

Proteum Energy, LLC Balance Sheet

	Beg Balance 8/1/2020	As of 9/30/2020	As of 12/31/2020	Q4 Var over Q3 Incr/(Decr)	Notes
Assets					
Current Assets					
Cash and Cash Equivalents in Bank	\$ 86,159	\$ 1,264,392	\$ 844,491	\$ (419,901)	\$499K of balance is related to Execution of Warrants in December.
Restricted Investor Cash	2,171,135	400,000	-	(400,000)	Deposited in bank 12/1/20.
Investor Contributions Receivable	-	-	180,000	180,000	
Other Accounts Receivable	-	3,459	-	(3,459)	
Prepaid Expenses			12,193	12,193	Prepaid rent for May for new office location.
Inventory	4,062,602	4,082,644	-	(4,082,644)	Inventory reclassified to Fixed Assets - see below.
Total Current Assets	6,319,896	5,750,495	1,036,684	(4,713,811)	
Fixed Assets, Net					
Fixed Assets	305,712	301,212	4,357,198	4,055,986	Balance as of 12/31/20 includes \$4.1MM for two FTF300 units not yet placed in service. Exchanged Peterbilt 379 truck with William Clayton for \$9.75K in consulting services in November. Net gain of \$1.6K realized.
Accumulated Depreciation	(185,230)	(238,282)	(221,784)	16,498	
Total Fixed Assets, Net	120,482	62,930	4,135,414	4,072,484	Net machinery & equipment of \$4.1MM and vehicles of \$8.2K. Computer equipment is fully depreciated.
Intangible Assets, Net					
Intangible Assets	958,334	958,334	783,334	(175,000)	Licenses of \$783K; \$175K of amortizable financing costs for the PPFII Series A loan payable was written off because of debt conversion to equity (see below).
Patents and Trademarks	4,215,709	4,215,709	4,215,709	-	
Accumulated Amortization	(143,541)	(146,458)	(143,541)	(2,917)	Amortization of loan financing costs written off because of debt conversion.
Total Intangible Assets, Net	5,030,502	5,027,585	4,855,502	(172,083)	
Other Assets					
Deposits and Prepayments	10,000	16,250	28,627	12,377	Deposit for new office space. Move anticipated at end of January.
Total Other Assets	10,000	16,250	28,627	12,377	
Total Assets	\$ 11,480,880	\$ 10,857,260	\$ 10,056,227	\$ (801,033)	
Liabilities and Members' Equity					
Current Liabilities					
Accounts Payable	\$ 121,623	\$ 24,028	\$ 102,655	\$ 78,627	
Sales & Use Tax Payable	130,532	124,033	114,232	(9,801)	
Loan Payable - Pure Power II, Series A	3,326,250	3,326,250	-	(3,326,250)	Promissory note dated 7/31/2020 with Pure Power Financial II, LLC was converted to equity (66,525K units at \$0.05/unit) in December. See below.
Total Current Liabilities	3,578,405	3,474,311	216,887	(3,257,424)	
Members' Equity					
Members' Equity	7,902,475	7,902,475	11,983,536	4,081,061	Conversion of PPFII loan payable to equity at original principal amount. Warrants were exercised in December by 17 members for a total of \$499.8K (9.996K units at \$0.05/unit value). Includes \$180K in investor contributions receivable. Additional contribution of \$75K was received from CH4 Power.
Net Loss	-	(519,526)	(2,144,196)	(1,624,670)	
Total Members' Equity	7,902,475	7,382,949	9,839,340	2,456,391	
Total Liabilities and Members' Equity	\$ 11,480,880	\$ 10,857,260	\$ 10,056,227	\$ (801,033)	

Proteum Energy, LLC

Profit and Loss

	Three Months Ended 12/31/20	Five Months Ended 12/31/20	Notes
Operating Expenses			
Salaries & Benefits	\$ 540,777	\$ 866,173	Proteum organization is comprised of 13 employees, 2 executive consultants, 3 consulting former employees and 4 Mexican sales consultants. Organization downsized from 30 to 15 after exit from bankruptcy in Aug 2020, outside consultants used to supplement.
Retainer Consultants	29,625	100,275	
Total Organization Expense	570,402	966,448	
Consultants	227,564	203,815	Emissions testing, technical writing, IT, field work, financial, graphic design and other services.
Professional Fees	212,943	211,022	Legal fees of \$186,000 and accounting fees of \$25,000
Research & Development	147,119	149,853	Joule engineering & design services, gas, chemicals, consumables and other supplies.
Rent	57,161	94,916	Proteum relocating headquarters during Jan 2021.
Property Taxes	57,611	57,611	
Insurance	29,169	49,783	
Travel	18,434	26,538	
Computer Software	15,307	20,647	
Computer Equipment	7,168	15,439	
Equipment Leases & Rentals	30,413	20,537	
Communications	11,377	17,111	
Utilities	9,705	14,486	
Site Operations	10,444	11,621	
Dues & Subscriptions	9,362	10,610	
Marketing & Advertising	6,004	8,317	
Shipping & Freight	6,191	7,213	
Patent Costs	6,205	6,530	
Miscellaneous Expense	9,277	12,929	
Total Operating Expenses	1,441,856	1,905,425	
Other Income			
Interest Income	20	32	
Gain on Exchange of Fixed Asset	1,632	1,632	
Total Other Income	1,652	1,664	
Other Expense			
Depreciation	12,383	65,435	
Amortization of Intangible Assets	(2,917)	-	
Writeoff of Loan Financing Costs	175,000	175,000	
Total Other Expense	184,466	240,435	
Net Loss	\$ (1,624,670)	\$ (2,144,196)	

Proteum Energy, LLC

Statement of Cash Flows

	Three Months Ended 12/31/20	Five Months Ended 12/31/20	Notes
Operating Activities			
Net Income (Loss)	\$ (1,624,670)	\$ (2,144,196)	
Adjustments to Reconcile Net Income to			
Net Cash Used in Operations:			
Accounts Receivable	3,459	-	
Accounts Payable	78,628	(14,467)	
Prepaid Expenses	(12,193)	(12,193)	
Sales & Use Tax Payable	(9,801)	(16,300)	
Depreciation	12,383	65,435	
Amortization	(2,917)	-	
Writeoff of Loan Financing Costs	175,000	175,000	
Exchange of Consulting Services for Fixed Asset	9,750	9,750	
Gain on Exchange of Fixed Asset	(1,631)	(1,631)	
Net Cash Used in Operating Activities	(1,371,992)	(1,938,602)	
Investing Activities			
Capital Expenditures	(10,343)	(30,384)	
Security Deposits	(12,377)	(18,627)	
Net Cash Used in Investing Activities	(22,720)	(49,011)	
Financing Activities			
Exercise of Stock Warrants	499,811	499,811	
CH4 Power, LLC Contribution	75,000	75,000	
Net Cash Provided by Financing Activities	574,811	574,811	
Net Cash Decrease for Period	(819,901)	(1,412,803)	
Cash at Beginning of Period	1,664,392	2,257,294	See Footnote 1 below.
Cash at End of Period	\$ 844,491	\$ 844,491	

Footnote 1: Cash as of 8/1/20 includes \$2.17MM in Restricted Investor Cash. The balance as of 10/1/20 is comprised of \$1.664 in Restricted Investor Cash.