

Rainforest Resources Inc.  
(Formerly Amalgamated Gold & Silver Inc.)  
Condensed Consolidated Balance Sheets

<u>Assets</u>	March 31, 2019 <u>(Un audited)</u>	December 31, 2018 <u></u>
Current assets:		
Cash	\$ 31,103	\$ 116,222
Prepaid expenses	14,630	14,736
Total current assets	<u>45,733</u>	<u>130,958</u>
Equipment, net of accumulated depreciation of \$2,143 and \$976, respectively	28,817	29,360
Land - Morona Santiago Province, Ecuador	3,157,221	3,157,221
Land acquisition deposit	62,497	62,497
Certificate of deposit	10,001	10,001
Security deposits	<u>450</u>	<u>1,984</u>
Total Assets	<u>\$ 3,304,719</u>	<u>\$ 3,392,021</u>
 <u>Liabilities and Stockholders' Deficit</u>		
Current liabilities:		
Accounts payable and accrued liabilities	\$ 1,969,530	\$ 1,956,371
Due to related parties	2,069,490	2,079,490
Notes payable	<u>226,466</u>	<u>226,466</u>
Total current liabilities	<u>4,265,486</u>	<u>4,262,327</u>
Commitments and Contingencies	-	-
Stockholders' Deficit:		
Preferred Stock: 150,000,000 authorized, no par value		
Series C Preferred Stock, no par value: 0 shares issued and outstanding	-	-
Series D Preferred Stock, no par value: 1 share issued and outstanding	-	-
Common Stock, no par value: 1,000,000,000 Common Shares authorized; 47,626,239 shares issued, 20,626,239 outstanding (27,000,000 held in escrow)	5,564,793	5,564,793
Additional paid-in capital	2,722,869	2,722,869
Accumulated deficit	<u>(9,248,429)</u>	<u>(9,157,968)</u>
Total Stockholders' Deficit	<u>(960,767)</u>	<u>(870,306)</u>
Total Liabilities and Stockholders' Deficit	<u>\$ 3,304,719</u>	<u>\$ 3,392,021</u>

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

Rainforest Resources Inc.  
(Formerly Amalgamated Gold & Silver Inc.)  
Unaudited Condensed Consolidated Statements of Operations  
For the Three Months Ended March 31, 2019 and 2018

	2019	2018
Revenue	\$ -	\$ -
Cost of Revenue	-	-
Gross Profit	-	-
Operating Expenses:		
Wages	43,119	4,419
Professional fees	2,094	18,616
Consulting fees	-	11,025
Depreciation expense	1,167	82
Other general and administrative	33,571	37,254
Total Operating Expenses	79,951	71,396
Loss from Operations	(79,951)	(71,396)
Other Income (Expenses):		
Interest income	345	-
Interest expense - judgments	(4,627)	(3,843)
Interest expense - notes payable	(6,228)	(6,228)
Total Other Expenses	(10,510)	(10,071)
Net Loss	\$ (90,461)	\$ (81,467)
Net Loss per Common Share - Basic and Diluted	\$ (0.00)	\$ (0.00)
Weighted Average Number of Common Shares Basic and Diluted	47,626,239	47,626,239

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

Rainforest Resources Inc.  
(Formerly Amalgamated Gold & Silver Inc.)  
Condensed Consolidated Statement of Stockholders' Deficit  
For the Three Months Ended March 31, 2019 and 2018 (Unaudited)

	Preferred Stock, No Par Value		Common Stock		Additional Paid-in Capital	Accumulated Deficit	Total Stockholders' deficit
	Series C	Series D	Number of Shares	Amount			
<u>For the Three Months Ended March 31, 2019</u>							
Balance at December 31, 2018	-	1	47,626,239	\$ 5,564,793	\$ 2,722,869	\$ (9,157,968)	\$ (870,306)
Net loss for the three months ended March 31, 2019 (Unaudited)	-	-	-	-	-	(90,461)	(90,461)
Balance at March 31, 2019 (Unaudited)	-	1	47,626,239	\$ 5,564,793	\$ 2,722,869	\$ (9,248,429)	\$ (960,767)
<u>For the Three Months Ended March 31, 2018</u>							
Balance - December 31, 2017	-	1	47,626,239	\$ 5,564,793	\$ 277,869	\$ (8,728,032)	\$ (2,885,370)
Net loss for the three months ended March 31, 2018 (Unaudited)	-	-	-	-	-	(81,467)	(81,467)
	-	1	47,626,239	\$ 5,564,793	\$ 277,869	\$ (8,809,499)	\$ (2,966,837)

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

Rainforest Resources Inc.  
(Formerly Amalgamated Gold & Silver Inc.)  
Unaudited Condensed Consolidated Statements of Cash Flows  
For the Three Months Ended March 31,

	2019	2018
<u>Cash Flows from Operating Activities</u>		
Net Loss	\$ (90,461)	\$ (81,467)
Adjustments to reconcile net loss to net cash used in operating activities:		
Depreciation	1,167	82
Decrease (increase) in prepaid expenses	106	(9,317)
Decrease in security deposit	1,534	-
Increase in accounts payable and accrued liabilities	13,159	354
Net cash used in operating activities	(74,495)	(90,348)
<u>Net cash used in investing activities</u>		
Purchase of equipment	(624)	(664)
Net cash used in investing activities	(624)	(664)
<u>Net cash (used in) provided by financing activities</u>		
(Decrease) increase in due to related parties, net	(10,000)	128,376
Net cash (used in) provided by financing activities	(10,000)	128,376
Net decrease in Cash	(85,119)	37,364
Cash and cash equivalents at beginning of period	116,222	14,933
Cash and cash equivalents at end of period	\$ 31,103	\$ 52,297
<u>Supplemental Cash Flow Information:</u>		
Income taxes paid	\$ -	\$ -
Interest paid	\$ -	\$ -

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

RAINFOREST RESOURCES INC.  
(Formerly Amalgamated Gold & Silver Inc.)  
Notes to Unaudited Condensed Consolidated Financial Statements  
For the Three Months Ended March 31, 2019 and 2018

NOTE 1. NATURE OF OPERATIONS

Description of Business and History

Rainforest Resources Inc. (the "Company" or "RRIF") was incorporated in the state of Florida on November 13, 1992 under the name Innovative Technology Systems Inc. ("ITS"). On January 12, 2000, ITS changed its name to Stanfield Educational Alternatives, Inc. ("SEA"). On November 18, 2003, SEA changed its name to North American Liability Group, Inc. ("NALG"). On April 19, 2005, NALG changed its name to NorMex Steel Inc. ("NMS"). On June 20, 2006, NMS changed its name to BioChem Solutions Inc. ("BCS"). On November 30, 2009, BCS changed its name to Balmoral FX Systems Inc. ("BFXS"). On March 29, 2012, BFXS changed its name to Amalgamated Gold and Silver Inc. ("AGS"). On December 10, 2015, AGS changed its name to Rainforest Resources Inc.

On March 24, 2016, RRIF acquired a 99% interest in the following Ecuador corporations: Sociedad Civil Y Comercial Sumak Sacha Rainforest, Rainforest Ecuador S.A., and Rainforest Enterprises RFE S.A. (the "Ecuador Corporations") in exchange for the issuance of a total of 5,500,000 shares of RRIF Common Stock to entities controlled by SKM Global Trading Ltd. ("SKM" see Note 4). These Ecuador Corporations own a total of approximately 11,344 hectares of rainforest land in the Morona Santiago Province of Ecuador, and are also in the process of completing registration of ownership for an additional 3,178 hectares of rain forest land in the Esmeraldas Province of Ecuador, as well as 13,441 hectares of land in the Marona Santiago Province of Ecuador (see Note 4). The remaining 1% minority ownership of the Ecuador Corporations is owned by a RRIF Director (Ecuador citizen) pursuant to Ecuador laws.

On April 4, 2016, RRIF issued 27,000,000 shares of RRIF Common Stock to Land Trade Ecuador CIA LTDA pursuant to an agreement to purchase approximately 13,441 hectares of rain forest land in the Morona Santiago Province of Ecuador (see Note 4). The 27,000,000 shares are being held in escrow pending completion of the title registration of the land in the name of RRIF's subsidiary Rainforest Ecuador S.A.

The Company plans to commercialize the natural spring water located on the properties in Ecuador for export, develop a carbon credit certification program for its rainforest properties, and acquire new rain forest properties.

NOTE 2. GOING CONCERN UNCERTAINTY

The unaudited condensed consolidated financial statements have been prepared assuming that the Company will continue as a going concern, which contemplates the realization of assets and the liquidation of liabilities in the normal course of business. At March 31, 2019 the Company had negative working capital of approximately \$4,220,000. Further, the Company has not generated revenues in several years, has no current revenue sources, and had an accumulated deficit of \$9,248,429 as of March 31, 2019. These factors raise substantial doubt about the Company's ability to continue as a going concern. The accompanying unaudited condensed consolidated financial statements do not include any adjustments that might result from this uncertainty.

The continued existence of the Company is dependent upon its ability to obtain sufficient financing to execute its business plan and upon future profitable operations. Management has plans to seek additional capital through a private placement of its Common Stock and utilize the additional capital to commence the sales of natural spring water and launch the carbon credit certificate program on the rainforest properties being acquired by the Ecuador Corporations. There can be no assurance that management will be successful in the execution of its plans. The accompanying unaudited condensed consolidated financial statements do not include any adjustments relating to the recoverability and classification of recorded assets, or the amounts of and classification of liabilities that might be necessary in the event the Company cannot continue in existence.

## NOTE 3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

### Interim Financial Information

The accompanying unaudited consolidated financial statements are condensed and have been prepared by the Company pursuant to the rules and regulations of the Securities and Exchange Commission. Accordingly, they may not include all of the information and footnotes required by accounting principles generally accepted in the United States for complete financial statements. In the opinion of management, the unaudited condensed consolidated financial statements reflect all adjustments, which include only normal recurring adjustments, necessary for a fair presentation. Operating results for the three-month ended March 31, 2019 may not necessarily be indicative of the results that may be expected for the year ending December 31, 2019.

### Principles of Consolidation

The unaudited condensed consolidated financial statements include the accounts of Rainforest Resources Inc. and its subsidiaries in Ecuador, Sociedad Civil Y Comercial Sumak Sacha Rainforest, Rainforest Ecuador S.A., and Rainforest Enterprises RFE S.A. All significant intercompany balances and transactions have been eliminated in consolidation.

### Basis of Presentation

The unaudited condensed consolidated financial statements have been prepared in accordance with accounting principles generally accepted in the United States of America ("U.S. GAAP") and are expressed in U.S. dollars.

### Use of Estimates

In preparing the unaudited condensed consolidated financial statements in conformity with U.S. GAAP, management makes estimates and assumptions that affect the reported amounts of assets and liabilities and disclosures of contingent assets and liabilities at the dates of the consolidated financial statements, as well as the reported amounts of revenues and expenses during the reporting periods. Actual results could differ from those estimates.

### Fair Value of Financial Instruments

U.S. GAAP defines fair value, establishes a three-level valuation hierarchy for disclosures of fair value measurement, and enhances disclosure requirements for fair value measures. The three levels are defined as follows:

Level 1 inputs to the valuation methodology are quoted prices (unadjusted) for identical assets or liabilities in active markets.

Level 2 inputs to the valuation methodology include quoted prices for similar assets and liabilities in active markets, and inputs that are observable for the asset or liability, either directly or indirectly, for substantially the full term of the financial instrument.

Level 3 inputs to the valuation methodology are unobservable and significant to the fair value measurement.

The carrying amounts reported in the unaudited condensed consolidated balance sheets for the certificate of deposit and current liabilities qualify as financial instruments and are a reasonable estimate of fair value because of their short duration.

### Cash and cash equivalent

The Company considers all highly liquid instruments with original maturities of three months or less when acquired, to be cash equivalent.

### Equipment

Equipment is stated at historical cost, less accumulated depreciation. Depreciation is provided using the straight-line method over the estimated useful lives of the assets.

### Impairment of Long-Lived Assets

Long-lived assets are reviewed for impairment on an annual basis or more often, whenever events or changes in circumstances indicate that the carrying amount of the assets might not be recoverable. Conditions that would necessitate

an impairment assessment include a significant decline in the observable market value of an asset, a significant change in the extent or manner in which an asset is used, or a significant adverse change that would indicate that the carrying amount of an asset or group of assets is not recoverable. For long-lived assets to be held and used, the Company recognizes an impairment loss only if its carrying amount is not recoverable through its undiscounted cash flows and measures the impairment loss based on the difference between the carrying amount and estimated fair value. No such impairment loss was recorded in the three months ended March 31, 2019 and 2018.

#### Comprehensive Income (Loss)

For the three months ended March 31, 2019 and 2018, comprehensive loss is equal to net loss.

#### Risk Management

Financial instruments that potentially subject the Company to concentrations of credit risk primarily consist of cash and certificates of deposit. The Company maintains its cash accounts and certificates of deposit in one domestic financial institution and one Ecuador financial institution. Cash and cash equivalents balances may, from time to time, exceed insured limits.

#### Reporting Segments and Geographic Areas

The Company does not currently have any revenue-generating operations, accordingly, there are no business segments to report. The majority of the Company's assets are located in Ecuador. Approximately \$26,800 and \$63,700 of the net loss incurred for the three months ended March 31, 2019 is attributable to the United States of America ("U.S.") and Ecuador, respectively. Approximately \$53,800 and \$27,600 of the net loss incurred for the three months ended March 31, 2018 is attributable to the U.S. and Ecuador, respectively.

#### Stock-Based Compensation

Stock-based compensation is measured at fair value at the grant date and is recognized as an expense over the service period.

#### Income Taxes

The Company accounts for income taxes under the assets and liability method, which requires recognition of deferred tax liabilities and assets for the expected future tax consequences of events that have been included in the consolidated financial statements or tax returns. Under this method, deferred tax liabilities and assets are determined based on the difference between the consolidated financial statements and tax bases of assets and liabilities using enacted tax rates in effect for the year in which the differences are expected to reverse. The Company computes tax asset benefits for net operating losses carried forward. The potential benefit of net operating losses has not been recognized in these unaudited condensed consolidated financial statements because the Company cannot be assured that it is more likely than not that it will generate taxable income in future years and be able to utilize the net operating losses carried forward.

#### Income (Loss) Per Common Share

The Company reports net income (loss) per share in accordance with U.S. GAAP, which requires dual presentation of basic and diluted net income (loss) per share. Basic net income (loss) per share is based on the weighted average number of shares outstanding during the periods presented. Diluted net income (loss) per share is computed using the weighted average number of Common Shares plus dilutive common share equivalents outstanding during the period. Dilutive instruments (such as convertible notes payable and convertible Preferred Stock) have not been included in the diluted net loss per common share calculations for the periods presented, as their effect is antidilutive due to net losses generated. There was one anti-dilutive Series D preferred share in the three months ended March 31, 2019 and the year ended December 31, 2018.

#### Reclassifications

Certain reclassifications were made to the March 31, 2018 consolidated financial statements to conform to the current period presentation. These reclassifications had no impact on the Company's reported net loss for the three months ended March 31, 2019 and 2018.

#### Recent Accounting Pronouncements

Certain accounting pronouncements have been issued by the FASB and other standard setting organizations which are not yet effective and therefore have not yet been adopted by the Company. The impact on the Company's financial position and results of operations from adoption of these standards is not expected to be material.

#### Subsequent Events

Management has evaluated events occurring from March 31, 2019 through June 27, 2019, the date these unaudited condensed financial statements were available to be issued for proper recording and disclosures therein.

#### NOTE 4. LAND IN ECUADOR

##### Morona Santiago Province of Ecuador

On April 4, 2016, the Company issued 27,000,000 shares of RRIF Common Stock to Land Trade Ecuador CIA LTDA ("Land Trade") pursuant to an agreement to purchase a total of approximately 13,441 hectares of land located in the Morona Santiago Province of Ecuador. The 27,000,000 shares are being held in trust by an Ecuadoran attorney affiliated with Land Trade pending completion of title registration of the land in the name of RRIF's subsidiary Rainforest Enterprise RFE S.A. We are unable at this time to predict if or when the title registration process will be completed. To complete title registration, approximately \$66,000 will need to be paid for real estate taxes, transfer taxes and other costs.

The Company has reflected the land and the issuance of the Common Stock at \$0 in the accompanying consolidated financial statements. If and when title registration is perfected, the Company will record the transaction at the estimated carrying value of the land in accordance with U.S. GAAP.

On May 9, 2018, the Company via its subsidiary Servicios Ambientales Rainforest Ecuador RFEE S.A. acquired two lots of land totaling approximately 2,287 hectares from a third-party family in Ecuador and was issued a Notarized Scripture Deed of Sale Concluded. The land is located at Parish of Pablo Sexto, Huamboya, province of Morona Santiago, Ecuador and was valued at \$540,000 pursuant to the land purchase agreement. SKM Global Trading Ltd. ("SKM"), a significant shareholder and financier of the Company (see Note 6) exchanged 108,000 shares of RRIF common stock issued to SKM during the year ended December 31, 2016 for the purchase of the land. Each share was valued at \$5 per share based on estimated fair value of RRIF common stock at the time the transactions were completed.

On June 21, 2018, the Company via its subsidiary Servicios Ambientales Rainforest Ecuador RFEE S.A. acquired two lots of land totaling approximately 2,286 hectares from a third-party family in Ecuador and was issued a Notarized Scripture Deed of Sale Concluded. The land is located at Parish of Pablo Sexto, Huamboya, province of Morona Santiago, Ecuador and was valued at \$540,000 pursuant to the land purchase agreement. SKM exchanged 108,000 shares of RRIF common stock issued to SKM during the year ended December 31, 2016 for the purchase of the land. Each share was valued at \$5 per share based on estimated fair value of RRIF common stock at the time the transactions were completed.

On October 18, 2018, the Company via its subsidiary Servicios Ambientales Rainforest Ecuador RFEE S.A. acquired five lots of land totaling approximately 6,771 hectares from a third-party family in Ecuador and was issued a Notarized Scripture Deed of Sale Concluded. The land is located at Parish of Pablo Sexto, Huamboya, province of Morona Santiago, Ecuador and was valued at \$2,026,500 pursuant to the land purchase agreement. SKM exchanged 195,000 shares of RRIF common stock issued to SKM during the year ended December 31, 2016 for the purchase of the land. Each share was valued at \$7 per share based on estimated fair value of RRIF common stock at the time the transactions were completed. The Company also paid \$40,000 in cash consideration and incurred a payable of \$621,500, which is outstanding at March 31, 2019, in connection with this land acquisition.

The Company capitalized approximately \$50,000 of costs incurred in connection with the acquisition of land, including registration and notary fees, as well as applicable taxes. The Company also paid approximately \$62,000 as a security deposit to secure the purchase of additional lots of land located in Huamboya.

##### Esmeraldas Province of Ecuador

The assets of the Ecuador Corporations include a total of approximately 3,178 hectares of land located in the Esmeraldas Province of Ecuador, which was assigned to one of the corporations by Americapital PLC, an entity controlled by SKM Global Trading Ltd. (see Note 6). The Company has engaged a Notary in Ecuador to complete title registration of the land in the name of RRIF's subsidiary Rainforest Enterprises RFE S.A. Management is unable at this time to predict if or when

such process will be completed. To complete title registration, approximately \$66,000 will need to be paid for real estate taxes, transfer taxes and other costs.

The Company has reflected the land at \$0 in the accompanying unaudited condensed consolidated financial statements. If and when title registration is perfected, the Company will record the estimated carrying value of the land in accordance with U.S. GAAP.

#### NOTE 5. ACCOUNTS PAYABLE AND ACCRUED LIABILITIES

Accounts payable and accrued liabilities consist of the following at March 31, 2019 and December 31, 2018:

	March 31, 2019	December 31, 2018
	<u>                    </u>	<u>                    </u>
Land acquisition payable	\$ 621,500	\$ 621,500
Accounts payable and accrued expenses	213,066	210,764
Accrued lease obligations (including judgements of \$304,718)	390,466	390,466
Accrued interest on notes payable and judgements	744,498	733,641
Total	<u>\$ 1,969,530</u>	<u>\$ 1,956,371</u>

#### NOTE 6. DUE TO RELATED PARTIES

Due to related parties consist of the following at March 31, 2019 and December 31, 2018:

	March 31, 2019	December 31, 2018
	<u>                    </u>	<u>                    </u>
Amount due to former directors of the Company, non - interest bearing, due on demand	\$ 264,098	\$ 264,098
Due to SKM Global Trading Ltd., non-interest bearing, due on demand	1,805,392	1,815,392
Total	<u>\$ 2,069,490</u>	<u>\$ 2,079,490</u>

Terrence Hunter has been a consultant to the Company since April 2004. Mr. Hunter controls Tropical II Ventures Ltd. (“Tropical”) and Cazador Enterprises (“Cazador”). In July 2005, Cazador provided \$155,000 in financing to NMX (now RRIF). From 2005 to 2013, Tropical made net advances on behalf of the Company of approximately \$360,000. Remaining amount due to Terrence Hunter included funds borrowed from Terrence Hunter personally, Tropical and Cazador. During the year ended December 31, 2018, Terrence Hunter assigned the amounts due to him and affiliated entities to SKM.

For the three months ended March 31, 2019, SKM advanced \$15,000 to the Company and drew back \$25,000. For the year ended December 31, 2018, SKM advanced net of \$482,586 to the Company for the needs of operations. The fund from SKM has no-interest bearing and is due on demand. SKM also contributed \$219,780 to the capital account of Ecuador subsidiaries. A local shareholder contributed \$2,220 to the capital account of Ecuador subsidiaries.

#### NOTE 7. NOTES PAYABLE

The Company previously entered into several unsecured notes payable to various individuals, with interest at rates ranging from 10% to 12%. These notes are past due as of March 31, 2019 and December 31, 2018.

## NOTE 8. CAPITAL STOCK

### Preferred Stock

On November 27, 2015, the Company authorized one share of Series D Preferred Stock in connection with our agreement to acquire certain Ecuador corporations. On May 25, 2016, the Company issued one share of Series D Preferred Stock to G.A. Quality Invest Asset Management Ltd. Each share of Series D Preferred Stock entitles the holder to convert or vote such share into the number of shares of common stock which equals 4X the number of shares of Series C Preferred Stock and Common Stock issued and outstanding divided by the number of Series D shares issued and outstanding at the time of conversion (or voting).

On June 22, 2016, the 15,000,000 outstanding shares of Series C Preferred Stock were converted into a total of 15,000,000 shares of Common Stock. Each share of Series C Preferred Stock entitled the holder to convert such share into one share of Common Stock.

### Common Stock

On March 23, 2016, the Company cancelled the 250,000 Common Shares, such shares previously issued and relinquished by a former stockholder. No consideration was paid by the Company in connection with this transaction.

On March 23, 2016, the Company cancelled the 285,714 Common Shares, such shares previously issued and relinquished by a former stockholder. No consideration was paid by the Company in connection with this transaction.

On June 22, 2016, a total of 15,000,000 Common Shares were issued to various parties for their conversion of 15,000,000 shares of Series C Preferred Stock. No additional consideration was exchanged on this transaction.

On March 24, 2016, the Company issued 5,500,000 shares of RRIF Common Stock to entities controlled by SKM. RRIF Common Stock was not actively traded at the time, accordingly; management did not believe that the fair value of the Common Stock issued was sufficiently "objectively measurable" to assign to the 5,500,000 shares increase in Common Stock at the date of issuance.

On April 4, 2016, the Company issued 27,000,000 shares of RRIF Common Stock to Land Trade in connection with the pending acquisition of land in the Marona Santiago Province of Ecuador. RRIF Common Stock was not actively traded at the time; accordingly, management did not believe that the fair value of the Common Stock issued was sufficiently "objectively measurable" to assign to the 27,000,000 shares increase in Common Stock at the date of issuance.

During the year ended December 31, 2018, SKM exchanged a total of 411,000 shares of RRIF Common Stock for the land in the Marona Santiago Province of Ecuador. RRIF holds the ownership rights to the land; accordingly, the additional paid-in capital was increased by the value of shares exchanged, which is provided for in the land purchase agreements, and is based on the estimated market value of RRIF Common Stock on the dates the respective transactions were completed.

## NOTE 9. INCOME TAXES

The Company has generated operating losses for the periods presented since inception. Accordingly, no provision for income taxes has been recorded.

The Company's effective tax rate for the three months ended March 31, 2019 and 2018 as follows:

	<u>2019</u>	<u>2018</u>
Corporate Federal income tax (benefit) at statutory rate	21.0%	21.0%
Change in valuation allowance	<u>21.0%</u>	<u>21.0%</u>
Effective income tax rate	<u><u>0.0%</u></u>	<u><u>0.0%</u></u>

The Company does not believe that it has any significant deferred tax assets or liabilities other than deferred tax assets resulting from net operating loss carryforwards. The amount of deferred tax assets cannot be reasonably estimated at March 31, 2019 and 2018. Management is in the process of evaluating this matter; however, since any deferred tax assets would be fully offset by a valuation allowance, there would be no effect on the consolidated financial statements taken as a whole.

At March 31, 2019 and December 31, 2018, the Company has net operating loss carryforwards. Loss carryforwards generated prior to 2018 have a 20-year carryover period and expire from 2017 to 2037. Loss carryforwards generated in 2018 and thereafter have no expiration dates. The deferred tax asset relating to these net operating loss carryforwards has been fully reserved for three months ended 31, 2019 and 2018, since the utilization of the net operating loss carryforwards is dependent upon the Company's ability to generate sufficient taxable income during the carryforward period and is subject to limitation upon certain changes on ownership.

On December 22, 2017, R.R. 1, commonly known as the Tax Cuts and Jobs Act (the "Act"), was signed into U.S. law. Among other things, the Act reduces the corporate federal tax rate from 34% to 21 %, effective January 1, 2018. As a result, the Company is required to re-measure, through income tax expense, deferred tax assets and liabilities using the enacted rate at which the Company expects them to be recovered or settled. The re-measurement of the deferred tax asset would have resulted in additional income tax expense; however, with full valuation allowance in place, the expense is reversed through a corresponding adjustment to the valuation allowance, resulting in no impact on income tax expense.

Current U.S. income tax laws limit the amount of loss available to be offset against future taxable income when a substantial change in ownership occurs. Therefore, the amount available to offset future taxable income may be limited.

The Company has no records of filing U.S. federal or Florida income tax returns. Accordingly, all tax years remain subject to examination. Management does not believe this matter subjects the Company to significant exposure and is evaluating the appropriate resolution.

#### NOTE 10 – COMMITMENTS AND CONTINGENCIES

##### Consulting Service Agreement with RKS Capital

On September 21, 2016, the Company executed a Consulting Services Agreement (the "Agreement") with RKS Capital ("RKS"). Among other things, the Agreement provides for RKS to assist the Company in obtaining a listing on the OTCQB section of the OTC Markets and with the NASDAQ Stock Market. The Agreement provided for compensation to RKS at \$32,500 (of which \$12,500 was paid to RKS and expensed in September 2016) for these services. The agreement also provided for compensation to RKS of \$6,000 per month for 12 months commencing upon the Company's uplisting to OTCQB or NASDAQ. RKS has not completed the services as provided by the agreement, therefore, the agreement was terminated during 2017 and the Company does not expect to incur any further costs in connection thereof.

##### Service Contract with Sumacai Consulting Services

In May 2017, the Company signed a service contract (the "Service Contract") with Sumacai Consulting Services ("Sumacai"). Pursuant to the Service Contract, Sumacai provides water-related services to Rainforest Ecuador, including searching for a high-quality water source, assistance with acquiring the license for water usage, design of a bottling system, and other technical support for a consideration of \$69,000, plus value added tax. For the year ended December 31, 2018, the Company paid a total of approximately \$50,000 to Sumacai for work performed on the water project, as well as approximately \$29,000 for work related to the carbon credits program development. The Company recorded these amounts as research and development expenses in the accompanying consolidated statements of operations. Sumacai completed a technical feasibility study on the acquired land in the Morona Santiago province and provided the Company with a preliminary carbon stock evaluation report.

##### Cancellation of Series 2001 Convertible Preferred Stock and Series 2001A Convertible Preferred Stock

On June 20, 2006, the Company amended its Articles of Incorporation to, among other things, cancel all Series 2001 Convertible Preferred Stock and Series 2001A Convertible Preferred Stock. At the time of this action, the accounting records of the Company indicated that there were 22,100 shares of Series 2001 Convertible Preferred Stock and 27,488,000 shares of Series 2001A Convertible Preferred Stock issued and outstanding.

The Series 2001 Convertible Preferred Stock was authorized on January 24, 2001 and provided that each share had a \$5.00 liquidation preference, no voting rights except those affecting the class, and was convertible into Common Stock at a price equal to 70% of the Common Stock trading price.

The Series 2001A Convertible Preferred Stock was authorized on January 24, 2001 and provided that each share had one vote and was convertible into one share of Common Stock, which ratio was not to be adjusted in the event of future reverse stock splits of the Common Stock.

To date, none of the holders of shares of the Series 2001 Convertible Preferred Stock or the Series 2001A Convertible

Preferred Stock prior to cancellation have made any claim against the Company for this cancellation. Management does not expect any exposure to the Company in connection with this matter; accordingly, no accrual was recorded at December 31, 2017 and 2016.

#### Operating Leases

During the year ended December 31, 2017, the Company leased office space in Ecuador under an operating lease agreement with a third party, which started on January 1, 2017 and was set to expire on December 31, 2017. The Company continued to lease the office space until July 2018 with substantially the same terms. The lease payments under the lease were \$450 per month. On June 15, 2018 the Company leased office space from another third party. The lease is set to expire on June 15, 2019, and the lease payments are \$500 plus tax per month.

During the three months ended March 31, 2019 and 2018, the rent expense approximated \$1,534 and \$1,350, respectively.

# **Rainforest Resources Inc.**

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316 Tarpon Street Anna Maria, Florida 34218  
Telephone: 941 404 8841  
Corporate Website: [www.rainforestinc.com](http://www.rainforestinc.com)  
SIC Codes: Primary: 0811 (Timber tracts)  
Secondary: 5199 (Wholesale non-durable goods)

## **Quarterly Disclosure Statement** **For the period ending March 31, 2019**

The number of shares outstanding of our Common Stock is 47,626,239 as of Dec. 31, 2018  
The number of shares outstanding of our Common Stock was 47,626,239 as of Mar. 31 2019

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:

Yes:  No:

Yes:  No:

***We previously were a shell company, therefore the exemption offered pursuant to Rule 144 is not available. Anyone who purchased securities directly or indirectly from us or any of our affiliates in a transaction or chain of transactions not involving a public offering cannot sell such securities in an open market transaction.”***

## Part A      General Company Information

**Item 1**      **Rainforest Resources Inc.**

**Item 2**      **The address of the issuer's principal executive offices.**

Company Headquarters  
Address: 316 Tarpon Street Anna Maria, Florida 34218  
Phone: 941-404-8814  
E-Mail: [www.rainforestinc.com](http://www.rainforestinc.com)

### **IR Contact**

Wellington-Cooke Corporate Services Ltd.  
65 Lillian Street, Suite 110 Toronto, Ont., Canada M4S 0A1  
Phone : ( 416) 464-7484  
E-Mail : [pc@rainforestinc.com](mailto:pc@rainforestinc.com)

**Item 3**      **The jurisdiction(s) and date of the issuer's incorporation or organization.**

**State of Florida 1992 (active).**

## Part B      Share Structure

**Item 4**      Common Shares:  
Preferred Shares Series A, B, C, and D:  
CUSIP: 75087K 103  
Trading Symbol: RRIF.QB

**Item 5**      **Par or stated value and description of the security.**

A.      Common Stock: Par Value: .0001  
         Preferred Stock. .0001

Common Stock: 1,000,000,000 authorized  
Preferred Stock: 150,000 authorized  
Preferred Stock Outstanding: 1 Series D.  
Initial Value: .0001

Series D Preferred shares: 100,000 authorized at \$.0001 value per share.

Describe any other material rights of common or preferred stockholders.

1. Series C Convertible Preferred Stock has ten votes per Series C Convertible Preferred Stock convertible 1:1 for common stock after one year from date of issue,

2. Series D Preferred shares: 100,000 authorized at \$.0001 value per share.

If at least one share of Series D Preferred Stock is issued and outstanding, then the total aggregate

issued shares of Series D Preferred Stock at any given time, regardless of their number, shall be convertible into the number of shares of Common Stock, which equals four times the sum of: i) the total number of shares of Common Stock which are issued and outstanding at the time of conversion, plus ii) the total number of shares of Series A and B and Series C Preferred Stocks which are issued and outstanding at the time of conversion.

3. None.

**Item 6      The number of shares or total amount of the securities outstanding for each class of securities authorized.**

- (i) Total common shares authorized: 1,000,000,000 as of Mar. 31, 2019.  
Total common shares outstanding: 47,626,239 as of: Mar. 31, 2019.  
Freely trade-able shares (public float): 6,725,835 as at Mar. 31,2019.  
Number of beneficial shareholders owning at least 100 shares: 55.  
Total number of shareholders of record: 60 as at May 29, 2018.
- (ii) Total common shares outstanding: 47,626,239 as of: Dec. 31, 2018.  
Total common shares outstanding: 47,626,239 as of: Mar.31, 2019.

Total Preferred shares authorized: 150,000

Total Preferred shares outstanding: 1 Series D.

**Item 7      The name and address of the transfer agent.**

Standard register and Transfer Co.  
440 East 400 South,  
Suite 200 Salt Lake City, UT 84111  
Phone: (801) 571-8844  
The Transfer Agent is registered under the Exchange Act

**Part C      Business Information**

**Item 8      The nature of the issuer's business.**

The main purpose of RAINFOREST Resources Inc. is to produce Carbon Credits for to be sold to companies internationally that require Carbon Credits to avoid sanctions as stipulated by the Kyoto Protocol and reaffirmed in the Paris meeting of December 2015.

The company has negotiated the purchase of 32,000 +or- hectares which are privately owned properties, located within the following boundaries: Mountain chain Flautas north, Paztaza river to the South, River Llushín West and River Cristal East, in the Republic of Ecuador. The area abounds with commodities and more important resources for future biodiversity, a forest that produces immense quantities of pure oxygen and CO2 sequestration.

The company has also identified natural springs on the acquired properties and is evaluating the profitability of exporting the natural spring water.

Rainforest Resources is a Florida Corporation formed in 1992, its fiscal year end is Dec. 31.

The issuer nor any of its predecessors has been in bankruptcy, receivership or any similar proceeding;

1. any material reclassification, merger, consolidation, or purchase or sale of a significant amount of assets;  
**None.**
2. any default of the terms of any note, loan, lease, or other indebtedness or financing arrangement requiring the issuer to make payments;  
**No.**
3. any change of control;  
**No.**
4. any increase of 10% or more of the same class of outstanding equity securities;  
**No.**
5. any past, pending or anticipated stock split, stock dividend, recapitalization, merger, acquisition, spin-off, or reorganization;  
**No.**
6. any delisting of the issuer's securities by any securities exchange;  
**No. and;**
7. any current, past, pending or threatened legal proceedings or administrative actions either by or against the issuer that could have a material effect on the issuer's business, financial condition, or operations and any current, past or pending trading suspensions by a securities regulator. State the names of the principal parties, the nature and current status of the matters, and the amounts involved.  
**None.**

B. Business of Issuer.

1. the issuer's primary and secondary SIC Codes; **Primary: 0811 (Timber tracts) Secondary: 5199 (Wholesale non-durable goods)**
2. the issuer is in the development stage; **The company is in the development stage in need of substantial additional capital to reach an operating stage.**
3. *the names and contact information of any parent, subsidiary, or affiliate of the issuer, and its business purpose, its method of operation, its ownership, and whether it is included in the financial statements attached to this disclosure statement;* **1. Rain Forest Ecuador- Ecuador-Holding Co. 99% owned by Rainforest Resources Inc. 2. Rain Forest Enterprises Ltd.- Ecuador-Holding Co. 99% owned by Rainforest Resources Inc.**

4. *the effect of existing or probable governmental regulations on the business;* **There are no existing or probable governmental regulations on the business currently.**
  
1. *an estimate of the amount spent during each of the last two fiscal years on research and development activities, and, if applicable, the extent to which the cost of such activities were borne directly by customers;* **The company has spent approximately \$550,000. USD in the last two fiscal years on research and development activities, these costs have been borne by the company.**
  
2. *costs and effects of compliance with environmental laws (federal, state and local);* **The company is compliant with all costs and effects of compliance with environmental laws (federal, state and local);** and
  
3. *the number of total employees and number of full-time employees.* **The company has one full time employee and retains independent 3<sup>rd</sup>. party consultants.**

## **Item 9      The nature of products or services offered.**

In responding to this item, please describe the following so that a potential investor can clearly understand the products and services of the issuer:

- A. principal products or services, and their markets; **Development and issuance and sale of Carbon Credit Certificates. (“CCC”).**
  
- B. distribution methods of the products or services; **Sold via; (example: <https://www.sendeco2.com/es/precios-co2>). and other CCC exchanges.**
  
- C. status of any publicly announced new product or service; **None at time of writing.**
  
- D. competitive business conditions, the issuer’s competitive position in the industry, and methods of competition; **At present the Rainforest Resources Inc. is the only publicly traded company developing Carbon Credit Certificates. (“CCC”) in Ecuador.**
  
- E. sources and availability of raw materials and the names of principal suppliers; **N/A**  
dependence on one or a few major customers;  
**the company is not dependent on one or a few major customers.**  
patents, trademarks, licenses, franchises, concessions, royalty agreements or labor contracts, including their duration;  
**The company has no; patents, trademarks, licenses, franchises, concessions, royalty agreements or labor contracts.** and  
the need for any government approval of principal products or services and the status of any requested government approvals  
**The company is compliant with all government approvals required.**

**Item 10** The nature and extent of the issuer's facilities.

**The Company's corporate headquarters are located at 316 Tarpon Street Anna Maria, Florida, 34218. Our monthly rental is US \$500.00 paid annually. The Company leases the corporate office space in Quito Ecuador on an annual lease. There is a written document evidencing our lease. Our lease is contractual. Our monthly rental is US \$450.00 USD. The company through its subsidiaries owns 32,000 +0r- hectares of rain forest land in Ecuador.**

**Part D** Management Structure and Financial Information

**Item 11** The name of the chief executive officer, members of the board of directors, as well as control persons.

**Michael Nilsson - CEO  
Francis Philippe Gerber - CFO  
Victor Hugo Macias – Chairman, VP Operations Ecuador  
Christopher George Penderok - Independent Director  
Pranpravee Tason - Independent Director, Audit Committee Member**

**Land Trade Ecuador CIA, LTDA, 27,000,000 restricted 144 common shares.**

**Jorge Wilson Andrade Pazmiño  
Calle Nueva Aventura Aguilera N57-151 Quito, Ecuador  
Tel: +593098 566 0428**

**G.A. Quality Invest Management Ltd. 1 Series D Preferred share.  
Ing. Johannes Kurzmann  
21.M. Nikolaides Street, 2nd Floor, 8101 Paphos, Cyprus HE 179134  
Tel: +43 660 8179153**

A. Officers and Directors. In responding to this item, please provide the following information for each of the issuer's executive officers, directors, general partners and control persons, as of the date of this information statement:

1. Full name; **Michael Nilsson, born 1963 Swedish citizen**
2. Business address; **Shangri-La Residence Apartment 1360  
89 Soi Wat Suan Plu, Bangrak, Bangkok 10500 Thailand**
3. Employment history; **1998 – 2018 Gadd & Cie SA, Geneva, Switzerland  
Independent Portfolio Manager International asset management for private clients, trusts and foundations.**

4. Board memberships and other affiliations; **President – CEO.**
5. Compensation by the issuer; **None currently.** and
6. Number and class of the issuer's securities beneficially owned. **None.**

1. **Francis Philippe GERBER, 23.06.1972, Swiss citizen**
2. Business address; **Trustee & consultancy office F. Gerber, P.O. Box 59, CH-2746 Crémines, [f.gerber@netcourrier.ch](mailto:f.gerber@netcourrier.ch)**
3. Employment history **Owner and freelance mandate since 2001 present date, has severed several company as CFO/COO and general manager administration and tax consultant.**
4. Board memberships and other affiliations; **Director & CFO**
5. Compensation by the issuer; **None at present.**
6. Number and class of the issuer's securities beneficially owned. **None.**

1. Full name; Víctor Hugo Macías Almeida, December 7 1974, Ecuatoriano.
2. Business address; Cristóbal Sandoval OE3-26 y Av. La Prensa Quito Ecuador.
3. Employment history; 2011 - 2015 Arista Gestoría Organizacional as Director of the **international Department in charge of: International Clients, Technical Translations, in charge of websites:www.icontable.com ; www.arista.com.ec 2014 in charge of the contacts for the 1st Accounting Congress of Ecuador in October and contacts for CReCER 2015. 2015-2016 Private consultant, of Rain Forest Resources in Ecuador. 2016 – to date.**
4. Board memberships and other affiliations; **Director – COB Rainforest Resources Inc. and General Manager for Rainforest Ecuador,**
5. Compensation by the issuer; **\$36,000.USD annually.** and
6. Number and class of the issuer's securities beneficially owned. **None.**

B. Legal/Disciplinary History. Please identify whether any of the foregoing persons have, in the last five 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; **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.

**No.**

C. Disclosure of Family Relationships.

**None.**

D. Disclosure of Related Party Transactions.

**None.**

**Item 12 Financial information for the issuer's most recent fiscal period. The issuers financial statements are incorporated by reference at; <https://www.otcmarkets.com/stock/RRIF/disclosure>, Annual Report - RRIF Audited Financial Statements 12/31/2018**

- 1) balance sheet;
- 2) statement of income;
- 3) statement of cash flows;
- 4) statement of changes in stockholders' equity (for Annual Reports only);
- 5) financial notes;
- 6) Auditors report.

**Item 13 Similar financial information for such part of the two preceding fiscal years. Such financial statements are incorporated by reference; <https://www.otcmarkets.com/stock/RRIF/disclosure>, Annual Report - RRIF Audited Financial Statements 2016, 2017.**

**Item 14 Beneficial Owners.**

Shareholder	Address	# of Shares	Class of Shares	% at 3/31/19	Contact
Land Trade Ecuador CIA. LTDA	Calle Nueva Aventura Aguilera N57-151 Quito, Ecuador	27,000,000	Common Restricted	56.7%	Jorge Wilson Andrade Pazmiño Email: <a href="mailto:juridicoanpaz@hotmail.com">juridicoanpaz@hotmail.com</a> Tel: +593098 566 0428
CAM Asset Management	10 Anson Road 26-08 International Plaza, Singapore	3,800,000	Common Restricted	8.0%	Mr. Gea Ban Pang Tel: +65 6222290 Email: <a href="mailto:info@linkmgt.com">info@linkmgt.com</a>
SVS Securities	20 Ropemaker Street, London, UK.	2,700,000	Common Restricted	5.7%	Lauren Schaefer Tel: +44 20 3700 0100

**Item 15 The name, address, telephone number, and email address of each of the following outside providers that advise the issuer on matters relating to operations, business development and disclosure:**

1. Investment Banker - **None**
2. Promoter - **None**

3. **Securities Counsel – John Dolkart**  
**Dolkart Law**  
1750 Kettner Blvd, Suite 416  
San Diego, CA 92101  
T – (619) 501-1083  
Email: [john@dolkartlaw.com](mailto:john@dolkartlaw.com)
  
4. Accountant or Auditor  
**Accountant – Delong Zhou - CPA**  
2115 Concord Pike, Suite 209, Wilmington, DE 19803  
(302) 256-0124  
Email: [delongcpa@yahoo.com](mailto:delongcpa@yahoo.com)  
Provides accounting services and assists management in the preparation of financial statements for quarterly reporting and year end. Licensed in Delaware.  
  
**Auditor – Moore Stevens Lovelace, P.A.**  
701 Brickell Avenue, Suite 550,  
Miami, Florida 33131  
T- 305 819 9555  
Email: [www.mslcpa.com](http://www.mslcpa.com) Licensed in Florida.  
Prepares audited financials.
  
5. Investor Relations Consultant - **Patti Cooke**  
**Firm: Wellington Cooke Corporate Services**  
**Address: 65 Lillian Street, Suite 110, Toronto, Ont. M4S 0A1 CA**  
**Phone+14164647484**  
**Email: patticooke55@gmail.com**
  
6. Any other advisor(s) that assisted, advised, prepared or provided information with respect to this disclosure statement - the information shall include the name, address, telephone number and email address of each advisor.  
**None.**

**Item 16 Management’s Discussion and Analysis or Plan of Operation.**

A. Plan of Operation.

- i. **The issuer can satisfy its current cash requirements however, it may have to raise additional funds in the next twelve months;**
- ii. **The issuer will continue with the Carbon Credit audit process to have Carbon Credit certificates issued to the company.**
- iii. **The company has no expected purchase or sale of plant and significant equipment; and**
- iv. **The company does not anticipate any significant changes in the number of employees in the next 6 months.**

C. Off-Balance Sheet Arrangements.  
**NONE**

Part E Issuance History

**Item 17** List of securities offerings and shares issued for services in the past two years.  
**None.**

Part F Exhibits  
**None**

**Item 19 Articles of Incorporation and Bylaws.**

Articles are incorporated by reference and may be viewed at

<http://search.sunbiz.org/Inquiry/CorporationSearch/SearchResultDetail?inquirytype=EntityName&directionType=Initial&searchNameOrder=RAINFORESTRESOURCES%20P920000040647&aggregatId=domp-p92000004064-29524343-1939-43bf-9082-5ab6f0030775&searchTerm=rainforest%20resources%20Inc.&listNameOrder=RAINFORESTRESOURCES%20P920000040647>



FL-Corporate-Bylaws.  
pdf

**Item 20 Purchases of Equity Securities by the Issuer and Affiliated Purchasers.**  
**None.**

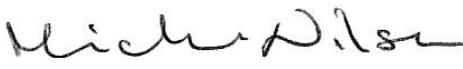
**Item 21 Issuer's Certifications.**

I, Michael Nilsson, certify that: I have reviewed this quarterly disclosure statement of Rainforest Resources Inc.;

1. 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

2. 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.

Date: June 28, 2019

A handwritten signature in black ink that reads "Michael Nilsson".

Michael Nilsson  
President & CEO