Unrestricted	Section 3(a)(9) of Securities Act of 1933
02-01-2021	New Issuance	124,956,680	Common A	N/A	N/A	Michael McLaren	Shares issued as result of conversion of preferred stock	Restricted	Section 3(a)(9) of Securities Act of 1933
02-01-2021	New Issuance	100,000,000	Common A	N/A	N/A	Michalis Souroulla	Shares issued as result of conversion of preferred stock	Restricted	Section 3(a)(9) of Securities Act of 1933
02-01-2021	New Issuance	2,420,000,000	Common A	N/A	N/A	Mike McLaren	Shares issued as result of conversion of preferred stock	Restricted	Section 3(a)(9) of Securities Act of 1933
02-01-2021	New Issuance	100,000,000	Common A	N/A	N/A	Pamela Kulas	Shares issued as result of conversion of preferred stock	Restricted	Section 3(a)(9) of Securities Act of 1933
02-01-2021	New Issuance	66,238,220	Common A	N/A	N/A	Pierre Besuchet	Shares issued as result of conversion of preferred stock	Restricted	Section 3(a)(9) of Securities Act of 1933
02-01-2021	New Issuance	100,000,000	Common A	N/A	N/A	Random Walk Consulting LLC, controlled by Gardner Dean Schroth	Shares issued as result of conversion of preferred stock	Restricted	Section 3(a)(9) of Securities Act of 1933
02-01-2021	New Issuance	6,000,000	Common A	N/A	N/A	Rob Loucks	Shares issued as result of conversion of preferred stock	Restricted	Section 3(a)(9) of Securities Act of 1933
02-01-2021	New Issuance	100,000,000	Common A	N/A	N/A	Robert McLaren	Shares issued as result of conversion of preferred stock	Restricted	Section 3(a)(9) of Securities Act of 1933
02-01-2021	New Issuance	20,000,000	Common A	N/A	N/A	Robert McLaren	Shares issued as result of conversion of preferred stock	Restricted	Section 3(a)(9) of Securities Act of 1933
02-01-2021	New Issuance	5,000,000	Common A	N/A	N/A	Robert McLaren	Shares issued as result of conversion of preferred stock	Restricted	Section 3(a)(9) of Securities Act of 1933
02-01-2021	New Issuance	9,000,000	Common A	N/A	N/A	Ron Brierley	Shares issued as result of conversion of preferred stock	Restricted	Section 3(a)(9) of Securities Act of 1933
02-01-2021	New Issuance	1,000,000	Common A	N/A	N/A	Ron Brierly	Shares issued as result of conversion of preferred stock	Unrestricted	Section 3(a)(9) of Securities Act of 1933
02-01-2021	New Issuance	100,000,000	Common A	N/A	N/A	Sewickley Capital Partners LLC, controlled by Damian Georgino	Shares issued as result of conversion of preferred stock	Restricted	Section 3(a)(9) of Securities Act of 1933
02-01-2021	New Issuance	1,780,000	Common A	N/A	N/A	Sigmund Friberg	Shares issued as result of conversion of preferred stock	Unrestricted	Section 3(a)(9) of Securities Act of 1933
02-01-2021	New Issuance	20,000,000	Common A	N/A	N/A	Sigmund Friberg	Shares issued as result of conversion of preferred stock	Restricted	Section 3(a)(9) of Securities Act of 1933

CLASS A COMMON STOCK

Date of Transaction	Transaction type (e.g. new issuance, cancellation, shares returned to treasury)	Number of Shares Issued (or cancelled)	Class of Securities	Value of shares issued (\$-per share) at Issuance	Were the shares issued at a discount to market price at the time of issuance? (Yes-No)	Individual-Entity Shares were issued to (entities must have individual with voting - investment control disclosed).	Reason for share issuance (e.g. for cash or debt conversion) OR Nature of Services Provided (if applicable)	Restricted or Unrestricted as of this filing?	Exemption or Registration Type?
02-01-2021	New Issuance	100,000,000	Common A	N/A	N/A	Wan Muhamad HasNew Issuance Bin Wan Sulaiman	Shares issued as result of conversion of preferred stock	Restricted	Section 3(a)(9) of Securities Act of 1933
02-01-2021	New Issuance	10,370,025,100	Common A	N/A	N/A	West End Consulting Group, LLC, controlled by Brad Domitrovitsch	Shares issued as result of conversion of preferred stock	Restricted	Section 3(a)(9) of Securities Act of 1933
02-01-2021	New Issuance	3,102,000,000	Common A	N/A	N/A	West End Consulting Group, LLC, controlled by Brad Domitrovitsch	Shares issued as result of conversion of preferred stock	Restricted	Section 3(a)(9) of Securities Act of 1933
02-01-2021	New Issuance	10,000,000	Common A	N/A	N/A	Carmel, Milazzo & Feil, LLP, controlled by Ross David Carmel, Esq.	Shares issued as result of conversion of Class B Common Stock	Restricted	Section 3(a)(9) of Securities Act of 1933
02-01-2021	New Issuance	2,500,000	Common A	N/A	N/A	Converde Industries Inc., controlled by Michael McLaren	Shares issued as result of conversion of Class B Common Stock	Restricted	Section 3(a)(9) of Securities Act of 1933
02-01-2021	New Issuance	4,000,000	Common A	N/A	N/A	Derekallen L. Krieg	Shares issued as result of conversion of Class B Common Stock	Restricted	Section 3(a)(9) of Securities Act of 1933
02-01-2021	New Issuance	10,000,000	Common A	N/A	N/A	Elliot Berman	Shares issued as result of conversion of Class B Common Stock	Restricted	Section 3(a)(9) of Securities Act of 1933
02-01-2021	New Issuance	3,000,000	Common A	N/A	N/A	John Rattaporn Pippy	Shares issued as result of conversion of Class B Common Stock	Restricted	Section 3(a)(9) of Securities Act of 1933
02-01-2021	New Issuance	20,000,000	Common A	N/A	N/A	Josh Hickman	Shares issued as result of conversion of Class B Common Stock	Restricted	Section 3(a)(9) of Securities Act of 1933
02-01-2021	New Issuance	50,000	Common A	N/A	N/A	Michael McLaren	Shares issued as result of conversion of Class B Common Stock	Restricted	Section 3(a)(9) of Securities Act of 1933
02-01-2021	New Issuance	250,000	Common A	N/A	N/A	Mike McLaren	Shares issued as result of conversion of Class B Common Stock	Restricted	Section 3(a)(9) of Securities Act of 1933
02-01-2021	New Issuance	10,000,000	Common A	N/A	N/A	Random Walk Consulting LLC, controlled by Gardner Dean Schroth	Shares issued as result of conversion of Class B Common Stock	Restricted	Section 3(a)(9) of Securities Act of 1933
02-01-2021	New Issuance	3,000,000	Common A	N/A	N/A	Sewickley Capital Partners LLC, controlled by Damian Georgino	Shares issued as result of conversion of Class B Common Stock	Restricted	Section 3(a)(9) of Securities Act of 1933

CLASS A COMMON STOCK

Date of Transaction	Transaction type (e.g. new issuance, cancellation, shares returned to treasury)	Number of Shares Issued (or cancelled)	Class of Securities	Value of shares issued (\$-per share) at Issuance	Were the shares issued at a discount to market price at the time of issuance? (Yes-No)	Individual-Entity Shares were issued to (entities must have individual with voting - investment control disclosed).	Reason for share issuance (e.g. for cash or debt conversion) OR Nature of Services Provided (if applicable)	Restricted or Unrestricted as of this filing?	Exemption or Registration Type?
02-01-2021	New Issuance	9,700,000	Common A	N/A	N/A	West End Consulting Group, LLC, controlled by Brad Domitrovitsch	Shares issued as result of conversion of Class B Common Stock	Restricted	Section 3(a)(9) of Securities Act of 1933
02-01-2021	New Issuance	140,000,000	Common A	N/A	N/A	West End Consulting Group, LLC, controlled by Brad Domitrovitsch	Shares issued as result of conversion of Class B Common Stock	Restricted	Section 3(a)(9) of Securities Act of 1933
02-02-2021	New Issuance	3,284,672	Common A	N/A	N/A	Pritchard Griffin Advisors, LLC	Shares issued in lieu of cash compensation	Restricted	N/A
02-17-2021	New Issuance	26,666,667	Common A	\$0.0030	Yes	GPL Ventures, LLC, controlled by Alexander Dillon	Investment under Regulation A offering qualified on January 24, 2020	Unrestricted	Regulation A offering qualified on January 24, 2020
02-19-2021	100:1 Reverse Stock Split	(20,437,506,342)	Common A	N/A	N/A	N/A	N/A	N/A	N/A
03-12-2021	New Issuance	35	Common A	N/A	No	Fast Balance CEDE & CO	See Item F below	Unrestricted	N/A
04-19-2021	New Issuance	565,170	Common A	\$0.126	Yes	Silverback Capital Corp.	Note Conversion. See Item G below.	Unrestricted	Section 3(a)(9) of the Securities Act of 1933
04-26-2021	New Issuance	852,869	Common A	\$0.0750	No	West End Consulting Group, LLC, controlled by Brad Domitrovitsch	Option Exercise	Restricted	Rule 701 of Securities Act of 1933
04-26-2021	New Issuance	597,008	Common A	\$0.0750	No	Josh Hickman	Option Exercise	Restricted	Rule 701 of Securities Act of 1933
04-26-2021	New Issuance	42,643	Common A	\$0.0750	No	Cathy Domitrovitsch	Option Exercise	Restricted	Rule 701 of Securities Act of 1933
04-26-2021	New Issuance	987,249	Common A	\$0.0065	No	West End Consulting Group, LLC, controlled by Brad Domitrovitsch	Option Exercise	Restricted	Rule 701 of Securities Act of 1933
04-26-2021	New Issuance	691,074	Common A	\$0.0065	No	Josh Hickman	Option Exercise	Restricted	Rule 701 of Securities Act of 1933

CLASS B COMMON STOCK

Date of Transaction	Transaction type (e.g. new issuance, cancellation, shares returned to treasury)	Number of Shares Issued (or cancelled)	Class of Securities	Value of shares issued (\$-per share) at Issuance	Were the shares issued at a discount to market price at the time of issuance? (Yes-No)	Individual-Entity Shares were issued to (entities must have individual with voting - investment control disclosed)	Reason for share issuance (e.g. for cash or debt conversion) OR Nature of Services Provided (if applicable)	Restricted or Unrestricted as of this filing?	Exemption or Registration Type?
09-21-2020	New Issuance	10,000,000	Common B	N/A	N/A	Carmel, Milazzo & Feil, LLP, controlled by Ross David Carmel, Esq.	Shares issued in lieu of cash compensation	Restricted	N/A
09-21-2020	New Issuance	10,000,000	Common B	N/A	N/A	Elliot Berman	Shares issued in lieu of cash compensation	Restricted	N/A
09-21-2020	New Issuance	140,000,000	Common B	N/A	N/A	West End Consulting Group, LLC, controlled by Brad Domitrovitsch	Shares issued in lieu of cash compensation	Restricted	N/A
09-21-2020	New Issuance	20,000,000	Common B	N/A	N/A	Josh Hickman	Shares issued in lieu of cash compensation	Restricted	N/A
09-21-2020	New Issuance	4,000,000	Common B	N/A	N/A	Derekallen L. Krieg	Shares issued in lieu of cash compensation	Restricted	N/A
09-21-2020	New Issuance	3,000,000	Common B	N/A	N/A	John Rattaporn Pippy	Shares issued in lieu of cash compensation	Restricted	N/A
09-21-2020	New Issuance	3,000,000	Common B	N/A	N/A	Sewickley Capital Partners LLC, controlled by Damian Georgino	Shares issued in lieu of cash compensation	Restricted	N/A
02-01-2021	New Issuance	(10,000,000)	Common B	N/A	N/A	Carmel, Milazzo & Feil, LLP, controlled by Ross David Carmel, Esq.	Conversion of Class B Common Stock into Class A Common Stock	Restricted	Section 3(a)(9) of Securities Act of 1933
02-01-2021	New Issuance	(2,500,000)	Common B	N/A	N/A	Converde Industries Inc., controlled by Michael McLaren	Conversion of Class B Common Stock into Class A Common Stock	Restricted	Section 3(a)(9) of Securities Act of 1933
02-01-2021	New Issuance	(4,000,000)	Common B	N/A	N/A	Derekallen L. Krieg	Conversion of Class B Common Stock into Class A Common Stock	Restricted	Section 3(a)(9) of Securities Act of 1933
02-01-2021	New Issuance	(10,000,000)	Common B	N/A	N/A	Elliot Berman	Conversion of Class B Common Stock into Class A Common Stock	Restricted	Section 3(a)(9) of Securities Act of 1933
02-01-2021	New Issuance	(3,000,000)	Common B	N/A	N/A	John Rattaporn Pippy	Conversion of Class B Common Stock into Class A Common Stock	Restricted	Section 3(a)(9) of Securities Act of 1933
02-01-2021	New Issuance	(20,000,000)	Common B	N/A	N/A	Josh Hickman	Conversion of Class B Common Stock into Class A Common Stock	Restricted	Section 3(a)(9) of Securities Act of 1933
02-01-2021	New Issuance	(50,000)	Common B	N/A	N/A	Michael McLaren	Conversion of Class B Common Stock into Class A Common Stock	Restricted	Section 3(a)(9) of Securities Act of 1933
02-01-2021	New Issuance	(250,000)	Common B	N/A	N/A	Mike McLaren	Conversion of Class B Common Stock into Class A Common Stock	Restricted	Section 3(a)(9) of Securities Act of 1933

CLASS B COMMON STOCK

Date of Transaction	Transaction type (e.g. new issuance, cancellation, shares returned to treasury)	Number of Shares Issued (or cancelled)	Class of Securities	Value of shares issued (\$-per share) at Issuance	Were the shares issued at a discount to market price at the time of issuance? (Yes-No)	Individual-Entity Shares were issued to (entities must have individual with voting - investment control disclosed)	Reason for share issuance (e.g. for cash or debt conversion) OR Nature of Services Provided (if applicable)	Restricted or Unrestricted as of this filing?	Exemption or Registration Type?
02-01-2021	New Issuance	(10,000,000)	Common B	N/A	N/A	Random Walk Consulting LLC, controlled by Gardner Dean Schroth	Conversion of Class B Common Stock into Class A Common Stock	Restricted	Section 3(a)(9) of Securities Act of 1933
02-01-2021	New Issuance	(3,000,000)	Common B	N/A	N/A	Sewickley Capital Partners LLC, controlled by Damian Georgino	Conversion of Class B Common Stock into Class A Common Stock	Restricted	Section 3(a)(9) of Securities Act of 1933
02-01-2021	New Issuance	(9,700,000)	Common B	N/A	N/A	West End Consulting Group, LLC, controlled by Brad Domitrovitsch	Conversion of Class B Common Stock into Class A Common Stock	Restricted	Section 3(a)(9) of Securities Act of 1933
02-01-2021	New Issuance	(140,000,000)	Common B	N/A	N/A	West End Consulting Group, LLC, controlled by Brad Domitrovitsch	Conversion of Class B Common Stock into Class A Common Stock	Restricted	Section 3(a)(9) of Securities Act of 1933

SERIES A PREFERRED STOCK

Date of Transaction	Transaction type (e.g. new issuance, cancellation, shares returned to treasury)	Number of Shares Issued (or cancelled)	Class of Securities	Value of shares issued (\$-per share) at Issuance	Were the shares issued at a discount to market price at the time of issuance? (Yes-No)	Individual-Entity Shares were issued to (entities must have individual with voting - investment control disclosed)	Reason for share issuance (e.g. for cash or debt conversion) OR Nature of Services Provided (if applicable)	Restricted or Unrestricted as of this filing?	Exemption or Registration Type?
03-10-2017	New Issuance	534,501,255	Preferred	N/A	N/A	West End Consulting Group, LLC, controlled by Brad Domitrovitsch	See Item A below	Restricted	N/A
07-10-2019	New Issuance	40,500,000	Preferred	N/A	No	Josh Hickman	Shares issued in lieu of cash compensation See item E below.	Restricted	N/A
09-21-2020	New Issuance	5,000,000	Preferred	N/A	No	Random Walk Consulting LLC, controlled by Gardner Dean Schroth	Shares issued in lieu of cash compensation	Restricted	N/A
09-21-2020	New Issuance	5,000,000	Preferred	N/A	No	Carmel, Milazzo & Feil, LLP, controlled by Ross David Carmel, Esq.	Shares issued in lieu of cash compensation	Restricted	N/A

SERIES A PREFERRED STOCK

Date of Transaction	Transaction type (e.g. new issuance, cancellation, shares returned to treasury)	Number of Shares Issued (or cancelled)	Class of Securities	Value of shares issued (\$-per share) at Issuance	Were the shares issued at a discount to market price at the time of issuance? (Yes-No)	Individual-Entity Shares were issued to (entities must have individual with voting - investment control disclosed)	Reason for share issuance (e.g. for cash or debt conversion) OR Nature of Services Provided (if applicable)	Restricted or Unrestricted as of this filing?	Exemption or Registration Type?
09-21-2020	New Issuance	155,100,000	Preferred	N/A	No	West End Consulting Group, LLC, controlled by Brad Domitrovitsch	Shares issued in lieu of cash compensation	Restricted	N/A
09-21-2020	New Issuance	29,400,000	Preferred	N/A	No	Josh Hickman	Shares issued in lieu of cash compensation	Restricted	N/A
09-21-2020	New Issuance	5,000,000	Preferred	N/A	No	Derekallen L. Krieg	Shares issued in lieu of cash compensation	Restricted	N/A
09-21-2020	New Issuance	5,000,000	Preferred	N/A	No	John Rattaporn Pippy	Shares issued in lieu of cash compensation	Restricted	N/A
09-21-2020	New Issuance	5,000,000	Preferred	N/A	No	Sewickley Capital Partners LLC, controlled by Damian Georgino	Shares issued in lieu of cash compensation	Restricted	N/A
10-14-2020	New Issuance	(16,000,000)	Preferred	N/A	N/A	West End Consulting Group, LLC, controlled by Brad Domitrovitsch	Conversion of preferred stock into Class A Common Stock	10-14-2020	Section 3(a)(9) of Securities Act of 1933
02-01-2021	New Issuance	(5,000,000)	Preferred	N/A	N/A	Carmel, Milazzo & Feil, LLP, controlled by Ross David Carmel, Esq.	Conversion of Preferred Stock into Class A Common Stock	Restricted	Section 3(a)(9) of Securities Act of 1933
02-01-2021	New Issuance	(50,000,000)	Preferred	N/A	N/A	Converde Industries Inc., controlled by Michael McLaren	Conversion of Preferred Stock into Class A Common Stock	Restricted	Section 3(a)(9) of Securities Act of 1933
02-01-2021	New Issuance	(2,500,000)	Preferred	N/A	N/A	Dan Sisolak Dan Sisolak	Conversion of Preferred Stock into Class A Common Stock	Restricted	Section 3(a)(9) of Securities Act of 1933
02-01-2021	New Issuance	(5,000,000)	Preferred	N/A	N/A	Derekallen L. Krieg	Conversion of Preferred Stock into Class A Common Stock	Restricted	Section 3(a)(9) of Securities Act of 1933
02-01-2021	New Issuance	(5,000,000)	Preferred	N/A	N/A	John Rattaporn Pippy	Conversion of Preferred Stock into Class A Common Stock	Restricted	Section 3(a)(9) of Securities Act of 1933
02-01-2021	New Issuance	(40,500,000)	Preferred	N/A	N/A	Josh Hickman	Conversion of Preferred Stock into Class A Common Stock	Restricted	Section 3(a)(9) of Securities Act of 1933

SERIES A PREFERRED STOCK

Date of Transaction	Transaction type (e.g. new issuance, cancellation, shares returned to treasury)	Number of Shares Issued (or cancelled)	Class of Securities	Value of shares issued (\$-per share) at Issuance	Were the shares issued at a discount to market price at the time of issuance? (Yes-No)	Individual-Entity Shares were issued to (entities must have individual with voting - investment control disclosed)	Reason for share issuance (e.g. for cash or debt conversion) OR Nature of Services Provided (if applicable)	Restricted or Unrestricted as of this filing?	Exemption or Registration Type?
02-01-2021	New Issuance	(29,400,000)	Preferred	N/A	N/A	Josh Hickman	Conversion of Preferred Stock into Class A Common Stock	Restricted	Section 3(a)(9) of Securities Act of 1933
02-01-2021	New Issuance	(1,000,000)	Preferred	N/A	N/A	Karl Georg Neubacher	Conversion of Preferred Stock into Class A Common Stock	Restricted	Section 3(a)(9) of Securities Act of 1933
02-01-2021	New Issuance	(2,970,000)	Preferred	N/A	N/A	Mark Brierley	Conversion of Preferred Stock into Class A Common Stock	Restricted	Section 3(a)(9) of Securities Act of 1933
02-01-2021	New Issuance	(330,000)	Preferred	N/A	N/A	Mark Brierly	Conversion of Preferred Stock into Class A Common Stock	Unrestricted	Section 3(a)(9) of Securities Act of 1933
02-01-2021	New Issuance	(4,500,000)	Preferred	N/A	N/A	Michael Brierly	Conversion of Preferred Stock into Class A Common Stock	Restricted	Section 3(a)(9) of Securities Act of 1933
02-01-2021	New Issuance	(500,000)	Preferred	N/A	N/A	Michael Brierly	Conversion of Preferred Stock into Class A Common Stock	Unrestricted	Section 3(a)(9) of Securities Act of 1933
02-01-2021	New Issuance	(6,247,834)	Preferred	N/A	N/A	Michael McLaren	Conversion of Preferred Stock into Class A Common Stock	Unrestricted	Section 3(a)(9) of Securities Act of 1933
02-01-2021	New Issuance	(5,000,000)	Preferred	N/A	N/A	Michalis Souroulla	Conversion of Preferred Stock into Class A Common Stock	Restricted	Section 3(a)(9) of Securities Act of 1933
02-01-2021	New Issuance	(6,000,000)	Preferred	N/A	N/A	Mike McLaren	Conversion of Preferred Stock into Class A Common Stock	Restricted	Section 3(a)(9) of Securities Act of 1933
02-01-2021	New Issuance	(15,000,000)	Preferred	N/A	N/A	Mike McLaren	Conversion of Preferred Stock into Class A Common Stock	Restricted	Section 3(a)(9) of Securities Act of 1933
02-01-2021	New Issuance	(10,000,000)	Preferred	N/A	N/A	Mike McLaren	Conversion of Preferred Stock into Class A Common Stock	Restricted	Section 3(a)(9) of Securities Act of 1933

SERIES A PREFERRED STOCK

Date of Transaction	Transaction type (e.g. new issuance, cancellation, shares returned to treasury)	Number of Shares Issued (or cancelled)	Class of Securities	Value of shares issued (\$-per share) at Issuance	Were the shares issued at a discount to market price at the time of issuance? (Yes-No)	Individual-Entity Shares were issued to (entities must have individual with voting - investment control disclosed)	Reason for share issuance (e.g. for cash or debt conversion) OR Nature of Services Provided (if applicable)	Restricted or Unrestricted as of this filing?	Exemption or Registration Type?
02-01-2021	New Issuance	(20,000,000)	Preferred	N/A	N/A	Mike McLaren	Conversion of Preferred Stock into Class A Common Stock	Restricted	Section 3(a)(9) of Securities Act of 1933
02-01-2021	New Issuance	(20,000,000)	Preferred	N/A	N/A	Mike McLaren	Conversion of Preferred Stock into Class A Common Stock	Restricted	Section 3(a)(9) of Securities Act of 1933
02-01-2021	New Issuance	(50,000,000)	Preferred	N/A	N/A	Mike McLaren	Conversion of Preferred Stock into Class A Common Stock	Restricted	Section 3(a)(9) of Securities Act of 1933
02-01-2021	New Issuance	(5,000,000)	Preferred	N/A	N/A	Pamela Kulas	Conversion of Preferred Stock into Class A Common Stock	Restricted	Section 3(a)(9) of Securities Act of 1933
02-01-2021	New Issuance	(311,910)	Preferred	N/A	N/A	Pierre Besuchet	Conversion of Preferred Stock into Class A Common Stock	Restricted	Section 3(a)(9) of Securities Act of 1933
02-01-2021	New Issuance	(311,910)	Preferred	N/A	N/A	Pierre Besuchet	Conversion of Preferred Stock into Class A Common Stock	Restricted	Section 3(a)(9) of Securities Act of 1933
02-01-2021	New Issuance	(688,091)	Preferred	N/A	N/A	Pierre Besuchet	Conversion of Preferred Stock into Class A Common Stock	Restricted	Section 3(a)(9) of Securities Act of 1933
02-01-2021	New Issuance	(1,000,000)	Preferred	N/A	N/A	Pierre Besuchet	Conversion of Preferred Stock into Class A Common Stock	Restricted	Section 3(a)(9) of Securities Act of 1933
02-01-2021	New Issuance	(1,000,000)	Preferred	N/A	N/A	Pierre Besuchet	Conversion of Preferred Stock into Class A Common Stock	Restricted	Section 3(a)(9) of Securities Act of 1933
02-01-2021	New Issuance	(5,000,000)	Preferred	N/A	N/A	Random Walk Consulting LLC, controlled by Gardner Dean Schroth	Conversion of Preferred Stock into Class A Common Stock	Restricted	Section 3(a)(9) of Securities Act of 1933
02-01-2021	New Issuance	(300,000)	Preferred	N/A	N/A	Rob Loucks	Conversion of Preferred Stock into Class A Common Stock	Restricted	Section 3(a)(9) of Securities Act of 1933

SERIES A PREFERRED STOCK

Date of Transaction	Transaction type (e.g. new issuance, cancellation, shares returned to treasury)	Number of Shares Issued (or cancelled)	Class of Securities	Value of shares issued (\$-per share) at Issuance	Were the shares issued at a discount to market price at the time of issuance? (Yes-No)	Individual-Entity Shares were issued to (entities must have individual with voting - investment control disclosed)	Reason for share issuance (e.g. for cash or debt conversion) OR Nature of Services Provided (if applicable)	Restricted or Unrestricted as of this filing?	Exemption or Registration Type?
02-01-2021	New Issuance	(250,000)	Preferred	N/A	N/A	Robert McLaren	Conversion of Preferred Stock into Class A Common Stock	Unrestricted	Section 3(a)(9) of Securities Act of 1933
02-01-2021	New Issuance	(5,000,000)	Preferred	N/A	N/A	Robert McLaren	Conversion of Preferred Stock into Class A Common Stock	Restricted	Section 3(a)(9) of Securities Act of 1933
02-01-2021	New Issuance	(1,000,000)	Preferred	N/A	N/A	Robert McLaren	Conversion of Preferred Stock into Class A Common Stock	Restricted	Section 3(a)(9) of Securities Act of 1933
02-01-2021	New Issuance	(450,000)	Preferred	N/A	N/A	Ron Brierley	Conversion of Preferred Stock into Class A Common Stock	Restricted	Section 3(a)(9) of Securities Act of 1933
02-01-2021	New Issuance	(50,000)	Preferred	N/A	N/A	Ron Brierly	Conversion of Preferred Stock into Class A Common Stock	Unrestricted	Section 3(a)(9) of Securities Act of 1933
02-01-2021	New Issuance	(5,000,000)	Preferred	N/A	N/A	Sewickley Capital Partners LLC, controlled by Damian Georgino	Conversion of Preferred Stock into Class A Common Stock	Restricted	Section 3(a)(9) of Securities Act of 1933
02-01-2021	New Issuance	(89,000)	Preferred	N/A	N/A	Sigmund Friberg	Conversion of Preferred Stock into Class A Common Stock	Unrestricted	Section 3(a)(9) of Securities Act of 1933
02-01-2021	New Issuance	(1,000,000)	Preferred	N/A	N/A	Sigmund Friberg	Conversion of Preferred Stock into Class A Common Stock	Restricted	Section 3(a)(9) of Securities Act of 1933
02-01-2021	New Issuance	(5,000,000)	Preferred	N/A	N/A	Wan Muhamad HasNew Issuance Bin Wan Sulaiman	Conversion of Preferred Stock into Class A Common Stock	Restricted	Section 3(a)(9) of Securities Act of 1933
02-01-2021	New Issuance	(155,100,000)	Preferred	N/A	N/A	West End Consulting Group, LLC, controlled by Brad Domitrovitsch	Conversion of Preferred Stock into Class A Common Stock	Restricted	Section 3(a)(9) of Securities Act of 1933
02-01-2021	New Issuance	(518,501,255)	Preferred	N/A	N/A	West End Consulting Group, LLC, controlled by Brad Domitrovitsch	Conversion of Preferred Stock into Class A Common Stock	Restricted	Section 3(a)(9) of Securities Act of 1933

SERIES A PREFERRED STOCK

Date of Transaction	Transaction type (e.g. new issuance, cancellation, shares returned to treasury)	Number of Shares Issued (or cancelled)	Class of Securities	Value of shares issued (\$-per share) at Issuance	Were the shares issued at a discount to market price at the time of issuance? (Yes-No)	Individual-Entity Shares were issued to (entities must have individual with voting - investment control disclosed)	Reason for share issuance (e.g. for cash or debt conversion) OR Nature of Services Provided (if applicable)	Restricted or Unrestricted as of this filing?	Exemption or Registration Type?
Shares Outstanding on June 30, 2021	Ending Balance: Common A: <u>210,175,506</u> Common B: <u>0</u> Preferred: <u>0</u>								

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

Does not include options issued to any shareholder.

Item A – The shares were issued pursuant to the terms of a Share Exchange Agreement dated December 10, 2016 with Hydration Company of PA, LLC.

Item B – On March 24, 2017 - Aged Debt - \$100,000 worth of aged debt was converted into equity in four tranches of 10,000,000 shares of Class A Common Stock.

Item C – On or about August 5, 2017, the Company entered into a Plan of Conversion where it changed its name and domicile from Converde Energy USA, Inc. a Nevada corporation, to American Energy Partners, Inc., a Colorado corporation. The trading symbol for the Common Stock was changed from “XFUL” to “AEPT.” The Plan of Conversion also provided for a 20:1 reverse stock split, whereby every Twenty (20) shares of Common Stock of Converde Energy USA, Inc. was converted into One (1) share of Class A Common Stock of American Energy Partners, Inc. Every Twenty (20) shares of Class B Common Stock of Converde Energy USA, Inc. was converted into One (1) share of Class B Common Stock of American Energy Partners, Inc. These shares were requested by DTC to satisfy a shortfall due to rounded shares.

Item D – The shares were initially associated with an aged debt transaction that turned out to be unsubstantiated. The shares were returned by GPL Ventures to the transfer agent.

Item E – The shares were issued in consideration of purchasing the membership interest in Hickman Geological Consulting, LLC. See “Issuer’s Business, Products and Services” for more information about Hickman Geological Consulting, LLC.

Item F – On February 19, 2021, the Company effected a 1-for-100 reverse stock split of all outstanding shares of Class A common stock. These shares were issued to satisfy a shortfall due to rounded shares.

Item G – Conversion of \$71,211.42 of the principal due under the 8% Convertible Promissory Note issued by American Energy Partners, Inc (Borrower) dated as of May 23, 2017 by delivery of Common Stock of Borrower on and subject to the conditions set forth in such Note. Whereas the Note was originally issued to LQD Ventures LLC, was acquired by Random Walk Consulting LLC on October 18, 2019, and Silverback Capital Corporation acquired the Note on March 24, 2021. Price of Conversion: \$0.126 (60% of the lowest traded price over the prior 40 days).

B. Debt Securities, Including Promissory and Convertible Notes

Use the chart and additional space below to list and describe all outstanding promissory notes, convertible notes, convertible debentures, or any other debt instruments that may be converted into a class of the issuer's equity securities.

Check this box if there are no outstanding promissory, convertible notes or debt arrangements:

Date of Note Issuance	Outstanding Balance (\$)	Principal Amount at Issuance (\$)	Interest Accrued (\$)	Maturity Date	Conversion Terms (e.g. pricing mechanism for determining conversion of instrument to shares)	Name of Noteholder	Reason for Issuance (e.g. Loan, Services, etc.)
07-01-2020	\$75,000	\$25,000 (up to \$75,000)	\$3,759	07-01-2021	See Item A	Hickman Management Company, LLC, controlled by Josh Hickman (related party)	Loan

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

Item A – The note was drawn down in three \$25,000 tranches on each of July 1, 2021, November 2, 2020 and January 8, 2021. The note is unsecured and bears interest at the rate of 8% per annum. Commencing from the issuance date, the holder may convert any part of the outstanding interest or principal amount of the note into fully paid and non-assessable shares of Common A of the Company. The conversion price shall equal to 70% of the lowest "Trading Price" during the "Valuation Period." Trading Price means the price of the Company's Class A stock on the OTC Bulletin Board or other applicable reporting service of the trading market. Valuation Period shall mean thirty (30) trading days preceding the date of the notice of conversion. The Company can draw down on the note through July 1, 2021, however, all principal and accrued interest must be repaid by the maturity date. As of July 1, 2021, the note had not been repaid in full, however, the note is not in default as the note allows for monthly payments subsequent to the due date, which cures events of default. Beginning July 1, 2021, the Company began making monthly payments of principal and interest of \$1,991 per month. Subsequent to June 30, 2021, the Company has made 2 payments totaling \$3,982.

4) Financial Statements

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

- U.S. GAAP
 IFRS

B. The financial statements for this reporting period were prepared by (name of individual)²:

Name: Elliot Berman
Title: Certified Public Accountant
Relationship to Issuer: Accountant

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

- C. Balance sheet;
- D. Statement of income;
- E. Statement of cash flows;
- F. Financial notes; and
- G. Audit letter, if audited

You may either (i) attach-append the financial statements to this disclosure statement or (ii) file the financial statements through OTCIQ as a separate report using the appropriate report name for the applicable period end. ("Annual Report," "Quarterly Report" or "Interim Report").

If you choose to publish the financial statements in a separate report as described above, you must state in the accompanying disclosure statement that such financial statements are incorporated by reference. You may reference the document(s) containing the required financial statements by indicating the document name, period end date, and the date that it was posted to OTCIQ in the field below.

Financial statement information is considered current until the due date for the subsequent report (as set forth in the qualifications section above). To remain qualified for Current Information, a company must post its Annual Report within 90 days from its fiscal year-end date and Quarterly Reports within 45 days of each fiscal quarter-end date.

5) Issuer's Business, Products and Services

The purpose of this section is to provide a clear description of the issuer's current operations. In answering this item, please include the following:

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

The Company is comprised of three subsidiaries that source, treat and distribute reclaimed water in an effort to preserve our nation's naturally occurring resources. We are comprised of subsidiaries that source, treat and distribute reclaimed water in an effort to preserve our nation's naturally occurring resources.

B. Describe any subsidiaries, parents, or affiliated companies, if applicable, and a description of their business contact information for the business, officers, directors, managers or control persons. Subsidiary information may be included by reference

² The financial statements requested pursuant to this item must be prepared in accordance with US GAAP or IFRS by persons with sufficient financial skills.

American Energy Partners, Inc serves as the parent company for multiple subsidiaries. American Energy Partners is comprised of Hydration Company of PA, LLC (“Hydration”), American Energy Solutions, LLC (“AES”), Gilbert Oil and Gas (“Gilbert”), Hickman Geological Consulting, LLC (“HGC”) and Oilfield Basics, LLC (“OB”). These subsidiaries currently, and will continue to own energy operations as well as design, build and operate regional water treatment facilities that serve the industrial and energy sectors. American Energy Partners, Inc. provides value through energy services, energy assets and oil & gas production.

Hydration Company of PA, LLC

Hydration is engaged in the businesses of water exploration and water augmentation. Hydration provides a solution to locate, procure, treat and distribute water. This patent-pending process provides treated water which results in an improved, safer environment. It can also mitigate drought conditions by accessing water previously unavailable. Applications may include, but are not limited to oil and gas, pipelines, industrial use, utilities, mining, municipalities and landowners.

We believe that Hydration's technology delivers one of the highest energy yields from a broad range of water-bearing assets, with one of the lowest capital expenditures of any other known water processes.

Hydration, via its water conveyance methodologies produces low-cost water solutions in partnership with select small to large-size industrial energy users, government agencies and non-profit watershed groups in target markets.

Hydration has designed a unique, patent pending system to treat and distribute water in an efficient and economical process that should encourage treated water to be used by gas drillers, pipeline companies, utility companies, industry and municipalities.

Hydration's competitive edge lies within its pure volume of reclaimed water and its access to low cost treatment with high flow rates and highly concentrated solids through AES' partners' technologies. Because of this volume Hydration can effectively gain market share immediately as large corporations want access to one source that can supply massive amounts of reclaimed water to fulfill their input of production through Hydration's Patented (USPTO #10730760) methodology and conveyance methods.

Link to our Patent: [Natural Pipeline Water Conveyance System & Method](#)

American Energy Solutions, LLC

AES is an industrial waste stream treatment company that intends to engage in the remediation of Superfund sites, coal ash, acid mine drainage, mine influenced water (MIW), drill cuttings (horizontal direction drilling or HDD and vertical directional drilling or VDD), flowback (water and other debris that comes to the surface after a well is fracked), produced waters and other industrial processes.

We provide treatment technologies that contribute to Hydration Company's business model of low-cost water distribution. These treatment technologies also allow AES to leverage existing contacts in the industrial space and convert these contacts into contract value. AES's long-term goal is to bring waste stream treatment technologies in-house.

Gilbert Oil and Gas, LLC

We intend to develop Gilbert Oil and Gas, LLC (“Gilbert”) into a U.S. based exploration and production company focused on generating long-term shareholder value through drilling, operating, and partnership opportunities in the upstream oil and gas space.

Gilbert currently provides cash flow through investment in oil & gas producing wells.

Gilbert will concentrate its initial capital inside the Marcellus & Utica formations where we can monetize existing water assets and treatment technologies in WV, OH and PA.

Gilbert Oil & Gas, LLC (“Gilbert O&G”), a wholly owned subsidiary of American Energy Partners, Inc. owns 15 oil and gas wells in western Pennsylvania. Included in these assets are over 1,000 acres of shallow rights in the Tier I area of the wet Marcellus and dry Utica Shale.

Link to our: [Well Inventory](#)

Hickman Geological Consulting, LLC

Hickman Geological Consulting, LLC is a full-service valuation and geotechnical services company that focuses on the decision space between earth materials and financial matters. Since 2013, HGC has been the Pittsburgh area's leading valuation house for oil and gas minerals connected with estate planning, expert witness, lease negotiations, and mineral sales. Since 2016, HGC has provided these services nationwide. In 2018 HGC diversified into geotechnical services related to landslide identification, mitigation, and design as well as geotechnical residential building services, such as ground stability and infiltration testing.

Mr. Hickman is a registered Professional Geologist in the state of Pennsylvania. Hickman Geological Consulting, LLC is sub-contracted for these services by small to mid-sized engineering and environmental firms to lend our expertise in these matters to their individual projects. Mr. Hickman's areas of expertise include soil physics and mapping for construction, erosion, sediment, and landslide issues, writing geologic investigation reports, and hydrological investigations.

Hickman Geological Consulting, LLC provides expert reports and testimony on the value of oil and gas rights and royalties in cases of tax, estate planning, divorce, real estate transactions, and litigation. HGC is the technical backbone of many successful mineral buying companies. We direct buy areas, provide expected profit statements, and provide the technical data necessary to educate investors.

We provide independent acquisition and divestment due diligence reports. We provide advisement to supplement your existing team, or act as your representatives. These services include geologic and-or reservoir modeling, well curve, EUR, and cost input creation and verification, economic model creation, data room generation and review, and environment and sediment control field review.

Hickman Geological Consulting, LLC's experienced staff can provide the needed experience and technical understanding to put landowners on level ground with operating companies in negotiations. We provide assistance during leasing, right of way, and well pad siting. Examples of these services include leasing terms, right of way negotiations, settlement options, and well pad locations

Oilfield Basics LLC

Oilfield Basics was founded in 2018 and adds Educational Marketing to American Energy's suite of Energy services. Oilfield Basics adds Educational Marketing opportunities to this full spectrum of energy services. Oilfield Basics provides educational tools to companies including engineering and law firms, as well as services related to construction, drilling, flowback and completions. Oilfield Basics specializes in the Educational Marketing platforms of podcasts and videography to not only inform the public about their customer's solutions, but also as a platform to discuss issues faced and opportunities present within the industry.

C. Describe the issuers' principal products or services, and their markets

Water sourcing, treatment, and distribution in industrial and government markets. Acquisition of oil and gas assets.

6) Issuer's Facilities

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

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

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

GOG, a wholly owned subsidiary of American Energy Partners, Inc., owns 15 oil and gas wells in western Pennsylvania. Included in these assets are 127 net mineral acres of deep rights (the "Deep Rights") and over 1,000 acres of shallow rights in the Tier I area of the wet Marcellus and dry Utica Shale. On October 9, 2018, GOG sold the Deep Rights to HGC for \$30,000. Mr. Josh Hickman, COO, is the principal of HGC. The information with regard to our wells is as follows:

OGO	OPERATOR	API - PERMIT	FARM	SPUD DATE	WELL STATUS	WELL TYPE	UNCONVENTIONAL	CONSERVATION	CONFIGURATION	REGION	COUNTY	MUNICIPALITY
OGO-51004	GOG	125-01875	C.E. SMITH 1	01-01-1800	Active	OIL	No	No	Vertical Well	EP DOGO SWDO Dstr Off	Washington	South Franklin Twp
OGO-51004	GOG	125-01876	C.E. SMITH 2	01-01-1800	Active	OIL	No	No	Vertical Well	EP DOGO SWDO Dstr Off	Washington	South Franklin Twp
OGO-51004	GOG	125-01877	C.E. SMITH 3	01-01-1800	Active	OIL	No	No	Vertical Well	EP DOGO SWDO Dstr Off	Washington	South Franklin Twp
OGO-51004	GOG	125-01878	C.E. SMITH 4	01-01-1800	Active	OIL	No	No	Vertical Well	EP DOGO SWDO Dstr Off	Washington	South Franklin Twp
OGO-51004	GOG	125-21045	J I PHILLIPS 1	01-07-1977	Active	GAS	No	No	Vertical Well	EP DOGO SWDO Dstr Off	Washington	Long Branch Boro
OGO-51004	GOG	125-21055	CAMPANA 1	04-03-1977	Active	GAS	No	No	Vertical Well	EP DOGO SWDO Dstr Off	Washington	California Boro
OGO-51004	GOG	125-21429	HESS 1	02-14-1982	Active	GAS	No	No	Vertical Well	EP DOGO SWDO Dstr Off	Washington	Long Branch Boro
OGO-51004	GOG	125-21430	HESS 2	02-21-1982	Active	GAS	No	No	Vertical Well	EP DOGO SWDO Dstr Off	Washington	Long Branch Boro
OGO-51004	GOG	125-21435	WINNETT 1	02-07-1982	Active	GAS	No	No	Vertical Well	EP DOGO SWDO Dstr Off	Washington	Long Branch Boro
OGO-51004	GOG	125-21446	HUNTER 1	06-18-1982	Active	GAS	Yes	Yes	Vertical Well	EP DOGO SWDO Dstr Off	Washington	Hopewell Twp
OGO-51004	GOG	125-21448	KOVALICK 1	05-22-1982	Active	GAS	No	Yes	Vertical Well	EP DOGO SWDO Dstr Off	Washington	Cross Creek Twp
OGO-51004	GOG	125-21460	HAROLD L WARD 1	06-03-1982	Active	GAS	No	Yes	Vertical Well	EP DOGO SWDO Dstr Off	Washington	Canton Twp
OGO-51004	GOG	125-21461	ANNA B JOHNSON 1	07-08-1982	Active	GAS	No	Yes	Vertical Well	EP DOGO SWDO Dstr Off	Washington	Hopewell Twp
OGO-51004	GOG	125-21499	ROSCOE SPORTSMEN ASSOCIATION 1	10-24-1983	Active	GAS	No	No	Vertical Well	EP DOGO SWDO Dstr Off	Washington	Long Branch Boro
OGO-51004	GOG	125-21501	CROW 1	10-17-1983	Active	GAS	No	No	Vertical Well	EP DOGO SWDO Dstr Off	Washington	Long Branch Boro

Link to our: [Well Inventory](#) where you can observe the entirety of the information about our wells.

Hydration Company, a subsidiary of American Energy Partners, Inc. has a patent –USPTO #10,730,760, dated August 4, 2020, natural pipeline water conveyance system and method.

Current Assignee: Hydration Company of PA, LLC

Abstract: A method of supplying water using a natural water pipeline includes withdrawing impaired water from an impaired water body connected to a waterway and treating the impaired water from the impaired water body to produce treated water. The method also includes discharging the treated water into the waterway and conveying the treated water via the waterway to one or more locations proximate to one or more remote operational facilities that withdraws water from the waterway at the one or more locations. The method further includes receiving a monetary value from one or more operational entities operating the one or more remote operational facilities and providing at least a portion of one or more water access rights to the one or more operational entities in exchange for the monetary value.

7) Officers, Directors, and Control Persons

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

Using the tabular format below, please provide information regarding any person or entity owning 5% of more of the issuer, as well as any officer, and any director of the company, regardless of the number of shares they own. **If any listed are corporate shareholders or entities, provide the name and address of the person(s) beneficially owning or controlling such corporate shareholders, or the name and contact information of an individual representing the corporation or entity in the note section.**

Name of Officer-Director and Control Person	Affiliation with Company (e.g. Officer-Director-Owner of more than 5%)	Residential Address (City - State Only)	Number of shares owned (1)	Share type-class	Ownership Percentage of Class Outstanding (2)
Brad J. Domitrovitsch	CEO, CFO, Chairman	Allentown, PA	147,417,251 (3)	Common A	67.6%
Josh Hickman	Director & COO	Canonsburg, PA	21,508,082 (4)	Common A	10.0%
John Rattaporn Pippy	Director & CSO	Moon Township, PA	3,770,000 (5)	Common A	1.8%
Damian Georgino	Director	Beaufort, SC	1,145,000	Common A	0.5%
All Officers and Directors as Group			174,840,333	Common A	76.8%
Michael McLaren	Owner of more than 5%	Didsbury, AB Canada	25,452,569 (6)	Common A	12.1%

- (1) Beneficial ownership is determined in accordance with the Rule 13d-3 of the Securities Exchange Act of 1934, as amended, and includes any shares of Common A over which a person exercises sole or shared voting or investment power, or of which a person has a right to acquire ownership at any time within 60 days of June 30, 2021. Except as otherwise indicated, we believe that the persons named in the table have sole voting and investment power with respect to all shares of Common A beneficially owned by them.
- (2) Applicable percentage ownership in the table is based on 210,175,506 shares of Common A plus, for each individual, any shares of Common A that the individual has the right to acquire within 60 days of June 30, 2021. Any securities not outstanding which are subject to such options, warrants, rights or conversion privileges shall be deemed to be outstanding for the purpose of computing the percentage of outstanding securities of the class owned by such person but shall not be deemed to be outstanding for the purpose of computing the percentage of the class by any other person.
- (3) Consists of (i) 139,417,251 shares of Common A held by West End Consulting, LLC, an entity of which Mr. Domitrovitsch has voting and disposable control; and (ii) vested options to purchase 8,000,000 shares of Class A held by West End Consulting LLC.
- (4) Includes vested options to purchase 5,600,000 shares of Class A Common Stock. Does not include an 8% convertible promissory note in the principal amount of \$75,000. See Item 3(B) (Debt Securities, Including Promissory and Convertible Notes) of this Disclosure Statement and Note 4 to the Unaudited Consolidated Financial Statements included in this Disclosure Statement.
- (5) Includes vested options to purchase 2,500,000 shares of Class A Common Stock.
- (6) Includes 1,080,00 shares of Common A held by Sewickley Capital Partners, LLC, an entity of which Mr. Georgino has voting and dispositive control.
- (7) Includes 10,031,500 shares of Common A held by Converde Industries, Inc., an entity of which Mr. McLaren has voting and dispositive control.

8) Legal-Disciplinary History

A. Please identify whether any of the persons listed above have, in the past 10 years, been the subject of:

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

None

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

None

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

None

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

None

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

None

9) Third Party Providers

Please provide the name, address, telephone number and e-mail address of each of the following outside providers:

Securities Counsel

Name: Ross David Carmel, Esq.
Firm: Carmel, Milazzo & Feil LLP
Address 1: 55 West 39th Street, 18th Floor
Address 2: New York, NY 10018
Phone: 212-658-0458
E-mail: rcarmel@cmfllp.com

Accountant or Auditor

Name: Elliot Berman
Firm: Berman Audit & Advisory, P.A.
Address 1: 11756 Bayou Lane
Address 2: Boca Raton, FL 33498
Phone: 954-729-3025
E-mail: eberman@bermanauditadvisorycpa.com

Other Service Providers

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

Name:	N/A
Firm:	N/A
Nature of Services:	N/A
Address 1:	N/A
Address 2:	N/A
Phone:	N/A
E-mail:	N/A

10) Issuer Certification

Principal Executive Officer:

The issuer shall include certifications by the chief executive officer and chief financial officer of the issuer (or any other persons with different titles but having the same responsibilities).

The certifications shall follow the format below:

I, Brad Domitrovitsch, certify that:

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

August 15, 2021 [Date]

/s/ Brad Domitrovitsch [CEO's Signature]

Principal Financial Officer:

I, Brad Domitrovitsch, certify that:

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

August 15, 2021 [Date]

/s/ Brad Domitrovitsch [CFO's Signature]

American Energy Partners, Inc. and Subsidiaries

	<u>Page(s)</u>
Consolidated Balance Sheets	1
Consolidated Statements of Operations	2
Consolidated Statements of Changes in Stockholders' Deficit	3 - 4
Consolidated Statements of Cash Flows	5
Notes to Consolidated Financial Statements	6 - 48

American Energy Partners, Inc. and Subsidiaries
Consolidated Balance Sheets

	June 30, 2021	December 31, 2020
	(Unaudited)	(Audited)
<u>Assets</u>		
Current Assets		
Cash	\$ 41,589	\$ 34,720
Accounts receivable - oil and natural gas	6,127	3,391
Accounts receivable - geotechnical consulting services	17,857	7,645
Total Current Assets	65,573	45,756
Oil and natural gas properties - full cost method of accounting	94,954	97,826
Total Assets	\$ 160,527	\$ 143,582
<u>Liabilities and Stockholders' Deficit</u>		
Current Liabilities		
Accounts payable and accrued expenses	\$ 101,840	\$ 104,048
Convertible note payable - net	-	70,000
Convertible notes payable - related party - net	75,000	18,930
Derivative liabilities	82,630	457,275
Asset retirement obligations	265,903	260,131
Total Current Liabilities	525,373	910,384
Asset retirement obligations	92,048	94,935
Total Liabilities	617,421	1,005,319
Commitments and Contingencies (Note 5)		
Stockholders' Deficit		
Preferred stock, \$0.001 par value, 250,000,000 shares authorized, none issued and outstanding, respectively	-	-
Series A, redeemable preferred stock - related parties - \$0.001 par value 0 and 1,000,000,000 shares authorized, respectively, 0 and 9,840,000 shares issued and outstanding, respectively	-	9,840
Common stock, Class A, \$0.001 par value, 1,500,000,000 shares authorized 210,175,506 and 7,214,773 shares issued and outstanding, respectively	210,175	7,214
Common stock, Class B, \$0.001 par value, 0 and 2,000,000,000 shares authorized, respectively 0 and 2,125,000 shares issued and outstanding, respectively	-	2,125
Additional paid-in capital	50,086,350	49,943,269
Stock subscription receivable (26,666,667 shares of Class A common stock - 2020)	-	(80,000)
Accumulated deficit	(50,753,419)	(50,744,185)
Total Stockholders' Deficit	(456,894)	(861,737)
Total Liabilities and Stockholders' Deficit	\$ 160,527	\$ 143,582

The accompanying notes are an integral part of these unaudited consolidated financial statements

American Energy Partners, Inc. and Subsidiaries
Consolidated Statements of Operations
(Unaudited)

	<u>For the Three Months Ended June 30,</u>		<u>For the Six Months Ended June 30,</u>	
	<u>2021</u>	<u>2020</u>	<u>2021</u>	<u>2020</u>
Revenues				
Oil and natural gas	\$ 8,425	\$ 9,666	\$ 17,061	\$ 17,000
Geotechnical consulting services	82,586	176,464	158,728	412,551
Other	1,789	-	3,372	-
Total revenues	<u>92,800</u>	<u>186,130</u>	<u>179,161</u>	<u>429,551</u>
Costs and expenses				
General and administrative expenses	103,364	315,826	353,670	509,738
Lease operating expenses	5,456	1,192	7,722	15,135
Royalties	-	-	2,936	2,855
Depreciation, depletion, amortization and accretion	2,890	924	5,757	1,484
Total costs and expenses	<u>111,710</u>	<u>317,942</u>	<u>370,085</u>	<u>529,212</u>
Income (loss) from operations	<u>(18,910)</u>	<u>(131,812)</u>	<u>(190,924)</u>	<u>(99,661)</u>
Other income (expense)				
Change in fair value of derivative liabilities	(51,834)	-	272,682	-
Interest expense	(1,681)	(2,524)	(4,497)	(4,988)
Amortization of debt discount	(27,639)	-	(56,070)	-
Gain on debt extinguishment	2,978	-	2,978	-
Derivative expense	-	-	(33,403)	-
Total other income (expense) - net	<u>(78,176)</u>	<u>(2,524)</u>	<u>181,690</u>	<u>(4,988)</u>
Net loss	<u>\$ (97,086)</u>	<u>\$ (134,336)</u>	<u>\$ (9,234)</u>	<u>\$ (104,649)</u>
Loss per share - basic	<u>\$ (0.00)</u>	<u>\$ (0.00)</u>	<u>\$ (0.00)</u>	<u>\$ (0.00)</u>
Weighted average number of shares - basic	<u>209,195,023</u>	<u>298,810,658</u>	<u>185,469,369</u>	<u>298,810,658</u>
Loss per share - diluted	<u>\$ (0.00)</u>	<u>\$ (0.00)</u>	<u>\$ (0.00)</u>	<u>\$ (0.00)</u>
Weighted average number of shares - diluted	<u>209,195,023</u>	<u>298,810,658</u>	<u>185,469,369</u>	<u>298,810,658</u>

The accompanying notes are an integral part of these unaudited consolidated financial statements

American Energy Partners, Inc. and Subsidiaries
Consolidated Statements of Changes in Stockholders' Deficit
For the Three and Six Months Ended June 30, 2021 and the Year Ended December 31, 2020
(Unaudited)

	Preferred Stock - Class A		Common Stock - Class A		Common Stock - Class B		Additional Paid-in Capital	Subscription Receivable	Accumulated Deficit	Total Stockholders' Deficit
	Shares	Amount	Shares	Amount	Shares	Amount				
December 31, 2019	-	\$ -	1,946,440	\$ 1,946	125,000	\$ 125	\$36,930,021	\$ -	\$(38,389,698)	\$ (1,457,606)
Reclassification of temporary equity from prior year	7,905,000	7,905	-	-	-	-	782,595	-	-	790,500
Stock issued for cash	-	-	1,408,333	1,408	-	-	421,092	(80,000)	-	342,500
Stock issued for acquisition of OB	-	-	10,000	10	-	-	3,990	-	-	4,000
Stock issued for services	100,000	100	-	-	200,000	200	559,700	-	-	560,000
Stock issued for services - related parties	1,995,000	1,995	-	-	1,700,000	1,700	10,939,305	-	-	10,943,000
Stock issued in settlement of convertible debt and accrued interest	-	-	550,000	550	-	-	194,450	-	-	195,000
Stock issued to settle accounts payable	-	-	100,000	100	100,000	100	36,800	-	-	37,000
Stock options issued for services	-	-	-	-	-	-	14,625	-	-	14,625
Reclassification of financial instruments that ceased to be derivative liabilities	-	-	-	-	-	-	63,731	-	-	63,731
Conversion of Series A preferred stock into common stock - related party	(160,000)	(160)	3,200,000	3,200	-	-	(3,040)	-	-	-
Net loss - 2020	-	-	-	-	-	-	-	-	(12,354,487)	(12,354,487)
December 31, 2020	9,840,000	\$ 9,840	7,214,773	\$ 7,214	2,125,000	\$ 2,125	\$49,943,269	\$ (80,000)	\$(50,744,185)	\$ (861,737)
Conversion into common stock	(9,840,000)	(9,840)	198,925,000	198,925	(2,125,000)	(2,125)	(186,960)	-	-	-
Collection of stock subscription receivable	-	-	-	-	-	-	-	80,000	-	80,000
Stock issued for cash	-	-	266,667	267	-	-	79,733	-	-	80,000
Stock issued for services	-	-	32,847	33	-	-	22,467	-	-	22,500
Fractional shares adjustment due to reverse split	-	-	206	-	-	-	-	-	-	-
Net income	-	-	-	-	-	-	-	-	87,852	87,852
March 31, 2021	-	-	206,439,493	206,439	-	-	49,858,509	-	(50,656,333)	(591,385)
Stock issued to settle debt and accrued interest	-	-	565,170	565	-	-	70,646	-	-	71,211
Stock issued upon exercise of stock options	-	-	3,170,843	3,171	-	-	(3,171)	-	-	-
Reclassification of financial instruments that ceased to be derivative liabilities	-	-	-	-	-	-	160,366	-	-	160,366
Net loss	-	-	-	-	-	-	-	-	(97,086)	(97,086)
June 30, 2021	-	\$ -	210,175,506	\$210,175	-	\$ -	\$50,086,350	\$ -	\$(50,753,419)	\$ (456,894)

The accompanying notes are an integral part of these unaudited consolidated financial statements

American Energy Partners, Inc. and Subsidiaries
Consolidated Statements of Changes in Stockholders' Deficit
For the Three and Six Months Ended June 30, 2020 and the Year Ended December 31, 2019
(Unaudited)

	Preferred Stock - Class A		Common Stock - Class A		Common Stock - Class B		Additional Paid-in Capital	Subscription Receivable	Accumulated Deficit	Total Stockholders' Deficit
	Shares	Amount	Shares	Amount	Shares	Amount				
December 31, 2018	-	\$ -	971,440	\$ 971	125,000	\$ 125	\$30,644,154	\$ -	\$(32,019,284)	\$ (1,374,034)
Series A preferred stock issued in asset purchase - HGC	-	-	-	-	-	-	5,629,500	-	-	5,629,500
Stock issued for services	-	-	100,000	100	-	-	50,550	-	-	50,650
Stock issued for services - related parties	-	-	875,000	875	-	-	373,885	-	-	374,760
Stock options issued for services	-	-	-	-	-	-	231,932	-	-	231,932
Net loss - 2019	-	-	-	-	-	-	-	-	(134,336)	(134,336)
December 31, 2019	-	\$ -	1,946,440	\$ 1,946	125,000	\$ 125	\$36,930,021	\$ -	\$(38,389,698)	\$ (1,457,606)
Stock issued for cash	-	-	333,333	333	-	-	99,667	-	-	100,000
Stock issued for acquisition of OB	-	-	10,000	10	-	-	3,990	-	-	4,000
Net income	-	-	-	-	-	-	-	-	29,687	29,687
March 31, 2020	-	-	2,289,773	2,289	125,000	125	37,033,678	-	(38,360,011)	(1,323,919)
Net loss	-	-	-	-	-	-	-	-	(134,336)	(134,336)
June 30, 2020	-	\$ -	2,289,773	\$ 2,289	125,000	\$ 125	\$37,037,668	\$ -	\$(38,494,347)	\$ (1,458,255)

The accompanying notes are an integral part of these unaudited consolidated financial statements

American Energy Partners, Inc. and Subsidiaries
Consolidated Statements of Cash Flows
(Unaudited)

	For the Six Months Ended June 30,	
	2021	2020
Operating activities		
Net loss	\$ (9,234)	\$ (104,649)
Adjustments to reconcile net loss to net cash used in operations		
Depreciation, depletion, amortization and accretion	5,757	924
Stock issued for services	22,500	-
Change in fair value of derivative liability	(272,682)	-
Derivative expense	33,403	-
Amortization of debt discount	56,070	-
Gain on debt extinguishment	(2,978)	-
Changes in operating assets and liabilities		
(Increase) decrease in		
Accounts receivable - oil and natural gas	(2,736)	-
Accounts receivable - geotechnical consulting services	(10,212)	(194,460)
Increase (decrease) in		
Accounts payable and accrued expenses	1,981	286,892
Net cash used in operating activities	(178,131)	(11,293)
Investing activities		
Cash acquired in acquisition of OB	-	4,000
Net cash provided by investing activities	-	4,000
Financing activities		
Proceeds from issuance of convertible note - related party	25,000	-
Class A common stock issued for cash	80,000	100,000
Collection of stock subscription receivable	80,000	-
Net cash provided by financing activities	185,000	100,000
Net increase in cash	6,869	92,707
Cash - beginning of period	34,720	27,368
Cash - end of period	\$ 41,589	\$ 120,075
Supplemental disclosure of cash flow information		
Cash paid for interest	\$ -	\$ -
Cash paid for income tax	\$ -	\$ -
Supplemental disclosure of non-cash investing and financing activities		
Conversion of Series A, preferred stock and Class B, common stock into Class A, common stock	\$ 198,925	\$ -
Debt discount recorded in connection with derivative liabilities	\$ 25,000	\$ -
Common stock issued in settlement of convertible debt and accrued interest	\$ 74,189	\$ -
Reclassification of financial instruments that ceased to be derivative liabilities	\$ 160,366	\$ -

The accompanying notes are an integral part of these unaudited consolidated financial statements

AMERICAN ENERGY PARTNERS, INC. AND SUBSIDIARIES
NOTES TO UNAUDITED CONSOLIDATED FINANCIAL STATEMENTS
JUNE 30, 2021

Note 1 - Organization and Nature of Operations

Organization and Nature of Operations

American Energy Partners, Inc., and Subsidiaries (collectively, “we”, “us”, “our” or the “Company”) is a diversified energy company. Through its various subsidiaries, the Company engages in water treatment and distribution, oil and natural gas production, geotechnical consulting services, and energy education.

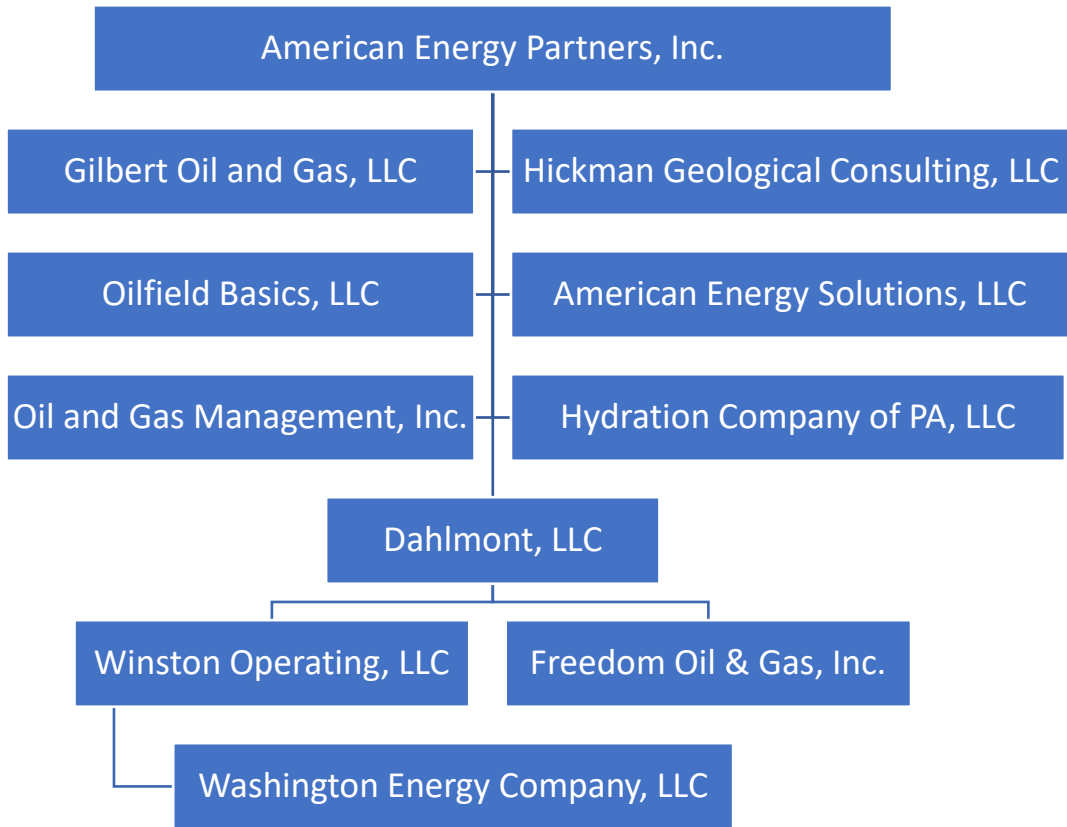
The parent (American Energy Partners, Inc.) and subsidiaries are organized as follows:

<u>Company Name</u>	<u>Incorporation Date</u>	<u>State of Incorporation</u>
American Energy Partners, Inc.	January 10, 2017	Colorado
Hydration Company of PA, LLC	January 31, 2011	Pennsylvania
American Energy Solutions, LLC	July 1, 2015	Pennsylvania
Gilbert Oil & Gas, LLC	December 15, 2016	Pennsylvania
Hickman Geoloigcal Consulting, LLC	November 19, 2013	Pennsylvania
Oilfield Basics, LLC	March 31, 2018	Ohio
Dahlmont, LLC	* June 10, 2019	Pennsylvania
Freedom Oil & Gas, Inc.	* September 29, 1997	West Virginia
Winston Operating, LLC	* December 10, 2008	Pennsylvania
Washington Energy Company, LLC	* January 20, 1998	Pennsylvania
Oil & Gas Management, Inc.	* May 14, 1991	Pennsylvania

* Entity was acquired July 1, 2021. June 30, 2021 consolidated financial statements do not include any activity from these acquisitions. See Note 7.

AMERICAN ENERGY PARTNERS, INC. AND SUBSIDIARIES
NOTES TO UNAUDITED CONSOLIDATED FINANCIAL STATEMENTS
JUNE 30, 2021

The following represents the Company's organization chart:



Hydration Company of PA, LLC (“HCPA”)

Hydration is engaged in the businesses of water exploration and water augmentation. Hydration provides a solution to locate, procure, treat, and distribute water. This patented process provides a method of supplying water using a natural water pipeline includes withdrawing impaired water from an impaired water body connected to a waterway and treating the impaired water from the impaired water body to produce treated water. The method also includes discharging the treated water into the waterway and conveying the treated water via the waterway to one or more locations proximate to one or more remote operational facilities that withdraws water from the waterway at the one or more locations.

AMERICAN ENERGY PARTNERS, INC. AND SUBSIDIARIES
NOTES TO UNAUDITED CONSOLIDATED FINANCIAL STATEMENTS
JUNE 30, 2021

American Energy Solutions, LLC (“AES”)

AES is an industrial waste stream treatment company that intends to engage in the remediation of Superfund sites, coal ash, acid mine drainage, mine influenced water (“MIW”), drill cuttings (horizontal direction drilling or “HDD” and vertical directional drilling or “VDD”), flowback (water and other debris that comes to the surface after a well is fracked), produced waters and other industrial processes.

Gilbert Oil and Gas, LLC (“GOG”)

GOG owns 15 oil and gas producing wells in Western Pennsylvania. Included in these assets are over 1,000 acres of shallow rights in the Tier I area of the wet Marcellus and dry Utica Shale.

Gilbert will concentrate its initial capital inside the Marcellus & Utica formations where we can monetize existing water assets and treatment technologies in West Virginia, Pennsylvania, and Ohio.

Hickman Geological Consulting, LLC (“HGC”)

HGC is a full-service valuation and geotechnical consulting services company that focuses on the decision space between earth materials and financial matters. HGC provides valuation services for oil and natural gas minerals connected with estate planning, expert witness, lease negotiations, and mineral sales. HGC also performs geotechnical consulting services related to landslide identification, mitigation, and design as well as geotechnical residential building services, such as ground stability and infiltration testing. HGC is typically engaged by small to mid-sized engineering and environmental firms. HGC is controlled by a sole owner, who is the Company’s Chief Operating Officer.

Oilfield Basics, LLC (“OB”)

OB provides educational tools to companies including engineering and law firms, as well as services related to construction, drilling, flowback and completions. OB specializes in the educational marketing platforms of podcasts and videography to not only inform the public about their customer’s solutions, but also as a platform to discuss issues faced and opportunities present within the industry.

AMERICAN ENERGY PARTNERS, INC. AND SUBSIDIARIES
NOTES TO UNAUDITED CONSOLIDATED FINANCIAL STATEMENTS
JUNE 30, 2021

Dahlmont

Dahlmont is a holding company for FOG, WO and WE noted below.

Freedom Oil & Gas (“FOG”)

FOG owns and operates 125 conventional oil and gas wells including midstream assets in West Virginia.

Winston Operating (“WO”)

Winston owns working interests in natural gas producing assets and also owns 100% of Washington Energy.

Washington Energy Company (“WE”)

WE owns and operates 125 conventional oil and gas wells including midstream assets in Pennsylvania.

Oil & Gas Management (“OGM”)

OGM owns and operates 236 conventional oil and gas wells including midstream assets in Pennsylvania and Maryland. OGM holds over 600 acres of deep rights for the Marcellus and Utica Shale in Fayette, Westmoreland, and Somerset Counties in Pennsylvania. Additionally, OGM owns overriding royalty interests in producing Marcellus Shale assets in Fayette County, PA.

Impact of COVID-19

The ongoing COVID-19 global and national health emergency has caused significant disruption in the international and United States economies and financial markets. In March 2020, the World Health Organization declared the COVID-19 outbreak a pandemic. The spread of COVID-19 has caused illness, quarantines, cancellation of events and travel, business and school shutdowns, reduction in business activity and financial transactions, labor shortages, supply chain interruptions and overall economic and financial market instability. The COVID-19 pandemic has the potential to significantly impact the Company’s supply chain, distribution centers, or logistics and other service providers.

AMERICAN ENERGY PARTNERS, INC. AND SUBSIDIARIES
NOTES TO UNAUDITED CONSOLIDATED FINANCIAL STATEMENTS
JUNE 30, 2021

In addition, a severe prolonged economic downturn could result in a variety of risks to the business, including weakened demand for products and services and a decreased ability to raise additional capital when needed on acceptable terms, if at all. As the situation continues to evolve, the Company will continue to closely monitor market conditions and respond accordingly.

We have implemented adjustments to our operations designed to keep employees safe and comply with international, federal, state, and local guidelines, including those regarding social distancing. The extent to which COVID-19 may further impact the Company's business, results of operations, financial condition and cash flows will depend on future developments, which are highly uncertain and cannot be predicted with confidence. In response to COVID-19, the United States government has passed legislation and taken other actions to provide financial relief to companies and other organizations affected by the pandemic.

The ultimate impact of the COVID-19 pandemic on the Company's operations is unknown and will depend on future developments, which are highly uncertain and cannot be predicted with confidence, including the duration of the COVID-19 outbreak, new information which may emerge concerning the severity of the COVID-19 pandemic, and any additional preventative and protective actions that governments, or the Company, may direct, which may result in an extended period of continued business disruption, reduced customer traffic and reduced operations.

Any resulting financial impact cannot be reasonably estimated at this time but is anticipated to have a material adverse impact on our business, financial condition, and results of operations. To date, the Company has not experienced any significant economic impact due to COVID-19.

Basis of Presentation

The accompanying consolidated financial statements have been prepared in accordance with accounting principles generally accepted in the United States.

Management acknowledges its responsibility for the preparation of the accompanying unaudited consolidated financial statements which reflect all adjustments, consisting of normal recurring adjustments, considered necessary in its opinion for a fair statement of its consolidated financial position and the consolidated results of its operations for the periods presented.

The accompanying unaudited consolidated financial statements of the Company have been prepared in accordance with accounting principles generally accepted in the United States of America (the "U.S. GAAP").

AMERICAN ENERGY PARTNERS, INC. AND SUBSIDIARIES
NOTES TO UNAUDITED CONSOLIDATED FINANCIAL STATEMENTS
JUNE 30, 2021

Operating results for interim periods are not necessarily indicative of results that may be expected for the fiscal year as a whole. Certain information and note disclosure normally included in financial statements prepared in accordance with U.S. GAAP has been condensed or omitted from these statements pursuant to such accounting principles and, accordingly, they do not include all the information and notes necessary for comprehensive financial statements.

Liquidity, Going Concern and Management's Plans

These consolidated financial statements have been prepared on a going concern basis, which contemplates the realization of assets and the settlement of liabilities and commitments in the normal course of business.

As reflected in the accompanying consolidated financial statements, for the six months ended June 30, 2021, the Company had:

- Net loss of \$9,234; and
- Net cash used in operations was \$178,131

Additionally, at June 30, 2021, the Company had:

- Accumulated deficit of \$50,753,419
- Stockholders' deficit of \$456,894; and
- Working capital deficit of \$459,800

We manage liquidity risk by reviewing, on an ongoing basis, our sources of liquidity and capital requirements. The Company has cash on hand of \$41,589 at June 30, 2021. Although the Company intends to raise additional debt or equity capital, the Company expects to continue to incur significant losses from operations and have negative cash flows from operating activities for the near-term. These losses could be significant as product and service sales ramp up along with continuing expenses related to compensation, professional fees, development and regulatory are incurred.

The Company has incurred significant losses since its inception and has not demonstrated an ability to generate sufficient revenues from the sales of its products and services to achieve profitable operations. There can be no assurance that profitable operations will ever be achieved, or if achieved, could be sustained on a continuing basis. In making this assessment we performed a comprehensive analysis of our current circumstances including: our financial position, our cash flows and cash usage forecasts for the twelve months ended June 30, 2022, and our current capital structure including equity-based instruments and our obligations and debts.

AMERICAN ENERGY PARTNERS, INC. AND SUBSIDIARIES
NOTES TO UNAUDITED CONSOLIDATED FINANCIAL STATEMENTS
JUNE 30, 2021

The Company has satisfied its obligations from operating cash flows as well as the issuance of convertible notes payable with a related party and the sale of its common stock; however, there is no assurance that such successful efforts will continue during the twelve months subsequent to the date these consolidated financial statements are issued.

If the Company does not obtain additional capital, the Company will be required to reduce the scope of its business development activities or cease operations. The Company continues to explore obtaining additional capital financing and the Company is closely monitoring its cash balances, cash needs, and expense levels.

These factors create substantial doubt about the Company's ability to continue as a going concern within the twelve month period subsequent to the date that these consolidated financial statements are issued. The consolidated financial statements do not include any adjustments that might be necessary if the Company is unable to continue as a going concern. Accordingly, the consolidated financial statements have been prepared on a basis that assumes the Company will continue as a going concern and which contemplates the realization of assets and satisfaction of liabilities and commitments in the ordinary course of business.

Management's strategic plans include the following:

- Pursuing additional capital raising opportunities,
- Continuing to explore and execute prospective partnering or distribution opportunities;
- Identifying strategic acquisitions to add to our portfolio of operating businesses; and
- Identifying unique market opportunities that represent potential positive short-term cash flow.

Note 2 - Summary of Significant Accounting Policies

Principles of Consolidation

These consolidated financial statements have been prepared in accordance with U.S. GAAP and include the accounts of the Company and its wholly owned subsidiaries. All intercompany transactions and balances have been eliminated.

AMERICAN ENERGY PARTNERS, INC. AND SUBSIDIARIES
NOTES TO UNAUDITED CONSOLIDATED FINANCIAL STATEMENTS
JUNE 30, 2021

Business Combinations

The Company accounts for business combinations using the acquisition method in accordance with Accounting Standards Codification, ASC 805, *Business Combinations* which requires recognition of assets acquired and liabilities assumed, including contingent assets and liabilities, at their respective fair values on the date of acquisition.

Contingent consideration is measured at its acquisition-date fair value and included as part of the consideration transferred in a business combination. Contingent consideration that is classified as equity is not remeasured at subsequent reporting dates and its subsequent settlement is accounted for within equity. Contingent consideration that is classified as an asset or liability is remeasured at subsequent reporting dates, with the corresponding gain or loss recognized in earnings.

Non-controlling interests in the acquiree are measured at fair value on acquisition date. Acquisition-related costs are recognized as expenses in the periods in which the costs are incurred, and the services are received (except for the costs to issue debt or equity securities which are recognized according to specific requirements).

Purchase price allocations may be preliminary and, during the measurement period not to exceed one year from the date of acquisition, changes in assumptions and estimates that result in adjustments to the fair value of assets acquired and liabilities assumed are recorded in the period the adjustments are determined.

The fair value of the consideration paid, including contingent consideration, is assigned to the assets acquired and liabilities assumed based on their respective fair values. Goodwill represents excess of the purchase price over the estimated fair values of the identifiable assets acquired and liabilities assumed. Following initial recognition, goodwill is measured at cost less any accumulated impairment losses.

Significant judgments are used in determining fair values of assets acquired and liabilities assumed, as well as intangibles. Fair value and useful life determinations are based on, among other factors, estimates of future expected cash flows, and appropriate discount rates used in computing present values. These judgments may materially impact the estimates used in allocating acquisition date fair values to assets acquired and liabilities assumed, as well as the Company's current and future operating results. Actual results may vary from these estimates which may result in adjustments to goodwill and acquisition date fair values of assets and liabilities during a measurement period or upon a final determination of asset and liability fair values, whichever occurs first. Adjustments to fair values of assets and liabilities made after the end of the measurement period are recorded within the Company's earnings.

AMERICAN ENERGY PARTNERS, INC. AND SUBSIDIARIES
NOTES TO UNAUDITED CONSOLIDATED FINANCIAL STATEMENTS
JUNE 30, 2021

Business Segments and Concentrations

The Company uses the “management approach” to identify its reportable segments. The management approach requires companies to report segment financial information consistent with information used by management for making operating decisions and assessing performance as the basis for identifying the Company’s reportable segments.

The Company manages its business as two reportable segments and the consolidated financial statements are presented as two operating business segments, consisting of oil and natural gas sales from its wells through GOG, as well as geotechnical consulting services provided by HGC.

In connection with the acquisitions of OGM and Dahlmont on July 1, 2021, the Company has added additional entities to its oil and natural gas line of business.

The Company also has insignificant operations from OB. However, the Company does not believe this requires separate financial reporting for its segment disclosures.

Use of Estimates

Preparing financial statements in conformity with U.S. GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and the disclosure of contingent assets and liabilities at the date of the financial statements and revenues and expenses during the reported period. Actual results could differ from those estimates, and those estimates may be material.

Significant estimates during the six months ended June 30, 2021 and 2020, respectively, include proved developed reserves of oil and natural gas*, depletion of oil and natural gas wells, asset impairments related to oil and natural gas wells, acquisition purchase price asset and liability allocations, valuation of derivative liabilities, valuation of stock-based compensation, uncertain tax positions, and the valuation allowance on deferred tax assets.

*Oil and natural gas reserves are based on available geologic and seismic data, reservoir pressure data, core analysis reports, well logs, analogous reservoir performance history, production data and other available sources of engineering, geological and geophysical information.

AMERICAN ENERGY PARTNERS, INC. AND SUBSIDIARIES
NOTES TO UNAUDITED CONSOLIDATED FINANCIAL STATEMENTS
JUNE 30, 2021

Oil and natural gas prices are volatile and largely affected by worldwide production and consumption and are outside the control of management. Projected future crude oil and natural gas pricing assumptions are used by management to prepare estimates of crude oil and natural gas reserves used in formulating management's overall operating decisions. The Company's Chief Operating Officer is a registered Professional Geologist in the State of Pennsylvania, who as a member of management assists with the valuation of these reserves.

The Company does not operate its oil and natural gas properties and, therefore, receives actual oil, and natural gas sales volumes and prices (in the normal course of business) more than a month later than the information is available to the operators of the wells. This being the case, on wells with greater significance to the Company, the most current available production data is gathered from the appropriate operators, and oil, and natural gas index prices local to each well are used to estimate the accrual of revenue on these wells. Timely obtaining production data on all other wells from the operators is not feasible; therefore, the Company utilizes past production receipts and estimated sales price information to estimate its accrual of revenue on all other wells each quarter. The oil, and natural gas sales revenue accrual can be impacted by many variables including rapid production decline rates, production curtailments by operators, the shut-in of wells with mechanical problems and rapidly changing market prices for oil, and natural gas. These variables could lead to an over or under accrual of oil, and natural gas sales at the end of any particular reporting period. Based on past history, the Company's estimated accrual has been materially accurate.

Full Cost Method of Accounting

The Company uses the full cost method of accounting for its oil and gas exploration and development activities. Under the full cost method of accounting, all costs associated with successful and unsuccessful exploration and development activities are capitalized into a single cost center ("full cost pool"). Such costs include property acquisition costs, geological and geophysical ("G&G") costs, carrying charges on non-producing properties, costs of drilling both productive and non-productive wells. Overhead costs, which includes employee compensation and benefits including stock-based compensation, incurred that are directly related to acquisition, exploration and development activities are capitalized. Interest expense is capitalized related to unevaluated properties and wells in process during the period in which the Company is incurring costs and expending resources to get the properties ready for their intended purpose. For significant investments in unproved properties and major development projects that are not being currently depreciated, depleted, or amortized and on which exploration or development activities are in progress, interest costs are capitalized. Proceeds from property sales will generally be credited to the full cost pool, with no gain or loss recognized, unless such a sale would significantly alter the relationship between capitalized costs and the proved reserves attributable to these costs. A significant alteration would typically involve a sale of 25% or more of the proved reserves related to a single full cost pool.

AMERICAN ENERGY PARTNERS, INC. AND SUBSIDIARIES
NOTES TO UNAUDITED CONSOLIDATED FINANCIAL STATEMENTS
JUNE 30, 2021

Proved properties are amortized using the units of production method (“UOP”), whereby capitalized costs are amortized over total proved reserves. The amortization base in the UOP calculation includes the sum of proved property, net of accumulated depreciation, depletion, and amortization (“DD&A”), estimated future development costs (future costs to access and develop proved reserves), and asset retirement costs, less related salvage value.

The costs of unproved properties and related capitalized costs (such as G&G costs) are withheld from the amortization calculation until such time as they are either developed or abandoned. Unproved properties and properties under development are reviewed for impairment at least quarterly and are determined through an evaluation by management and third party consultants considering, among other factors, seismic data, requirements to relinquish acreage, drilling results, remaining time in the commitment period, remaining capital plan, and political, economic, and market conditions. In countries where proved reserves exist, exploratory drilling costs associated with dry holes are transferred to proved properties immediately upon determination that a well is dry and amortized accordingly. In countries where a reserve base has not yet been established, impairments are charged to earnings.

Companies that use the full cost method of accounting for oil and natural gas exploration and development activities are required to perform a ceiling test calculation each quarter. The full cost ceiling test is an impairment test prescribed by SEC Regulation S-X Rule 4-10. The ceiling test is performed quarterly, utilizing the average of prices in effect on the first day of the month for the preceding twelve month period. The cost center ceiling is defined as the sum of (a) estimated future net revenues, discounted at 10% per annum, from proved reserves, (b) the cost of properties not being amortized, if any, and (c) the lower of cost or market value of unproved properties included in the cost being amortized. If such capitalized costs exceed the ceiling, the Company will record a write-down to the extent of such excess as a non-cash charge to earnings. Any such write-down will reduce earnings in the period of occurrence and results in a lower depreciation, depletion, and amortization rate in future periods. A write-down may not be reversed in future periods even though higher oil and natural gas prices may subsequently increase the ceiling.

The Company capitalizes exploratory well costs into oil and gas properties until a determination is made that the well has either found proved reserves or is impaired. If proved reserves are found, the capitalized exploratory well costs are reclassified to proved properties. The well costs are charged to expense if the exploratory well is determined to be impaired.

AMERICAN ENERGY PARTNERS, INC. AND SUBSIDIARIES
NOTES TO UNAUDITED CONSOLIDATED FINANCIAL STATEMENTS
JUNE 30, 2021

We did not record a ceiling test write-down during the six months ended June 30, 2021 and 2020, respectively. If average crude oil and natural gas prices decrease significantly, it is possible that ceiling test write-downs could be recorded during 2021 or in future periods.

Asset Retirement Obligations

The Company owns interests in oil and natural gas properties, which may require expenditures to plug and abandon the wells upon the end of their economic lives.

The fair value of legal obligations to retire and remove long-lived assets is recorded in the period in which the obligation is incurred (typically when the asset is installed at the production location). We are required to record a separate liability for the present value of our ARO, with an offsetting increase to the related oil and natural gas properties on our consolidated balance sheets.

When the liability is initially recorded, this cost is capitalized by increasing the carrying amount of the related properties and equipment. Over time the liability is increased for the change in its present value. The Company does not have any assets restricted for the purpose of settling the asset retirement obligations.

Estimating such costs requires us to make judgments on both the costs and the timing of ARO. Asset removal technologies and costs are constantly changing, as are regulatory, political, environmental, safety and public relations considerations, which can substantially affect our estimates of these future costs from period to period.

At June 30, 2021 and December 31, 2020, respectively, the Company had the following ARO Obligations:

	<u>June 30, 2021</u>	<u>December 31, 2020</u>
Current	\$ 265,903	\$ 260,131
Long-Term	92,048	94,935
Total ARO	<u>\$ 357,951</u>	<u>\$ 355,066</u>

During the three months ended June, 2021 and 2020, the Company recorded accretion expense of \$1,443 and \$1,443, respectively.

During the six months ended June, 2021 and 2020, the Company recorded accretion expense of \$2,886 and \$2,886, respectively.

These amounts are included as a component of depreciation, depletion, amortization, and accretion in the accompanying consolidated statements of operations.

AMERICAN ENERGY PARTNERS, INC. AND SUBSIDIARIES
NOTES TO UNAUDITED CONSOLIDATED FINANCIAL STATEMENTS
JUNE 30, 2021

Oil and Natural Gas Reserve Information

We use the unweighted average of first-day-of-the-month commodity prices over the preceding 12-month period when estimating quantities of proved reserves. Similarly, the prices used to calculate the standardized measure of discounted future cash flows and prices used in the ceiling test for impairment are the 12-month average commodity prices. Proved undeveloped reserves may only be classified as such if a development plan has been adopted indicating that they are scheduled to be drilled within five years, with some limited exceptions allowed.

Environmental Costs

As the Company is directly involved in the extraction and use of natural resources, it is subject to various federal, state, and local provisions regarding environmental and ecological matters. Compliance with these laws may necessitate significant capital outlays. The Company does not believe the existence of current environmental laws or interpretations thereof will materially hinder or adversely affect the Company's business operations; however, there can be no assurances of future effects on the Company of new laws or interpretations thereof. Since the Company does not operate any wells where it owns an interest, actual compliance with environmental laws is controlled by the well operators, with the Company being responsible for its proportionate share of the costs involved.

The Company does not carry liability and pollution control insurance. However, all risks would not be insured due to the availability and cost of insurance.

Environmental liabilities (including plugging and abandonment costs), which historically have not been material, are recognized when it is probable that a loss has been incurred and the amount of that loss is reasonably estimable. Environmental liabilities, when accrued, are based upon estimates of expected future costs. At June 30, 2021 and December 31, 2020, respectively, there were no such costs accrued.

Capitalization of Leasehold Acquisition Costs

Leasehold acquisition costs are initially capitalized. Costs to drill exploratory wells are initially capitalized until a determination as to whether proved reserves have been discovered. If an exploratory well is deemed to not have found proved reserves, the associated costs are charged to exploration expense at that time. Exploration costs, other than the cost of drilling exploratory wells, which can include geological and geophysical expenses applicable to undeveloped leasehold, leasehold expiration costs and delay rentals are charged to exploration expense as incurred. All development costs, including developmental dry hole costs, are capitalized.

AMERICAN ENERGY PARTNERS, INC. AND SUBSIDIARIES
NOTES TO UNAUDITED CONSOLIDATED FINANCIAL STATEMENTS
JUNE 30, 2021

Fair Value of Financial Instruments

The Company accounts for financial instruments under Financial Accounting Standards Board (“FASB”) ASC 820, *Fair Value Measurements*. ASC 820 provides a framework for measuring fair value and requires disclosures regarding fair value measurements. Fair value is defined as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, based on the Company’s principal or, in absence of a principal, most advantageous market for the specific asset or liability.

The Company uses a three-tier fair value hierarchy to classify and disclose all assets and liabilities measured at fair value on a recurring basis, as well as assets and liabilities measured at fair value on a non-recurring basis, in periods subsequent to their initial measurement. The hierarchy requires the Company to use observable inputs when available, and to minimize the use of unobservable inputs, when determining fair value.

The three tiers are defined as follows:

- Level 1—Observable inputs that reflect quoted market prices (unadjusted) for identical assets or liabilities in active markets;
- Level 2—Observable inputs other than quoted prices in active markets that are observable either directly or indirectly in the marketplace for identical or similar assets and liabilities; and
- Level 3—Unobservable inputs that are supported by little or no market data, which require the Company to develop its own assumptions.

The determination of fair value and the assessment of a measurement’s placement within the hierarchy requires judgment. Level 3 valuations often involve a higher degree of judgment and complexity. Level 3 valuations may require the use of various cost, market, or income valuation methodologies applied to unobservable management estimates and assumptions. Management’s assumptions could vary depending on the asset or liability valued and the valuation method used. Such assumptions could include estimates of prices, earnings, costs, actions of market participants, market factors, or the weighting of various valuation methods. The Company may also engage external advisors to assist us in determining fair value, as appropriate.

Although the Company believes that the recorded fair value of our financial instruments is appropriate, these fair values may not be indicative of net realizable value or reflective of future fair values.

See Note 4 for level 3 reconciliation of derivative liabilities.

AMERICAN ENERGY PARTNERS, INC. AND SUBSIDIARIES
NOTES TO UNAUDITED CONSOLIDATED FINANCIAL STATEMENTS
JUNE 30, 2021

The Company's financial instruments, including cash, accounts receivable – oil and natural gas, accounts receivable – geotechnical consulting services, accounts payable and accrued expenses, are carried at historical cost. At June 30, 2021 and December 31, 2020, respectively, the carrying amounts of these instruments approximated their fair values because of the short-term nature of these instruments.

ASC 825-10 "*Financial Instruments*" allows entities to voluntarily choose to measure certain financial assets and liabilities at fair value ("fair value option"). The fair value option may be elected on an instrument-by-instrument basis and is irrevocable unless a new election date occurs. If the fair value option is elected for an instrument, unrealized gains and losses for that instrument should be reported in earnings at each subsequent reporting date. The Company did not elect to apply the fair value option to any outstanding financial instruments.

Cash and Cash Equivalents

For purposes of the consolidated statements of cash flows, the Company considers all highly liquid instruments with a maturity of three months or less at the purchase date and money market accounts to be cash equivalents.

At June 30, 2021 and December 31, 2020, respectively, the Company did not have any cash equivalents.

Accounts Receivable

Oil and Natural Gas from GOG

Accounts receivable are due from purchasers of oil, and natural gas or operators of the oil and natural gas properties. Oil, and natural gas sales receivables are generally unsecured. This industry concentration has the potential to impact our overall exposure to credit risk, in that the purchasers of our oil, and natural gas and the operators of the properties we have an interest in may be similarly affected by changes in economic, industry or other conditions.

The allowance for doubtful accounts is determined based on the Company's previous loss history. The Company has not experienced any significant credit losses. Allowance for doubtful accounts was \$0 at June 30, 2021 and December 31, 2020, respectively.

AMERICAN ENERGY PARTNERS, INC. AND SUBSIDIARIES
NOTES TO UNAUDITED CONSOLIDATED FINANCIAL STATEMENTS
JUNE 30, 2021

Geotechnical Consulting Services from HGC

Credit is extended to customers based on an evaluation of their financial condition and other factors. Interest is not accrued on overdue accounts receivable. Management periodically assesses the Company's accounts receivable and, if necessary, establishes an allowance for estimated uncollectible amounts. Accounts determined to be uncollectible are charged to operations when that determination is made. The Company does not require collateral.

The allowance for doubtful accounts is determined based on the Company's previous loss history. The Company has not experienced any significant credit losses. Allowance for doubtful accounts was \$0 at June 30, 2021 and December 31, 2020, respectively.

The following represents the Company's concentrations of its oil and natural gas receivables at June 30, 2021 and December 31, 2020:

<u>Oil and Natural Gas Receivables</u>	<u>Six Months Ended</u>	<u>Year Ended</u>
<u>Customer</u>	<u>June 30, 2021</u>	<u>December 31, 2020</u>
A	-	71%
C	2%	-
D	98%	29%
Total	<u>100%</u>	<u>100%</u>

Goodwill and Impairment

Goodwill is the excess of purchase price over the value of net assets acquired in acquisitions. Goodwill is tested using a two-step process. The first step of the goodwill impairment assessment, used to identify potential impairment, compares the fair value of a reporting unit with its carrying amount, including goodwill ("net book value"). If the fair value of a reporting unit exceeds its net book value, goodwill of the reporting unit is considered not impaired, thus the second step of the impairment test is unnecessary. If net book value of a reporting unit exceeds its fair value, the second step of the goodwill impairment test will be performed to measure the amount of impairment loss, if any. The second step of the goodwill impairment assessment, used to measure the amount of impairment loss, if any, compares the implied fair value of reporting unit goodwill with the carrying amount of that goodwill. The implied fair value of reporting unit goodwill is determined as the residual between the fair value of the reporting unit and the fair value of its assets (including any unrecognized intangible assets) and liabilities. If the carrying amount of reporting unit goodwill exceeds the implied fair value of that goodwill, an impairment loss shall be recognized in an amount equal to that excess.

AMERICAN ENERGY PARTNERS, INC. AND SUBSIDIARIES
NOTES TO UNAUDITED CONSOLIDATED FINANCIAL STATEMENTS
JUNE 30, 2021

In the first step of the goodwill impairment assessment, the Company uses an income approach to derive a present value of the reporting unit's projected future annual cash flows and the present residual value of the reporting unit. The Company uses the income approach because it believes that the discounted future cash flows provide greater detail and opportunity to reflect facts, circumstances, and economic conditions for each reporting unit. In addition, the Company believes that this valuation approach is a proven valuation technique and methodology for its industry and is widely accepted by investors. The Company uses a variety of underlying assumptions to estimate these future cash flows, which vary for each of the reporting units and include (i) future revenue growth rates, (ii) future operating profitability, (iii) the weighted-average cost of capital and (iv) a terminal growth rate. If the Company's estimates and assumptions used in the discounted future cash flows should change at some future date, the Company could incur an impairment charge which could have a material adverse effect on the results of operations reported for the period in which the impairment occurs.

Goodwill and certain intangible assets are not amortized for book purposes. They may be, however, amortized for tax purposes.

Intangible Assets and Impairment

Definite-lived intangible assets are amortized on a straight-line basis over their estimated useful lives. Indefinite-lived intangible assets are reviewed for impairment annually. The Company reviews definite-lived intangible assets for impairment whenever events or changes in circumstances indicate that the carrying amount of an asset may not be recoverable. If the sum of the estimated future cash flows (undiscounted) expected to result from the use and eventual disposition of an asset is less than the carrying amount of the asset, an impairment loss is recognized. Measurement of an impairment loss is based on the fair value of the asset.

There were no impairment losses for the three and months ended June 30, 2021 and 2020, respectively.

Impairment of Long-lived Assets

Management evaluates the recoverability of the Company's identifiable intangible assets and other long-lived assets when events or circumstances indicate a potential impairment exists, in accordance with the provisions of ASC 360-10-35-15 "*Impairment or Disposal of Long-Lived Assets.*" Events and circumstances considered by the Company in determining whether the carrying value of identifiable intangible assets and other long-lived assets may not be recoverable include but are not limited to: significant changes in performance relative to expected operating results; significant changes in the use of the assets; significant negative industry or economic trends; and changes in the Company's business strategy. In determining if impairment exists, the Company estimates the undiscounted cash flows to be generated from the use and ultimate disposition of these assets.

AMERICAN ENERGY PARTNERS, INC. AND SUBSIDIARIES
NOTES TO UNAUDITED CONSOLIDATED FINANCIAL STATEMENTS
JUNE 30, 2021

There were no impairment losses for the three and months ended June 30, 2021 and 2020, respectively.

If impairment is indicated based on a comparison of the assets' carrying values and the undiscounted cash flows, the impairment to be recognized is measured as the amount by which the carrying amount of the assets exceeds the fair value of the assets.

Property and Equipment

Property and equipment is stated at cost less accumulated depreciation. Depreciation is provided on the straight-line basis over the estimated useful lives of the assets.

Expenditures for repair and maintenance which do not materially extend the useful lives of property and equipment are charged to operations. When property or equipment is sold or otherwise disposed of, the cost and related accumulated depreciation are removed from the respective accounts with the resulting gain or loss reflected in operations.

Management reviews the carrying value of its property and equipment whenever events or changes in circumstances indicate that the carrying amount of the asset may not be recoverable.

There were no impairment losses for the three and months ended June 30, 2021 and 2020, respectively.

Derivative Liabilities

The Company analyzes all financial instruments with features of both liabilities and equity under FASB ASC Topic No. 480, ("ASC 480"), "*Distinguishing Liabilities from Equity*" and FASB ASC Topic No. 815, ("ASC 815") "*Derivatives and Hedging*". Derivative liabilities are adjusted to reflect fair value at each period end, with any increase or decrease in the fair value being recorded in results of operations as adjustments to fair value of derivatives. The Company uses a binomial model to determine fair value.

Upon conversion, exercise or repayment, the respective derivative liability is marked to fair value at the conversion, repayment, or exercise date and then the related fair value amount is reclassified to other income or expense as part of gain or loss on debt extinguishment recognized in the Company's Consolidated Statements of Operations.

The Company has adopted ASU 2017-11, "*Earnings per share (Topic 260)*", provided that when determining whether certain financial instruments should be classified as liability or equity instruments, a down round feature no longer precludes equity classification when assessing whether the instrument is indexed to an entity's own stock.

AMERICAN ENERGY PARTNERS, INC. AND SUBSIDIARIES
NOTES TO UNAUDITED CONSOLIDATED FINANCIAL STATEMENTS
JUNE 30, 2021

If a down round feature on the conversion option embedded in the note is triggered, the Company will evaluate whether a beneficial conversion feature exists, the Company will record the amount as a debt discount and will amortize it over the remaining term of the debt.

If the down round feature in the warrants that are classified as equity is triggered, the Company will recognize the effect of the down round as a deemed dividend, which will reduce the income available to common stockholders.

Debt Issue Cost

Debt issuance cost paid to lenders, or third parties are recorded as debt discounts and amortized to interest expense in the consolidated statements of operations, over the life of the underlying debt instrument.

Revenue Recognition

Pursuant to ASC 606, we recognize revenue to depict the transfer of goods or services to customers in amounts that reflect the consideration or payment the Company expects to be entitled to receive in exchange for those goods or services. Our revenue is recognized by applying the following five steps: 1) identify the contracts with a customer; 2) identify the performance obligations in the contract; 3) determine the transaction price; 4) allocate the transaction price to the performance obligations; and 5) recognize revenue when (or as) we satisfy a performance obligation.

We apply judgment in determining the customer's ability and intention to pay, which is based on a variety of factors including the customer's historical payment experience or, in the case of a new customer, published credit or financial information pertaining to the customer. If a contract includes multiple promised goods or services, we apply judgment to determine whether the promised goods or services are capable of being distinct and are distinct within the context of the contract. If these criteria are not met, the promised goods or services are accounted for as a combined performance obligation. We determine the transaction price based on the consideration which we will be entitled to receive in exchange for transferring goods or services to our customer. We recognize revenue at the time that the related performance obligation is satisfied by transferring the promised goods or services to our customer.

AMERICAN ENERGY PARTNERS, INC. AND SUBSIDIARIES
NOTES TO UNAUDITED CONSOLIDATED FINANCIAL STATEMENTS
JUNE 30, 2021

Oil and Natural Gas

Sales of oil and natural gas are recognized when production is sold to a purchaser and control has transferred. Oil is priced on the delivery date based upon prevailing prices published by purchasers with certain adjustments related to oil quality and physical location. The price the Company receives for natural gas is tied to a market index, with certain adjustments based on, among other factors, whether a well delivers to a gathering or transmission line, quality and heat content of natural gas, and prevailing supply and demand conditions, so that the price of natural gas fluctuates to remain competitive with other available natural gas supplies. These market indices are determined on a monthly basis. Each unit of commodity is considered a separate performance obligation; however, as consideration is variable, the Company utilizes the variable consideration allocation exception permitted under the standard to allocate the variable consideration to the specific units of commodity to which they relate.

Geotechnical Consulting Services

Geotechnical consulting service revenue is generally recognized ratably over the period of performance, provided all other revenue recognition criteria have been met. Payments due or received from the customers prior to rendering the associated services are recorded as deferred revenue.

Oilfield Basics

Educational course revenue is recognized on the date of payment. At this time, the Company provides its customer with access to the requested course, with no further performance obligations required. This revenue has been classified as other revenues in the accompanying consolidated statements of operations.

The following represents the Company's disaggregation of revenues for the six months ended June 30, 2021 and 2020:

	Six Months Ended June 30,			
	2021		2020	
<u>Revenue</u>	<u>Revenue</u>	<u>% of Revenues</u>	<u>Revenue</u>	<u>% of Revenues</u>
Natural gas sales	\$ 17,061	10%	\$ 17,000	4%
Geotechnical consulting services	158,728	89%	412,551	96%
Other	3,372	1%	-	-
Total Revenues	<u>\$ 179,161</u>	<u>100%</u>	<u>\$ 429,551</u>	<u>100%</u>

AMERICAN ENERGY PARTNERS, INC. AND SUBSIDIARIES
NOTES TO UNAUDITED CONSOLIDATED FINANCIAL STATEMENTS
JUNE 30, 2021

The following represents the Company's concentration of its oil and natural gas sales for the six months ended June 30, 2021 and 2020:

<u>Oil and Natural Gas Sales</u>	<u>Six Months Ended June 30,</u>	
<u>Customer</u>	<u>2021</u>	<u>2020</u>
A	58%	71%
B	2%	24%
C	5%	5%
D	35%	-
Total	100%	100%

Income Taxes

The Company accounts for income tax using the asset and liability method prescribed by ASC 740, "Income Taxes". Under this method, deferred tax assets and liabilities are determined based on the difference between the financial reporting and tax bases of assets and liabilities using enacted tax rates that will be in effect in the year in which the differences are expected to reverse. The Company records a valuation allowance to offset deferred tax assets if based on the weight of available evidence, it is more-likely-than-not that some portion, or all, of the deferred tax assets will not be realized. The effect on deferred taxes of a change in tax rates is recognized as income or loss in the period that includes the enactment date.

The Company follows the accounting guidance for uncertainty in income taxes using the provisions of ASC 740 "Income Taxes". Using that guidance, tax positions initially need to be recognized in the financial statements when it is more likely than not the position will be sustained upon examination by the tax authorities. As of June 30, 2021 and December 31, 2020, respectively, the Company had no uncertain tax positions that qualify for either recognition or disclosure in the financial statements.

The Company recognizes interest and penalties related to uncertain income tax positions in other expense. No interest and penalties related to uncertain income tax positions were recorded for the three and six months ended June 30, 2021 and 2020, respectively.

As of June 30, 2021, tax years 2017-2020 remain open for IRS audit.

Advertising Costs

Advertising costs are expensed as incurred. Advertising costs are included as a component of general and administrative expense in the consolidated statements of operations.

The Company recognized \$2,489 and \$33,403 in marketing and advertising costs during the three months ended June 30, 2021 and 2020, respectively.

AMERICAN ENERGY PARTNERS, INC. AND SUBSIDIARIES
NOTES TO UNAUDITED CONSOLIDATED FINANCIAL STATEMENTS
JUNE 30, 2021

The Company recognized \$9,698 and \$96,748 in marketing and advertising costs during the six months ended June 30, 2021 and 2021, respectively.

Stock-Based Compensation

We account for our stock-based compensation under ASC 718 *“Compensation – Stock Compensation”* using the fair value-based method. Under this method, compensation cost is measured at the grant date based on the value of the award and is recognized over the service period, which is usually the vesting period. This guidance establishes standards for the accounting for transactions in which an entity exchanges its equity instruments for goods or services. It also addresses transactions in which an entity incurs liabilities in exchange for goods or services that are based on the fair value of the entity’s equity instruments or that may be settled by the issuance of those equity instruments.

We use the fair value method for equity instruments granted to non-employees and use the Black-Scholes model for measuring the fair value of options. The stock based fair value compensation is determined as of the date of the grant or the date at which the performance of the services is completed (measurement date) and is recognized over the vesting periods.

When determining fair value, the Company considers the following assumptions in the Black-Scholes model:

- Exercise price,
- Expected dividends,
- Expected volatility,
- Risk-free interest rate; and
- Expected life of option

In June 2018, the FASB issued ASU No. 2018-07, *“Compensation - Stock Compensation (Topic 718): Improvements to Nonemployee Share-Based Payment Accounting.”* ASU No 2018-07 expands the scope of Topic 718 to include share-based payment transactions for acquiring goods and services from nonemployees. The guidance also specifies that Topic 718 applies to all share-based payment transactions in which a grantor acquires goods or services to be used or consumed in a grantor’s own operations by issuing share-based payment awards.

AMERICAN ENERGY PARTNERS, INC. AND SUBSIDIARIES
NOTES TO UNAUDITED CONSOLIDATED FINANCIAL STATEMENTS
JUNE 30, 2021

Common Stock Awards

The Company may grant common stock awards to non-employees in exchange for services provided. The Company measures the fair value of these awards using the fair value of the services provided or the fair value of the awards granted, whichever is more reliably measurable. The fair value measurement date of these awards is generally the date the performance of services is complete. The fair value of the awards is recognized on a straight-line basis as services are rendered. The share-based payments related to common stock awards for the settlement of services provided by non-employees is recorded in accordance with ASU 2018-07 (June 2018) on the consolidated statement of operations in the same manner and charged to the same account as if such settlements had been made in cash.

Stock Warrants

In connection with certain financing, consulting and collaboration arrangements, the Company may issue warrants to purchase shares of its common stock. The outstanding warrants are standalone instruments that are not puttable or mandatorily redeemable by the holder and are classified as equity awards. The Company measures the fair value of the awards using the Black-Scholes option pricing model as of the measurement date. Warrants issued in conjunction with the issuance of common stock are initially recorded at fair value as a reduction in additional paid-in capital of the common stock issued. All other warrants are recorded at fair value as expense over the requisite service period or at the date of issuance if there is not a service period.

There were no warrants granted during the six months ended June 30, 2021 and 2020, respectively. Additionally, there were no warrants issued, outstanding or exercisable as of June 30, 2021 and December 31, 2020, respectively.

Basic and Diluted Earnings (Loss) per Share and Reverse Stock Split

Pursuant to ASC 260-10-45, basic earnings (loss) per common share is computed by dividing net income (loss) by the weighted average number of shares of common stock outstanding for the periods presented. Diluted earnings per share is computed by dividing net income by the weighted average number of shares of common stock, common stock equivalents and potentially dilutive securities outstanding during the period. Potentially dilutive common shares may consist of common stock issuable for stock options and warrants (using the treasury stock method), convertible notes and common stock issuable. These common stock equivalents may be dilutive in the future. In the event of a net loss, diluted loss per share is the same as basic loss per share since the effect of the potential common stock equivalents upon conversion would be anti-dilutive.

AMERICAN ENERGY PARTNERS, INC. AND SUBSIDIARIES
NOTES TO UNAUDITED CONSOLIDATED FINANCIAL STATEMENTS
JUNE 30, 2021

On January 19, 2021, all of the Company's issued and outstanding Class A, preferred stock and Class B, common stock was converted into Class A, common stock (see Note 6).

Effective February 8, 2021, the Company executed a 1:100 reverse stock split for its Class A, common stock.

As a result, all disclosures herein for the Series A, preferred stock and all Class B, common stock are reflected on a split adjusted basis giving effect for the reverse stock split of the Class A, common stock (post conversion).

All share and per share amounts have been retroactively restated to the earliest period presented.

The following potentially dilutive equity securities outstanding as of June 30, 2021 and 2020 were as follows:

	<u>June 30, 2021</u>	<u>June 30, 2020</u>
Convertible notes payable (exercise price \$0.091 and \$0.15/share)	870,967	667,687
Stock options (exercise prices \$0.0065 - \$0.085/share)	16,300,000	10,000,000
Total common stock equivalents	<u>17,170,967</u>	<u>10,667,687</u>

The convertible notes contain exercise prices that have a discount to market of 70% of the lowest trading market price in the preceding 30 (See Note 4). As a result, the amount computed for common stock equivalents could change given the quoted closing trading price at each reporting period.

Based on the potential common stock equivalents noted above at June 30, 2021, the Company has sufficient authorized shares of Class A, common stock (1,500,000,000) to settle any potential exercises of common stock equivalents.

Related Parties

Parties are considered to be related to the Company if the parties, directly or indirectly, through one or more intermediaries, control, are controlled by, or are under common control with the Company. Related parties also include principal owners of the Company, its management, members of the immediate families of principal owners of the Company and its management and other parties with which the Company may deal with if one party controls or can significantly influence the management or operating policies of the other to an extent that one of the transacting parties might be prevented from fully pursuing its own separate interests.

See Note 7 regarding acquisitions.

AMERICAN ENERGY PARTNERS, INC. AND SUBSIDIARIES
NOTES TO UNAUDITED CONSOLIDATED FINANCIAL STATEMENTS
JUNE 30, 2021

Recent Accounting Standards

Changes to accounting principles are established by the FASB in the form of ASU's to the FASB's Codification. We consider the applicability and impact of all ASU's on our consolidated financial position, results of operations, stockholders' deficit, cash flows, or presentation thereof.

In June 2016, the Financial Accounting Standards Board ("FASB") issued Accounting Standards Update ("ASU") No. 2016-13, *Measurement of Credit Losses on Financial Instruments*, which supersedes current guidance by requiring recognition of credit losses when it is probable that a loss has been incurred. The new standard requires the establishment of an allowance for estimated credit losses on financial assets including trade and other receivables at each reporting date. The new standard will result in earlier recognition of allowances for losses on trade and other receivables and other contractual rights to receive cash. In November 2019, the FASB issued ASU No. 2019-10, *Financial Instruments – Credit Losses (Topic 326), Derivatives and Hedging (Topic 815) and Leases (Topic 842)*, which extends the effective date of Topic 326 for certain companies until fiscal years beginning after December 15, 2022. The new standard will be effective for the Company in the first quarter of fiscal year beginning October 1, 2023, and early adoption is permitted. The Company has not completed its review of the impact of this standard on its consolidated financial statements.

However, based on the Company's history of immaterial credit losses from trade receivables, management does not expect that the adoption of this standard will have a material effect on the Company's consolidated financial statements.

In December 2019, the FASB issued ASU 2019-12, "Simplifying the Accounting for Income Taxes." This guidance, among other provisions, eliminates certain exceptions to existing guidance related to the approach for intraperiod tax allocation, the methodology for calculating income taxes in an interim period and the recognition of deferred tax liabilities for outside basis differences. This guidance also requires an entity to reflect the effect of an enacted change in tax laws or rates in its effective income tax rate in the first interim period that includes the enactment date of the new legislation, aligning the timing of recognition of the effects from enacted tax law changes on the effective income tax rate with the effects on deferred income tax assets and liabilities. Under existing guidance, an entity recognizes the effects of the enacted tax law change on the effective income tax rate in the period that includes the effective date of the tax law. ASU 2019-12 is effective for interim and annual periods beginning after December 15, 2020, with early adoption permitted. We adopted this pronouncement on January 1, 2021; however, the adoption of this standard did not have material effect on the Company's consolidated financial statements.

AMERICAN ENERGY PARTNERS, INC. AND SUBSIDIARIES
NOTES TO UNAUDITED CONSOLIDATED FINANCIAL STATEMENTS
JUNE 30, 2021

In August 2020, the FASB issued ASU 2020-06, “Debt – Debt with Conversion and Other Options (Subtopic 470-20) and Derivatives and Hedging – Contracts in Entity’s Own Equity (Subtopic 815-40): Accounting for Convertible Instruments and Contracts in an Entity’s Own Equity”, to reduce complexity in applying GAAP to certain financial instruments with characteristics of liabilities and equity. ASU 2020-06 is effective for interim and annual periods beginning after December 15, 2023, with early adoption permitted. We adopted this pronouncement on January 1, 2021; however, the adoption of this standard did not have material effect on the Company’s consolidated financial statements.

Note 3 – Oil and Natural Gas Properties

Oil and Natural Gas Properties consisted of the following:

	<u>June 30, 2021</u>	<u>December 31, 2020</u>
Producing oil and natural gas wells (including ARO)	\$ 117,564	\$ 117,564
Mineral rights	2,000	2,000
	<u>119,564</u>	<u>119,564</u>
Accumulated depletion	24,610	21,738
Total oil and natural gas properties - net	<u>\$ 94,954</u>	<u>\$ 97,826</u>

Depletion expense for the three months ended June 30, 2021 and 2020 was \$1,447 and \$1,166, respectively.

Depletion expense for the six months ended June 30, 2021 and 2020 was \$2,872 and \$924, respectively.

These amounts are included as a component of depreciation, depletion, amortization, and accretion in the accompanying consolidated statements of operations.

AMERICAN ENERGY PARTNERS, INC. AND SUBSIDIARIES
NOTES TO UNAUDITED CONSOLIDATED FINANCIAL STATEMENTS
JUNE 30, 2021

Note 4 – Convertible Notes Payable and Derivative Liabilities

Convertible Note Payable

The following represents a summary of the Company’s convertible note, key terms, and outstanding balances at June 30, 2021 and December 31, 2020, respectively:

<u>Terms</u>	<u>Convertible Note (Derivative Liability)</u>	
Issuance date of convertible note	May 23, 2017	
Term	1 year	
Maturity date	May 23, 2018	
Interest rate	8%	
Collateral	Unsecured	
Conversion price	*	
Note Date	<u>May 23, 2017</u>	<u>In-Default</u>
Principal	<u>\$ 100,000</u>	
Balance - December 31, 2019	\$ 100,000	<u>100,000</u>
Stock issued to repay convertible note	<u>(30,000)</u>	
Balance - December 31, 2020	70,000	70,000
Stock issued to repay convertible note	<u>\$ (70,000)</u>	
Balance - June 30, 2021	<u>\$ -</u>	<u>-</u>

* 60% of the lowest trading price, in the forty (40) preceeding trading days. The Company has determined that the embedded conversion feature requires bifurcation and was measured at its fair value on a recurring basis at each reporting period. See below regarding debt extinguishment, which led to the derivative liability being written down to \$0 upon the settlement date.

** The Company issued 565,170 shares of common stock to settle the outstanding principal and related accrued interest of \$74,189 on this convertible note, resulting in gain on debt extinguishment of \$2,978. See Note 6.

AMERICAN ENERGY PARTNERS, INC. AND SUBSIDIARIES
NOTES TO UNAUDITED CONSOLIDATED FINANCIAL STATEMENTS
JUNE 30, 2021

Convertible Notes Payable - Related Party

On July 1, 2020, the Company executed a convertible note payable with an affiliate of the Company's Chief Operating Officer for up to \$75,000. The Company can draw down on the note through July 1, 2021, however, all principal and accrued interest must be repaid by the maturity date. As of July 1, 2021, the note had not been repaid in full, however, the note is not in default as the note allows for monthly payments subsequent to the due date, which cures events of default. Beginning July 1, 2021, the Company began making monthly payments of principal and interest of \$1,991 per month. Subsequent to June 30, 2021, the Company has made 2 payments totaling \$3,982.

The following represents a summary of the Company's convertible notes payable – related party, key terms, and outstanding balances at June 30, 2021 and December 31, 2020, respectively:

Terms	Convertible Note (Derivative Liability) Related Party	Convertible Note (Derivative Liability) Related Party	Convertible Note (Derivative Liability) Related Party		
Issuance date of convertible note	July 1, 2020	November 2, 2020	January 8, 2021		
Term	1 year	0.66 years	0.48 years		
Maturity date	July 1, 2021	July 1, 2021	July 1, 2021		
Interest rate	8%	8%	8%		
Collateral	Unsecured	Unsecured	Unsecured		
Conversion price	*	*	*		
Note Date	<u>July 1, 2020</u>	<u>November 2, 2020</u>	<u>January 8, 2021</u>	<u>Total</u>	<u>In-Default</u>
Principal	\$ 25,000	\$ 25,000	\$ 25,000	\$ 75,000	
Balance - December 31, 2019	-	-	-	-	\$ -
Gross proceeds	25,000	25,000	-	50,000	
Debt discount	(25,000)	(25,000)	-	(50,000)	
Amortization of debt discount	12,602	6,328	-	18,930	
Balance - December 31, 2020	12,602	6,328	-	18,930	-
Gross proceeds	-	-	25,000	25,000	
Debt discount	-	-	(25,000)	(25,000)	
Amortization of debt discount	12,398	18,672	25,000	56,070	
Balance - June 30, 2021	\$ 25,000	\$ 25,000	\$ 25,000	\$ 75,000	\$ -

* 70% of the lowest trading price, in the thirty (30) preceeding trading days. The Company has determined that the embedded conversion feature requires bifurcation and will be measured at its fair value on a recurring basis at each reporting period.

AMERICAN ENERGY PARTNERS, INC. AND SUBSIDIARIES
NOTES TO UNAUDITED CONSOLIDATED FINANCIAL STATEMENTS
JUNE 30, 2021

Derivative Liabilities

The above convertible notes contained an embedded conversion option with a conversion price that could result in issuing an undeterminable amount of future Class A common stock to settle the host contract. Accordingly, the embedded conversion option is required to be bifurcated from the host instrument (convertible note) and treated as a liability, which is calculated at fair value, and marked to market at each reporting period.

The Company used the binomial pricing model to estimate the fair value of its embedded conversion option liabilities with the following inputs:

Convertible Note Payable

	<u>Remeasurement Date</u>	<u>Remeasurement Date</u>	<u>Remeasurement Date</u>	<u>Remeasurement Date</u>
Convertible Note Date	December 31, 2019	July 13, 2020	December 31, 2020	April 12, 2021
Maturity date/Repayment Date	May 23, 2018	May 23, 2018	May 23, 2018	April 12, 2021 *
Expected term (years)	1.00	1.00	1.00	1.00
Expected volatility	457%	436%	424%	342%
Expected dividends	0%	0%	0%	0%
Risk free interest rate	1.59%	0.16%	0.12%	0.06%
Fair value	<u>\$ 235,521</u>	<u>\$ 212,440</u>	<u>\$ 290,608</u>	<u>\$ - *</u>

* Note was repaid in stock in April 2021, therefore, the derivative liability ceased to exist.

Convertible Note Payable - Related Party - Tranche #1

	<u>Commitment Date</u>	<u>Remeasurement Date</u>	<u>Remeasurement Date</u>
Convertible Note Date	July 1, 2020	December 31, 2020	June 30, 2021
Maturity date	July 1, 2021	July 1, 2021	July 1, 2021
Expected term (years)	1.00	0.50	0.00
Expected volatility	438%	419%	333.20%
Expected dividends	0%	0%	0.00%
Risk free interest rate	0.16%	0.10%	0.07%
Fair value	<u>\$ 44,286</u>	<u>\$ 83,333</u>	<u>\$ 27,544</u>

AMERICAN ENERGY PARTNERS, INC. AND SUBSIDIARIES
NOTES TO UNAUDITED CONSOLIDATED FINANCIAL STATEMENTS
JUNE 30, 2021

Convertible Note Payable - Related Party - Tranche #2

	<u>Commitment Date</u>	<u>Remeasurement Date</u>	<u>Remeasurement Date</u>
Convertible Note Date	November 2, 2020	December 31, 2020	June 30, 2021
Maturity date	July 1, 2021	July 1, 2021	July 1, 2021
Expected term (years)	0.66	0.50	0.00
Expected volatility	419%	419.40%	333.20%
Expected dividends	0%	0.00%	0.00%
Risk free interest rate	0.13%	0.10%	0.07%
Fair value	<u>\$ 26,190</u>	<u>\$ 83,333</u>	<u>\$ 27,544</u>

Convertible Note Payable - Related Party - Tranche #3

	<u>Commitment Date</u>	<u>Remeasurement Date</u>
Convertible Note Date	January 8, 2021	June 30, 2021
Maturity date	July 1, 2021	July 1, 2021
Expected term (years)	0.48	0.00
Expected volatility	350.40%	333.20%
Expected dividends	0.00%	0.00%
Risk free interest rate	0.09%	0.07%
Fair value	<u>\$ 58,404</u>	<u>\$ 27,544</u>

AMERICAN ENERGY PARTNERS, INC. AND SUBSIDIARIES
NOTES TO UNAUDITED CONSOLIDATED FINANCIAL STATEMENTS
JUNE 30, 2021

The following is a summary of the Company's derivative liabilities at June 30, 2021 and December 31, 2020:

<u>Convertible Note Date</u>	<u>Convertible Note May 23, 2017</u>	<u>Related Party Tranche #1 July 1, 2020</u>	<u>Related Party Tranche #2 November 2, 2020</u>	<u>Related Party Tranche #3 January 8, 2021</u>	<u>Total</u>
Derivative liability - December 31, 2019	\$ 235,521	\$ -	\$ -	\$ -	\$235,521
Fair value at commitment date	-	44,286	26,190	-	70,476
Fair value mark to market adjustment	118,818	39,047	57,143	-	215,008
Reclassification to APIC (cease liability treatment) *	(63,731)	-	-	-	(63,731)
Derivative liability - December 31, 2020	290,608	83,333	83,333	-	457,274
Fair value at commitment date	-	-	-	58,404	58,404
Fair value mark to market adjustment	(130,242)	(55,789)	(55,789)	(30,862)	(272,682)
Reclassification to APIC (cease liability treatment) *	(160,366)	-	-	-	(160,366)
Derivative liability - June 30, 2021	<u>\$ 0</u>	<u>\$ 27,544</u>	<u>\$ 27,544</u>	<u>\$ 27,542</u>	<u>\$ 82,630</u>

On July 13, 2020, in connection with the conversion of \$30,000 in convertible note principal, the Company reclassified \$63,731 of its derivative liability to additional paid-in capital as that portion of the financial instrument ceased to be a derivative liability.

On April 12, 2021, in connection with the conversion of the remaining \$70,000 in convertible note principal, the Company reclassified \$160,366 of its derivative liability to additional paid-in capital as that portion of the financial instrument ceased to be a derivative liability. Also, on this date, the note and related accrued interest had been repaid in full, resulting in a gain on debt extinguishment of \$2,978 as follows:

Fair value of Class A, common stock issued	\$ 71,211
Repayment of convertible note	(70,000)
Repayment of accrued interest	(4,189)
Gain on debt extinguishment	<u>\$ (2,978)</u>

* See Note 6 regarding common stock issued in connection with the conversion of principal, accrued interest, and related loss on debt extinguishment.

AMERICAN ENERGY PARTNERS, INC. AND SUBSIDIARIES
NOTES TO UNAUDITED CONSOLIDATED FINANCIAL STATEMENTS
JUNE 30, 2021

The Company evaluates its financial assets and liabilities subject to fair value measurements on a recurring basis to determine the appropriate level in which to classify them for each reporting period. This determination requires significant judgments to be made. Liabilities measured at fair value on a recurring basis consisted of the following at June 30, 2021 and December 31, 2020:

	<u>June 30, 2021</u>	<u>Active Markets for Identical Assets (Level 1)</u>	<u>Observable Inputs (Level 2)</u>	<u>Unobservable Inputs (Level 3)</u>
Derivative liabilities	\$ 82,630	\$ -	\$ -	\$ 82,630

	<u>December 31, 2020</u>	<u>Quoted Prices in Active Markets for Identical Assets (Level 1)</u>	<u>Significant Other Observable Inputs (Level 2)</u>	<u>Significant Unobservable Inputs (Level 3)</u>
Derivative liabilities	\$ 457,275	\$ -	\$ -	\$ 457,275

A reconciliation of the beginning and ending balances for the derivative liabilities measured at fair value on a recurring basis using significant unobservable inputs (Level 3) is noted above for the six months ended June 30, 2021 and the year ended December 31, 2020.

Changes in fair value of derivative liabilities are included in other income (expense) in the accompanying consolidated statements of operations.

Note 5 - Commitments and Contingencies

In connection with its natural gas operations, and under certain royalty agreements, the Company pays royalties to landowners where natural gas is extracted, equal to 12.5% of product sold.

For the three months ended June 30, 2021 and 2020, the Company paid \$0 and \$0, respectively.

For the six months ended June 30, 2021 and 2020, the Company paid \$2,936 and \$2,855, respectively.

AMERICAN ENERGY PARTNERS, INC. AND SUBSIDIARIES
NOTES TO UNAUDITED CONSOLIDATED FINANCIAL STATEMENTS
JUNE 30, 2021

Note 6 – Stockholders’ Deficit

At June 30, 2021, and prior to the conversions noted below, the Company had three (3) classes of stock:

Class A Common Stock

- 1,500,000,000 shares authorized
- Par value - \$0.001
- Voting at 1 vote per share

Series A Preferred Stock

- 1,000,000,000 shares authorized
- Par value - \$0.001
- Voting at 20 votes per share
- Ranks senior to Class A and B common stock
- Eligible for dividends if declared by the Board of Directors
- Liquidation preference - \$1/share
- Conversion into 20 shares of Class A, common stock for each share held, this option is held by the majority of the Series A, Preferred Stockholders, provided there are a sufficient amount of unissued authorized Class A, common stock.

At December 31, 2019, these shares are classified as temporary equity on the consolidated balance sheets as the Company did not have sufficient authorized shares to settle potential conversions.

At December 31, 2020, and in connection with the 1:100 reverse split on February 8, 2021, the Company had sufficient authorized shares to settle any potential conversions. As a result, the Company reclassified the preferred shares previously reflected as temporary equity at December 31, 2019 to permanent equity in the accompanying consolidated balance sheets at December 31, 2020.

On January 19, 2021, all 9,840,000 issued and outstanding shares were converted into 19,680,000 shares of Class A, Common Stock at par value.

AMERICAN ENERGY PARTNERS, INC. AND SUBSIDIARIES
NOTES TO UNAUDITED CONSOLIDATED FINANCIAL STATEMENTS
JUNE 30, 2021

Preferred Stock

On February 19, 2021, the Company amended its Articles of Incorporation to reflect a new class of Preferred Stock.

- 250,000,000 shares authorized
- Par value - \$0.001
- None issued and outstanding

Class B Common Stock

- 2,000,000,000 shares authorized
- Par value - \$0.001
- Voting at 20 votes per share

On January 19, 2021, all 2,125,000 issued and outstanding shares were converted into 2,125,000 shares of Class A, Common Stock at par value.

Equity Transactions for the Six Months Ended June 30, 2021

Stock Issued for Cash – 3rd Parties – Class A Common Stock

On February 2, 2021, the Company issued 266,667 shares of Class A, common stock, for \$80,000 (\$0.30/share).

Stock Issued for Services – 3rd Parties – Class A Common Stock

On February 25, 2021, the Company issued 32,847 shares of Class A, common stock, for services rendered, having a fair value of \$22,500 (\$0.685/share), based upon the quoted closing trading price.

Conversion of Series A, Preferred Stock and Class B, Common Stock

On January 19, 2021, the Company converted all issued and outstanding shares of its Series A, preferred stock and Class B, common stock, in exchange for Class A, common stock. The net effect on equity due to the conversion was \$0.

AMERICAN ENERGY PARTNERS, INC. AND SUBSIDIARIES
NOTES TO UNAUDITED CONSOLIDATED FINANCIAL STATEMENTS
JUNE 30, 2021

Stock Issued in Settlement of Convertible Debt and Accrued Interest and Gain on Debt Extinguishment – Class A Common Stock

On April 12, 2021, the Company issued 565,170 shares of Class A common stock to repay \$70,000 of note principal and \$4,189 of accrued interest on its convertible note payable (See Note 4). These shares had a fair value of \$71,211 (\$0.126/share), based upon the quoted closing trading price of the Company's common stock. The remaining \$2,978 was charged to gain on debt extinguishment as follows:

Fair value of Class A, common stock issued	\$ 71,211
Repayment of convertible note	(70,000)
Repayment of accrued interest	<u>(4,189)</u>
Gain on debt extinguishment	<u>\$ (2,978)</u>

Stock Issued for upon Exercise of Stock Options

On April 26, 2021, the Company issued 3,170,843 shares of common stock in exchange for the cashless exercise of 3,450,000 stock options. The net effect on stockholders' equity was \$0.

Stock Issued for Acquisitions

See Note 7.

Equity Transactions for the Year Ended December 31, 2020

Series A Preferred Stock

Stock Issued for Services – 3rd Parties – Series A Preferred Stock

On September 21, 2020, the Company issued 100,000 shares of Series A, preferred stock, for services rendered, having a fair value of \$540,000 (\$0.27/share). Since the Company's preferred stock is not traded in an observable public market, fair value was determined on an as converted basis into common stock at a ratio of 20:1.

On January 19, 2021, these 100,000 shares were converted into 2,000,000 shares of Class A, common stock at par value.

AMERICAN ENERGY PARTNERS, INC. AND SUBSIDIARIES
NOTES TO UNAUDITED CONSOLIDATED FINANCIAL STATEMENTS
JUNE 30, 2021

Stock Issued for Services – Related Parties - Series A Preferred Stock

On September 21, 2020, the Company issued 1,995,000 shares of Series A, preferred stock, for services rendered, having a fair value of \$10,773,000 (\$0.27/share). Since the Company's preferred stock is not traded in an observable public market, fair value was determined on an as converted basis into common stock at a ratio of 20:1.

On January 19, 2021, these 1,995,000 shares were converted into 39,900,000 shares of Class A, common stock at par value.

Conversion of Series A, Preferred Stock into Class A, Common Stock - Related Party

In 2020, the Company's Chief Executive Officer converted 160,000 shares of Series A, preferred stock into 3,200,000 shares of Class A, common stock at par value.

Class A Common Stock

Stock Issued for Cash – 3rd Parties – Class A Common Stock

During 2020, the Company issued 1,408,333 shares of Class A, common stock, for \$422,500 (\$0.30/share). Of the total, \$80,000 was a stock subscription receivable, which was received in February 2021.

Stock Issued for Acquisition of OB – Class A Common Stock

On January 27, 2020, the Company issued 10,000 shares of Class A, common stock, having a fair value of \$4,000 (\$0.40/share), based upon the quoted closing trading price of the Company's common stock to purchase 100% of OB.

This acquisition was determined to be that of an asset and not a business, therefore, there was not a business combination requiring acquisition accounting or related financial reporting. This acquisition was deemed insignificant.

Stock Issued for Accounts Payable – 3rd Parties – Class A Common Stock

On May 7, 2020, the Company issued 100,000 shares of Class A common stock to settle an outstanding accounts payable balance of \$50,000, having a fair value of \$27,000 (\$0.27/share), based upon the quoted closing trading price of the Company's common stock. In connection with the settlement, the company recorded a gain on forgiveness of accounts payable of \$23,000.

AMERICAN ENERGY PARTNERS, INC. AND SUBSIDIARIES
NOTES TO UNAUDITED CONSOLIDATED FINANCIAL STATEMENTS
JUNE 30, 2021

Stock Issued in Settlement of Convertible Debt and Accrued Interest and Loss on Debt Extinguishment – Class A Common Stock

On June 23, 2020, the Company issued 250,000 shares of Class A common stock to repay \$24,700 of accrued interest on its convertible note payable (See Note 4). These shares had a fair value of \$97,500 (\$0.39/share), based upon the quoted closing trading price of the Company's common stock. The remaining \$72,800 was charged to loss on debt extinguishment.

On July 13, 2020, the Company issued 300,000 shares of Class A common stock to repay \$30,000 of principal and accrued interest of \$438 on its convertible note payable (See Note 4). These shares had a fair value of \$97,500 (\$0.33/share), based upon the quoted closing trading price of the Company's common stock. The remaining \$67,062 was charged to loss on debt extinguishment.

In connection with these stock issuances, the Company recognized a loss on debt extinguishment as follows:

Fair value of Class A, common stock issued	\$195,000
Repayment of convertible note	(30,000)
Repayment of accrued interest	<u>(25,138)</u>
Loss on debt extinguishment	<u>\$139,862</u>

Class B Common Stock

Stock Issued for Services – 3rd Parties – Class B Common Stock

On September 21, 2020, the Company issued 200,000 shares of Class B, common stock, for services rendered, having a fair value of \$20,000 (\$0.10/share). Since the Company's Class B common stock is not traded in an observable public market, fair value was based upon the services rendered as that represented the best evidence of fair value in the exchange.

Stock Issued for Services – Related Parties - Class B Common Stock

On September 21, 2020, the Company issued 1,700,000 shares of Class B, common stock, for services rendered, having a fair value of \$170,000 (\$0.10/share). Since the Company's Class B common stock is not traded in an observable public market, fair value was based upon the services rendered as that represented the best evidence of fair value in the exchange.

AMERICAN ENERGY PARTNERS, INC. AND SUBSIDIARIES
NOTES TO UNAUDITED CONSOLIDATED FINANCIAL STATEMENTS
JUNE 30, 2021

Stock Issued to Settle Accounts Payable – Class B Common Stock

In 2020, the Company issued 100,000 shares of Class B, common stock to settle outstanding accounts payable with a service provider, having a fair value of \$10,000 (\$0.10/share). Since the Company’s Class B common stock is not traded in an observable public market, fair value was based upon the value of the accounts payable that was settled, as that represented the best evidence of fair value in the exchange.

Stock Options

During 2017, the Company adopted the Company’s 2017 Incentive Plan (the “Plan”). The Plan provides stock based compensation to employees, directors, and consultants. The Company originally reserved 20,000,000 shares under the Plan. In May 2021, the Company revised the Plan to allow for up to 150,000,000 shares to be available for issuance under the Plan.

Stock option transactions under the Company’s Plan for the three months ended June 30, 2021 and the year ended December 31, 2020 are summarized as follows:

Stock Options	Number of Options	Weighted Average Exercise Price	Weighted Average Remaining Contractual Term (Years)	Aggregate Intrinsic Value	Weighted Average Grant Date Fair Value
Outstanding - December 31, 2019	19,750,000	0.04	3.23	-	-
Exercisable - December 31, 2019	19,750,000	0.04	3.23	-	-
Granted	-	-			-
Exercised	-	-			
Cancelled/Forfeited	-	-			
Outstanding - December 31, 2020	19,750,000	0.04	2.23	-	-
Vested and Exercisable - December 31, 2020	19,750,000	0.04	2.23	-	-
Unvested and non-exercisable - December 31, 2020	-	-	-	-	-
Outstanding - December 31, 2020	19,750,000	\$ 0.04	2.23	\$ -	\$ -
Vested and Exercisable - December 31, 2020	19,750,000	\$ 0.04	2.23	\$ -	\$ -
Unvested and non-exercisable - December 31, 2020	-	\$ -	0.00	\$ -	\$ -
Granted	-	-			\$ -
Exercised	(3,450,000)	0.04			
Cancelled/Forfeited	-	-			
Outstanding - June 30, 2021	16,300,000	\$ 0.04	1.74	2,907,925	\$ -
Vested and Exercisable - June 30, 2021	16,300,000	\$ 0.04	1.74	2,907,925	\$ -
Unvested and non-exercisable - June 30, 2021	-	\$ -	-	-	\$ -

AMERICAN ENERGY PARTNERS, INC. AND SUBSIDIARIES
NOTES TO UNAUDITED CONSOLIDATED FINANCIAL STATEMENTS
JUNE 30, 2021

Compensation expense recorded for stock-based compensation is as follows for the six months ended June 30, 2021 and 2020, respectively:

Six Months Ended	
June 30, 2021	June 30, 2020
\$ -	\$ 9,750

As of December 31, 2020, all stock option compensation cost had been recognized. There are no unvested options.

Note 7 – Subsequent Events

Stock Option Grant

On July 1, 2021, the Company granted 4,166,667 ten (10) year options, which vest at the end of two (2) years. The Company recognizes compensation expense ratably over the vesting term. Using the Black-Scholes option pricing model, the Company determined that the fair value of these options granted was \$916,370, resulting in a monthly expense of \$38,182, based upon the following management estimates:

Exercise price	\$	0.18
Expected volatility		297.70%
Expected dividends		0.00%
Expected life in years		5.75
Risk-free interest rate		0.25%

Acquisitions and Pro Forma Financial Information

Stock Issued for Acquisitions of OGM and Dahlmont – Related Party

OGM

On July 1, 2021, the Company issued 44,580,152 shares of common stock, having a fair value of \$9,807,633 (\$0.22/share), based upon the quoted closing trading price on the acquisition date, to purchase 100% of OGM outstanding stock in a transaction treated as a business combination. The Company's Chief Operating Officer was an officer, director, and control person of OGM.

AMERICAN ENERGY PARTNERS, INC. AND SUBSIDIARIES
NOTES TO UNAUDITED CONSOLIDATED FINANCIAL STATEMENTS
JUNE 30, 2021

The Company is in the process of assessing the fair value of the net assets acquired and, as a result, the fair value of the net assets acquired may be subject to adjustments pending completion of final valuations and post-closing adjustments. The table below summarizes preliminary estimated fair value of the assets acquired and the liabilities assumed at the effective acquisition date.

Consideration	
Common stock (44,580,152 shares)	<u>\$ 9,807,633</u>
Fair value of consideration transferred	<u>\$ 9,807,633</u>
Recognized amounts of identifiable assets acquired and liabilities assumed:	
Cash	814,969
Accounts receivable	500,019
Prepays	80,352
Property and equipment - net of accumulated depreciation of \$2,664,110	<u>4,148,505</u>
Total assets acquired	<u>5,543,845</u>
Accounts payable and accrued expenses	385,583
Loans payable	<u>27,189</u>
Total liabilities assumed	<u>412,772</u>
Total identifiable net assets	<u>5,131,073</u>
Goodwill	<u>\$ 4,676,560</u>

In connection with the purchase of OGM, there were no additional transaction costs incurred. The goodwill of \$4,676,560 is primarily related to factors such as synergies and market share. Goodwill is not deductible for tax purposes.

AMERICAN ENERGY PARTNERS, INC. AND SUBSIDIARIES
NOTES TO UNAUDITED CONSOLIDATED FINANCIAL STATEMENTS
JUNE 30, 2021

Supplemental Pro Forma Information (Unaudited)

The unaudited pro forma information for the periods set forth below gives effect to the acquisition as if the transaction had occurred on January 1, 2020. This proforma information is presented for informational purposes only and is not necessarily indicative of the results of operations that actually would have been achieved had the transactions been consummated as of that time:

	<u>Six Months Ended June 30, 2021</u>	<u>Year Ended December 31, 2020</u>
Revenues	\$ 872,831	\$ 1,730,011
Net income (loss)	\$ 71,830	\$ (11,937,412)
Earnings (loss) per share - basic	\$ 0.00	\$ (0.25)
Earnings (loss) per share - diluted	\$ 0.00	\$ (0.25)
Weighted average number of shares - basic	230,049,521	48,293,249
Weighted average number of shares - diluted	250,337,005	265,888,086

AMERICAN ENERGY PARTNERS, INC. AND SUBSIDIARIES
NOTES TO UNAUDITED CONSOLIDATED FINANCIAL STATEMENTS
JUNE 30, 2021

Dahlmont

On July 1, 2021, the Company executed a six (6) year promissory note for \$2,938,000 to purchase 100% of Dahlmont's outstanding stock in a transaction treated as a business combination. The note bears interest at 1% and is unsecured by all assets acquired in this Dahlmont purchase. The note is due on July 31, 2027. The Company's Chief Operating Officer was an officer, director, and control person of OGM.

The Company is in the process of assessing the fair value of the net liabilities assumed and, as a result, the fair value of the net assets acquired may be subject to adjustments pending completion of final valuations and post-closing adjustments. The table below summarizes preliminary estimated fair value of the assets acquired and the liabilities assumed at the effective acquisition date.

Consideration	
Note payable	<u>\$ 2,938,000</u>
Fair value of consideration transferred	<u>\$ 2,938,000</u>
Recognized amounts of identifiable assets acquired and liabilities assumed:	
Cash	43,338
Accounts receivable	1,679
Prepays	255
Property and equipment - net of accumulated depreciation of \$2,114,077	<u>514,731</u>
Total assets acquired	<u>560,003</u>
Accounts payable and accrued expenses	683,351
Loans payable	<u>1,229,228</u>
Total liabilities assumed	<u>1,912,579</u>
Total net liabilities assumed	<u>(1,352,576)</u>
Goodwill	<u>\$ 4,290,576</u>

In connection with the purchase of OGM, there were no additional transaction costs incurred. The goodwill of \$4,290,576 is primarily related to factors such as synergies and market share. Goodwill is not deductible for tax purposes.

AMERICAN ENERGY PARTNERS, INC. AND SUBSIDIARIES
NOTES TO UNAUDITED CONSOLIDATED FINANCIAL STATEMENTS
JUNE 30, 2021

Supplemental Pro Forma Information (Unaudited)

The unaudited pro forma information for the periods set forth below gives effect to the acquisition as if the transaction had occurred on January 1, 2020. This proforma information is presented for informational purposes only and is not necessarily indicative of the results of operations that actually would have been achieved had the transactions been consummated as of that time:

	<u>Six Months Ended June 30, 2021</u>	<u>Year Ended December 31, 2020</u>
Revenues	\$ 488,809	\$ 1,091,141
Net income (loss)	\$ 80,863	\$ (12,599,420)
Earnings (loss) per share - basic	\$ 0.00	\$ (0.26)
Earnings (loss) per share - diluted	\$ 0.00	\$ (0.26)
Weighted average number of shares - basic	230,049,521	48,293,249
Weighted average number of shares - diluted	250,337,005	265,888,086