SECURITIES & EXCHANGE COMMISSION EDGAR FILING

Ecoark Holdings, Inc.

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UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 8-K/A

CURRENT REPORT

Pursuant to Section 13 OR 15(d) of The Securities Exchange Act of 1934

Date of Report (Date of earliest event reported) July 14, 2020 (March 27, 2020)

Ecoark Holdings, Inc.

(Exact name of registrant as specified in its charter)

Nevada	000-53361	30-0680177
(State or other jurisdiction of incorporation)	(Commission File Number)	(IRS Employer Identification No.)

5899 Preston Road #505, Frisco, TX	75034
(Address of principal executive offices)	(Zip Code)

Registrant's telephone number, including area code 479-259-2977

1010 NW J Street, Suite I, Bentonville, AR 72712
(Former name or former address, if changed since last report)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions (see General Instruction A.2. below):

☐ Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)

☐ Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)

☐ Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))

☐ Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 405 of the Securities Act of 1933 (§230.405 of this chapter) or Rule 12b-2 of the Securities Exchange Act of 1934 (§240.12b-2 of this chapter).

Emerging growth company ☐

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act. ☐

Securities registered pursuant to Section 12(b) of the Act:

Title of each class	Trading Symbol(s)	Name of each exchange on which registered
Common Stock	ZEST	OTCQB

EXPLANATORY NOTE

As previously reported in a Current Report on Form 8-K filed on April 2, 2020, on March 27, 2020, the Company acquired Banner Midstream Corp., a Delaware corporation ("Banner Midstream"), pursuant a Stock Purchase Agreement, dated March 27, 2020 (the "Banner Purchase Agreement"), between the Company and Banner Energy Services, Inc., a Nevada corporation and former parent company of Banner Midstream ("Banner Parent"). Pursuant to the Banner Purchase Agreement, the Company acquired 100% of the outstanding capital stock of Banner Midstream in consideration for 8,945 shares of common stock of the Company valued at $0.544 per share and assumed up to $11,774 in short-term and long-term debt of Banner Midstream and its subsidiaries.

Banner Midstream has four operating subsidiaries: Pinnacle Frac Transport LLC, a Texas limited liability company ("Pinnacle Frac"); Capstone Equipment Leasing LLC, a Texas limited liability company ("Capstone"); White River Holdings Corp., a Delaware corporation ("White River"); and Shamrock Upstream Energy LLC, a Texas limited liability company ("Shamrock"). Pinnacle Frac provides transportation of frac sand and logistics services to major hydraulic fracturing and drilling operations. Capstone procures and finances equipment to oilfield transportation service contractors. These two operating subsidiaries of Banner Midstream are revenue producing entities. White River and Shamrock are engaged in oil and gas exploration, production, and drilling operations on over 10,000 cumulative acres of active mineral leases in Texas, Louisiana, and Mississippi.

The Company issued 8,945 shares of common stock (which Banner Parent issued to certain of its noteholders) and assumed $11,774 in debt and lease liabilities of Banner Midstream, per the Banner Purchase Agreement. The Company's Chief Executive Officer and another director recused themselves from all board discussions on the acquisition of Banner Midstream as they are stockholders and/or noteholders of Banner Midstream. The transaction was approved by all of the disinterested members of the Board of Directors of the Company. The Chairman and CEO of Banner Parent is a former officer of the Company and is currently the Principal Accounting Officer of the Company and Chief Executive Officer and President of Banner Midstream.

Item 9.01. Financial Statements and Exhibits.

(a) Financial Statements of Business Acquired.

The audited consolidated financial statements of Banner Midstream Corp. as of and for the years ended December 31, 2019 and 2018, together with the report of RBSM LLP with respect thereto, are included as Exhibit 99.1.

The audited financial statements of Shamrock Upstream Energy LLC as of and for the years ended December 31, 2019 and 2018, together with the report of RBSM LLP with respect thereto, are included as Exhibit 99.2.

The audited combined financial statements of White River Operating LLC and White River Energy LLC as of June 30, 2019 and for the period April 1, 2019 (inception) through June 30, 2019, together with the report of RBSM LLP with respect thereto, are included as Exhibit 99.3; and

The unaudited combined financial statements of White River Holdings Corp., White River Operating LLC and White River Energy LLC as of December 31, 2019 and for the six months ended December 31, 2019 are included as Exhibit 99.4.

(b) Pro Forma Financial Information.

The unaudited pro forma consolidated financial statements of the Company are included as Exhibit 99.5.

(d) Exhibits.

Exhibit No.	Description
99.1	Audited consolidated financial statements of Banner Midstream Corp. as of and for the years ended December 31, 2019 and 2018.
99.2	Audited financial statements of Shamrock Upstream Energy LLC, as of and for the years ended December 31, 2019 and 2018.
99.3	Audited combined financial statements of White River Energy LLC, and White River Operating LLC as of June 30, 2019 and for the period April 1, 2019 (Inception) through June 30, 2019.
99.4	Unaudited combined financial statements of White River Holdings Corp, White River Energy LLC and White River Operating LLC as of December 31, 2019 and for the six months ended December 31, 2019.
99.5	Unaudited pro forma consolidated financial statements of Ecoark Holdings, Inc.

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the Registrant has duly caused this report to be signed on its behalf by the undersigned, hereunto duly authorized.

July 14, 2020

Ecoark Holdings, Inc.

By: /s/ *Randy S. May*
Randy S. May
Chief Executive Officer

Banner Midstream Corp.

Consolidated Financial Statements

Report of Independent Registered Public Accounting Firm

RBSM LLP
Accountants & Advisors

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To the Shareholders and Audit Committee
Banner Midstream Corp.

Opinion on the Financial Statements

We have audited the accompanying consolidated balance sheets of Banner Midstream Corp. (The "Company") as of December 31, 2019 and 2018, and the related consolidated statements of operations, stockholders' deficit and cash flows for the year ended December 31, 2019 and for the period from inception April 2, 2018 through December 31, 2018, and the related notes (collectively referred to as the consolidated financial statements). In our opinion, the consolidated financial statements present fairly, in all material respects, the consolidated financial position of the Company as of December 31, 2019 and 2018, and the results of its operations and its cash flows for the year ended December 31, 2019 and for the period from inception April 2, 2018 through December 31, 2018, in conformity with accounting principles generally accepted in the United States of America.

Change in Accounting Principles

The Company followed ASC 840 *Leases* in accounting for leased properties until 2019 when it adopted ASC 842 for its accounting for finance and operating leases in 2019. The Company accounts for revenue in accordance with ASC Topic 606, Revenue from Contracts with Customers, which the Company adopted effective January 1, 2019.

The Company's Ability to Continue as a Going Concern

The accompanying consolidated financial statements have been prepared assuming that the Company will continue as a going concern. As discussed in Note 1 to the financial statements, the Company has an accumulated deficit, recurring losses, and negative cash flows that raise substantial doubt about the Company's ability to continue as a going concern. Management's evaluation of the events and conditions and management's plans regarding these matters are also described in Note 1. The consolidated financial statements do not include any adjustments that might result from the outcome of this uncertainty.

Basis for Opinion

These consolidated financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on the Company's consolidated financial statements based on our audits. We are a public accounting firm registered with the Public Company Accounting Oversight Board (United States) (PCAOB) and are required to be independent with respect to the Company in accordance with the U.S. federal securities laws and the applicable rules and regulations of the Securities and Exchange Commission and the PCAOB.

We conducted our audits in accordance with the standards of the PCAOB. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement, whether due to error or fraud. The Company is not required to have, nor were we engaged to perform, an audit of its internal control over financial reporting. As part of our audits, we are required to obtain an understanding of internal control over financial reporting, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control over financial reporting. Accordingly, we express no such opinion.

Our audits included performing procedures to assess the risks of material misstatement of the financial statements, whether due to error or fraud, and performing procedures that respond to those risks. Such procedures included examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements. Our audits also included evaluating the accounting principles used and significant estimates made by management, as well as evaluating the overall presentation of the financial statements. We believe that our audits provide a reasonable basis for our opinion.

/s/ RBSM LLP

We have served as the Company's auditor since 2018

805 Third Avenue
New York, NY 10022
July 13, 2020

Banner Midstream Corp.
Consolidated Balance Sheets
December 31, 2019 and 2018

	2019	2018
Assets		
Current assets:		
Cash	$ 226,917	$ 207,094
Accounts receivable, net	43,845	20,550
Prepaid expenses and other current assets, current portion	522,950	254,740
Total current assets	793,712	482,384
Noncurrent assets:		
Prepaid expenses, long-term portion	-	69,375
Fixed assets, net	3,488,993	4,868,275
Right of use assets	779,199	-
Other assets	-	101
Assets of discontinued operations	249,017	290,149
Total noncurrent assets	4,517,209	5,227,900
Total assets	$ 5,310,921	$ 5,710,284
Liabilities and Stockholders' Deficit		
Current liabilities:		
Accounts payable and other current liabilities	$ 2,198,558	$ 1,049,284
Accounts payable – related parties	1,787	3,324
Current liabilities of discontinued operations	227,522	276,785
Current portion of lease liability	220,234	-
Current portion of long-term debt	5,412,287	3,423,432
Notes payable – related parties	2,029,492	1,100,000
Total current liabilities	10,089,880	5,852,825
Long-term debt, net of current portion	463,269	1,561,512
Lease liability, net of current portion	566,145	-
Total liabilities	11,119,294	7,414,337
Commitments and contingencies		
Stockholders' Deficit:		
Preferred stock, $0.0001 par value; 5,000,000 shares authorized, none issued and outstanding as of December 31, 2019 and 2018, respectively	-	-
Common stock, $0.0001 par value; 45,000,000 shares authorized, 5,565,976 and 5,320,807 shares issued and outstanding at December 31, 2019 and 2018, respectively	557	532
Additional paid in capital	2,539,291	2,003,775
Accumulated deficit	(8,348,221)	(3,708,360)
Total stockholder' deficit	(5,808,373)	(1,704,053)
Total liabilities and stockholders' deficit	$ 5,310,921	$ 5,710,284

The accompanying notes are an integral part of the consolidated financial statements.

Banner Midstream Corp.

Consolidated Statements of Operations

For the Year Ended December 31, 2019 and Period April 2, 2018 (Inception) through December 31, 2018

	2019	2018
Revenue	$ 14,715,217	$ 8,614,989
Cost of Sales	10,228,168	7,052,762
Gross Profit	4,487,049	1,562,227
Operating expenses:		
Salaries and wages, including stock-based compensation	1,940,050	2,117,285
Selling, general and administrative expenses	3,516,515	2,200,718
Total operating expenses	5,456,565	4,318,003
Operating loss	(969,516)	(2,755,776)
Other income (expense):		
Bargain purchase gain	-	208,690
Forgiveness of debt	300,643	-
Other income (expense)	(1,099,303)	315,055
Interest expense	(2,866,449)	(1,168,357)
Total other income (expense)	(3,665,109)	(644,612)
Loss from continuing operations before provision for income taxes	(4,634,625)	(3,400,388)
Provision for income taxes	-	-
Loss from continuing operations	(4,634,625)	(3,400,388)
Loss from discontinued operations	(5,236)	(307,972)
Net loss	$ (4,639,861)	$ (3,708,360)
Net loss per share:		
Basic and diluted – continuing operations	$ (0.85)	$ (0.86)
Basic and diluted – discontinued operations	(0.00)	(0.08)
Net loss per share	$ (0.85)	$ (0.94)
Weighted average shares outstanding	5,444,094	3,940,094

The accompanying notes are an integral part of the consolidated financial statements.

BANNER MIDSTREAM CORP

CONSOLIDATED STATEMENTS OF CHANGES IN STOCKHOLDERS' DEFICIT

For the Year ended December 31, 2019 and Period April 2, 2018 (Inception) through December 31, 2018

	Preferred		Common		Additional Paid-In	Accumulated	
	Shares	Amount	Shares	Amount	Capital	Deficit	Total
Balances at April 2, 2018 (Inception)	**-**	**$ -**	**-**	**$ -**	**$ -**	**$ -**	$ -
Shares issued to founder	-	-	5,000,000	500	(500)	-	-
Shares issued for cash in private placement	-	-	70,807	7	212,906	-	212,913
Shares issued for services	-	-	250,000	25	749,975	-	750,000
Warrants granted with placement of convertible note	-	-	-	-	1,041,394	-	1,041,394
Net loss for the period	-	-	-	-	-	(3,708,360)	(3,708,360)
Balances at December 31, 2018	**-**	**$ -**	**5,320,807**	**$ 532**	**$ 2,003,775**	**$ (3,708,360)**	**$ (1,704,053)**
Shares issued for services	-	-	60,000	6	179,994	-	180,000
Shares issued for cash in private placement	10,000	1	85,169	9	355,531	-	355,541
Conversion of preferred stock to common stock	(10,000)	(1)	100,000	10	(9)	-	-
Net loss for the year	-	-	-	-	-	(4,639,861)	(4,639,861)
Balances at December 31, 2019	**-**	**$ -**	**5,565,976**	**$ 557**	**$ 2,539,291**	**$ (8,348,221)**	**$ (5,808,373)**

The accompanying notes are an integral part of the consolidated financial statements.

Banner Midstream Corp.

Consolidated Statements of Cash Flows

For the Year Ended December 31, 2019 and Period April 2, 2018 (Inception) through December 31, 2018

	2019	2018
Cash flows from operating activities		
Net loss	$ (4,634,625)	$ (3,400,388)
Adjustments to reconcile net loss to net cash used in operating activities:		
Depreciation, amortization and impairment	1,336,557	352,836
Gain from settlement	-	(87,731)
Loss from disposal of assets	36,000	314,114
Share based compensation	180,000	750,000
Bargain purchase gain	-	(208,690)
Forgiveness of debt	(300,643)	-
Amortization of debt discount	317,532	712,986
Changes in operating assets and liabilities:		
Accounts receivable	(23,295)	698,050
Prepaid expenses	(198,835)	(323,251)
Interest of lease liability	(146,188)	-
Amortization of right of use asset	153,369	-
Other assets	101	(202)
Accounts payable and other current liabilities	1,188,417	(301,590)
Net cash used in operating activities	(2,091,610)	(1,493,866)
Cash flows from investing activities		
Cash paid for acquisition	-	(303,434)
Proceeds from sale of fixed assets	32,000	-
Purchase of fixed assets	(25,276)	(1,957,422)
Net cash provided by (used in) investing activities	6,724	(2,260,856)
Cash flows from financing activities		
Proceeds from issuance of shares	355,541	212,913
Proceeds from notes payable – related parties	155,463	400,000
Proceeds from long-term debt	5,637,823	5,910,573
Payments on long-term debt	(4,030,751)	(2,243,658)
Proceeds (repayments) from related parties	-	3,324
Net cash provided by financing activities	2,118,076	4,283,152
Net cash used in discontinued operations – operating activities	(13,367)	(33,923)
Net cash used in discontinued operations – investing activities	-	(287,413)
Net cash used in discontinued operations	(13,367)	(321,336)
Net increase (decrease) in cash and cash equivalents	19,823	207,094
Cash and restricted cash – beginning of year	207,094	-
Cash and restricted cash – end of year	$ 226,917	$ 207,094
Supplemental schedule of cash flow information		
Cash paid for interest	$ 762,237	$ 161,123
Cash paid for income taxes	$ 48,429	$ –
Supplemental schedule of non-cash information		
Lease liability for right of use assets at inception	$ 932,567	$ -
Debt for payment of convertible note via intermediary	500,000	-
Payment of convertible note via intermediary	$ (500,000)	$ -
Original issue discounts on notes payable	$ 551,504	$ 301,413
Warrant value attached to convertible note payable	$ -	$ 1,041,394
Assets acquired from acquisition of LAH	$ -	$ 4,297,267
Liabilities assumed from acquisition of LAH	$ –	$ 3,785,042

The accompanying notes are an integral part of the consolidated financial statements.

NOTE 1: DESCRIPTION OF BUSINESS, BASIS OF PRESENTATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Description of Business

Pinnacle Frac Holdings Corp (the "Company" or "Banner Midstream") is a corporation established pursuant to the laws of the State of Delaware on April 2, 2018. Pinnacle Frac Holdings Corp was renamed Banner Midstream Corp by the Delaware Division of Corporations on December 6, 2018. The Company entered into an agreement with Ozark Empire Capital Management ("Ozark") on June 20, 2018 for 2,000,000 shares for Ozark to manage the executive function of the Company, raise capital for the Company, identify and complete acquisitions for the Company, and lead the Company's effort to go public. The Company is operating as a holding company and acquisition vehicle for an ongoing roll-up of oilfield services companies focused on drilling rig, fracking, and oil and natural gas production services.

Banner Midstream acquired one hundred percent of the issued and outstanding membership interests of Pinnacle Frac Transport LLC ("Pinnacle Frac") for 3,000,000 shares on May 24, 2018. Pinnacle Frac is a limited liability company pursuant to the laws of the State of Arkansas established on January 15, 2018. Pinnacle Frac is currently structured as a wholly owned subsidiary of the Company. Pinnacle Frac has three wholly owned subsidiaries, LAH Lease Service LLC ("LAH"), LSQL Truck & Trailer Sales LLC ("LSQL"), and Triumph Energy Services, LLC ("Triumph") which are limited liability companies pursuant to the laws of the State of Texas. Pinnacle Frac acquired one hundred percent of the issued and outstanding membership interests of LAH and LSQL on April 30, 2018, and subsequently transferred selected operations, employees, equipment, and contracts into Pinnacle Frac. Neither LAH nor LSQL currently have active operations or any assets. Pinnacle Frac acquired one hundred percent of the issued and outstanding membership interests of Triumph on November 6, 2018, and subsequently transferred selected contracts into Pinnacle Frac. Triumph currently has an active bank account and Department of Transportation ("DOT") Motor Carrier Number ("MC Number") but no active employees or operations. Pinnacle Frac commenced operations in May 2018 and is engaged in the business of providing transportation of frac sand and logistics services to major hydraulic fracturing and drilling operators in the domestic United States.

Banner Midstream established Pinnacle Vac Service LLC ("Pinnacle Vac") as a limited liability company pursuant to the laws of the State of Texas on May 8, 2018, with the Company having ownership of one hundred percent of the issued and outstanding membership interests of Pinnacle Vac. Pinnacle Vac is currently structured as a wholly owned subsidiary of the Company. Pinnacle Vac commenced operations in July 2018 and engaged in the business of providing water transportation ("vacuum services") and roustabout work to major drilling operators and production wells in the domestic United States. As of November 15, 2018, Pinnacle Vac no longer has any active operations or employees. See NOTE 8 – DISCONTINUED OPERATIONS.

Banner Midstream established Pinnacle Frac Sales & Service LLC dba Capstone Equipment Leasing ("Capstone") as a limited liability company pursuant to the laws of the State of Texas on May 23, 2018, with the Company having ownership of one hundred percent of the issued and outstanding membership interests of Capstone. Capstone is currently structured as a wholly owned subsidiary of the Company. Pinnacle Frac Sales & Service LLC was renamed Capstone Equipment Leasing, LLC by the Office of the Secretary of State of Texas on October 4, 2018. Capstone commenced operations in October 2018 and is engaged in the business of procuring and financing equipment to various oilfield transportation services contractors ("owner-operators").

Basis of Presentation

The Company's consolidated financial statements have been prepared in conformity with accounting principles generally accepted in the United States (GAAP). Any reference in these notes to applicable guidance is meant to refer to the authoritative GAAP as found in the Accounting Standards Codification (ASC) and Accounting Standards Update (ASU) of the Financial Accounting Standards Board (FASB). All adjustments considered necessary for a fair presentation have been included. These adjustments consist of normal and recurring accruals, as well as non-recurring charges.

Principles of Consolidation

The Company prepares its consolidated financial statements on the accrual basis of accounting. The accompanying consolidated financial statements include the accounts of the Company and its wholly owned subsidiaries, all of which have a year end of December 31. All intercompany accounts, balances and transactions have been eliminated in the consolidation.

Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the U.S. requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the consolidated financial statements and reported amounts of revenues and expenses during the reporting period. These estimates include, but are not limited to, management's estimate of provisions required for uncollectible accounts receivable, fair value of assets held for sale and assets and liabilities acquired, impaired value of equipment and intangible assets, including goodwill, estimates of discount rates in lease, liabilities to accrue, cost incurred in the satisfaction of performance obligations, permanent and temporary differences related to income taxes and determination of the fair value of stock awards. Actual results could differ from those estimates.

Acquisition Accounting

The Company's acquisitions are accounted for under the acquisition method of accounting whereby purchase price is allocated to tangible and intangible assets acquired and liabilities assumed based on fair value. The excess of the fair value of the consideration conveyed over the fair value of the net assets acquired is recorded as goodwill. The excess of the fair value of the net assets acquired over the fair value of the consideration conveyed is recorded as a nonoperating gain on acquisition. The statements of operations for the periods presented include the results of operations for each of the acquisitions from the date of acquisition. See NOTE 7 – ACQUISITION.

Customer Concentration and Credit Risk

During 2019 and 2018, one of our customers accounted for approximately 88.0% and 93.5% respectively of our total gross revenues within our core frac sand transportation division. No other customers exceeded 10% of revenues during 2019 and 2018. 86.1% and two customers accounting for 57.3% and 28.8% of accounts receivable at December 31, 2019, and with the customer with the higher balance in 2019 accounting for 100% of accounts receivable at December 31, 2018. The Company believes it will continue to reduce the customer concentration risks by engaging new customers within its core frac sand transportation business and by continuing acquisitions exploration and production (E&P) for diversification purposes.

57% and three vendors account for 20.6%, 18.3%, and 18.1% respectively of accounts payable at December 31, 2019. 37% and, 37% and two different vendors account for 20.6% and 17.2% respectively at December 31, 2018. No other vendors exceeded 10% of accounts payable at December 31, 2019 and 2018.

The Company maintains demand deposits with commercial banks. At times, certain balances held within these accounts may not be fully guaranteed or insured by the U.S. federal government. The uninsured portion of cash are backed solely by the assets of the underlying institution. As such, the failure of an underlying institution could result in financial loss to the Company.

Cash and Cash Equivalents

Cash equivalents include all highly liquid investments with original maturities of three months or less. The Company often maintains cash balances more than the $250,000 FDIC insured limit per account holder. The Company does not consider this risk to be material.

Accounts Receivable

Accounts receivable are comprised of unsecured amounts due from customers that have been conveyed to a factoring agent without recourse. The Company receives an advance from the factoring agent of 98% of the amount invoiced to the customer within one business day. The Company recognizes revenue for 100% of the gross amount invoiced, records an expense for the 2% finance fee charged by the factoring agent, and realizes cash for the 98% net proceeds received. The Company does not record an allowance for bad debts on any amounts that have been factored non-recourse.

The Company, at times, may conduct business with a customer that has not been approved by the factoring agent to be factored with recourse. The Company will record an allowance for bad debts on receivables that have been factored with recourse due to risk of non-collection falling on the Company versus the factoring agent. As of December 31, 2019, and 2018, all receivables were factored without recourse, so the Company did not record an allowance for doubtful accounts. The factoring agent has the ability to hold various receivables into a reserve account due to various reasons such as documentation errors or customer disputes. As of December 31, 2019, and 2018, the Company had a factoring agent reserve balance of $0 and ($12,100) so a contra asset for that reserve was recorded against the Company's accounts receivable balances.

Property and Equipment and Long-Lived Assets

Property and equipment is stated at cost. Depreciation on property and equipment is computed using the straight-line method over the estimated useful lives of the assets, of ten years for all property and equipment, except leasehold improvements which are depreciated over the term f the lease, which is shorter than the estimated useful life of the improvements.

ASC 360 requires that long-lived assets and certain identifiable intangibles held and used by an entity be reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount of an asset may not be recoverable.

The Company reviews recoverability of long-lived assets on a periodic basis whenever events and changes in circumstances have occurred which may indicate a possible impairment. The assessment for potential impairment is based primarily on the Company's ability to recover the carrying value of its long-lived assets from expected future cash flows from its operations on an undiscounted basis. If such assets are determined to be impaired, the impairment recognized is the amount by which the carrying value of the assets exceeds the fair value of the assets.

ASC 360-10 addresses criteria to be considered for long-lived assets expected to be disposed of by sale. Six criteria are listed in ASC 360-10-45-9 that must be met in order for assets to be classified as held for sale. Once the criteria are met, long-lived assets classified as held for sale are to be measured at the lower of carrying amount or fair value less costs to sell.

The Company assesses the impairment of identifiable intangibles whenever events or changes in circumstances indicate that the carrying value may not be recoverable. Factors the Company considers to be important which could trigger an impairment review include the following:

1. Significant underperformance relative to expected historical or projected future operating results;

2. Significant changes in the manner of use of the acquired assets or the strategy for the overall business; and

3. Significant negative industry or economic trends.

When the Company determines that the carrying value of intangibles may not be recoverable based upon the existence of one or more of the above indicators of impairment and the carrying value of the asset cannot be recovered from projected undiscounted cash flows, the Company records an impairment charge. The Company measures any impairment based on a projected discounted cash flow method using a discount rate determined by management to be commensurate with the risk inherent in the current business model. Significant management judgment is required in determining whether an indicator of impairment exists and in projecting cash flows. The Company tested the carrying value of its long-lived assets for recoverability during the year ended December 31, 2019 and period April 2, 2018 (Inception) through December 31, 2018, and there was impairment recorded in the amount of $525,693 for the year ended December 31, 2019.

Accrued Expenses

To prepare its financial statements, the Company estimates accrued expenses. The accrual process involves reviewing open contracts, communicating with personnel to identify services that have been performed on behalf of the Company and estimating the level of service performed and the associated cost incurred for the service when the Company has not yet been invoiced or otherwise notified of the actual cost. The Company makes estimates of accrued expenses as of each balance sheet date based on the facts and circumstances known to the Company at that time. Although the Company does not expect the estimates to be materially different from amounts actually incurred, if the estimates of the status and timing of services performed differs from the actual status and timing of services performed, the Company may report amounts that are too high or too low in any particular period. Historically, the estimated accrued liabilities have approximated actual expenses incurred. Subsequent changes in estimates may result in a material change in the accruals.

Fair Value Measurements

The accounting guidance defines fair value, establishes a consistent framework for measuring fair value and expands disclosure for each major asset and liability category measured at fair value on either a recurring or non-recurring basis. Fair value is defined as an exit price, representing the amount that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants. As such, fair value is a market-based measurement that should be determined based on assumptions that market participants would use in pricing an asset or liability. As a basis for considering such assumptions, the accounting guidance establishes a three-tier fair value hierarchy, which prioritizes the inputs used in measuring fair value as follows:

Level 1: Observable inputs such as quoted prices in active markets.
Level 2: Inputs, other than the quoted prices in active markets that are observable either directly or indirectly.
Level 3: Unobservable inputs in which there is little or no market data, which require the reporting entity to develop its own assumptions.

The carrying values of the Company's financial instruments such as cash, accounts payable, and accrued expenses approximate their respective fair values because of the short-term nature of those financial instruments.

Revenue Recognition

The Company accounts for revenue in accordance with ASC Topic 606, *Revenue from Contracts with Custo*mers.

The Company accounts for a contract when it has been approved and committed to, each party's rights regarding the goods or services to be transferred have been identified, the payment terms have been identified, the contract has commercial substance, and collectability is probable. Revenue is generally recognized net of allowances for returns and any taxes collected from customers and subsequently remitted to governmental authorities. Revenue recognition for multiple-element arrangements requires judgment to determine if multiple elements exist, whether elements can be accounted for as separate units of accounting, and if so, the fair value for each of the elements.

Revenue under master service agreements is recorded upon the performance obligation being satisfied. Typically, the satisfaction of the performance obligation occurs upon the frac sand load being delivered to the customer site and this load being successfully invoiced and accepted by the Company's factoring agent.

The Company accounts for contract costs in accordance with ASC Topic 340-40, *Contracts with Customers*. The Company recognizes the cost of sales of a contract as expense when incurred or at the time a performance obligation is satisfied. The Company recognizes an asset from the costs to fulfil a contract only if the costs relate directly to a contract, the costs generate or enhance resources that will be used in satisfying a performance obligation in the future and the costs are expected to be recovered. The incremental costs of obtaining a contract are capitalized unless the costs would have been incurred regardless of whether the contract was obtained.

Cost of sales for Pinnacle Frac includes all direct expenses incurred to produce the revenue for the period. This includes, but is not limited to, direct employee labor, direct contract labor and fuel.

Income Taxes

The Company provides for income taxes under Financial Accounting Standards Board ("FASB") Accounting Codification Number ("ASC") 740, "Accounting for Income Taxes." ASC 740 requires the use of an asset and liability approach in accounting for income taxes. ASC 740 requires the reduction of deferred tax assets by a valuation allowance if, based on the weight of available evidence, it is more likely than not that some or all the deferred tax assets will not be realized. In accordance with ASC 740, the Company must evaluate its tax positions and determined that there was no tax loss carryforward and no deferred tax assets or deferred tax liabilities at December 31, 2019 and 2018.

Share-Based Payment Arrangements

The Company has accounted for stock-based compensation arrangements in accordance with Accounting Standards Codification subtopic 718-10, Compensation ("ASC 718"). This guidance addresses all forms of share-based payment awards including shares issued under employee stock purchase plans, stock options, restricted stock and stock appreciation rights, as well as share grants and other awards issued to employees and non-employees under free-standing arrangements. These awards are recorded at costs that are measured at fair value on the awards' grant dates, based on the estimated number of awards that are expected to vest and will result in charges to operations.

There were no employee equity awards from inception to December 31, 2019. The Company granted 500,000 shares of restricted common stock in October 2018 to various advisors representing the Company for business development. The Company issued 250,000 shares of common stock to these advisors in October through December 2018 based on the vesting date of each award. The remaining 250,000 granted shares had not vested as of December 31, 2018. There were no employee or contractor stock options ("stock option awards") granted from inception to December 31, 2019.

The Company issued 353,448 warrants to purchase common stock in conjunction with a short-term senior secured convertible note payable. The grant-date fair value of warrants was estimated using the Black-Scholes option-pricing model, which incorporated a volatility of 221% based on 4 publicly comparable public companies in the same sector of oilfield services as the Company. A discount yield of 2.51% was used based on the recent yield of a 10-year treasury bond. The value of the 5-year warrants of $1,041,394 was recorded as a discount to note payable and will be amortized via interest expense over the life of the 8-month note payable. The warrants were cancelled in November 2019 at the election of the note holder prior to the Company's reverse merger. See NOTE 7: ACQUISITIONS for more information on the reverse merger transaction.

December 31, 2019:	Number	Weighted Average Exercise Price
Beginning Balance	353,448	$ 5.75
Granted	-	-
Exercised	-	
Forfeited	-	
Cancelled	(353,448)	
Ending Balance	-	$ -
Weighted Average Remaining Contractual Life (Years)	-	

December 31, 2018:	Number	Weighted Average Exercise Price
Beginning Balance	-	$ -
Granted	353,448	$ 5.75
Exercised	-	
Forfeited	-	
Cancelled	-	
Ending Balance	353,448	$ 5.75
Weighted Average Remaining Contractual Life (Years)	4.7	

Leases

The Company followed ASC 840 *Leases* in accounting for leased properties until 2019 when it adopted ASC 842 for its accounting for finance and operating leases in 2019. The Company leases office and production facilities for terms typically ranging from three to five years. Rent escalations over the term of a lease are considered at the inception of the lease such that the monthly average for all payments is recorded as straight-line rent expense with any differences recorded in accrued liabilities.

Earnings (Loss) Per Share of Common Stock

Basic net income (loss) per common share is computed using the weighted average number of common shares outstanding. Diluted earnings per share (“EPS”) include additional dilution from common stock equivalents, such as convertible notes, preferred stock, stock issuable pursuant to the exercise of stock options and warrants. Common stock equivalents are not included in the computation of diluted earnings per share when the Company reports a loss because to do so would be anti-dilutive for periods presented, so only basic weighted average number of common shares are used in the computations.

Recently Issued Accounting Pronouncements

From time to time, new accounting pronouncements are issued by the FASB or other standard setting bodies that are adopted by the Company as of the specified effective date. Unless otherwise discussed, the Company believes that the impact of recently issued standards that are not yet effective will not have a material impact on its financial position or results of operations upon adoption.

Going Concern

The Company concluded that its negative cash flows from operations raise substantial doubt about the Company's ability to continue as a going concern for one year from the date the consolidated financial statements are issued.

Management believes that with the Company being acquired by Ecoark Holdings, Inc. on March 27, 2020 as discussed below, this will result in sufficient capital to sustain operations for the next 12 months. Even though management believes this plan will allow the Company to continue as a going concern, there are no guarantees to the successful execution of this plan.

These consolidated financial statements of the Company have been prepared assuming that the Company will continue as a going concern, which contemplates, among other things, the realization of assets and the satisfaction of liabilities in the normal course of business over a reasonable period of time.

On March 27, 2020, the Company was acquired by Ecoark Holdings, Inc. for 8,945,205 shares of common stock, and Ecoark Holdings, Inc. assumed all of the debt of the Company.

Impact of COVID-19

The recent outbreak of COVID-19, which has been declared by the World Health Organization to be a pandemic, has spread across the globe, and is impacting worldwide economic activity. A pandemic, including COVID-19, or other public health epidemic poses the risk that the Company or its employees, suppliers, and other partners may be prevented from conducting business activities at full capacity for an indefinite period of time, including due to spread of the disease within these groups or due to shutdowns that may be requested or mandated by governmental authorities. While it is not possible at this time to estimate the impact that COVID-19 could have on the Company's business, the continued spread of COVID-19 and the measures taken by the governments of countries affected and in which the Company operates could disrupt the operation of the Company's business. The COVID-19 outbreak and mitigation measures may also have an adverse impact on global economic conditions, which could have an adverse effect on the Company's business and financial condition, including on its potential to conduct financings on terms acceptable to the Company, if at all. In addition, the Company may take temporary precautionary measures intended to help minimize the risk of the virus to its employees, including temporarily requiring all employees to work remotely, and discouraging employee attendance at in-person work-related meetings, which could negatively affect the Company's business. The extent to which the COVID-19 outbreak impacts the Company's results will depend on future developments that are highly uncertain and cannot be predicted, including new information that may emerge concerning the severity of the virus and the actions to contain its impact.

NOTE 2: REVENUE

The Company accounts for revenue in accordance with ASC Topic 606, *Revenue from Contracts with Customers*, which the Company adopted effective January 1, 2019. No cumulative adjustment to members equity was required, and the adoption did not have a material impact on our financial statements, as no material arrangements prior to the adoption were impacted by the new pronouncement.

The following table disaggregates the Company's revenue by major source for the year ended December 31, 2019 and period April 2, 2018 (Inception) through December 31, 2018:

	2019	2018
Revenue:		
Transportation and logistics	$ 13,652,256	$ 8,418,966
Equipment rental revenue	923,617	194,788
Fuel rebate	139,344	-
Other revenue	-	1,235
	$ 14,715,217	$ 8,614,989

There were no significant contract asset or contract liability balances for all periods presented. The Company does not disclose the value of unsatisfied performance obligations for (i) contracts with an original expected length of one year or less and (ii) contracts for which we recognize revenue at the amount to which we have the right to invoice for services performed.

Collections of the amounts billed are typically paid by the customers within 30 to 60 days.

NOTE 3: PROPERTY AND EQUIPMENT

Property and equipment consisted of the following as of December 31:

	2019	2018
Machinery and equipment – Pinnacle Frac Transport	$ 4,343,242	$ 4,750,923
Machinery and equipment – Capstone Equipment Leasing	456,622	456,622
Leasehold improvements	25,276	-
Accumulated depreciation and impairment	(1,336,147)	(339,270)
Property and equipment, net	$ 3,488,993	$ 4,868,275

Machinery and equipment with a net book value of $1,741,365 was recorded at the time of the acquisition of LAH Lease Service on April 30, 2018. Depreciation expense net of disposals from inception to December 31, 2018 was $339,270, and loss on disposal of assets was $314,114.

Depreciation expense for the year ended December 31, 2019 was $483,183 and impairment expense on fixed assets of $525,693. Loss on disposal via assets sold was $36,000, while loss on disposal via assets impaired or taken out of service was $327,682.

NOTE 4: LONG-TERM DEBT

Long-term debt consisted of the following as of December 31:

	2019	2018
Senior secured bridge loan (a)	$ 1,666,667	$ 3,534,475
Note payable – working capital (b)	200,000	-
Note payable – LAH 1 (c)	110,000	110,000
Note payable – Unsecured note payable (d)	500,000	-
Merchant Cash Advance (MCA) loan –1 (e)	266,786	-
MCA loan – 2 (f)	347,222	-
MCA loan - 3 (g)	135,417	-
Note payable – Alliance Bank (h)	1,368,500	-
Commercial loan – Pinnacle Frac – Firstar Bank (i)	999,692	1,261,517
Auto loan 1 – Pinnacle Vac – Firstar Bank (j)	42,155	52,260
Auto loan 2 – Pinnacle Frac – Firstar Bank (k)	55,532	68,496
Auto loan 3 – Pinnacle Vac – Ally Bank (l)	44,435	53,508
Auto loan 4 – Pinnacle Vac – Ally Bank (m)	45,824	51,398
Auto loan 5 – Pinnacle Vac – Ally Bank (n)	45,629	51,649
Auto loan 6 – Capstone – Ally Bank (o)	248,269	301,148
Tractor Loan 7 – Capstone – Tab Bank (p)	111,717	130,314
Total long-term debt	6,187,845	5,614,765
Less: debt discount	(312,289)	(629,821)
Less: current portion	(5,412,287)	(3,423,432)
Long-term debt, net of current portion	$ 463,269	$ 1,561,512

(a) On November 21, 2019, the Company entered into a senior secured convertible note for $1,666,667 with an original issue discount of $204,230. The note bears interest at the rate of 10% per annum and is due on November 15, 2020. The Company also issued 300,000 shares of common stock to the lender upon issuance. The conversion price of the loan was the lesser of $1.50 per share and the lowest of a 30% discount to the 3 lowest closing prices of the Mount Tam's common stock for 10 days end on the day prior to the conversion notice. The Company's previous senior secured note holders agreed to waive $261,500 of outstanding principal and $39,143 in remaining interest on their note at the request of the new senior lender to facilitate the successful closure of the transaction. Accrued interest on the note was $18,519 as of December 31, 2019.

(b) An unrelated third-party advanced $200,000 to the Company. These amounts were due April 15, 2020 and bears interest at 14% interest per annum. Accrued interest on this note as of December 31, 2019 is $3,392.

(c) Unsecured note payable previously issued April 2, 2018 which was assumed by the Company in the acquisition of a previous entity. The amount is past due and bears interest at 15% per annum. Accrued interest at December 31, 2019 is $18,188.

(d) Unsecured notes payable issued in October 2019 to two unrelated third parties at 12% interest. There are two notes to this party in total. Accrued interest on these notes at December 31, 2019 is $10,795.

(e) Merchant cash advance loan. Accrued interest on this note at December 31, 2019 is $104,119.

(f) Merchant cash advance loan. Accrued interest on this note at December 31, 2019 is $135,417.

(g) Merchant cash advance loan. Accrued interest on this note at December 31, 2019 is $40,625.

(h) Original interest only loan dated June 14, 2019 with an original maturity date of April 14, 2020. The Company extended this loan at 4.95% with a new maturity date of April 14, 2025. Debt discount on this loan at December 31, 2019 was $129,994.

(i) Original loan date of February 28, 2018, due July 28, 2020 at an interest rate of the Wall Street Journal Prime Rate adjusting annually on the anniversary of the note for $1,428,132 for 18 tractor trucks maturing on February 28, 2020. The note is secured by the collateral purchased and accrues interest annually at 4.50% with principal and interest payments due monthly.

(j) On July 20, 2018, Pinnacle Vac Service entered into a long-term secured note payable for $56,300 for a service truck maturing July 20, 2023. The note is secured by the collateral purchased and accrued interest annually at 6.50% with principal and interest payments due monthly. There is no accrued interest as of December 31, 2019.

(k) On August 3, 2018, Pinnacle Frac Transport entered into a long-term secured note payable for $72,669 for a service truck maturing August 3, 2023. The note is secured by the collateral purchased and accrued interest annually at 6.50% with principal and interest payments due monthly. There is no accrued interest as of December 31, 2019.

(l) On July 18, 2018, Pinnacle Vac Service entered into a long-term secured note payable for $55,525 for a service truck maturing August 17, 2024. The note is secured by the collateral purchased and accrued interest annually at 9.00% with principal and interest payments due monthly. There is no accrued interest as of December 31, 2019.

(m) On July 26, 2018, Pinnacle Vac Service entered into a long-term secured note payable for $53,593 for a service truck maturing September 9, 2024. The note is secured by the collateral purchased and accrued interest annually at 7.99% with principal and interest payments due monthly. There is no accrued interest as of December 31, 2019.

(n) On July 26, 2018, Pinnacle Vac Service entered into a long-term secured note payable for $55,268 for a service truck maturing September 9, 2024. The note is secured by the collateral purchased and accrued interest annually at 7.99% with principal and interest payments due monthly. There is no accrued interest as of December 31, 2019.

(o) On November 5, 2018, Capstone Equipment Leasing entered into four long-term secured notes payable for $139,618 maturing on November 5, 2021. The notes are secured by the collateral purchased and accrued interest annually at rates ranging between 6.89% and 7.87% with principal and interest payments due monthly. There is no accrued interest as of December 31, 2019.

(p) On November 7, 2018, Capstone Equipment Leasing entered into a long-term secured note payable for $301,148 maturing on November 22, 2023. The note is secured by the collateral purchased and accrued interest annually at 10.25% with principal and interest payments due monthly. There is no accrued interest as of December 31, 2019.

In addition, on September 28, 2018 the Company repaid a short-term senior secured note payable, originally due July 31, 2018, for $1,536,437. This note was issued on April 30, 2018 with interest accruing at 10% annually with interest due upon maturity. The note principal and all accrued interest totaling $55,891 were paid in full on September 28, 2018.

The Company incurred interest expense of $2,866,449 and $1,168,357 for the year ended December 31, 2019 and period April 2, 2018 (Inception) through December 31, 2018.

The following is a list of maturities (net of discount) as of December 31:

2020	$	5,412,287
2021		197,936
2022		123,586
2023		117,389
2024		24,358
	$	5,875,556

NOTE 5: NOTES PAYABLE - RELATED PARTIES

Notes payable to related parties consisted of the following as of December 31:

		2019		2018
Note - Director (a)	$	631,492	$	77,000
Notes - Director (b)		1,080,500		968,000
Note – Director (c)		250,000		-
Note – Officer (d)		67,500		55,000
Total Notes Payable – Related Parties		2,029,492		1,100,000
Less: Current Portion of Notes Payable – Related Parties		(2,029,492)		(1,100,000)
Long-term debt, net of current portion	$	-	$	-

(a) A director advanced $234,000 in four notes ($474,492) and in advances ($157,000) to the Company. One of the note amounts is past due and bears interest at 10% per annum. Accrued interest at December 31, 2019 is $39,365.

(b) A director advanced $1,080,500 in four separate notes to the Company. Two of these amounts are past due and these notes are due at various times through December 2020 and bear interest at 10-15% interest per annum. Accrued interest on these notes as of December 31, 2019 is $153,560.

(c) On January 16, 2019, the Company entered into a short-term junior secured promissory note payable with a director for $250,000 maturing on June 15, 2019, extended to December 16, 2019, and further extended to June 30, 2020. The note accrues interest annually at 10% and has a subordinated security interest to the senior secured convertible note payable entered into on August 24, 2018. Accrued interest at December 31, 2019 is $19,041.

(d) An officer of the Company advanced $67,500 in two notes. This amount is due July 2020 and bears interest at 10-15% interest per annum. Accrued interest on these notes as of December 31, 2019 is $14,786.

The Company incurred interest expense of $129,036 and $97,718 for the year ended December 31, 2019 and period April 2, 2018 (Inception) through December 31, 2018.

NOTE 6: STOCKHOLDERS' EQUITY

The Company has 5,000,000 shares of preferred stock authorized at $0.0001 par value per share, and there were no preferred shares issued or outstanding at December 31, 2019 and 2018.

The Company issued 10,000 shares of preferred stock in July 2019 at $10.00 per share for proceeds totaling $100,000 to a high net worth accredited investor. The preferred shares have a conversion feature where they would convert into common stock at 30% discount to the closing price on the date of the company's first trading day as a public company. The preferred shares include 10,000 warrants with a 5-year maturity and exercisable at a 15% premium to the issuance price.

The Company has 45,000,000 shares of common stock authorized at $0.0001 par value per share, and there were 5,565,976 and 5,320,807 common shares issued and outstanding at December 31, 2019 and 2018, respectively.

The Company issued 3,000,000 shares of restricted common stock for one hundred percent of the issued and outstanding membership interest of Pinnacle Frac Transport LLC on May 24, 2018. The Company issued 2,000,000 shares of restricted common stock on June 20, 2018 at a part of a management agreement with Ozark Empire Capital Management to manage the executive function of the Company, raise capital for the Company, identify and complete acquisitions for the Company, and lead the Company's effort to file to go public. The Company issued an additional 70,807 shares of restricted common stock in September through December 2018 at $3 per share for proceeds totaling $212,913 to various high net worth accredited investors as a part of an equity financing round. The Company issued an additional 250,000 shares of restricted common stock in October through December 2018 to various advisors representing the Company for business development, which have been valued at $3 per share for a total $750,000.

The Company issued an additional 85,169 shares of common stock in January through April 2019 at $3.00 per share for proceeds totaling $255,507 to various high net worth accredited investors as a part of an equity financing round.

On February 1, 2019 and on April 1, 2019, the Company issued 30,000 shares on each vesting date (60,000 total) to an advisor representing the Company for business development.

The Company terminated an agreement with an advisor on January 13, 2019 resulting in the forfeiture of 190,000 previously granted but unvested shares of restricted common stock. 10,000 of the 200,000 shares were issued in 2018 with no further commitment required in 2019 after the execution of the termination to the agreement.

NOTE 7: ACQUISITIONS

LAH Lease Service LLC Acquisition

The Company made a bargain purchase of $100 for LAH Lease Service LLC, on April 30, 2018, which was insolvent at the time of acquisition. All of the issued and outstanding membership interests of LAH were purchased for a cost of $208,690 below net book value which resulted in the gain on acquisition.

LAH LEASE SERVICE LLC
STATEMENT OF ASSETS AND LIABILITIES
As of April 30, 2018

Assets		
Accounts Receivable (net of allowance for uncollectible accounts)		718,600
Machinery & Equipment (net of accumulated depreciation)		1,741,365
Total Assets	**$**	**2,459,965**
Liabilities		
Cash Overdrawn		3,434
Accounts Payable		123,423
Accrued Expenses		1,424,318
Short-term Notes Payable		100,000
Related Party Notes Payable		600,000
Total Liabilities	**$**	**2,251,175**
Net Book Value	**$**	**208,790**
Acquisition Purchase Price		100
Gain on Acquisition	**$**	**208,690**

Pro forma (Unaudited)

Pinnacle Frac acquired one hundred percent of the issued and outstanding membership interests of LAH and LSQL on April 30, 2018, and subsequently transferred selected operations, employees, equipment, and contracts into Pinnacle Frac.

The following unaudited pro forma information presents the combined results of operations as if the acquisitions had been completed on April 30, 2018. The unaudited pro forma results include amortization associated with preliminary estimates for the acquired intangible assets on these unaudited pro forma adjustments.

The unaudited pro forma results do not reflect any cost saving synergies from operating efficiencies, or the effect of the incremental costs incurred in integrating the two companies. Accordingly, these unaudited pro forma results are presented for informational purpose only and are not necessarily indicative of what the actual results of operations of the combined company would have been if the acquisition had occurred at the beginning of the period presented, nor are they indicative of future results of operations:

From May 1, 2018 to December 31, 2018	**Pinnacle Frac Transport**	**LAH**	**LSQL**	**Total**	**Dr**	**Cr**	**Proforma**
Revenues	$ 8,420,200	$ -	$ -	$ 8,420,200	$ -		$ 8,420,200
Net income (loss)	$ (1,565,945)	$ (372)	$ (272)	$ (1,566,589)		$ (314,114)	$ (1,566,589)

From May 1, 2018 to December 31, 2018, the proforma adjustment of $314,114 is for a loss on disposal recorded for the 8 months ended December 31, 2018 for equipment that was acquired and not deemed fit to be placed into service. There was no amortization expense recorded from the acquisition date to December 31, 2018 due to the acquisition being purchased below net book value and no goodwill being recorded.

Mount Tam Reverse Merger

On September 26, 2019, the Company executed a reverse merger agreement with Mount Tam Biotechnologies, Inc. (OTC: MNTM) ("Mount Tam"). The merger closed on November 18, 2019, with Banner Midstream becoming a wholly owned subsidiary of Mount Tam. Under terms of the agreement, Banner Midstream as the surviving entity and became a subsidiary of Mount Tam. Upon closure of the transaction, Mount Tam changed its name to MTB Corp. and executed a successful reverse split of its common stock at a ratio of one new share for each 95 existing shares. The reverse split and name change to MTB Corp. took effect November 14, 2019. At the time of closing, shareholders of Mount Tam had a combined ownership position of approximately 10%, and the former Banner shareholders collectively owned approximately 90% of the outstanding stock. Mount Tam's shares traded under the temporary ticker symbol "MNTMD" and following a 20-day trading period, the Company's symbol transitioned to the permanent ticker symbol "BANM." On February 12, 2020, the name from MTB Corp. was changed to Banner Energy Services Corp. On March 27, 2020, Banner Energy Services Corp divested Banner Midstream to Ecoark Holdings, Inc. See NOTE 13: SUBSEQUENT EVENTS.

NOTE 8: DISCONTINUED OPERATIONS

The Company made the decision to discontinue the operations of its wholly owned subsidiary, Pinnacle Vac Service LLC ("Pinnacle Vac"), effective October 31, 2018 due to the inability of Pinnacle Vac's management to develop a sustainable, profitable business model. All of the non-managerial staff of Pinnacle Vac were terminated on October 23, 2018 and all of its oilfield services operations were terminated on October 23, 2018. The managerial staff of Pinnacle Vac was terminated on November 15, 2018 and Pinnacle Vac's rental facility at Sligo Rd was vacated on November 15, 2018.

Pursuant to ASC 205-20, Presentation of Financial Statements – Discontinued Operations, ASC-20-45-1B, paragraph 360-10-45-15, Pinnacle Vac will be disposed of other than by sale via an abandonment and termination of operations with no intent to classify the entity or assets as Available for Sale. Pursuant to ASC 205-20-45-3A, the results of operations of Pinnacle Vac from inception to discontinuation of operations will be reclassified to a separate component of income, below Net Income/(Loss), as a Loss on Discontinued Operations.

All of the equipment assets of Pinnacle Vac and the related loan liabilities will be subsequently transitioned into a separate wholly owned subsidiary of Banner, Capstone Equipment Leasing LLC to continue servicing the debt. The remaining current assets of Pinnacle Vac will be used to settle any outstanding current liabilities of Pinnacle Vac. A loss contingency will be recorded on the books of Banner if any of the outstanding liabilities or obligations of Pinnacle Vac resulting from this abandonment are reasonably estimable and likely to be incurred.

December 31, 2019 and 2018		2019		2018
Cash and Cash Equivalents	$	51	$	183
Prepaid Expenses		-		10,500
	$	**51**	**$**	**10,683**
Machinery and Equipment (net of accumulated depreciation)		248,966		248,966
Intangible Assets (net of accumulated amortization)		-		30,500
	$	**249,017**	**$**	**290,149**
Accounts Payable		227,522		245,285
Accrued Expenses		-		31,500
	$	**227,522**	**$**	**276,785**
Year Ended December 31, 2019 and May 8, 2018 (Inception) to October 31, 2018				
Revenue	$	-	$	369,781
Cost of Sales		-		245,759
Gross Profit		-		124,022
Operating Expenses		5,236		431,994
Loss from discontinued operations	**$**	**(5,236)**	**$**	**(307,972)**
Non-cash revenues (expenses)		8,131		(13,364)
Net cash used in discontinued operations	**$**	**(13,367)**	**$**	**(321,336)**

NOTE 9: COMMITMENTS AND CONTINGENCIES

Litigation

Pinnacle Frac Transport LLC has retained Almanza, Blackburn, Dickie & Mitchell LLP ("ABDM") for representation in the case *Garnett, Mark vs. Hamrick, William "Bill"*. Bill Hamrick is the former owner of LAH Lease Service LLC and LSQL Truck and Trailer Sales LLC which were acquired by Pinnacle Frac Transport on April 30, 2018. The Company has not accrued a loss contingency due to the inability to estimate a reasonable estimate of the amount of loss and the unlikelihood of an unfavorable outcome. The Company received a full settlement and release from all plaintiffs on December 31, 2019 and incurred no loss liabilities other than the costs for its external legal counsel at ABDM.

The Company has been assigned a $1,661,858 judgment against William "Bill" Hamrick, the former owner of LAH and LSQL. The judgment was transferred by FracSure LLC ("FracSure") to the Company on September 28, 2018 because of the Company satisfying the payment in full on a $1,536,437 note payable for equipment in September 2018. The Company engaged with the law firm, Pakis, Giotes, Page & Burleson ("Pakis") on November 15, 2018 to begin collection efforts on the judgment in the State of Texas. The Company engaged with the law firm, Wiener, Weiss & Madison ("WWM") on January 31, 2019 to begin collection efforts on the Hamrick judgment in the State of Louisiana. As of December 31, 2019, the Company has not been successful in its attempts to collect on the judgment.

Accounts Payable

Pinnacle Vac Service has $227,522 and $245,285 in accounts payable as of December 31, 2019 and 2018 and has not had sufficient funds to make any significant payments since operations were discontinued in October 2018. The Company has not signed any corporate guaranty on this subsidiary's payables, but the accounts payable balance remains as a liability until each payable can successfully be satisfied with the vendor.

NOTE 10: LEASES

The Company has adopted ASU No. 2016-02, *Leases (Topic 842)*, as of January 2019 when they entered into their first operating lease and will account for their leases in terms of the right of use assets and offsetting lease liability obligations under this pronouncement and the first finance lease was created when the equipment was financed. The Company records their leases at present value, in accordance with the standard, using discount rates ranging between 2.5% and 6.8%. The right of use asset is composed of the sum of all lease payments, at present value, and is amortized straight line over the life of the expected lease term. For the expected term of the lease the Company used the initial terms ranging between 42 and 60 months. Upon the election by the Company to extend the lease for additional years, that election will be treated as a lease modification and the lease will be reviewed for remeasurement. This lease will be treated as an operating lease under the new standard.

The Company has also elected to utilize the transition related practical expedients permitted by the new standard. The modified retrospective approach provides a method for recording existing leases at adoption and in comparative periods that approximates the results of a modified retrospective approach. Adoption of the new standard did not result in an adjustment to retained earnings for the Company.

The leased property at the Preston Rd Office was assigned by Razor to Capstone for and in consideration of $10.00 on January 1, 2019. The Company's co-tenancy agreement with Razor was subsequently terminated on January 1, 2019.

As of December 31, 2019, the value of the unamortized lease right of use asset is $779,199. As of December 31, 2019, the Company's lease liability was $786,379.

Maturity of Lease Liability for year ended December 31,		
2021	$	220,234
2022	$	199,838
2023	$	179,722
2024	$	135,260
2025	$	51,325
Total lease payments	$	786,379

Amortization of the right of use asset for fiscal year ended December 31,		
2021	$	215,727
2022	$	195,536
2023	$	177,391
2024	$	138,609
2025	$	51,936
Total lease payments	$	779,199

NOTE 11: RELATED PARTY TRANSACTIONS

The Company and its subsidiaries Pinnacle Frac Transport, Pinnacle Vac Service, and Capstone Equipment Leasing have been domiciled at the location of 5899 Preston Road #505, Frisco, TX 75034 ("Preston Rd Office") since inception. In addition to the domicile, the principal operations of the Company and Capstone Equipment Leasing have been managed out of the aforementioned location. The Preston Rd Office is currently being leased but not utilized by a related party managed by Ozark Empire Capital Management, Razor Medical Science LLC ("Razor"). The Company previously had entered into a co-tenancy agreement with Razor where the Company would $1,600 per month which is equal to one half of the total lease payment owed by Razor to the lessor; the agreement was for 36 months beginning in April 2018, the original usage date by the Company. Razor discontinued operations on January 1, 2019 and an assignment was executed to transfer the lease into the name of Capstone Equipment Leasing LLC for full-time usage by the Company at a rental rate of $3,300 per month.

NOTE 12: INCOME TAXES

The Company is a newly created legal entity during the tax year 2018 (April 2, 2018) and was not eligible to file tax returns in prior years. All of the Company's wholly owned subsidiaries were disregarded entities prior to acquisition and continue to be after acquisition. The Company has elected to report its fiscal year end as of December 31 and has elected tax treatment as of a December 31 calendar year end.

The Company accounts for income taxes under ASC Topic 740: Income Taxes which requires the recognition of deferred tax assets and liabilities for both the expected impact of differences between the financial statements and the tax basis of assets and liabilities, and for the expected future tax benefit to be derived from tax losses and tax credit carryforwards. ASC Topic 740 additionally requires the establishment of a valuation allowance to reflect the likelihood of realization of deferred tax assets. The Company has a net operating loss carryforward for tax purposes totaling ($7,259,899) at December 31, 2019.

On December 22, 2017, the U.S. government enacted comprehensive tax legislation commonly referred to as the Tax Cuts and Jobs Act (the “Tax Act”), which makes broad and complex changes to the U.S. tax code. Certain of these changes may be applicable to the Company, including but not limited to, reducing the U.S. federal corporate tax rate from 35 percent to 21 percent, creating a new limitation on deductible interest expense, eliminating the corporate alternative minimum tax (“AMT”), modifying the rules related to uses and limitations of net operating loss carryforwards generated in tax years ending after December 31, 2017, and changing the rules pertaining to the taxation of profits earned abroad (IRC Sec. 965. Changes in tax rates and tax laws are accounted for in the period of enactment. The Tax Act reduces the corporate tax rate to 21 percent, effective January 1, 2018.

Pursuant to Internal Revenue Code Sections 382 and 383, the utilization of net operating losses and other tax attributes may be substantially limited or eliminated due to cumulative changes in ownership greater than 50% that may have occurred during an applicable testing periods. Management has not performed a Section 382/383 analysis to determine the possible limitation on its net operating losses in 2018.

Management has placed a full valuation allowance on its Net Deferred Tax Assets since it is more likely than not that the Net Deferred Tax Asset will not be utilized.

The table below summarizes the differences between the tax benefit computed at the statutory federal tax rate and the Company’s net income tax benefit from April 2, 2018 (Inception) to December 31, 2018 and the year ended December 31, 2019:

	2019	2018
Net operating loss carryover	$ 4,639,861	$ 3,708,360
Fixed Assets	(839,807)	(314,114)
Share-based compensation	(180,000)	(750,000)
Depreciation expense	(483,183)	(339,270)
Valuation allowance	(3,136,871)	(2,304,976)
Net deferred tax asset	$ -	$ -
Tax benefit computed at expected statutory rate	$ (974,371)	$ (778,756)
State income taxes	-	-
Permanent differences:		
Depletion	176,359	65,964
Temporary differences:		
Share-based compensation	37,800	157,500
Depreciation expense	101,468	71,247
Valuation Allowance	658,744	484,045
Net income tax benefit	$ -	$ -
Federal statutory rate (benefit)	(21)%	(21)%
Permanent differences	3%	1%
Change in valuation allowance	18%	20%
Effective Tax Rate	(0)%	(0)%

NOTE 13: SUBSEQUENT EVENTS

On March 27, 2020, the Company entered into a Membership Interest Purchase Agreement (the “MIPA”) with Shamrock Upstream Energy LLC (“Shamrock”) as a closing condition of a Stock Purchase Agreement (the “SPA”) with Banner Energy Services Corp (“Banner Energy”) to divest the Company into Ecoark Holdings, Inc. (“Ecoark”). The SPA was completed on March 27, 2020 immediately after the completion of the MIPA. Pursuant to the terms of the MIPA, the members of Shamrock exchanged their membership interests for a $1,800,000 seller note payable and a $1,200,000 short-term due to seller liability.

On March 27, 2020 WR Holdings Corp. (“WR Holdings”) entered into a Stock Purchase Agreement (“SPA 1”) with the Company as a closing condition with a Stock Purchase Agreement (“SPA 2”) with Banner Energy Services Corp (“Banner Energy”) to divest the Company into Ecoark Holdings, Inc. (“Ecoark”). SPA 2 was completed on March 27, 2020 immediately after the completion of SPA 1. Pursuant to the terms of SPA 1, the stockholders of WR Holdings exchanged their shares for a $4,000,000 seller note payable and a $1,000,000 short-term due to seller liability. The proceeds from the $1,000,000 short-term due to seller liability were used to return capital to the members of SPV 1 and allow the dissolution of that entity.

On March 16, 2020, and March 19, 2020, the Company amended its senior secured convertible note payable to adjust for change of control clauses and a technical default related to the pending sale to Ecoark. Principal balance was subsequently increased to $2,222,222 and the interest rate and late fee penalty rates were adjusted to 18% respectively.

On March 27, 2020, the Company was acquired by Ecoark Holdings, Inc. for 8,945,205 shares of common stock, and Ecoark Holdings, Inc. assumed all of the debt of the Company.

On April 14, 2020, after the Company was acquired by Ecoark Holdings Inc. amended its interest only loan with Alliance Bank to a principal and interest payment amortizing loan with a maturity date of April 14, 2025. Interest rate is 4.95% and monthly payments $23,371 starting May 14, 2020 until maturity.

Shamrock Upstream Energy LLC

Financial Statements

Report of Independent Registered Public Accounting Firm

RBSM LLP
Accountants & Advisors

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To the Members of
Shamrock Upstream Energy LLC

Opinion on the Financial Statements

We have audited the accompanying balance sheets of Shamrock Upstream Energy LLC (The "Company") as of December 31, 2019 and 2018 and the related statements of operations, statement of member's equity, and cash flows for each of the two- years period ended December 31, 2019 and 2018, and the related notes (collectively referred to as the financial statements). In our opinion, the financial statements present fairly, in all material respects, the financial position of the Company as of December 31, 2019 and 2018, and the results of its operations and its cash flows for each of the two-years ended December 31, 2019 and 2018, in conformity with accounting principles generally accepted in the United States of America.

The Company's Ability to Continue as a Going Concern

The accompanying financial statements have been prepared assuming that the Company will continue as a going concern, which contemplates, among other things, the realization of assets and the satisfaction of liabilities in the normal course of business over a reasonable period of time. As discussed in Note 1 of the financial statements, the Company has experienced recurring losses for the two year period ended December 31, 2019 and 2018, and has relied on members of the Company to contribute capital for operations which has resulted in the uncertainty of the Company's ability to continue as a going concern.

Basis for Opinion

These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on the Company's financial statements based on our audits. We are a public accounting firm registered with the Public Company Accounting Oversight Board (United States) (PCAOB) and are required to be independent with respect to the Company in accordance with the U.S. federal securities laws and the applicable rules and regulations of the Securities and Exchange Commission and the PCAOB.

We conducted our audits in accordance with the standards of the PCAOB. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement, whether due to error or fraud. The Company is not required to have, nor were we engaged to perform, an audit of its internal control over financial reporting. As part of our audits, we are required to obtain an understanding of internal control over financial reporting, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control over financial reporting. Accordingly, we express no such opinion.

Our audits included performing procedures to assess the risks of material misstatement of the financial statements, whether due to error or fraud, and performing procedures that respond to those risks. Such procedures included examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements. Our audits also included evaluating the accounting principles used and significant estimates made by management, as well as evaluating the overall presentation of the financial statements. We believe that our audits provide a reasonable basis for our opinion.

/s/ RBSM LLP

We have served as the Company's auditor since 2018

805 Third Avenue
New York, NY 10022
July 13, 2020

Shamrock Upstream Energy LLC
Balance Sheets
December 31, 2019 and 2018

	2019	2018
Assets		
Current assets:		
Cash	$ 5,591	$ 14,931
Restricted cash	50,000	50,000
Total current assets	55,591	64,931
Noncurrent assets:		
Fixed assets, net	42,083	47,083
Oil and gas properties, net of depletion	581,738	603,335
Total noncurrent assets	623,821	650,418
Total assets	$ 679,412	$ 715,349
Liabilities and Member's Equity		
Current liabilities:		
Accounts payable and other current liabilities	$ 3,959	$ 1,459
Asset retirement obligations	223,078	221,558
Note payable	50,000	50,000
Total current liabilities	277,037	273,017
Total liabilities	277,037	273,017
Commitments and contingencies		
Member's equity:		
Total member's equity	402,375	442,332
Total liabilities and member's equity	$ 679,412	$ 715,349

The accompanying notes are an integral part of the financial statements.

Shamrock Upstream Energy LLC
Statements of Income
For the Years Ended December 31, 2019 and 2018

	2019	2018
Oil and gas production revenue	$ 36,650	$ 18,915
Cost of Sales	269,947	172,314
Gross Loss	(233,297)	(153,399)
Operating expenses:		
General and administrative	115,460	92,266
Total operating expenses	115,460	92,266
Other expense – Interest expense	2,500	1,459
Total other expense	2,500	1,459
Net loss	$ (351,257)	$ (247,124)

The accompanying notes are an integral part of the financial statements.

Shamrock Upstream Energy LLC
Statements of Changes in Member's Equity
For the Years Ended December 31, 2019 and 2018

Balance at December 31, 2017	$ -
Contributions by Members	689,456
Distributions to Members agreements	-
Net loss	(247,124)
Balance at December 31, 2018	442,332
Contributions by Members	311,300
Distributions to Members agreements	-
Net loss	(351,257)
Balance at December 31, 2019	$ 402,375

The accompanying notes are an integral part of the financial statements.

Shamrock Upstream Energy LLC
Statements of Cash Flows
For the Years Ended December 31, 2019 and 2018

	2019	2018
Cash flows from operating activities		
Net loss	$ (351,257)	$ (247,124)
Adjustments to reconcile net loss to net cash used in operating activities:		
Depreciation, depletion and accretion	28,117	14,450
Changes in operating assets and liabilities:		
Accounts payable and other current liabilities	2,500	1,459
Net cash used in operating activities	(320,640)	(231,215)
Cash flows from investing activities		
Purchase of oil and gas mineral leases	-	(393,310)
Net cash used in investing activities	-	(393,310)
Cash flows from financing activities		
Contributions by members	311,300	689,456
Net cash provided by financing activities	311,300	689,456
Net increase (decrease) in cash and cash equivalents	(9,340)	64,931
Cash and restricted cash – beginning of year	64,931	-
Cash and restricted cash – end of year	$ 55,591	$ 64,931
Supplemental schedule of cash flow information		
Cash paid for interest	$ –	$ –
Cash paid for income taxes	$ –	$ –
Asset retirement obligation incurred for oil and gas properties	$ 19,583	$ 211,031
Note payable issued for equipment	$ -	$ 50,000

The accompanying notes are an integral part of the financial statements.

NOTE 1: DESCRIPTION OF BUSINESS, BASIS OF PRESENTATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Description of Business

Shamrock Upstream Energy LLC, a Texas limited liability company (“Shamrock” or the “Company”), is an exploration and production company (“E&P) based in the Permian Basin in West Texas.

Shamrock’s primary asset is certain oil and gas mineral leases (“OGML”) in Big Spring, TX which contain a number of producing and non-producing oil and gas wells. Shamrock’s only significant fixed asset is a workover rig which is used by the Company for various re-entry drilling projects on its OGML’s. Shamrock also has an individual performance bond with the Texas Railroad Commission to secure its wells.

Basis of Presentation

The Company’s financial statements have been prepared in conformity with accounting principles generally accepted in the United States (GAAP). Any reference in these notes to applicable guidance is meant to refer to the authoritative GAAP as found in the Accounting Standards Codification (ASC) and Accounting Standards Update (ASU) of the Financial Accounting Standards Board (FASB). All adjustments considered necessary for a fair presentation have been included. These adjustments consist of normal and recurring accruals, as well as non-recurring charges.

Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the U.S. requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the consolidated financial statements and reported amounts of revenues and expenses during the reporting period. These estimates include, but are not limited to, management’s estimate of provisions required for uncollectible accounts receivable, impaired value of equipment and intangible assets, asset retirement obligations, liabilities to accrue, and cost incurred in the satisfaction of performance obligations. Actual results could differ from those estimates.

The estimates of proved, probable and possible oil and gas reserves are used as significant inputs in determining the depletion of oil and gas properties and the impairment of proved and unproved oil and gas properties. There are numerous uncertainties inherent in the estimation of quantities of proven, probable and possible reserves and in the projection of future rates of production and the timing of development expenditures. Similarly, evaluations for impairment of proved and unproved oil and gas properties are subject to numerous uncertainties including, among others, estimates of future recoverable reserves and commodity price outlooks. Actual results could differ from the estimates and assumptions utilized.

Property and Equipment and Long-Lived Assets

Property and equipment is stated at cost. Depreciation on property and equipment is computed using the straight-line method over the estimated useful lives of the assets, of ten years for all property and equipment.

ASC 360 requires that long-lived assets and certain identifiable intangibles held and used by an entity be reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount of an asset may not be recoverable.

The Company reviews recoverability of long-lived assets on a periodic basis whenever events and changes in circumstances have occurred which may indicate a possible impairment. The assessment for potential impairment is based primarily on the Company's ability to recover the carrying value of its long-lived assets from expected future cash flows from its operations on an undiscounted basis. If such assets are determined to be impaired, the impairment recognized is the amount by which the carrying value of the assets exceeds the fair value of the assets.

ASC 360-10 addresses criteria to be considered for long-lived assets expected to be disposed of by sale. Six criteria are listed in ASC 360-10-45-9 that must be met in order for assets to be classified as held for sale. Once the criteria are met, long-lived assets classified as held for sale are to be measured at the lower of carrying amount or fair value less costs to sell.

The Company assesses the impairment of identifiable intangibles whenever events or changes in circumstances indicate that the carrying value may not be recoverable. Factors the Company considers to be important which could trigger an impairment review include the following:

1. Significant underperformance relative to expected historical or projected future operating results;

2. Significant changes in the manner of use of the acquired assets or the strategy for the overall business; and

3. Significant negative industry or economic trends.

When the Company determines that the carrying value of intangibles may not be recoverable based upon the existence of one or more of the above indicators of impairment and the carrying value of the asset cannot be recovered from projected undiscounted cash flows, the Company records an impairment charge. The Company measures any impairment based on a projected discounted cash flow method using a discount rate determined by management to be commensurate with the risk inherent in the current business model. Significant management judgment is required in determining whether an indicator of impairment exists and in projecting cash flows. The Company tested the carrying value of its long-lived assets for recoverability during the years ended December 31, 2019 and 2018, and there was no impairment recorded during this period.

Oil and Gas Properties

The Company uses the full cost method of accounting for its investment in oil and natural gas properties. Under the full cost method of accounting, all costs associated with acquisition, exploration and development of oil and gas reserves, including directly related overhead costs are capitalized. General and administrative costs related to production and general overhead are expensed as incurred.

All capitalized costs of oil and gas properties, including the estimated future costs to develop proved reserves, are amortized on the unit of production method using estimates of proved reserves. Disposition of oil and gas properties are accounted for as a reduction of capitalized costs, with no gain or loss recognized unless such adjustment would significantly alter the relationship between capitalized costs and proved reserves of oil and gas, in which case the gain or loss is recognized in operations. Unproved properties and development projects are not amortized until proved reserves associated with the projects can be determined or until impairment occurs. If the results of an assessment indicate that the properties are impaired, the amount of the loss from operations before income taxes and the adjusted carrying amount of the unproved properties is amortized on the unit-of-production method.

There was $2,014 and $1,006 recorded for depletion expense for the Company's oil and gas properties for the years ended December 31, 2019 and 2018, respectively.

Limitation on Capitalized Costs

Under the full-cost method of accounting, we are required, at the end of each reporting date, to perform a test to determine the limit on the book value of our oil and gas properties (the "Ceiling" test). If the capitalized costs of our oil and natural gas properties, net of accumulated amortization and related deferred income taxes, exceed the Ceiling, the excess or impairment is charged to expense. The expense may not be reversed in future periods, even though higher oil and gas prices may subsequently increase the Ceiling. The Ceiling is defined as the sum of: (a) the present value, discounted at 10% and assuming continuation of existing economic conditions, of (1) estimated future gross revenues from proved reserves, which is computed using oil and gas prices determined as the unweighted arithmetic average of the first-day-of-the-month price for each month within the 12-month hedging arrangements pursuant to SAB 103, less (2) estimated future expenditures (based on current costs) to be incurred in developing and producing the proved reserves; plus, (b) the cost of properties being amortized; plus, (c) the lower of cost or estimated fair value of unproven properties included in the costs being amortized, net of (d) the related tax effects related to the difference between the book and tax basis of our oil and natural gas properties.

Oil and Gas Reserves

Reserve engineering is a subjective process that is dependent upon the quality of available data and interpretation thereof, including evaluations and extrapolations of well flow rates and reservoir pressure. Estimates by different engineers often vary sometimes significantly. In addition, physical factors such as results of drilling, testing and production subsequent to the date of an estimate, as well as economic factors such as changes in product prices, may justify revision of such estimates. Because proved reserves are required to be estimated using recent prices of the evaluation, estimated reserve quantities can be significantly impacted by changes in product prices.

Accounting for Asset Retirement Obligation

Asset retirement obligations ("ARO") primarily represent the estimated present value of the amount the Company will incur to plug, abandon and remediate its producing properties at the projected end of their productive lives, in accordance with applicable federal, state and local laws. The Company determined its ARO by calculating the present value of the estimated cash flows related to the obligation. The retirement obligation is recorded as a liability at its estimated present value as of the obligation's inception, with an offsetting increase to proved properties.

Concentrations of Credit Risk and Other Risks and Uncertainties

The Company's cash and cash equivalents are invested in federally uninsured readily available money market accounts and deposited with one financial institution in the U.S. with maturities of three months or less. At times, deposits in this institution may exceed the Federal Deposit Insurance Corporation (FDIC) or Securities Investors Protection Corporation (SIPC) limits. However, management believes the Company is not exposed to significant credit risk due to the financial position of the depository institutions in which these deposits are held and of the money market funds and other entities in which these investments are made.

The Company's oil and production revenue are exposed to volatile energy prices. The West Texas Intermediate (WTI) crude index can have a material impact on the Company's operations and its ability to continue as a going concern.

Accrued Expenses

To prepare its financial statements, the Company estimates accrued expenses. The accrual process involves reviewing open contracts, communicating with personnel to identify services that have been performed on behalf of the Company and estimating the level of service performed and the associated cost incurred for the service when the Company has not yet been invoiced or otherwise notified of the actual cost. The Company makes estimates of accrued expenses as of each balance sheet date based on the facts and circumstances known to the Company at that time. Although the Company does not expect the estimates to be materially different from amounts actually incurred, if the estimates of the status and timing of services performed differs from the actual status and timing of services performed, the Company may report amounts that are too high or too low in any particular period. Historically, the estimated accrued liabilities have approximated actual expenses incurred. Subsequent changes in estimates may result in a material change in the accruals.

Fair Value Measurements

The accounting guidance defines fair value, establishes a consistent framework for measuring fair value and expands disclosure for each major asset and liability category measured at fair value on either a recurring or non-recurring basis. Fair value is defined as an exit price, representing the amount that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants. As such, fair value is a market-based measurement that should be determined based on assumptions that market participants would use in pricing an asset or liability. As a basis for considering such assumptions, the accounting guidance establishes a three-tier fair value hierarchy, which prioritizes the inputs used in measuring fair value as follows:

Level 1: Observable inputs such as quoted prices in active markets.
Level 2: Inputs, other than the quoted prices in active markets that are observable either directly or indirectly.
Level 3: Unobservable inputs in which there is little or no market data, which require the reporting entity to develop its own assumptions.

The carrying values of the Company's financial instruments such as cash, accounts payable, and accrued expenses approximate their respective fair values because of the short-term nature of those financial instruments.

Revenue Recognition

The Company accounts for revenue in accordance with ASC Topic 606, *Revenue from Contracts with Custo*mers.

The Company accounts for a contract when it has been approved and committed to, each party's rights regarding the goods or services to be transferred have been identified, the payment terms have been identified, the contract has commercial substance, and collectability is probable. Revenue is generally recognized net of allowances for returns and any taxes collected from customers and subsequently remitted to governmental authorities. Revenue recognition for multiple-element arrangements requires judgment to determine if multiple elements exist, whether elements can be accounted for as separate units of accounting, and if so, the fair value for each of the elements.

The Company recognizes revenue under ASC 606 when: (i) the Company receives notification of the successful sale of a load of crude oil to a buyer such as Plains Marketing, L.P. (ii) the buyer will provide a price based on the average monthly price of crude oil in the most recent month (iii) cash is received the following month from the crude oil buyer.

Inventory

At any time, the Company will have an inventory of crude oil in its supply tanks that is below the minimum purchase amount from a crude oil buyer. Due to volatile commodity prices and an inability to accurately measure crude oil inventories, the Company does not recognize revenue until a load of oil is successfully sold. As of December 31, 2019, and 2018, there was no inventory recognized as the amounts in the trucks was nominal and not measurable.

Income Taxes

The Company is a limited liability company with all income tax liabilities and/or benefits of the Company being passed through to the members. As such, no recognition of federal or state income taxes for the Company has been provided for in the accompanying financial statements. Any uncertain tax position taken by the members are not an uncertain position of the Company.

Recently Issued Accounting Pronouncements

From time to time, new accounting pronouncements are issued by the FASB or other standard setting bodies that are adopted by the Company as of the specified effective date. Unless otherwise discussed, the Company believes that the
impact of recently issued standards that are not yet effective will not have a material impact on its financial position or results of operations upon adoption.

Going Concern

The Company has experienced recurring losses of $351,257 and $247,124 for the years ended December 31, 2019 and 2018, respectively, and has relied on members of the Company to contribute capital for operations which has resulted in the uncertainty of the Company's ability to continue as a going concern.

These financial statements of the Company have been prepared assuming that the Company will continue as a going concern, which contemplates, among other things, the realization of assets and the satisfaction of liabilities in the normal course of business over a reasonable period of time.

On March 27, 2020, the Company was acquired by Banner Energy Services, Inc for $3,000,000 with the consideration being paid in the form of debt. The Company's owners agreed to be paid $1,200,000 of this $3,000,000 in the future and the remaining $1,800,000 was converted into shares of Banner Energy Services, Inc., who simultaneously with the acquisition of the Company, was sold to Ecoark Holdings, Inc.

Impact of COVID-19

The recent outbreak of COVID-19, which has been declared by the World Health Organization to be a pandemic, has spread across the globe and is impacting worldwide economic activity. A pandemic, including COVID-19, or other public health epidemic poses the risk that the Company or its employees, suppliers, and other partners may be prevented from conducting business activities at full capacity for an indefinite period of time, including due to spread of the disease within these groups or due to shutdowns that may be requested or mandated by governmental authorities. While it is not possible at this time to estimate the impact that COVID-19 could have on the Company's business, the continued spread of COVID-19 and the measures taken by the governments of countries affected and in which the Company operates could disrupt the operation of the Company's business. The COVID-19 outbreak and mitigation measures may also have an adverse impact on global economic conditions, which could have an adverse effect on the Company's business and financial condition, including on its potential to conduct financings on terms acceptable to the Company, if at all. In addition, the Company may take temporary precautionary measures intended to help minimize the risk of the virus to its employees, including temporarily requiring all employees to work remotely, and discouraging employee attendance at in-person work-related meetings, which could negatively affect the Company's business. The extent to which the COVID-19 outbreak impacts the Company's results will depend on future developments that are highly uncertain and cannot be predicted, including new information that may emerge concerning the severity of the virus and the actions to contain its impact.

NOTE 2: RESTRICTED CASH

On July 10, 2018, the Company sent $50,000 to the Texas Railroad Commission to establish an individual performance bond to secure the oil and gas wells assumed as a part of the Hartoil acquisition.

NOTE 3: REVENUE

The Company accounts for revenue in accordance with ASC Topic 606, *Revenue from Contracts with Customers*, which the Company early adopted effective January 1, 2018. No cumulative adjustment to members equity was required, and the adoption did not have a material impact on our financial statements, as no material arrangements prior to the adoption were impacted by the new pronouncement.

The following table disaggregates the Company's revenue by major source for the years ended December 31:

	2019	2018
Revenue:		
Oil and Gas Production	$ 36,650	$ 18,915
	$ 36,650	$ 18,915

There were no significant contract asset or contract liability balances for all periods presented. The Company does not disclose the value of unsatisfied performance obligations for (i) contracts with an original expected length of one year or less and (ii) contracts for which we recognize revenue at the amount to which we have the right to invoice for services performed.

Collections of the amounts billed are typically paid by the customers within 30 to 60 days.

NOTE 4: PROPERTY AND EQUIPMENT

Property and equipment consisted of the following as of December 31:

	2019	2018
Workover rig	$ 50,000	$ 50,000
Accumulated depreciation and impairment	(7,917)	(2,917)
Property and equipment, net	$ 42,083	$ 47,083

Depreciation expense for the years ended December 31, 2019 and 2018 was $5,000 and $2,917, respectively.

NOTE 5: OIL AND GAS PROPERTIES

The Company's holdings in oil and gas mineral lease ("OGML") properties as of December 31 are as follows:

	2019	2018
Total OGML Properties	$ 581,738	$ 603,335

Cherry et al OGML including shallow drilling rights was acquired by the Company from Hartoil Company on July 1, 2018.

The following table summarizes the Company's oil and gas activities by classification for the year ended December 31, 2019 and 2018:

Activity Category	December 31, 2018	Adjustments (1)	December 31, 2019
Proved Developed Producing Oil and Gas Properties			
Cost	$ 283,000	$ (141,608)	$ 141,392
Accumulated depreciation, depletion and amortization	(471)	(254)	(725)
Total	$ 282,529	$ (141,862)	$ 140,667
Undeveloped and Non-Producing Oil and Gas Properties			
Cost	$ 321,341	$ 122,026	$ 443,367
Accumulated depreciation, depletion and amortization	(535)	(1,761)	(2,296)
Total	$ 320,806	$ 120,265	$ 441,071
Grand Total	$ 603,335	$ (21,597)	$ 581,738

(1) Pursuant to the preliminary geology report

Activity Category	December 31, 2017	Adjustments (1)	December 31, 2018
Proved Developed Producing Oil and Gas Properties			
Cost	$ -	$ 283,000	$ 283,000
Accumulated depreciation, depletion and amortization	-	(471)	(471)
Total	$ -	$ 282,529	$ 282,529
Undeveloped and Non-Producing Oil and Gas Properties			
Cost	$ -	$ 321,341	$ 321,341
Accumulated depreciation, depletion and amortization	-	(535)	(535)
Total	$ -	$ 320,806	$ 320,806
Grand Total	$ -	$ 603,335	$ 603,335

(1) Pursuant to the preliminary geology report

NOTE 6: NOTES PAYABLE

One June 1, 2018 the Company entered into a $50,000 promissory note payable with Blue River, Inc. for the purchase of a workover rig. The note bears interest at 5% annually and matured on June 1, 2019. The note payable was not repaid until June 4, 2020, so was in technical default from June 2019 through the date of repayment. Interest expense for the years ended December 31, 2019 and 2018 was $2,500 and $1,459, respectively.

NOTE 7: ASSET RETIREMENT OBLIGATIONS

In conjunction with the approval permitting the Company to resume drilling in the existing fields, the Company has recorded an asset retirement obligation based upon the plan submitted in connection with the permit. The following table summarizes activity in the Company's ARO for the years ended December 31, 2019 and 2018:

	2019	2018
Balance, beginning of year	$ 221,558	$ -
Accretion expense	21,103	10,526
ARO liability acquired	-	211,032
Reclamation obligations settled	-	-
Additions and changes in estimates	(19,583)	-
Balance, end of year	$ 223,078	$ 221,558

NOTE 8: MEMBER'S EQUITY

The Company during the years ended December 31, 2019 and 2018 received contributions from its members into the partnership of $311,300 and $689,456, respectively and made no distributions to members.

NOTE 9: SUBSEQUENT EVENTS

On March 27, 2020, the Company entered into a Membership Interest Purchase Agreement (the "MIPA") with Banner Midstream Corp ("Banner Midstream") as a closing condition of a Stock Purchase Agreement (the "SPA") with Banner Energy Services Corp ("Banner Energy") to divest Banner Midstream to Ecoark Holdings, Inc. ("Ecoark"). The SPA was completed on March 27, 2020 immediately after the completion of the MIPA. Pursuant to the terms of the MIPA, the members of the Company exchanged their membership interests for a $1,800,000 seller note payable and a $1,200,000 short-term due to seller liability.

On June 4, 2020, the Company paid off the Note Payable to Blue River, Inc. in full including $5,000 of accrued interest payable.

White River Operating LLC and White River Energy LLC

Combined Financial Statements

Report of Independent Registered Public Accounting Firm

RBSM LLP
Accountants & Advisors

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To the Members of
White River Energy LLC and White River Operating LLC

Opinion on the Financial Statements

We have audited the accompanying combined balance sheet of White River Energy LLC and White River Operating LLC (The "Company") as of June 30, 2019 and the related statement of operations, statement of changes in member's equity, and cash flows for the period from inception April 1, 2019 through June 30, 2019, and the related notes (collectively referred to as the combined financial statements). In our opinion, the combined financial statements present fairly, in all material respects, the combined financial position of the Company as of June 30, 2019, and the results of its operations and its cash flows for the period from inception April 1, 2019 through June 30, 2019, in conformity with accounting principles generally accepted in the United States of America.

The Company's Ability to Continue as a Going Concern

The accompanying combined financial statements have been prepared assuming that the Company will continue as a going concern, which contemplates, among other things, the realization of assets and the satisfaction of liabilities in the normal course of business over a reasonable period of time. As discussed in Note 1 of the financial statements, the Company has experienced loss for the period ended June 30, 2019, and has relied on members of the Company to contribute capital for operations which has resulted in the uncertainty of the Company's ability to continue as a going concern.

Basis for Opinion

These combined financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on the Company's combined financial statements based on our audit. We are a public accounting firm registered with the Public Company Accounting Oversight Board (United States) (PCAOB) and are required to be independent with respect to the Company in accordance with the U.S. federal securities laws and the applicable rules and regulations of the Securities and Exchange Commission and the PCAOB.

We conducted our audit in accordance with the standards of the PCAOB. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement, whether due to error or fraud. The Company is not required to have, nor were we engaged to perform, an audit of its internal control over financial reporting. As part of our audit, we are required to obtain an understanding of internal control over financial reporting, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control over financial reporting. Accordingly, we express no such opinion.

Our audit included performing procedures to assess the risks of material misstatement of the financial statements, whether due to error or fraud, and performing procedures that respond to those risks. Such procedures included examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements. Our audit also included evaluating the accounting principles used and significant estimates made by management, as well as evaluating the overall presentation of the financial statements. We believe that our audit provide a reasonable basis for our opinion.

/s/ RBSM LLP

We have served as the Company's auditor since 2019

805 Third Avenue
New York, NY 10022
July 13, 2020

White River Energy LLC and White River Operating LLC
Combined Balance Sheets
June 30, 2019

		June 30, 2019
Assets		
Current assets:		
Cash	$	68,852
Restricted cash		50,000
Total current assets		118,852
Noncurrent assets:		
Oil and gas properties		461,288
Total noncurrent assets		461,288
Total assets	$	580,140
Liabilities and Member's Equity		
Current liabilities:		
Accounts payable and other current liabilities	$	5,575
Loans payable to related parties		114,844
Total current liabilities		120,419
Total liabilities		120,419
Commitments and contingencies		-
Member's equity:		
Total member's equity		459,721
Total liabilities and member's equity	$	580,140

The accompanying notes are an integral part of the combined financial statements.

White River Energy LLC and White River Operating LLC
Combined Statements of Operations
From April 1, 2019 (Inception) to June 30, 2019

	April 1 to June 30, 2019
Oil and gas production revenue	$ -
Cost of Sales	21,399
Gross Loss	(21,399)
Operating expenses:	
General and administrative	118,118
Total operating expenses	118,118
Other expenses – interest expense, net	(762)
Net loss	$ (140,279)

The accompanying notes are an integral part of the combined financial statements.

White River Energy LLC and White River Operating LLC
Combined Statements of Changes in Member's Equity
From April 1, 2019 (Inception) to June 30, 2019

Balance at April 1, 2019	$	-
Contributions by Members		600,000
Distributions to Members agreements		-
Net loss		(140,279)
Balance at June 30, 2019	$	459,721

The accompanying notes are an integral part of the combined financial statements.

White River Energy LLC and White River Operating LLC
Combined Statements of Cash Flows
From April 1, 2019 (Inception) to June 30, 2019

		April 1 to June 30, 2019
Cash flows from operating activities		
Net loss	$	(140,279)
Adjustments to reconcile net loss to net cash used in operating activities:		
Impairment		59,902
Bad debt		38,500
Changes in operating assets and liabilities:		
Accounts payable and other current liabilities		5,575
Net cash used in operating activities		(36,302)
Cash flows from investing activities		
Amount advanced to Rabb Resources		(25,000)
Amount advanced to officer		(48,500)
Purchase of oil and gas properties		(441,288)
Purchase of equipment		(24,902)
Net cash used in investing activities		(539,690)
Cash flows from financing activities		
Capital from White River SPV 1 LLC		600,000
Proceeds (repayments) of related party loans		94,844
Net cash provided by financing activities		694,844
Net increase in cash and restricted cash and cash equivalents		118,852
Cash and restricted cash – beginning of period		-
Cash and restricted cash – end of period	$	118,852
Supplemental schedule of cash flow information		
Cash paid for interest	$	–
Cash paid for income taxes	$	–
Supplemental non-cash investing and financing activities:		
Lease property acquired through loan	$	20,000
Equipment purchased through note receivable	$	35,000

The accompanying notes are an integral part of the combined financial statements.

NOTE 1: DESCRIPTION OF BUSINESS, BASIS OF PRESENTATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Description of Business

White River Energy LLC (“WR Energy”) is an exploration and production company (“E&P) with assets in the areas of Louisiana and Mississippi. White River Operating LLC (“WR Operating”) is a licensed and bonded drilling operator in the States of Louisiana and Mississippi. Both WR Energy and WR Operating are collectively referred to as the “Company” or “Companies”.

WR Energy’s primary asset is certain oil and gas mineral leases (“OGML”) in Louisiana and Mississippi which contain a number of producing and non-producing oil and gas wells. WR Operating has various fixed assets and equipment used for drilling operations and maintenance. WR Operating also has a certificate of deposit which is pledged to the State of Louisiana’s Department of Natural Resources as security against any potential unfunded plugging liabilities.

Basis of Presentation

The Company’s combined financial statements have been prepared in conformity with accounting principles generally accepted in the United States (GAAP). Any reference in these notes to applicable guidance is meant to refer to the authoritative GAAP as found in the Accounting Standards Codification (ASC) and Accounting Standards Update (ASU) of the Financial Accounting Standards Board (FASB). All adjustments considered necessary for a fair presentation have been included. These adjustments consist of normal and recurring accruals, as well as non-recurring charges.

Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the U.S. requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the combined financial statements and reported amounts of revenues and expenses during the reporting period. These estimates include, but are not limited to, management’s estimate of provisions required for uncollectible other receivable, impaired value of equipment and intangible assets, asset retirement obligations, liabilities to accrue, and cost incurred in the satisfaction of performance obligations. Actual results could differ from those estimates.

The estimates of proved, probable and possible oil and gas reserves are used as significant inputs in determining the depletion of oil and gas properties and the impairment of proved and unproved oil and gas properties. There are numerous uncertainties inherent in the estimation of quantities of proven, probable and possible reserves and in the projection of future rates of production and the timing of development expenditures. Similarly, evaluations for impairment of proved and unproved oil and gas properties are subject to numerous uncertainties including, among others, estimates of future recoverable reserves and commodity price outlooks. Actual results could differ from the estimates and assumptions utilized.

Property and Equipment and Long-Lived Assets

Property and equipment is stated at cost. Depreciation on property and equipment is computed using the straight-line method over the estimated useful lives of the assets, of ten years for all property and equipment.

ASC 360 requires that long-lived assets and certain identifiable intangibles held and used by an entity be reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount of an asset may not be recoverable.

The Company reviews recoverability of long-lived assets on a periodic basis whenever events and changes in circumstances have occurred which may indicate a possible impairment. The assessment for potential impairment is based primarily on the Company's ability to recover the carrying value of its long-lived assets from expected future cash flows from its operations on an undiscounted basis. If such assets are determined to be impaired, the impairment recognized is the amount by which the carrying value of the assets exceeds the fair value of the assets.

ASC 360-10 addresses criteria to be considered for long-lived assets expected to be disposed of by sale. Six criteria are listed in ASC 360-10-45-9 that must be met in order for assets to be classified as held for sale. Once the criteria are met, long-lived assets classified as held for sale are to be measured at the lower of carrying amount or fair value less costs to sell.

The Company assesses the impairment of identifiable intangibles whenever events or changes in circumstances indicate that the carrying value may not be recoverable. Factors the Company considers to be important which could trigger an impairment review include the following:

1. Significant underperformance relative to expected historical or projected future operating results;

2. Significant changes in the manner of use of the acquired assets or the strategy for the overall business; and

3. Significant negative industry or economic trends.

When the Company determines that the carrying value of intangibles may not be recoverable based upon the existence of one or more of the above indicators of impairment and the carrying value of the asset cannot be recovered from projected undiscounted cash flows, the Company records an impairment charge. The Company measures any impairment based on a projected discounted cash flow method using a discount rate determined by management to be commensurate with the risk inherent in the current business model. Significant management judgment is required in determining whether an indicator of impairment exists and in projecting cash flows. The Company tested the carrying value of its long-lived assets for recoverability during the period ended June 30, 2019, and there was $59,902 of impairment recorded during this period.

Oil and Gas Properties

The Company uses the full cost method of accounting for its investment in oil and natural gas properties. Under the full cost method of accounting, all costs associated with acquisition, exploration and development of oil and gas reserves, including directly related overhead costs are capitalized. General and administrative costs related to production and general overhead are expensed as incurred.

All capitalized costs of oil and gas properties, including the estimated future costs to develop proved reserves, are amortized on the unit of production method using estimates of proved reserves. Disposition of oil and gas properties are accounted for as a reduction of capitalized costs, with no gain or loss recognized unless such adjustment would significantly alter the relationship between capitalized costs and proved reserves of oil and gas, in which case the gain or loss is recognized in operations. Unproved properties and development projects are not amortized until proved reserves associated with the projects can be determined or until impairment occurs. If the results of an assessment indicate that the properties are impaired, the amount of the loss from operations before income taxes and the adjusted carrying amount of the unproved properties is amortized on the unit-of-production method.

There was no depletion expense for the Company's oil and gas properties for the period ended June 30, 2019 as there was no production.

Limitation on Capitalized Costs

Under the full-cost method of accounting, we are required, at the end of each reporting date, to perform a test to determine the limit on the book value of our oil and gas properties (the "Ceiling" test). If the capitalized costs of our oil and natural gas properties, net of accumulated amortization and related deferred income taxes, exceed the Ceiling, the excess or impairment is charged to expense. The expense may not be reversed in future periods, even though higher oil and gas prices may subsequently increase the Ceiling. The Ceiling is defined as the sum of: (a) the present value, discounted at 10% and assuming continuation of existing economic conditions, of (1) estimated future gross revenues from proved reserves, which is computed using oil and gas prices determined as the unweighted arithmetic average of the first-day-of-the-month price for each month within the 12-month hedging arrangements pursuant to SAB 103, less (2) estimated future expenditures (based on current costs) to be incurred in developing and producing the proved reserves; plus, (b) the cost of properties being amortized; plus, (c) the lower of cost or estimated fair value of unproven properties included in the costs being amortized, net of (d) the related tax effects related to the difference between the book and tax basis of our oil and natural gas properties.

Oil and Gas Reserves

Reserve engineering is a subjective process that is dependent upon the quality of available data and interpretation thereof, including evaluations and extrapolations of well flow rates and reservoir pressure. Estimates by different w33engineers often vary sometimes significantly. In addition, physical factors such as results of drilling, testing and production subsequent to the date of an estimate, as well as economic factors such as changes in product prices, may justify revision of such estimates. Because proved reserves are required to be estimated using recent prices of the evaluation, estimated reserve quantities can be significantly impacted by changes in product prices.

Accounting for Asset Retirement Obligation

Asset retirement obligations ("ARO") primarily represent the estimated present value of the amount the Company will incur to plug, abandon and remediate its producing properties at the projected end of their productive lives, in accordance with applicable federal, state and local laws. The Company determined its ARO by calculating the present value of the estimated cash flows related to the obligation. The retirement obligation is recorded as a liability at its estimated present value as of the obligation's inception, with an offsetting increase to proved properties.

Concentrations of Credit Risk and Other Risks and Uncertainties

The Company's cash and cash equivalents are invested in federally uninsured readily available money market accounts and deposited with one financial institution in the U.S. with maturities of three months or less. At times, deposits in this institution may exceed the Federal Deposit Insurance Corporation (FDIC) or Securities Investors Protection Corporation (SIPC) limits. However, management believes the Company is not exposed to significant credit risk due to the financial position of the depository institutions in which these deposits are held and of the money market funds and other entities in which these investments are made.

The Company's oil and production revenue are exposed to volatile energy prices. The West Texas Intermediate (WTI) crude index can have a material impact on the Company's operations and its ability to continue as a going concern.

Accrued Expenses

To prepare its financial statements, the Company estimates accrued expenses. The accrual process involves reviewing open contracts, communicating with personnel to identify services that have been performed on behalf of the Company and estimating the level of service performed and the associated cost incurred for the service when the Company has not yet been invoiced or otherwise notified of the actual cost. The Company makes estimates of accrued expenses as of each balance sheet date based on the facts and circumstances known to the Company at that time. Although the Company does not expect the estimates to be materially different from amounts actually incurred, if the estimates of the status and timing of services performed differs from the actual status and timing of services performed, the Company may report amounts that are too high or too low in any particular period. Historically, the estimated accrued liabilities have approximated actual expenses incurred. Subsequent changes in estimates may result in a material change in the accruals.

Fair Value Measurements

The accounting guidance defines fair value, establishes a consistent framework for measuring fair value and expands disclosure for each major asset and liability category measured at fair value on either a recurring or non-recurring basis. Fair value is defined as an exit price, representing the amount that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants. As such, fair value is a market-based measurement that should be determined based on assumptions that market participants would use in pricing an asset or liability. As a basis for considering such assumptions, the accounting guidance establishes a three-tier fair value hierarchy, which prioritizes the inputs used in measuring fair value as follows:

Level 1: Observable inputs such as quoted prices in active markets.
Level 2: Inputs, other than the quoted prices in active markets that are observable either directly or indirectly.
Level 3: Unobservable inputs in which there is little or no market data, which require the reporting entity to develop its own assumptions.

The carrying values of the Company's financial instruments such as cash, accounts payable, and accrued expenses approximate their respective fair values because of the short-term nature of those financial instruments.

Revenue Recognition

The Company recognizes revenue under ASC 606 when: (i) the Company receives notification of the successful sale of a load of crude oil to a buyer such as Plains Marketing, L.P. (ii) the buyer will provide a price based on the average monthly price of crude oil in the most recent month (iii) cash is received the following month from the crude oil buyer.

Inventory

At any time, the Company will have an inventory of crude oil in its supply tanks that is below the minimum purchase amount from a crude oil buyer. Due to volatile commodity prices and an inability to accurately measure crude oil inventories, the Company does not recognize revenue until a load of oil is successfully sold. As of June 30, 2019, there was no inventory recognized as the amounts in the trucks was nominal and not measurable.

Income Taxes

The Companies are limited liability companies with all income tax liabilities and/or benefits of the Company being passed through to the members. As such, no recognition of federal or state income taxes for the Company has been provided for in the accompanying financial statements. Any uncertain tax position taken by the members are not an uncertain position of the Company's.

Recently Issued Accounting Pronouncements

From time to time, new accounting pronouncements are issued by the FASB or other standard setting bodies that are adopted by the Company as of the specified effective date. Unless otherwise discussed, the Company believes that the impact of recently issued standards that are not yet effective will not have a material impact on its financial position or results of operations upon adoption.

Going Concern

The Company has experienced a loss of $140,279 for the period ended June 30, 2019, and has just been formed and relied on members of the Company to contribute capital for operations which has resulted in the uncertainty of the Company's ability to continue as a going concern.

These combined financial statements of the Company have been prepared assuming that the Company will continue as a going concern, which contemplates, among other things, the realization of assets and the satisfaction of liabilities in the normal course of business over a reasonable period of time.

On March 27, 2020, the Company was acquired by Banner Energy Services, Inc for $5,000,000 with the consideration being paid in the form of issuance of WR Holdings preferred stock and debt. The Company's owner's agreed for $1,000,000 of this $5,000,000 to be paid in the future to retire its funding vehicle, White River SPV 1, LLC, and the remaining $4,000,000 of preferred stock issued to the owners was converted into shares of Banner Energy Services, Inc., who simultaneously with the acquisition of the Company, was sold to Ecoark Holdings, Inc.

Impact of COVID-19

The recent outbreak of COVID-19, which has been declared by the World Health Organization to be a pandemic, has spread across the globe and is impacting worldwide economic activity. A pandemic, including COVID-19, or other public health epidemic poses the risk that the Company or its employees, suppliers, and other partners may be prevented from conducting business activities at full capacity for an indefinite period of time, including due to spread of the disease within these groups or due to shutdowns that may be requested or mandated by governmental authorities. While it is not possible at this time to estimate the impact that COVID-19 could have on the Company's business, the continued spread of COVID-19 and the measures taken by the governments of countries affected and in which the Company operates could disrupt the operation of the Company's business. The COVID-19 outbreak and mitigation measures may also have an adverse impact on global economic conditions, which could have an adverse effect on the Company's business and financial condition, including on its potential to conduct financings on terms acceptable to the Company, if at all. In addition, the Company may take temporary precautionary measures intended to help minimize the risk of the virus to its employees, including temporarily requiring all employees to work remotely, and discouraging employee attendance at in-person work-related meetings, which could negatively affect the Company's business. The extent to which the COVID-19 outbreak impacts the Company's results will depend on future developments that are highly uncertain and cannot be predicted, including new information that may emerge concerning the severity of the virus and the actions to contain its impact.

NOTE 2: CASH AND CASH EQUIVALENTS

Included in the Company's $118,852 in cash and cash equivalents is a $50,000 certificate of deposit (the "CD") which has been pledged to the Louisiana Department of Natural Resources as security against any potential unfunded plugging liabilities.

NOTE 3: FIXED ASSETS

On June 24, 2019, the Company acquired $59,902 of fixed assets through an auction of Permian International Energy Services, LLC. This asset was fully impaired as of June 30, 2019.

NOTE 4: NOTE RECEIVABLE

On May 9, 2019, the Company entered into a secured promissory note receivable with Rabb Resources, Limited for $25,000. The note is non-interest bearing and matured on June 9, 2019. The note is secured by the assets of Rabb Resources, Limited. As of June 30, 2019, the Company had not commenced collection procedures on the matured note balance and has established an allowance for doubtful accounts for the full value of this note receivable. The Company has received and repaid advances from an officer during the period. There were no amounts outstanding as of June 30, 2019 to this officer.

NOTE 5: OIL AND GAS PROPERTIES

The Company's holdings in oil and gas mineral lease ("OGML") properties as of June 30, 2019 is as follows:

	June 30, 2019
Total OGML Properties	$ 461,288

Taliaferro Family OGML including shallow drilling rights was acquired by White River on June 10, 2019 from Lagniappe Operating, LLC.

Kingrey Family OGML including both shallow and deep drilling rights was entered into by White River and the Kingrey Family on April 3, 2019.

Peabody Family OGML including both shallow and deep drilling rights was acquired by White River on June 18, 2019 from SR Acquisition I, LLC, a subsidiary of Sanchez Energy Corporation, for a 1% royalty retained interest in conjunction with White River executing a lease saving operation in June 2019.

The following table summarizes the Company's oil and gas activities by classification for the period ended June 30, 2019:

Activity Category	April 1, 2019	Adjustments (1)	June 30, 2019
Proved Developed Producing Oil and Gas Properties			
Cost	$ -	$ -	$ -
Accumulated depreciation, depletion and amortization	-	-	-
Total	$ -	$ -	$ -
Undeveloped and Non-Producing Oil and Gas Properties			
Cost	$ -	$ 461,288	$ 461,288
Accumulated depreciation, depletion and amortization	-	-	-
Total	$ -	$ 461,288	$ 461,288
Grand Total	$ -	$ 461,288	$ 461,288

(1) Pursuant to preliminary geology report

NOTE 6: RELATED PARTY NOTES PAYABLE

On April 1, 2019, the Company entered into Revolving Promissory Notes with its founders, Randy May, and Jay Puchir. As of June 30, 2019, the balance on the notes due to Mr. May and Mr. Puchir was $60,000 and $54,844 respectively. The notes bear interest at 10% annually and mature on July 1, 2020 and have accrued interest of $763 through June 30, 2019.

NOTE 7: ASSET RETIREMENT OBLIGATIONS

In conjunction with the approval permitting the Company to resume drilling in the existing fields, the Company has recorded an asset retirement obligation based upon the plan submitted in connection with the permit. The following table summarizes activity in the Company's ARO for the period ended June 30, 2019:

	June 30, 2019
Balance, beginning of period	$ -
Accretion expense	-
ARO liability acquired	-
Reclamation obligations settled	-
Additions and changes in estimates	-
Balance, end of period	$ -

NOTE 8: **MEMBER'S EQUITY**

WR Energy received $600,000 in contributions into the partnership on behalf of the investors in White River SPV 1 LLC ("SPV 1") and made no distributions to members.

NOTE 9: SUBSEQUENT EVENTS

On January 1, 2020 both WR Energy and WR Operating entered into separate Membership Interest Purchase Agreements (the "MIPAs") with White River Holdings Corp ("WR Holdings") which was formed on September 4, 2019. Pursuant to the closing of the MIPAs, both WR Energy and WR Operating became wholly owned subsidiaries of WR Holdings.

On February 29, 2020, WR Operating successfully performed an operation to satisfy the Continuous Drilling Operating provisions within WR Energy's 9,615-acre Peabody lease to extend the lease for an additional 270 days.

On March 27, 2020 WR Holdings entered into a Stock Purchase Agreement ("SPA 1") with Banner Midstream Corp as a closing condition with a Stock Purchase Agreement ("SPA 2") with Banner Energy Services Corp ("Banner Energy") to divest Banner Midstream to Ecoark Holdings, Inc. ("Ecoark"). SPA 2 was completed on March 27, 2020 immediately after the completion of SPA 1. Pursuant to the terms of SPA 1, the stockholders of WR Holdings exchanged their shares for a $4,000,000 seller note payable and a $1,000,000 short-term due to seller liability. The proceeds from the $1,000,000 short-term due to seller liability were used to return capital to the members of SPV 1 and allow the dissolution of the entity.

Exhibit 99.4

White River Holdings Corp., White River Operating LLC and White River Energy LLC

Combined Financial Statements

White River Holdings Corp., White River Energy LLC and White River Operating LLC
Combined Balance Sheets
December 31, 2019 (UNAUDITED) AND June 30, 2019

	December 31, 2019	June 30, 2019
Assets		
Current assets:		
Cash and restricted cash	$ 101,068	$ 118,852
Other assets	11,262	-
Total current assets	112,330	118,852
Noncurrent assets:		
Oil and gas properties	520,125	461,288
Total noncurrent assets	520,125	461,288
Total assets	$ 632,455	$ 580,140
Liabilities and Stockholders'/Member's Equity		
Current liabilities:		
Accounts payable and other current liabilities	$ 270,033	$ 5,575
Loans payable to related parties	275,638	114,844
Total current liabilities	545,671	120,419
Total liabilities	545,671	120,419
Commitments and contingencies	-	-
Stockholders'/Member's equity:		
Stockholders' Equity		
Common stock, $0.000001 par value, 100,000,000 shares authorized, 60,000,000 shares issued and outstanding	60	-
Accumulated deficit – WR Holdings	(8,706)	-
Total member's equity – WR Energy and WR Operating	95,430	459,721
Total stockholders'/member's equity	86,784	459,721
Total liabilities and stockholders'/member's equity	$ 632,455	$ 580,140

The accompanying notes are an integral part of the combined financial statements.

White River Holdings Corp., White River Energy LLC and White River Operating LLC
Combined Statements of Operations
From July 1, 2019 to December 31, 2019

	July 1 to December 31, 2019
Oil and gas production revenue	$ 592,618
Cost of Sales	527,142
Gross Profit	65,476
Operating expenses:	
General and administrative	774,604
Total operating expenses	774,604
Net operating loss	(709,128)
Other income (loss)	
Gain on sale of oil and gas property	133,837
Interest expense, net	(7,306)
Total other income (loss)	126,531
Net loss	$ (582,597)

The accompanying notes are an integral part of the combined financial statements.

White River Holdings Corp., White River Energy LLC and White River Operating LLC
Combined Statements of Changes in Stockholders'/Member's Equity
From April 1, 2019 (Inception) to December 31, 2019

	Preferred		Common		Additional Paid-In	Accumulated	
	Shares	Amount	Shares	Amount	Capital	Deficit	Total
Balances at April 1, 2019 (Inception)	**-**	**$ -**	**-**	**$ -**	**$ -**	**$ -**	**$ -**
Shares issued for cash in private placement	-	-	60,000,000	60	-	-	60
Net loss for the period	-	-	-	-	-	(8,706)	(8,706)
Balances at December 31, 2019	**-**	**$ -**	**60,000,000**	**$ 60**	**$ -**	**$ (8,706)**	**$ (8,646)**

Member's Equity – WR Energy and WR Operating:

Balance at April 1, 2019	$ -
Contributions by Members	1,000,000
Distributions to Members agreements	(190,400)
Net loss – April 1, 2019 (Inception) through June 30, 2019	(140,279)
Net loss – July 1, 2019 through December 31, 2019	(573,891)
Balance at December 31, 2019	$ 95,430

The accompanying notes are an integral part of the combined financial statements.

White River Holdings Corp., White River Energy LLC and White River Operating LLC
Combined Statements of Cash Flows
From July 1, 2019 to December 31, 2019

	July 1 to December 31, 2019
Cash flows from operating activities	
Net loss	$ (582,597)
Adjustments to reconcile net loss to net cash used in operating activities:	
Impairment	50,349
Gain on sale of property	(133,837)
Revenue credit adjusted against mineral lease purchase	(125,000)
Bade debt	223,171
Changes in operating assets and liabilities:	
Other receivable and prepaid expenses	(219,975)
Accounts payable and other current liabilities	264,458
Net cash used in operating activities	(523,431)
Cash flows from investing activities	
Purchase of fixed assets	(50,349)
Sale of oil and gas property	200,000
Net cash provided by investing activities	149,651
Cash flows from financing activities	
Capital from White River SPV 1 LLC	400,000
Distributions to member	(190,400)
Proceeds from sale of common stock	60
Related party loans, net	146,336
Net cash provided by financing activities	355,996
Net increase in cash and restricted cash	(17,784)
Cash and restricted cash – beginning of period	118,852
Cash and restricted cash – end of period	$ 101,068
Supplemental schedule of cash flow information	
Cash paid for interest	$ –
Cash paid for income taxes	$ –

The accompanying notes are an integral part of the combined financial statements.

NOTE 1: DESCRIPTION OF BUSINESS, BASIS OF PRESENTATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Description of Business

White River Holdings Corp., was formed on September 4, 2019 ("WR Holdings") and on January 1, 2020 both White River Energy LLC ("WR Energy") and White River Operating LLC ("WR Operating") entered into separate Membership Interest Purchase Agreements (the "MIPAs") with WR Holdings. Pursuant to the closing of the MIPAs, both WR Energy and WR Operating became wholly owned subsidiaries of WR Holdings.

WR Energy is an exploration and production company ("E&P) with assets in the areas of Louisiana and Mississippi. WR Operating is a licensed and bonded drilling operator in the States of Louisiana and Mississippi. Both WR Energy and WR Operating are collectively referred to as the "Company" or "Companies".

WR Energy's primary asset is certain oil and gas mineral leases ("OGML") in Louisiana and Mississippi which contain a number of producing and non-producing oil and gas wells. WR Operating has various fixed assets and equipment used for drilling operations and maintenance. WR Operating also has a certificate of deposit which is pledged to the State of Louisiana's Department of Natural Resources as security against any potential unfunded plugging liabilities.

Basis of Presentation

The Company's combined financial statements have been prepared in conformity with accounting principles generally accepted in the United States (GAAP). Any reference in these notes to applicable guidance is meant to refer to the authoritative GAAP as found in the Accounting Standards Codification (ASC) and Accounting Standards Update (ASU) of the Financial Accounting Standards Board (FASB). All adjustments considered necessary for a fair presentation have been included. These adjustments consist of normal and recurring accruals, as well as non-recurring charges.

Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the U.S. requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the consolidated financial statements and reported amounts of revenues and expenses during the reporting period. These estimates include, but are not limited to, management's estimate of provisions required for uncollectible other receivable, impaired value of equipment and intangible assets, asset retirement obligations, liabilities to accrue, and cost incurred in the satisfaction of performance obligations. Actual results could differ from those estimates.

The estimates of proved, probable and possible oil and gas reserves are used as significant inputs in determining the depletion of oil and gas properties and the impairment of proved and unproved oil and gas properties. There are numerous uncertainties inherent in the estimation of quantities of proven, probable and possible reserves and in the projection of future rates of production and the timing of development expenditures. Similarly, evaluations for impairment of proved and unproved oil and gas properties are subject to numerous uncertainties including, among others, estimates of future recoverable reserves and commodity price outlooks. Actual results could differ from the estimates and assumptions utilized.

Property and Equipment and Long-Lived Assets

Property and equipment is stated at cost. Depreciation on property and equipment is computed using the straight-line method over the estimated useful lives of the assets, of ten years for all property and equipment.

ASC 360 requires that long-lived assets and certain identifiable intangibles held and used by an entity be reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount of an asset may not be recoverable.

The Company reviews recoverability of long-lived assets on a periodic basis whenever events and changes in circumstances have occurred which may indicate a possible impairment. The assessment for potential impairment is based primarily on the Company's ability to recover the carrying value of its long-lived assets from expected future cash flows from its operations on an undiscounted basis. If such assets are determined to be impaired, the impairment recognized is the amount by which the carrying value of the assets exceeds the fair value of the assets.

ASC 360-10 addresses criteria to be considered for long-lived assets expected to be disposed of by sale. Six criteria are listed in ASC 360-10-45-9 that must be met in order for assets to be classified as held for sale. Once the criteria are met, long-lived assets classified as held for sale are to be measured at the lower of carrying amount or fair value less costs to sell.

The Company assesses the impairment of identifiable intangibles whenever events or changes in circumstances indicate that the carrying value may not be recoverable. Factors the Company considers to be important which could trigger an impairment review include the following:

1. Significant underperformance relative to expected historical or projected future operating results;

2. Significant changes in the manner of use of the acquired assets or the strategy for the overall business; and

3. Significant negative industry or economic trends.

When the Company determines that the carrying value of intangibles may not be recoverable based upon the existence of one or more of the above indicators of impairment and the carrying value of the asset cannot be recovered from projected undiscounted cash flows, the Company records an impairment charge. The Company measures any impairment based on a projected discounted cash flow method using a discount rate determined by management to be commensurate with the risk inherent in the current business model. Significant management judgment is required in determining whether an indicator of impairment exists and in projecting cash flows. The Company tested the carrying value of its long-lived assets for recoverability during the six months ended December 31, 2019, and there was $50,349 of impairment recorded during this period.

Oil and Gas Properties

The Company uses the full cost method of accounting for its investment in oil and natural gas properties. Under the full cost method of accounting, all costs associated with acquisition, exploration and development of oil and gas reserves, including directly related overhead costs are capitalized. General and administrative costs related to production and general overhead are expensed as incurred.

All capitalized costs of oil and gas properties, including the estimated future costs to develop proved reserves, are amortized on the unit of production method using estimates of proved reserves. Disposition of oil and gas properties are accounted for as a reduction of capitalized costs, with no gain or loss recognized unless such adjustment would significantly alter the relationship between capitalized costs and proved reserves of oil and gas, in which case the gain or loss is recognized in operations. Unproved properties and development projects are not amortized until proved reserves associated with the projects can be determined or until impairment occurs. If the results of an assessment indicate that the properties are impaired, the amount of the loss from operations before income taxes and the adjusted carrying amount of the unproved properties is amortized on the unit-of-production method.

There was no depletion expense for the Company's oil and gas properties for the period ended December 31, 2019 as there was no production.

Limitation on Capitalized Costs

Under the full-cost method of accounting, we are required, at the end of each reporting date, to perform a test to determine the limit on the book value of our oil and gas properties (the "Ceiling" test). If the capitalized costs of our oil and natural gas properties, net of accumulated amortization and related deferred income taxes, exceed the Ceiling, the excess or impairment is charged to expense. The expense may not be reversed in future periods, even though higher oil and gas prices may subsequently increase the Ceiling. The Ceiling is defined as the sum of: (a) the present value, discounted at 10% and assuming continuation of existing economic conditions, of (1) estimated future gross revenues from proved reserves, which is computed using oil and gas prices determined as the unweighted arithmetic average of the first-day-of-the-month price for each month within the 12-month hedging arrangements pursuant to SAB 103, less (2) estimated future expenditures (based on current costs) to be incurred in developing and producing the proved reserves; plus, (b) the cost of properties being amortized; plus, (c) the lower of cost or estimated fair value of unproven properties included in the costs being amortized, net of (d) the related tax effects related to the difference between the book and tax basis of our oil and natural gas properties.

Oil and Gas Reserves

Reserve engineering is a subjective process that is dependent upon the quality of available data and interpretation thereof, including evaluations and extrapolations of well flow rates and reservoir pressure. Estimates by different engineers often vary sometimes significantly. In addition, physical factors such as results of drilling, testing and production subsequent to the date of an estimate, as well as economic factors such as changes in product prices, may justify revision of such estimates. Because proved reserves are required to be estimated using recent prices of the evaluation, estimated reserve quantities can be significantly impacted by changes in product prices.

Accounting for Asset Retirement Obligation

Asset retirement obligations ("ARO") primarily represent the estimated present value of the amount the Company will incur to plug, abandon and remediate its producing properties at the projected end of their productive lives, in accordance with applicable federal, state and local laws. The Company determined its ARO by calculating the present value of the estimated cash flows related to the obligation. The retirement obligation is recorded as a liability at its estimated present value as of the obligation's inception, with an offsetting increase to proved properties.

Concentrations of Credit Risk and Other Risks and Uncertainties

The Company's cash and cash equivalents are invested in federally uninsured readily available money market accounts and deposited with one financial institution in the U.S. with maturities of three months or less. At times, deposits in this institution may exceed the Federal Deposit Insurance Corporation (FDIC) or Securities Investors Protection Corporation (SIPC) limits. However, management believes the Company is not exposed to significant credit risk due to the financial position of the depository institutions in which these deposits are held and of the money market funds and other entities in which these investments are made.

The Company's oil and production revenue are exposed to volatile energy prices. The West Texas Intermediate (WTI) crude index can have a material impact on the Company's operations and its ability to continue as a going concern.

Accrued Expenses

To prepare its financial statements, the Company estimates accrued expenses. The accrual process involves reviewing open contracts, communicating with personnel to identify services that have been performed on behalf of the Company and estimating the level of service performed and the associated cost incurred for the service when the Company has not yet been invoiced or otherwise notified of the actual cost. The Company makes estimates of accrued expenses as of each balance sheet date based on the facts and circumstances known to the Company at that time. Although the Company does not expect the estimates to be materially different from amounts actually incurred, if the estimates of the status and timing of services performed differs from the actual status and timing of services performed, the Company may report amounts that are too high or too low in any particular period. Historically, the estimated accrued liabilities have approximated actual expenses incurred. Subsequent changes in estimates may result in a material change in the accruals.

Fair Value Measurements

The accounting guidance defines fair value, establishes a consistent framework for measuring fair value and expands disclosure for each major asset and liability category measured at fair value on either a recurring or non-recurring basis. Fair value is defined as an exit price, representing the amount that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants. As such, fair value is a market-based measurement that should be determined based on assumptions that market participants would use in pricing an asset or liability. As a basis for considering such assumptions, the accounting guidance establishes a three-tier fair value hierarchy, which prioritizes the inputs used in measuring fair value as follows:

Level 1: Observable inputs such as quoted prices in active markets.
Level 2: Inputs, other than the quoted prices in active markets that are observable either directly or indirectly.
Level 3: Unobservable inputs in which there is little or no market data, which require the reporting entity to develop its own assumptions.

The carrying values of the Company's financial instruments such as cash, accounts payable, and accrued expenses approximate their respective fair values because of the short-term nature of those financial instruments.

Revenue Recognition

The Company recognizes revenue under ASC 606 when: (i) the Company receives notification of the successful sale of a load of crude oil to a buyer such as Plains Marketing, L.P. (ii) the buyer will provide a price based on the average monthly price of crude oil in the most recent month (iii) cash is received the following month from the crude oil buyer.

Inventory

At any time, the Company will have an inventory of crude oil in its supply tanks that is below the minimum purchase amount from a crude oil buyer. Due to volatile commodity prices and an inability to accurately measure crude oil inventories, the Company does not recognize revenue until a load of oil is successfully sold. As of December 31, 2019, there was no inventory recognized as the amounts in the trucks was nominal and not measurable.

Income Taxes

The Company's with the exception of WR Holdings are limited liability companies with all income tax liabilities and/or benefits of the Company being passed through to the members. As such, no recognition of federal or state income taxes for the Company has been provided for in the accompanying financial statements. Any uncertain tax position taken by the members are not an uncertain position of the Company's.

WR Holdings was formed on September 4, 2019 and is a Texas corporation. There was nominal activity for the period September 4, 2019 through December 31, 2019.

Recently Issued Accounting Pronouncements

From time to time, new accounting pronouncements are issued by the FASB or other standard setting bodies that are adopted by the Company as of the specified effective date. Unless otherwise discussed, the Company believes that the impact of recently issued standards that are not yet effective will not have a material impact on its financial position or results of operations upon adoption.

Going Concern

The Company has experienced a loss of $582,597 for the six months ended December 31, 2019, and has just been formed and relied on members of the Company to contribute capital for operations which has resulted in the uncertainty of the Company's ability to continue as a going concern.

These combined financial statements of the Company have been prepared assuming that the Company will continue as a going concern, which contemplates, among other things, the realization of assets and the satisfaction of liabilities in the normal course of business over a reasonable period of time.

On March 27, 2020, the Company was acquired by Banner Energy Services, Inc for $5,000,000 with the consideration being paid in the form of issuance of WR Holdings preferred stock and debt. The Company's owner's agreed for $1,000,000 of this $5,000,000 to be paid in the future to retire its funding vehicle, White River SPV 1, LLC, and the remaining $4,000,000 of preferred stock issued to the owners was converted into shares of Banner Energy Services, Inc., who simultaneously with the acquisition of the Company, was sold to Ecoark Holdings, Inc.

Impact of COVID-19

The recent outbreak of COVID-19, which has been declared by the World Health Organization to be a pandemic, has spread across the globe and is impacting worldwide economic activity. A pandemic, including COVID-19, or other public health epidemic poses the risk that the Company or its employees, suppliers, and other partners may be prevented from conducting business activities at full capacity for an indefinite period of time, including due to spread of the disease within these groups or due to shutdowns that may be requested or mandated by governmental authorities. While it is not possible at this time to estimate the impact that COVID-19 could have on the Company's business, the continued spread of COVID-19 and the measures taken by the governments of countries affected and in which the Company operates could disrupt the operation of the Company's business. The COVID-19 outbreak and mitigation measures may also have an adverse impact on global economic conditions, which could have an adverse effect on the Company's business and financial condition, including on its potential to conduct financings on terms acceptable to the Company, if at all. In addition, the Company may take temporary precautionary measures intended to help minimize the risk of the virus to its employees, including temporarily requiring all employees to work remotely, and discouraging employee attendance at in-person work-related meetings, which could negatively affect the Company's business. The extent to which the COVID-19 outbreak impacts the Company's results will depend on future developments that are highly uncertain and cannot be predicted, including new information that may emerge concerning the severity of the virus and the actions to contain its impact.

NOTE 2: CASH AND CASH EQUIVALENTS

Included in the Company's $101,068 in cash and cash equivalents is a $50,000 certificate of deposit (the "CD") which has been pledged to the Louisiana Department of Natural Resources as security against any potential unfunded plugging liabilities.

NOTE 3: FIXED ASSETS

In July 2019, the Company acquired $50,349 of equipment from various vendors. These assets were fully impaired as of December 31, 2019.

NOTE 4: NOTE RECEIVABLE

On May 9, 2019, the Company entered into a secured promissory note receivable with Rabb Resources, Limited for $25,000. The note is non-interest bearing and matured on June 9, 2019. The note is secured by the assets of Rabb Resources, Limited. As of December 31, 2019, the Company had not commenced collection procedures on the matured note balance and has established an allowance for doubtful accounts for the full value of this note receivable. The Company has received and repaid advances from an officer during the period. There were no amounts outstanding as of December 31, 2019 to this officer.

NOTE 5: OIL AND GAS PROPERTIES

The Company's holdings in oil and gas mineral lease ("OGML") properties as of December 31, 2019 is as follows:

	December 31, 2019
Total OGML Properties	$ 520,125

Taliaferro Family OGML including shallow drilling rights was acquired by White River on June 10, 2019 from Lagniappe Operating, LLC.

Kingrey Family OGML including both shallow and deep drilling rights was entered into by White River and the Kingrey Family on April 3, 2019.

Peabody Family OGML including both shallow and deep drilling rights was acquired by White River on June 18, 2019 from SR Acquisition I, LLC, a subsidiary of Sanchez Energy Corporation, for a 1% royalty retained interest in conjunction with White River executing a lease saving operation in June 2019.

O'Neal Family OGML and Weyerhaeuser OGML including shallow drilling rights were acquired by White River on July 1, 2019 from Livland, LLC and Hi-Tech Onshore Exploration, LLC respectively in exchange for a $125 drilling credit to be applied by Livland, LLC on subsequent drilling operations.

The following table summarizes the Company's oil and gas activities by classification for the period ended December 31, 2019:

Activity Category	**April 1, 2019**	**Adjustments (1)**	**December 31, 2019**
Proved Developed Producing Oil and Gas Properties			
Cost	$ -	$ -	$ -
Accumulated depreciation, depletion and amortization	-	-	-
Total	$ -	$ -	$ -
Undeveloped and Non-Producing Oil and Gas Properties			
Cost	$ -	$ 520,125	$ 520,125
Accumulated depreciation, depletion and amortization	-	-	-
Total	$ -	$ 520,125	$ 520,125
Grand Total	$ -	$ 520,125	$ 520,125

(1) Pursuant to preliminary geology report

NOTE 6: RELATED PARTY NOTES PAYABLE

On April 1, 2019, the Company entered into Revolving Promissory Notes with its founders, Randy May, and Jay Puchir. As of December 31, 2019, the balance on the notes due to Mr. May and Mr. Puchir was $191,500 and $84,138 respectively. The notes bear interest at 10% annually and mature on July 1, 2020 and have accrued interest of $8,706 through December 31, 2019.

NOTE 7: ASSET RETIREMENT OBLIGATIONS

In conjunction with the approval permitting the Company to resume drilling in the existing fields, the Company has recorded an asset retirement obligation based upon the plan submitted in connection with the permit. The following table summarizes activity in the Company's ARO for the period ended December 31, 2019:

	December 31, 2019
Balance, beginning of period	$ -
Accretion expense	-
ARO liability acquired	-
Reclamation obligations settled	-
Additions and changes in estimates	-
Balance, end of period	$ -

NOTE 8: MEMBER'S/STOCKHOLDERS EQUITY

WR Energy received $600,000 in contributions into the partnership on behalf of the investors in White River SPV 1 LLC ("SPV 1") and made $190,400 in distributions to members.

WR Holdings was formed with 1,000 shares of preferred stock authorized, and 100,000,000 shares of common stock authorized, both with a par value of $0.000001. WR Holdings issued 60,000,000 of these shares for $60.

NOTE 9: SUBSEQUENT EVENTS

On January 1, 2020 both WR Energy and WR Operating entered into separate Membership Interest Purchase Agreements (the "MIPAs") with White River Holdings Corp ("WR Holdings"). Pursuant to the closing of the MIPAs, both WR Energy and WR Operating became wholly owned subsidiaries of WR Holdings.

On February 29, 2020, WR Operating successfully performed an operation to satisfy the Continuous Drilling Operating provisions within WR Energy's 9,615-acre Peabody lease to extend the lease for an additional 270 days.

On March 27, 2020 WR Holdings entered into a Stock Purchase Agreement ("SPA 1") with Banner Midstream Corp as a closing condition with a Stock Purchase Agreement ("SPA 2") with Banner Energy Services Corp ("Banner Energy") to divest Banner Midstream to Ecoark Holdings, Inc. ("Ecoark"). SPA 2 was completed on March 27, 2020 immediately after the completion of SPA 1. Pursuant to the terms of SPA 1, the stockholders of WR Holdings exchanged their shares for a $4,000,000 seller note payable and a $1,000,000 short-term due to seller liability. The proceeds from the $1,000,000 short-term due to seller liability were used to return capital to the members of SPV 1 and allow the dissolution of the entity.

Exhibit 99.5

ECOARK HOLDINGS, INC.
PRO FORMA UNAUDITED CONSOLIDATED FINANCIAL STATEMENTS
(AMOUNTS AND SHARES IN THOUSANDS)

The following unaudited pro forma consolidated financial statements give effect to the acquisition of Banner Midstream Corp., White River Holdings Corp., and Shamrock Upstream Energy LLC. The White River Holdings Corp. figures include White River Energy LLC and White River Operating LLC., collectively referred to as Banner ("Banner") as of December 31, 2019 by Ecoark Holdings, Inc. ("Ecoark" and the "Company") and are based on estimates and assumptions set forth herein and in the notes to such pro forma statements.

On March 27, 2020, Banner Midstream Corp. acquired both White River Holdings Corp., and Shamrock Upstream Energy LLC, and then was acquired by Ecoark. Ecoark issued 8,945 shares of common stock valued at $4,866 to acquire Banner Midstream Corp. This transaction was completed and Ecoark was the surviving entity and Banner Midstream Corp., along with White River Holdings Corp. and Shamrock Upstream Energy LLC became wholly-owned subsidiaries.

In addition, on May 31, 2019, the Trend Discovery Holdings LLC ("Trend Discovery") through a newly formed company, Trend Discovery Holdings, Inc. entered into an Agreement and Plan of Merger (the "Merger Agreement") with Ecoark to acquire 100% of Trend Discovery pursuant to a merger of Trend Discovery with and into Ecoark (the "Merger"). The Merger was completed on May 31, 2019 and as agreed in the Merger Agreement, Ecoark is the surviving entity in the Merger and the separate corporate existence of Trend Discovery has ceased to exist. Pursuant to the terms of the Merger, Trend Discovery Holdings, Inc. exchanged their shares into 5,500 shares of Ecoark valued at $3,236.

These transactions are being accounted for as an acquisition. No cash was paid relating to the acquisitions.

The following unaudited pro forma consolidated statements of operations for the year ended December 31, 2019 (Banner Midstream Corp. and Shamrock Upstream Energy LLC), from April 1, 2019 (Inception) through December 31, 2019 (White River Holdings Corp.) and for the nine months ended December 31, 2019 (Ecoark) of the Company and Banner gives effect to the above as if the transactions had occurred at the beginning of the period. The unaudited pro forma consolidated statements of operations for the year ended December 31, 2018 (Banner Midstream Corp., Shamrock Upstream Energy LLC and Trend Discovery) and March 31, 2019 (Ecoark) of the Company, Banner and Trend Discovery gives effect to the above as if the transactions had occurred at the beginning of the period. The unaudited pro forma consolidated balance sheet at December 31, 2019 assumes the effects of the above as if this transaction had occurred as of January 1, 2018 (Banner Midstream Corp., Shamrock Upstream Energy, Inc., and Trend Discovery), April 1, 2019 (White River Holdings Corp.) and April 1, 2018 (Ecoark).

The unaudited pro forma consolidated financial statements are based upon, and should be read in conjunctions with the Company's audited consolidated financial statements as of and for the year ended March 31, 2019 and audited consolidated financial statements of Trend Discovery as of and for the year ended December 31, 2018, audited consolidated financial statements of Banner Midstream Corp. as of and for the years ended December 31, 2019 and 2018, audited financial statements of Shamrock Upstream Energy LLC as of and for the years ended December 31, 2019 and 2018, and the audited combined financial statements of White River Operating LLC and White River Energy LLC as of June 30, 2019 and for the period April 1, 2019 (Inception) through June 30, 2019 and the unaudited combined financial statements of White River Holdings Corp, White River Operating LLC and White River Energy LLC as of December 31, 2019 and for the six months ended December 31, 2019.

The unaudited pro forma consolidated financial statements and notes thereto contained forward-looking statements that involve risks and uncertainties. Therefore, our actual results may vary materially from those discussed herein. The unaudited pro forma consolidated financial statements do not purport to be indicative of the results that would have been reported had such events actually occurred on the dates specified, nor is it indicative our future results. We refer you to the above referenced financial statements as well as to the Company's annual report on Form 10-K for the year ended March 31, 2020 for additional disclosure regarding these acquisitions.

ECOARK HOLDINGS, INC.
NOTES TO UNAUDITED PRO FORMA
CONSOLIDATED FINANCIAL STATEMENTS
FOR THE NINE/TWELVE MONTHS ENDED DECEMBER 31, 2019
FOR THE YEAR ENDED MARCH 31, 2019/DECEMBER 31, 2018
(AMOUNTS AND SHARES IN THOUSANDS)

NOTE A – ACCOUNTING TREATMENT APPLIED AS A RESULT OF THIS TRANSACTION

The acquisition of Banner is being accounted for as a business combination, whereby Ecoark is the acquirer.

NOTE B – ADJUSTMENT

(1) To record the acquisition of Banner (March 27, 2020) which includes the adjustment of certain amounts to their respective fair values for changes in those amounts for the current fiscal year. Ecoark acquired Banner for $4,866 (8.945 shares of common stock) and assumed debt of approximately $11,774.

(2) Represents the conversion of a credit facility and accrued interest of $2,275 (3,855 shares of common stock).

(3) Represents the exercise of warrants that contained derivative liabilities into shares of common stock.

(4) Collection of accounts receivable through March 27, 2020.

(5) Payment of accounts payable through March 27, 2020.

(6) Represents subsequent events for issuance of common shares and conversion of debt, including the exercise of warrants and stock options through June 29, 2020.

(7) Represents repayment of debt through June 29, 2020.

(8) Represents activity of Ecoark from January 1, 2020 through March 27, 2020.

(9) Represents estimated change in depreciation, amortization, depletion and accretion as if Banner was operating in full capacity.

(10) Represents estimated change in interest expense as a result of the conversion/repayment of debt that has occurred through June 29, 2020.

NOTE C – PRO FORMA WEIGHTED AVERAGES SHARES OUTSTANDING (in thousands)

Pro forma shares outstanding assuming the transaction occurred as of December 31, 2019:

EARK Weighted Average Shares Outstanding	61,342
Pro forma adjustments	29,722
Pro forma shares outstanding	91,064

ECOARK HOLDINGS, INC. AND SUBSIDIARIES
PRO FORMA CONSOLIDATED BALANCE SHEETS
DECEMBER 31, 2019
(IN THOUSANDS)

ASSETS	Ecoark Holdings, Inc.	Banner Midstream Corp.	White River Holdings	Shamrock		Adjustments	Pro Forma Ecoark Holdings, Inc.
CURRENT ASSETS							
Cash and restricted cash	$ 106	$ 227	$ 101	$ 55	(4)	$ 96	$ 5,621
					(5)	(179)	
					(6)	7,013	
					(7)	(1,798)	
Accounts receivable, net of allowance	96	44	-	-	(1)	128	172
					(4)	(96)	
Prepaid expenses and other current assets	420	523	11	-	(1)	238	1,192
Total current assets	622	794	112	55		5,402	6,985
NON-CURRENT ASSETS							
Goodwill	3,223	-	-	-	(1)	7,002	10,225
Property and equipment, net	608	3,489	-	42	(1)	(174)	3,965
Intangible assets	-	-	-	-	(1)	2,350	2,350
Oil and gas properties	-	-	520	582	(1)	5,033	6,135
Right of use assets	-	779	-	-	(1)	(48)	731
Assets of discontinued operations	-	249	-	-		-	249
Other assets	25	-	-	-		-	25
Total non-current assets	3,856	4,517	520	624		14,163	23,680
TOTAL ASSETS	$ 4,478	$ 5,311	$ 632	$ 679		$ 19,565	$ 30,665
LIABILITIES AND STOCKHOLDERS' EQUITY							
CURRENT LIABILITIES							
Accounts payable	$ 368	$ 2,201	$ 270	$ 4	(1)	$ (2,092)	$ 61
					(5)	(179)	
					(6)	(511)	
Accrued liabilities	774	-	-	-	(1)	2,762	3,286
					(2)	(250)	
Current liabilities of discontinued operations	-	228	-	-		-	228
Current portion of lease liability	-	220	-	-	(1)	2	222
Current portion of long-term debt	2,435	5,412	-	50	(1)	1,029	1,759
					(2)	(2,525)	
					(6)	(3,942)	
					(7)	(700)	
Note payable - related parties	403	2,029	275	-	(7)	(1,023)	1,684
Due to prior owners	-	-	-	-	(1)	2,358	2,283
					(7)	(75)	
Derivative liabilities	3,759	-	-	-	(3)	(984)	2,775
Total current liabilities	7,739	10,090	545	54		(6,130)	12,298
NON-CURRENT LIABILITIES							
Asset retirement obligations				223			223
Long-term debt, net of current portion	-	463	-	-	(1)	(42)	421
Lease liability, net of current portion	-	566	-	-	(1)	(56)	510
Total current liabilities	-	1,029	-	223		(98)	1,154
COMMITMENTS AND CONTINGENCIES	-	-	-	-		-	-
Total liabilities	7,739	11,119	545	277		(6,228)	13,452
STOCKHOLDERS' EQUITY (DEFICIT) (Numbers of shares rounded to thousands)							
Preferred stock, $0.001 par value	-	-	-	-		-	-
Common stock, $0.001 par value	69	1	-	-	(1)	9	99
					(1)	(1)	

					(2)	4	
					(3)	4	
					(6)	13	
Additional paid-in capital	125,681	2,539	-	-	(1)	4,857	146,973
					(1)	(2,539)	
					(2)	2,771	
					(3)	2,046	
					(6)	11,618	
Accumulated deficit	(127,340)	(8,348)	87	402	(1)	8,242	(128,188)
					(3)	(1,066)	
					(6)	(165)	
Treasury stock, at cost	(1,671)	-	-	-		-	(1,671)
Total stockholders' equity (deficit)	(3,261)	(5,808)	87	402		25,793	17,213
TOTAL LIABILITIES AND STOCKHOLDERS' EQUITY	$ 4,478	$ 5,311	$ 632	$ 679		$ 19,565	$ 30,665

ECOARK HOLDINGS, INC. AND SUBSIDIARIES
PRO FORMA CONSOLIDATED STATEMENT OF OPERATIONS
FOR THE NINE/TWELVE MONTHS ENDED DECEMBER 31, 2019
(IN THOUSANDS)

	Ecoark Holdings, Inc. (Nine Months)	Banner Midstream Corp.	White River Holdings (April 1, 2019 (Inception) through December 31, 2019)	Shamrock		Adjustments	Pro Forma Ecoark Holdings, Inc.
CONTINUING OPERATIONS							
Revenues	$ 219	$ 14,715	$ 593	$ 37	(8)	$ 129	$ 15,693
Cost of revenues	(128)	(10,228)	(549)	(270)	(8)	(37)	(11,212)
Gross profit	91	4,487	44	(233)		92	4,481
OPERATING EXPENSES							
Salary and salary related costs	-	1,940	-	-		-	1,940
Professional fees and consulting	-	-	-	-			-
Other selling, general and administrative expenses	5,680	3,516	893	115	(8)	1,625	12,579
					(9)	750	
Research and development	2,109	-	-	-	(8)	363	2,472
Total operating expenses	7,789	5,456	893	115		2,738	16,991
Loss from continuing operations	(7,698)	(969)	(849)	(348)		(2,646)	(12,510)
OTHER INCOME (EXPENSE)							
Change in fair value of derivative liability	(2,392)	-	-	-	(8)	2,023	(369)
Loss on exchange of warrants for common stock	(1,059)	-	-	-	(8)	(1,040)	(2,099)
Gain on conversion of credit facility	-	-	-	-	(8)	541	541
Gain on sale of equipment/properties	16	-	134	-		-	150
Forgiveness of debt	-	300	-	-		-	300
Other income (expense)	-	(1,099)	-	-		-	(1,099)
Interest expense, net	(323)	(2,866)	(8)	(3)	(8)	(100)	(1,300)
					(10)	2,000	
Total other income (expense)	(3,758)	(3,665)	126	(3)		3,424	(3,876)
LOSS FROM CONTINUING OPERATIONS BEFORE PROVISION FOR INCOME TAXES AND DISCONTINUED OPERATIONS	(11,456)	(4,634)	(723)	(351)		778	(16,386)
Loss from discontinued operations	2	(5)	-	-		-	(3)
Total discontinued operations	2	(5)	-	-		-	(3)
LOSS FROM CONTINUING OPERATIONS BEFORE PROVISION FOR INCOME TAXES	(11,454)	(4,639)	(723)	(351)		778	(16,389)
Provision for income taxes	-	-	-	-		-	-
NET LOSS	$ (11,454)	$ (4,639)	$ (723)	$ (351)		$ 778	$ (16,389)
NET LOSS PER SHARE							
Basic and Diluted loss per share:							
Continuing operations	$ (0.19)						$ (0.18)
Discontinued operations	$ 0.00						$ (0.00)
Total	$ (0.19)						$ (0.18)
WEIGHTED AVERAGE SHARES OUTSTANDING	61,342						91,064

ECOARK HOLDINGS, INC. AND SUBSIDIARIES
PRO FORMA CONSOLIDATED STATEMENT OF OPERATIONS
FOR THE YEAR ENDED MARCH 31, 2019
(IN THOUSANDS)

	Ecoark Holdings, Inc.	Banner Midstream Corp. (a)	Trend Discovery Holdings (a)	Shamrock (a)	Adjustments	Pro Forma Ecoark Holdings, Inc.
CONTINUING OPERATIONS						
Revenues	$ 1,062	$ 8,615	$ 405	$ 19	$ -	$ 10,101
Cost of revenues	(699)	(7,053)	-	(172)	-	(7,924)
Gross profit	363	1,562	405	(153)	-	2,177
OPERATING EXPENSES						
Salary and salary related costs	4,848	2,117	-	-	-	6,965
Professional fees and consulting	1,315	-	-	-	-	1,315
Other selling, general and administrative expenses	5,028	2,201	22	92	-	7,343
Research and development	3,320	-	-	-	-	3,320
Total operating expenses	14,511	4,318	22	92	-	18,943
Loss from continuing operations	(14,148)	(2,756)	383	(245)	-	(16,766)
OTHER INCOME (EXPENSE)						
Change in fair value of derivative liability	3,160	-	-	-	-	3,160
Loss on exchange of warrants for common stock	-	-	-	-	-	-
Gain on conversion of credit facility	-	-	-	-	-	-
Gain on sale of equipment/properties	-	-	-	-	-	-
Forgiveness of debt	-	-	-	-	-	-
Other income (expense)	-	524	-	-	-	524
Interest expense, net	(417)	(1,168)	-	(2)	-	(1,587)
Total other income (expense)	2,743	(644)	-	(2)	-	2,097
LOSS FROM CONTINUING OPERATIONS BEFORE PROVISION FOR INCOME TAXES AND DISCONTINUED OPERATIONS	(11,405)	(3,400)	383	(247)	-	(14,669)
Loss from discontinued operations	(2,243)	(308)	-	-	-	(2,551)
Total discontinued operations	(2,243)	(308)	-	-	-	(2,551)
LOSS FROM CONTINUING OPERATIONS BEFORE PROVISION FOR INCOME TAXES	(13,648)	(3,708)	383	(247)	-	(17,220)
Provision for income taxes	(2)	-	-	-	-	(2)
NET LOSS	$ (13,650)	$ (3,708)	$ 383	$ (247)	$ -	$ (17,222)
NET LOSS PER SHARE						
Basic and Diluted loss per share:						
Continuing operations	$ (0.22)					$ (0.16)
Discontinued operations	$ (0.04)					$ (0.03)
Total	$ (0.27)					$ (0.19)
WEIGHTED AVERAGE SHARES OUTSTANDING	51,010					91,064

(a) Represent the year ended December 31, 2018