GREEN ENVIROTECH HOLDINGS CORP.
Form 10-K
April 18, 2019

UNITED STATES

SECURITIES AND EXCHANGE COMMISSION

WASHINGTON, DC 20549

FORM 10-K

(mark one)

[X] ANNUAL REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the fiscal year ended December 31, 2018

[ ] TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the transition period from _______ to _______

Commission File No. 000-54395

GREEN ENVIROTECH HOLDINGS CORP.

(Exact Name of registrant as specified in its charter)

Delaware 32-0218005

(State or Other Jurisdiction of Incorporation or Organization)	(I.R.S. Employer Identification No.)

14699 Holman Mtn. Jamestown, CA	95327
(Address of Principal Executive Offices)	(Zip Code)

(209) 881-3523
(Issuer's Telephone Number, Including Area Code)

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

Title of Each Class to be so registered:	Name of each exchange on which registered:
None	None

Securities registered under Section 12(g) of the Act: Common Stock, par value $0.001

Indicate by check mark if the registrant is a well-known seasoned issuer, as defined in Rule 405 of the Securities Act.

Yes [ ] No [X]

Indicate by check mark if the registrant is not required to file reports pursuant to Section 13 or Section 15(d) of the Exchange Act.

Yes [ ] No [X]

Indicate by check mark whether the registrant: (1) has filed all reports required to be filed by Section 13 or 15(d) of the Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes [X] No [ ]

Indicate by check mark whether the registrant has submitted electronically every Interactive Data File required to be submitted and posted pursuant to Rule 405 of Regulation S-T (§232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit and post such files) Yes [X] No [ ]

Indicate by check mark if disclosure of delinquent filers pursuant to Item 405 of Regulation S-K is not contained herein, and will not be contained, to the best of the registrant's knowledge, in the definitive proxy or information statement incorporated by reference in Part III of this Form 10-K or amendment to Form 10-K

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, or a smaller reporting company. See definitions of "large accelerated filer", "accelerated filer", and "smaller reporting company" in Rule 12b-2 of the Exchange Act. (Check One):

Large Accelerated Filer [ ] Accelerated Filer [ ]

Smaller reporting company [X]

Non-accelerated Filer [ ]

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. [ ]

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act). Yes [ ] No [X]

The aggregate market value of the registrant's voting stock held by non-affiliates of the registrant was approximately $572,689 as of June 30, 2018.

(ISSUERS INVOLVED IN BANKRUPTCY PROCEEDINGS DURING THE PAST FIVE YEARS)

Check whether the issuer has filed all documents and reports required to be filed by Section 12, 13 or 15(d) of the Exchange Act after the distribution of securities under a plan confirmed by a court. Yes [ ] No [ ]

Indicate the number of shares outstanding of each of the issuer's classes of common equity, as of the latest practicable date: As of April 13, 2019, there were 398,371,777 shares of the issuer's common stock, par value $0.001, outstanding.

TABLE OF CONTENTS

PART I

ITEM 1. BUSINESS

Our Principal Offices

Our executive offices are located at 14699 Holman Mountain Road, Jamestown, CA 95327 and our phone number at this address is (209) 881-3523.

Corporate History

Green EnviroTech Holdings Corp. (formerly known as Wolfe Creek Mining, Inc.) was incorporated in the State of Delaware on June 26, 2007. On November 20, 2009, we entered into an Agreement and Plan of Merger (the "Merger Agreement") with Green EnviroTech Acquisition Corp., a Nevada corporation, and Green EnviroTech Corp. ("Green EnviroTech"), a plastics recovery, separation, cleaning, and recycling company. Green EnviroTech is a Nevada corporation formed on October 6, 2008, under the name EnviroPlastics Corporation. Pursuant to the Merger Agreement, on November 20, 2009 (the "Closing Date"), Green EnviroTech Acquisition Corp. merged with and into Green EnviroTech, resulting in Green EnviroTech becoming a wholly-owned subsidiary of us (the "Merger"). The acquisition of Green EnviroTech is treated as a reverse acquisition, and the business of Green EnviroTech became our business. Effective March 27, 2013, we completed a 1 for 100 reverse split of our common stock. Share amounts in this report have been retroactively adjusted for the reverse split.

During 2013, we entered into an agreement with Black Lion Oil Limited ("Black Lion") whose primary focus is on emerging energy technology with broad applications. Under the agreement, we granted to Black Lion exclusive rights to the waste to oil process in specific territories outside of the United States. In return Black Lion paid $100,000 in cash to us as a fee. The original agreement provided for us to receive a 10% royalty which was later amended to receive 5% on gross revenues with any plant associated with Black Lion. We used the fee for working capital.

References hereinafter to "Green EnviroTech," "we," "us," "our" and similar words refer to the Company.

Our Business

Green EnviroTech Holdings Corp. (GETH) is in the business of transforming unusable scrap tires into valuable end products - carbon black, oil and steel. We have spent 5 years building our team, perfecting our proprietary technology solution and developing our unique business model.

We have developed a unique fast growth business model to underpin our drive to become market leader by 2023. This business model can be used for other technologies and we will be vigilant in our monitoring of the technological landscape to find and acquire technologies that will enhance our core business.

We will look to establish processing plant locations in economically disadvantaged areas so as to create jobs and stimulate economic growth in the local communities where we operate as we strive to achieve our purpose.

We originally focused on recycling plastic waste. The GETH team realized that recycling tires offered better commercial returns and, combined with an adverse change in the market conditions for recycling plastics, decided to focus on processing scrap tires. Since that time, GETH has invested in perfecting a proprietary scrap tire processing solution that would deliver good financial returns and could be deployed in the developed world.

GETH's differentiator is a combination of its solution – the proprietary integration of proven commercial components with a state of the art control scheme (includes 24/7 real time performance monitoring of equipment); its unique business model, and its ability to manage the ecosystem - feedstock contracts, offtake agreements, sites, permits etc. that are required for the successful completion of a project.

Key Achievements to date

Over the last years, the GETH team has achieved the following:

Ready to deploy GEN 1 End of Life Tire Processing Solution with an independent engineering certification.

Secured two strategic partners as EPC contractors – BHP Engineering & Construction LLC and Schneider Electric – they will construct and start GETH Processing Plants; and help to ensure reliable uptime of GETH Processing Operations

Secured end product offtake agreements for Oil and for Carbon Black

Have 2 projects ready for funding in USA:

1. Ohio Operation comprising: Carbon Finishing Plant

2. Tire Processing Plant with 100 tons per processing capacity to be located in Maryland: partnership with scrap tire collector – feedstock and site secured, undergoing final stage of permitting process

Finalizing agreement with an offshore partner to develop, finance, build and operate GEN 1 End of Life Tire Processing Plants around the world. Revenues from overseas projects are not included in the current version of the company financials

The global environmental issue of End of Life Tires

The human race discards approximately one billion scrap tires each year: every twelve months we add another billion to the billions of tires already found in landfills, mono fills and tire dumps. Tire dumps are ideal habitats for rats, mosquitos, and poisonous snakes and often catch fire.

The challenge of End of Life Tires in the USA

Over 300 million scrap tires are discarded every year in the US; that is the equivalent of 800,000 scrap tires per day, every day. To provide an illustration of the scale of the problem, 300 million scrap tires would fill the Rose Bowl Football Stadium in Pasadena, which has a capacity to seat 92,000 people, more than 110 times.

This large annual volume adds to the billions of tires already in landfills, mono fills or dumps. Landfill space in the US is at a premium and China has recently erected their “green wall” and will not accept scrap tires from the US. In addition, end product markets for recycled tires are shrinking in volume. There is a significant need to find a viable financial, environmental and technological solution; and this presents a massive opportunity for GETH.

Tire Collectors (covered under Primary SIC Code 5093 and Primary NAICS Code 423930) typically deliver low profit margins – most of their revenue is generated from tipping fees and grading scrap tires for potential resale. The remaining tires are shredded with the majority being sent to landfill – a part of the Tire Collectors operation that loses money. The GETH solution will turbocharge their earnings potential by adding the additional profit from processing the tires that are currently sent to landfill at a cost to the Tire Collector.

The introduction of car sharing and autonomous vehicles, while likely to reduce the total volume of cars sold will actually keep the volume of scrap tires stable as tire wear will increase with the increase in intensity of use of the fewer cars.

Strategy

The key to success in the scrap tire processing market is to reach scale quickly. Our 4 phase step by step strategy supported by our unique business model – modular build; copy exact; hub and spoke – will enable GETH to achieve its goals with manageable risks.

Goals of GETH End of Life Tire Strategic Plan, 2019 - 2025

Plan to be processing 750,000 tons of scrap tires (25% of US annual scrap tire production)

Forecast to generate >$350 Million of annual revenue with EBITDA of 40%-50%
Forecast to produce 260,000 tons of carbon black (10% of US annual consumption)
Forecast to produce 2,300,000 barrels of crude oil (0.5% of US annual consumption)
Forecast to reduce CO emissions in the US by 750,000 tons per year
Forecast to create 500 direct jobs, often in economically deprived areas of the US

Highlights of the GETH Strategy & Plan

We expect to acquire the financing with the capacity to fund all of the CAPEX required in the first three phases of our strategy.

Phase 2 of the strategy is aimed at increasing revenues to 12 Million per year with an EBITDA of 37%.

EBITDA increases from 21% in Phase 1 to >50% in Phase 4 due to scaling up operations.

Costs to produce GETH Carbon Black and Oil are expected to be between 32% to 56% lower than traditional methods; with the added benefit of minimum emissions.

The Four Phases of the GETH Strategy & Anticipated Milestones

Phase 1, 2019 and 2020: Start construction of Carbon Finishing Plant and generate first revenues and cash from sales of Carbon Black in first quarter of 2020;

Phase 2, 2020 and 2021: Start construction of our first Tire Processing Lines; generate revenues from sales of Carbon Black and Oil;

Phase 3, 2021 and 2022: Build first Tire Processing Plants (consisting of 8 single lines) and additional Carbon Finishing Lines; and

Phase 4, 2022 to 2025: Rapid expansion of Tire Processing Plants and Carbon Finishing Plant.

Phase 1, 2019 and 2020: Generate first revenues and cash from sales of Carbon Black

GETH is planning to secure $2.5 Million of equipment and asset funding to build and start operation of the Carbon Finishing Plant (CFP); a five-month project from funding. GETH forecasts that it will generate revenue and cash by end of 2019 or first quarter of 2020.

Phase 1: Milestones

Month 1: Order Milling equipment and Pelletizing equipment;

Month 2: Complete electrical design;

Month 3: Pelletizing equipment installed; electrical equipment ordered; feedstock sourced for test runs;

Month 4: Electrical equipment installation starts; building modifications completed;

Month 5: Electrical equipment installed; Milling equipment installed; Operating Staff hired and trained;

Month 6: Production runs begin; 50 tons of product shipped to customer; Feedstock and Sales Manager hired; Feedstock supplies increased; Additional product samples distributed; and

Month 7: Full production runs; A/P and A/R staff hired.

Phase 2, 2020 and 2021: Build first Tire Processing Lines; generate revenues from sales of Oil

These Tire Processing Lines when operating at full capacity in mid-2021 will provide additional feedstock for the Carbon Finishing Plant.

Phase 3, 2021and 2022: Build first Tire Processing Plants and additional Carbon Finishing Lines

GETH plans to draw an additional $60 - $70 Million to build a 100 tons per day Tire Processing Plants – in Maryland

Phase 4, 2022 to 2025: Rapid expansion of Tire Processing Plants and Carbon Finishing Plant

GETH plans to build an additional 720,000 tons of scrap tire processing capacity in the USA during Phase 4 of the strategic plan. Total capital cost is estimated to be an incremental $600 Million.

Carbon Black End Product Market

Traditional approaches to producing virgin carbon black, a black powder or granular substance, involve the incomplete combustion of hydrocarbons in a limited supply of air, a process that generates sulfur oxide and nitrogen oxide emissions.

Uses of carbon black include:

- As a pigment and reinforcement in automobile tires, carbon black helps conduct heat away from the tread and belt area of the tire, reducing thermal damage and increasing tire life;
- In some radar absorbent materials to reduce the radar cross-section of an aircraft;
- In photocopier and laser printer toner; and in other inks and paints;
- In coloring of resins and films, due to the high tinting strength and stability of carbon black;
- In belts, hoses, and other non-tire rubber goods;
- As a pigment in inks, coatings and plastics. For example, it is added to polypropylene because it absorbs ultraviolet radiation, which otherwise causes the material to degrade;
- In various applications for electronics. As a good conductor of electricity, carbon black is used as a filler mixed in plastics, elastomer, films, adhesives, and paints;
- As an anti-static additive for fuel caps and pipes for automobiles; and
- In food and beverage packaging around the world. It is used in multi-layer UHT milk bottles in the US, parts of Europe and Asia, and South Africa, and in items like microwavable meal trays and meat packaging trays in New Zealand

The global market for carbon black should be approximately $20.4B by 2023[1].

1. *Carbon Black – A Global Market Overview; © Industry Experts*

Anticipated Cost of production of Carbon Black – GETH vs Traditional

Feedstock Source	**Production Cost per lb.**
Phase 1: GETH using third party tire char	$0.34/ lb.
Phase 2: GETH Tire Processing Single Lines (co-located with GETH Carbon Finishing Plant)	$0.16/ lb.
Phase 3: GETH Tire Processing Plants (includes cost of transportation)	$0.22/ lb.
Traditional costs of Carbon Black production from oil or coal	Estimated at $0.50+/ lb.

GETH's initial cost of production to complete the size reduction and make the agglomerate ready for shipment to customers is expected to be $0.34/lb. based on daily production of 24 tons per day. To start production, we will purchase tire char from third party producers that have already invested in their plants. The feedstock at the third party plants is produced in small quantities – it is difficult for them to sell at low volumes since it is not finished into a product. The aggregation of tire char from a number of small producers provides for a consistent supply of feedstock for the CFP without the initial need to build GETH Tire Processing Plants. This approach, and the focus on the refurbishment of used equipment and the reconditioning of an old building, has dramatically reduced the amount of capital required to get into production and first revenues.

When the GETH Tire Processing Lines built during Phase 2 begin operation, the Carbon Finishing Plant will be run at full utilization, with additional staff operating the equipment 24 by 7 to produce 72 tons per day of Carbon Black. At this time the cost of production is expected to decline to $0.16 /lb.

When GETH begins production of carbon char at its Tire Processing Plants in MD (built during Phase 3), the cost of production is forecast to increase to a total cost of $0.22 /lb., including transportation costs.

Cost of Sales

GETH cost of sales is targeted to be about $0.01 /lb. This includes testing, a Sales Manager, A/R staff and a small intellectual property fee for the plant design that yields the product and the sourcing of the equipment to produce the product.

Pricing Dynamics of Carbon Black market

Carbon Black is a commodity and is available in several grades depending on the end product use. The product differentiation in the recovered carbon black from scrap tires is driven by lower cost of production and a much lower emissions profile.

Carbon Black pricing can be tracked with the WTI crude oil index. Research over the last two oil decline and recovery cycles shows that carbon black pricing increases with WTI with 100% relativity; but declines at about 50% of the decrease in WTI pricing. As a result, over the last three decades, the Producers Price Index for Carbon Black shows an increase that is roughly double that of the increase in WTI. That trend repeated itself in the last cycle when WTI dropped 60%, but the PPI for carbon black dropped only 27%. In 2017, carbon black price increased by 7%, nearly the same as the price increase of WTI at 8%.

Our pricing assumptions in the pro-forma are based on price data from early 2017 when we were providing samples to the targeted customer. Once production capability is demonstrated efforts will be made to achieve the current industry standard pricing.

Demand for GETH Carbon Black

Demand for carbon black in the USA is growing while production capacity is decreasing. “Value demand for Carbon Black in North America is expected to maintain a CAGR of 4.5% between 2016 and 2022 and reach a projected US$3.2 billion by 2022 up from a forecasted US$2.4 billion in 2016.[1]”

1. *Carbon Black – A Global Market Overview; © Industry Experts*

Buyers of Carbon Black in the US include:

Tire manufacture: Bridgestone, Firestone, Yokohama

Industrial conveyor belts: Fenner-Dunlop

Plastic color concentrate: Amphacet, Plastics Color Company

Custom mixing: AirBoss, Robinson, Polymetrics

The EPA has targeted the US carbon black industry to significantly reduce its nitrogen oxide emissions and its sulfur oxide emissions. These pressures have reduced carbon black production in the US at a time when domestic demand for carbon black is increasing and the industry is forecasting a shortfall in production of virgin carbon black by 2020.

The sheer volume of the current market at 2.3 million metric tons and growth rate of 4-5% means that the market requires over 100,000 tons of new carbon black production capacity just to meet additional demand. In Phase 2, when the CFP is operating at full capacity of 72 tons per day for 320 days, it will only produce approximately 25% of the growth in the market place, therefore negating the need to displace any current production. As GETH starts operating Tire Processing Plants in 2021, GETH will utilize its lower cost of production, its environmental advantages and its high quality carbon product to gain share in the market.

Crude Oil End Product Market

At the end of Phase 4 of the strategy, GETH is forecast to be producing 6,300 barrels of oil a day. This level of production would place the company in the top 100 of oil producing entities. Valuations of oil companies tend to be multiples of barrels per day; typically, around 100.

GETH oil has the characteristics of a crude oil blend stock. The value of the GETH oil product tracks the crude oil commodity market, and GETH uses the CME Group – Crude Oil Futures Quotes for financial modelling purposes. The current CME quote for January 2019 is $60.47 per barrel.

Steel End Product Market

GETH will sell the steel removed from the tires to a local steel recycler. We have used $50 per ton in our financial models and will negotiate the best price with the steel recycler as part of our project set up

Technology Solutions

Generation One (GEN 1) of the GETH Solution is an integration of several commercially proven technologies where most of the equipment suppliers for the GEN 1 solution are US companies. The GETH GEN 1 solution uses electromagnetic induction heating. The GETH process produces a “blend stock” oil, char/carbon and steel. The ability to produce a Brent Crude valued blend stock oil, high quality char/carbon and high strength steel differentiates the GETH GEN 1 Solution from all other pyrolysis technologies. GETH has secured an independent engineering certification for its GEN 1 Solution.

Recent Developments

On May 22, 2018, we entered into a 12% interest bearing note agreement with JSJ Investments, Inc. in the amount of $75,000. The Note has a $5,500 original issue discount. It was also determined at issue date, the Note had $69,500 in derivative discount. Amortization of debt discounts amounted to $21,167 for the year ended December 31, 2018. Unamortized debt discount as of December 31, 2018 amounted to $53,833. The note has a maturity date of May 22, 2019. The Company may pay this Note in full, together with any and all accrued and unpaid interest, plus any applicable pre-payment premium set forth in the agreement and subject to the terms of the agreement at any time on or prior to the date which occurs 180 days after the date of issue (Prepay Date). In the event the Note is not prepaid in full on or before the Prepay Date, the Note will incur a prepayment premium of 135% for the first 90 days, 140% from 91 days to 120 days, 145% from 121 days to 180 days and 150% until maturity date. The Note has conversion rights at any time after the Prepay Date for its holder at a 40% discount to the lowest trading price during the previous twenty trading days to the date of a conversion notice. On December 3, 2018, JSJ Investments, Inc. exercised its right to convert $5,084 of the debt into 3,868,756 common shares of the Company Stock. This note had a balance of $69,916 and accrued interest in the amount of $5,551 as of December 31, 2018.

On May 31, 2018, we entered into a 12% interest bearing note agreement with Coolidge Capital LLC in the amount of $75,000, the Note has a $4,500 original issue discount. It was also determined on the date of issue, the Note had $40,366 in derivative discount. Amortization of debt discounts amounted to $32,464 for the year ended December 31, 2018. Unamortized debt discount as of December 31, 2018 amounted to $12,402. The note has a maturity date of February 28, 2019. The Company may pay this Note in full, together with any and all accrued and unpaid interest, plus any applicable pre-payment premium set forth in the agreement and subject to the terms of the agreement at any time on or prior to the date which occurs 180 days after the date of issue. The prepayment schedule of payments would be 115% for the first 30 days, 120% for the first 60 days, 125% for the first 90 days, 130% for the first 120 days, 135% for the first 150 days and 140% for the first 180 days. After 180 days from date of issue, there is no prepayment until maturity date when the Note is due with interest. The Note has conversion rights at any time after 180 days after the date of issue for its holder at a 40% discount to the lowest trading price during the previous twenty trading days to the date of conversion. On December 7, 2018, Coolidge Capital LLC exercised its right to convert $5,116 of the debt into 3,279,428 common shares of the Company Stock. This note had a balance of $69,884 and accrued interest in the amount of $5,332 for the year ended December 31, 2018.

On March 8, 2018, we filed with the state of Delaware, Division of Corporations, a Certificate of Designations of Preferences, Rights and Limitations for 300,000 shares of a Series B Convertible Preferred Stock. The Certificate of Designations was approved by the Division of Corporations. These Series B Convertible Preferred shares are senior to Common Shareholders in reference to liquidation dividends and are junior to the Series A Convertible Preferred shares. The Series B Convertible Preferred Shares have an annual 12% dividend with a stated value of $1.00 and have no voting rights. The redemption options for these shares are 105% for the first 30 days, 110% for the first 60 days, 115% for the first 90 days, 120% for the first 120 days, 125% for the first 150 days and 130% for the first 180 days, then after no redemption rights. Twelve months from the issue date, the Company has a “mandatory redemption date” to redeem the outstanding shares not converted. The shares have conversion rights to convert at 75% of the average of the two lowest common stock prices ten days before the date of conversion.

On March 13, 2018, the Company issued 85,800 shares of our new Series B Convertible Preferred Stock for $75,000. The Company evaluated the classification of the Series B Convertible Preferred Stock under ASC 480-10-25 and determined that due to their mandatory redemption features, the preferred shares were required to be classified as a liability. The embedded conversion option of the preferred shares was also required to be bifurcated and accounted for as derivative liabilities. When issued, the Company recorded an OID and derivative discount of $53,090. For the year ended December 31, 2018, the Company amortized the $53,050 discount, when all of the issued 85,800 shares of Preferred Stock were converted into 32,931,947 shares of common stock which also included $5,148 in accrued dividend.

On May 1, 2018, the Company issued 58,300 shares of our Series B Convertible Preferred Stock for $50,000. These shares are shown in the Liability section of the Balance Sheet as $8,673 net of their OID and discounted value of $4,937. The Company evaluated the classification of the Series B Convertible Preferred Stock under ASC 480-10-25 and determined that due to their mandatory redemption features, the preferred shares were required to be classified as a liability. The embedded conversion option of the preferred shares was also required to be bifurcated and accounted for as derivative liabilities. During the year ended December 31, 2018, the Company recorded an OID and derivative discount of $43,551 and amortization expense of $38,614 which was charged to interest expense. Preferred Shares were converted into 40,202,305 shares of common stock which also included $2,681 in accrued dividend. Unamortized discount as of December 31, 2018 amounted to $4,937. As of December 31, 2018, there remains 13,610 Series B Convertible Preferred Shares from this issue.

On October 31, 2018, the Company issued 47,300 shares of our Series B Convertible Preferred Stock for $40,000. These shares are shown in the Liability section of the Balance Sheet as $26,147 net of their OID and discounted value of $21,153. The Company evaluated the classification of the Series B Convertible Preferred Stock under ASC 480-10-25 and determined that due to their mandatory redemption features, the preferred shares were required to be classified as a liability. The embedded conversion option of the preferred shares was also required to be bifurcated and accounted for as derivative liabilities. During the year ended December 31, 2018, the Company recorded an OID and derivative discount of $24,085 and amortization expense of $2,932 which was charged to interest expense. Unamortized discount as of December 31, 2018 amounted to $21,153. As of December 31, 2018, there remains 47,300 Series B Convertible Preferred Shares from this issue.

In 2017, we turned a corner as we perfected our first generation End of Life Tire Processing Solution that is financially viable and ready for deployment. The last 12 months have been focused on completing all of the complementary steps that are required to make a project fundable, securing partners who can help to deploy our solutions, and engaging with funding institutions who will finance projects in the USA and around the world.

On November 1, 2017, the Company issued an eight percent (8%) convertible note in the amount of $75,000. The note is convertible at $0.05 per share for the Company’s common stock. On November 7, 2017, the noteholder converted the note and the Company issued 1,500,000 shares as full settlement of the loan.

On May 5, 2017, we received working capital funds in the amount of $77,500 from Auctus Fund LLC (“Auctus”). The note had an interest rate of 10% and was due February 5, 2018. This note was paid in full on November 3, 2017, and the derivative discount of $40,538 was fully amortized to interest expense during the year ended December 31, 2017.

On May 16, 2017, we received working capital funds in the amount of $74,650 from EMA Financial LLC (“EMA”). The note was in the amount of $77,500 with an original issue discount (OID) in the amount of $2,850, had an interest rate of 10%, and was due May 1, 2018. This note was paid in full on November 10, 2017, and the derivative discount and OID totaling $51,480 was fully amortized to interest expense during the year ended December 31, 2017.

On April 12, 2017, we received working capital funds in the amount of $100,000 from a private company. The note had an interest rate of 8%. On July 21, 2017, the private company holding this note with its accrued interest in the amount of $2,192 exercised their right to convert in exchange for 1,481,040 shares of our common stock. The conversion price was the price of the stock at the time with a 15% discount to the market price. During the prior year, it was determined this note had derivative discount in the amount of $28,130 which was amortized in the third quarter when the note was converted.

On February 9, 2017, we established GETH CFP, Inc., a wholly owned subsidiary, formed in Delaware. This subsidiary will be our new carbon finishing plant to be located in Ohio.

On January 12, 2017, we appointed Mr. Chris Smith, 47, to serve as a member of our Board of Directors. Mr. Smith was a principal of HE Capital S.A. upon its founding in 2000 until he resigned in 2014, but remains as a consultant. He is a licensed financial consultant to an international clientele and is on the Board of Black Lion Oil Ltd.

Financial strength

1. Converted debt into equity; $300,818 in 2018 and $507,192 in 2017;
2. Maintained low cost of operations during development stage;
3. Maintained public filings on a timely basis; and
4. Management continued to fund the company in 2018.

Business Outlook for 2019: Generate first revenues and cash from sales of Carbon Black

Our progress in 2018 was hampered after our financing commitment was unexpectedly slowed. It is critically important that we continue to make progress in 2019 after our disappointing 2017 and 2018. Our team is committed to achieving our goals. This begins with a rigorous focus on what we need to achieve in the next 12 months. Our goals for 2019 are much the same as 2018, and we are determined our focus will remain adamant on the list below:

1. Maintain financing;
2. Complete our Carbon Finishing Plant in Ohio;
3. Generate revenue;
4. Start to build a minimum of one GEN 1 End of Life Tire Processing Line or Plant; and
5. Strengthen the organization in preparation for growth in 2020 and beyond.

We are currently engaged in negotiations with several funding institutions to build the plants in the USA and around the world.

Employees

As of the date of the filing of this annual report on Form 10-K, we have five employees who are full-time. We consider our employee relations to be excellent.

Bankruptcy or Similar Proceedings

There has been no bankruptcy, receivership or similar proceeding.

Compliance with Government Regulation

We will be required to comply with various environmental laws and regulations enacted in the jurisdictions in which we operate which govern the manufacture, importation, handling and disposal of certain materials used in our operations. We are in the process of establishing procedures to address compliance with current environmental laws and regulations and we monitor our practices concerning the handling of environmentally hazardous materials.

Patents, Trademarks, Franchises, Concessions, Royalty Agreements, or Labor Contracts

We filed a provisional patent in December 2013. In December 2014, however, we decided to not pursue a patent and stopped the patent process to keep our technology a trade secret. We have a license agreement with Black Lion. The original agreement provided for us to receive a 10% royalty which was later amended to receive 5% on gross revenues with any plant associated with Black Lion. Black Lion is currently pursuing opportunities outside the U.S.

Need for Government Approval for its Products or Services

We are also subject to federal, state and local laws and regulations generally applied to businesses, such as payroll taxes on the state and federal levels. We believe that we are in conformity with all applicable laws in California and the United States. We do not believe we are required to apply for any additional governmental approvals for our plants. However, we are required to obtain local permits for the location of our facilities. We do not anticipate any problems obtaining these permits. On March 20, 2014, we applied to the California Bay Area Air Quality Management District where our plans were approved and they granted us permits with authority to construct a plant in the bay area.

Research and Development Costs during the Last Two Years

Over the past two years, we have continued to incur research costs and improve our technology. We elected to expense all cost associated with research and development.

ITEM 1A. RISK FACTORS

Risks Related to our Business

We are currently not profitable and may never become profitable.

We have a history of losses totaling $29,704,957 through December 31, 2018, we expect to incur additional substantial operating losses for the foreseeable future, and we may never achieve or maintain profitability. We also expect to experience negative cash flow for the foreseeable future as we continue to fund our operating losses and capital expenditures. As a result, we will need to generate significant revenues in order to achieve and maintain profitability. We may not be able to generate these revenues or achieve profitability in the future. Our failure to achieve or maintain profitability could negatively impact the value of our Common Stock and investors would in all likelihood lose their entire investment.

Our independent registered accounting firm has expressed doubt about our ability to continue as a going concern.

Because we have not generated revenues, our independent registered accounting firm has included in their report for the years ended December 31, 2018 and 2017, an uncertainty with respect to the Company's ability to continue as a going concern.

Our business is difficult to evaluate because we have no operating history and an uncertain future.

We have no operating history upon which to evaluate our present business and future prospects. We face risks and uncertainties relating to our ability to implement our business plan successfully. Our operations are subject to all of the risks inherent in the establishment of a new business enterprise generally. The likelihood of our success must be considered in light of the problems, expenses, difficulties, complications and delays frequently encountered in connection with the formation of a new business, the commencement of operations and the competitive environment in which we operate. If we are unsuccessful in addressing these risks and uncertainties, our business, results of operations, financial condition and prospects will be materially harmed.

We will need significant additional capital, which we may be unable to obtain.

As of December 31, 2018, we had $1,180 in cash available. We also expect to experience negative cash flow for the foreseeable future as we fund the demand of our operating losses and capital expenditures. Accordingly, we need significant additional capital to fund our operations. There can be no assurance that financing will be available in amounts or on terms acceptable to us, if at all. If we are unable to raise substantial capital, investors will lose their entire investment.

If our strategy is unsuccessful, we will not be profitable and our stockholders could lose their investment.

We do not believe there are track records for companies pursuing our strategy, and there is no guarantee that our strategy will be successful or profitable. If our strategy is unsuccessful, we will fail to meet our objectives and not realize the revenues or profits from the business we pursue, which would cause our value to decrease, thereby potentially causing in all likelihood, our stockholders to lose their investment.

Our business will be dependent on a few large suppliers for feedstock and is vulnerable to changes in availability or supply of such feedstock.

We intend to derive our feedstock from suppliers who are operating large tire recycling operations and farming operations with large volumes of waste "Ag-Film" or plastic. Any substantial alteration or termination of our contracts or agreements with those particular suppliers may have a material adverse effect on our revenue as we may be unable to run our operation at capacity without a sufficient source of feedstock.

We will rely on several large customers for our product and are vulnerable to dramatic shifts in their industry.

We intend to focus on selling our product to the oil industry. Most of our customers and end users are subject to budgetary and political constraints which may delay or limit purchases of our products, and we will have no control over those decisions.

We may be unable to successfully execute any of our identified business opportunities or other business opportunities that we determine to pursue.

We currently have a limited corporate infrastructure. In order to pursue business opportunities, we will need to continue to build our infrastructure and operational capabilities. Our ability to do any of these successfully could be affected by any one or more of the following factors:

1. Our ability to raise substantial additional capital to fund the implementation of our business plan;
2. Our ability to execute our business strategy;

3. The ability of our products and services to achieve market acceptance;

4. Our ability to manage the expansion of our operations and any acquisitions we may make, which could result in increased costs, high employee turnover or damage to customer relationships;

5. Our ability to attract and retain qualified personnel;

6. Our ability to manage our third party relationships effectively; and

7. Our ability to accurately predict and respond to the rapid technological changes in our industry and the evolving demands of the markets we serve.

Our failure to adequately address any one or more of the above factors could have a significant impact on our ability to implement our business plan and our ability to pursue other opportunities that arise.

If we are unable to manage our intended growth, our prospects for future profitability will be adversely affected.

We intend to aggressively expand our marketing and sales program. Rapid expansion may strain our managerial, financial and other resources. If we are unable to manage our growth, our business, operating results and financial condition could be adversely affected. Our systems, procedures, controls and management resources also may not be adequate to support our future operations. We will need to continually improve our operational, financial and other internal systems to manage our growth effectively, and any failure to do so may lead to inefficiencies and redundancies, and result in reduced growth prospects and profitability.

Our insurance policies may be inadequate in a catastrophic situation and potentially expose us to unrecoverable risks.

We will have limited commercial insurance policies. Any significant claims against us would have a material adverse effect on our business, financial condition and results of operations. Insurance availability, coverage terms and pricing continue to vary with market conditions. We endeavor to obtain appropriate insurance coverage for insurable risks that we identify, however, we may fail to correctly anticipate or quantify insurable risks. We may not be able to obtain appropriate insurance coverage, and insurers may not respond as we intend to cover insurable events that may occur. We have observed rapidly changing conditions in the insurance markets relating to nearly all areas of traditional corporate insurance. Such conditions have resulted in higher premium costs, higher policy deductibles and lower coverage limits. For some risks, we may not have or maintain insurance coverage because of cost or availability.

We may become liable for damages for violations of environmental laws and regulations.

We are subject to various environmental laws and regulations enacted in the jurisdictions in which we operate which govern the manufacture, importation, handling and disposal of certain materials used in our operations. We are in the process of establishing procedures to address compliance with current environmental laws and regulations and we monitor our practices concerning the handling of environmentally hazardous materials. However, there can be no assurance that our procedures will prevent environmental damage occurring from spills of materials handled by us or that such damage has not already occurred. On occasion, substantial liabilities to third parties may be incurred. We may have the benefit of insurance we maintain. However, we may become liable for damages against which it cannot adequately insure or against which it may elect not to insure because of high costs or other reasons.

We face intense competition and may not be able to successfully compete.

We currently do not have direct competitors in the capacity range we target. However, there can be no assurance that: (i) we will not have direct competition in the future, (ii) that such competitors will not substantially increase the resources devoted to the development and marketing of their products and services that compete with us, or (iii) that new or existing competitors will not enter the market in which we are active.

We rely on key personnel and, if we are unable to retain or motivate key personnel or hire qualified personnel, we may not be able to grow effectively.

Our success depends in large part upon the abilities and continued service of our board and executive officers. There can be no assurance that we will be able to retain the services of such officers and employees. Our failure to retain the services of our key personnel could have a material adverse effect on us. In order to support our projected growth, we will be required to effectively recruit, hire, train and retain additional qualified management personnel. Our inability to attract and retain the necessary personnel could have a material adverse effect us. We have no “key man” insurance on any of our key employees.

Risks Related to the Common Stock

There is a limited trading market for the Common Stock.

Our Common Stock is currently being traded on the OTCPINK. However, to date there has been a limited trading market for the Common Stock, and we cannot give assurance that a more active trading market will develop. The lack of an active, or any, trading market will impair a stockholder’s ability to sell his shares at the time he wishes to sell them or at a price that he considers reasonable. An inactive market will also impair our ability to raise capital by selling shares of capital stock and will impair our ability to acquire other companies or assets by using common stock as consideration.

Stockholders may have difficulty trading and obtaining quotations for our Common Stock.

There has been a limited trading market for our Common Stock, and the bid and asked prices for our Common Stock on the OTCPINK may fluctuate widely in the future. As a result, investors may find it difficult to dispose of, or to obtain accurate quotations of the price of, our securities. This severely limits the liquidity of our Common Stock, and would likely reduce the market price of our Common Stock and hamper our ability to raise additional capital.

The market price of our Common Stock is likely to be highly volatile and subject to wide fluctuations.

Dramatic fluctuations in the price of our Common Stock may make it difficult to sell our Common Stock. The market price of our Common Stock is likely to be highly volatile and could be subject to wide fluctuations in response to a number of factors that are beyond our control, including:

dilution caused by our issuance of additional shares of Common Stock and other forms of equity securities in connection with (i) future capital financings to fund our operations and growth, and (ii) attracting and retaining valuable personnel and in connection with future strategic partnerships with other companies;

variations in our quarterly operating results;

announcements that our revenue or income are below or that costs or losses are greater than analysts' expectations;

the general economic slowdown;

sales of large blocks of our Common Stock;

announcements by us or our competitors of significant contracts, acquisitions, strategic partnerships, joint ventures or capital commitments; and

Fluctuations stock market prices and volumes.

These and other factors are largely beyond our control, and the impact of these risks, singly or in the aggregate, may result in material adverse changes to the market price of our Common Stock and/or our results of operations and financial condition.

Our founders received their shares of our Common Stock at a price of $.01 per share.

Our founders received their shares of our Common Stock at a price of $.01 per share. The low purchase price for such shares may make it more likely that the shares will be sold at lower trading prices. The sale of such shares into the market could have a depressive effect on the trading price of our Common Stock, if then traded.

The Common Stock is subject to the "penny stock" rules of the SEC, which may make it more difficult for stockholders to sell the Common Stock.

The United States Securities and Exchange Commission (the "Commission") has adopted Rule 15g-9 which establishes the definition of a "penny stock" for the purposes relevant to us, as any equity security that has a market price of less than $5.00 per share or with an exercise price of less than $5.00 per share, subject to certain exceptions. For any transaction involving a penny stock, unless exempt, the rules require:

1. That a broker or dealer approve a person's account for transactions in penny stocks; and
2. The broker or dealer receives from the investor a written agreement to the transaction, setting forth the identity and quantity of the penny stock to be purchased.

In order to approve a person's account for transactions in penny stocks, the broker or dealer must:

1. Obtain financial information and investment experience objectives of the person; and
2. Obtain financial information and investment experience objectives of the person; and

15

3. Make a reasonable determination that the transactions in penny stocks are suitable for that person and the person has sufficient knowledge and experience in financial matters to be capable of evaluating the risks of transactions in penny stocks

4. The broker or dealer must also deliver, prior to any transaction in a penny stock, a disclosure schedule prescribed by the Commission relating to the penny stock market, which, in highlight form sets forth the basis on which the broker or dealer made the suitability determination; and

5. That the broker or dealer received a signed, written agreement from the investor prior to the transaction

Disclosure also has to be made about the risks of investing in penny stocks in both public offerings and in secondary trading and about the commissions payable to both the broker-dealer and the registered representative, current quotations for the securities and the rights and remedies available to an investor in cases of fraud in penny stock transactions. Finally, monthly statements have to be sent disclosing recent price information for the penny stock held in the account and information on the limited market in penny stocks.

The regulations applicable to penny stocks may severely affect the market liquidity for the Common Stock and could limit an investor's ability to sell the Common Stock in the secondary market.

As an issuer of "penny stock," the protection provided by the federal securities laws relating to forward looking statements, do not apply us.

Although federal securities laws provide a safe harbor for forward-looking statements made by a public company that files reports under the federal securities laws, this safe harbor is not available to issuers of penny stocks. As a result, we will not have the benefit of this safe harbor protection in the event of any legal action based upon a claim that the material we provided contained a material misstatement of fact or was misleading in any material respect because of our failure to include any statements necessary to make the statements not misleading. Such an action could adversely affect our financial condition.

We have not paid dividends in the past and does not expect to pay dividends for the foreseeable future. Any return on investment may be limited to the value of our Common Stock.

No cash dividends have been paid on our Common Stock. We expect that any income received from operations will be devoted to our future operations and growth. We do not expect to pay cash dividends in the near future. Payment of dividends would depend upon our profitability at the time, cash available for those dividends, and other factors as our board of directors may consider relevant. If we do not pay dividends, our Common Stock may be less valuable because a return on an investor's investment will only occur if our stock price appreciates.

ITEM 1B. UNRESOLVED STAFF COMMENTS

NOT APPLICABLE

ITEM 2. PROPERTIES

On December 1, 2015, we moved our offices to 14699 Holman Mountain Road, Jamestown, CA 95327. The space is provided by the Chairman of the Company at no cost.

ITEM 3. LEGAL PROCEEDINGS.

NONE

ITEM 4. MINE SAFETY DISCLOSURES

Not Applicable

PART II

ITEM 5. MARKET FOR REGISTRANT'S COMMON EQUITY, RELATED STOCKHOLDER MATTERS AND ISSUER PURCHASERS OF EQUITY SECURITES.

Market Information

Our Common Stock is quoted on the OTCPINK under the symbol "GETH" For the periods indicated, the following table sets forth the high and low bid prices per share of common stock. These quotations reflect inter-dealer prices, without retail mark-up, mark-down or commission and may not necessarily represent actual transactions.

Fiscal Quarter	Fiscal 2018		Fiscal 2017	
	High	Low	High	Low
First Quarter Ended March 31	$0.10	$0.02	$0.19	$0.14
Second Quarter Ended June 30	$0.10	$0.02	$0.10	$0.08
Third Quarter Ended September 30	$0.02	$0.01	$0.08	$0.07
Fourth Quarter Ended December 31	$0.01	$0.0012	$0.10	$0.08

Holders

As of April 13, 2019, there were 398,371,777 shares of common stock issued and outstanding, held by approximately 136 shareholders of record.

Dividends

We have never declared or paid any cash dividends on our Common Stock. We currently intend to retain future earnings, if any, to finance the expansion of our business. As a result, we do not anticipate paying any cash dividends in the foreseeable future. Any future determination to pay dividends will be at the discretion of our board of directors and will be dependent upon the existing conditions, including our financial condition and results of operations, capital requirements, contractual restrictions, business prospects, and other factors that the board of directors considers relevant.

Securities Authorized for Issuance under Equity Compensation Plans

We have not adopted any equity compensation plans as of December 31, 2018.

Recent Sales of Unregistered Securities.

In March 2018, we filed with the state of Delaware, Division of Corporations, a Certificate of Designations of Preferences, Rights and Limitations for 300,000 shares of a Series B Convertible Preferred Stock. The Certificate of Designations was approved by the Division of Corporations. These Series B Convertible Preferred shares are senior to Common Shareholders in reference to liquidation dividends and are junior to the Series A Convertible Preferred shares. The Series B Convertible Preferred Shares have an annual 12% dividend with a stated value of $1.00 and have no voting rights. The redemption options for these shares are 105% for the first 30 days, 110% for the first 60 days, 115% for the first 90 days, 120% for the first 120 days, 125% for the first 150 days and 130% for the first 180 days, then after no redemption rights. Twelve months from the issue date, the Company has a “mandatory redemption date” to redeem the outstanding shares not converted. The shares have conversion rights to convert at 75% of the average of the two lowest common stock prices ten days before the date of conversion.

During the year ended December 31, 2018, we issued an aggregate of 191,400 shares of our Series B Convertible Preferred stock, as follows:

In March 2018, we issued to a non-affiliate 85,800 Series B Convertible Preferred Stock for $75,000 and $10,800 of OID.

In March 2018, we issued to a non-affiliate 58,300 Series B Convertible Preferred Stock for $50,000 and $8,300 of OID.

In October 2018, we issued to a non-affiliate 47,300 Series B Convertible Preferred Stock for $40,000 and $7,300 of OID.

During the year ended December 31, 2018, we issued an aggregate of 116,825,871 shares of our common stock, as follows:

In February 2018, we issued 488,281 shares of common stock to a non-affiliate to convert $15,000 of debt.

In March 2018, we issued 1,338,365 shares of common stock to a non-affiliate to convert $30,000 of debt.

In March 2018, we issued 250,000 shares of common stock for consulting services valued at $5,000.

In May 2018, we issued 1,000,000 shares of common stock to H. E. Capital, a related party, to settle $40,000 of its line of credit debt.

In May 2018, we issued 974,025 shares of common stock to a non-affiliate to convert $15,000 of debt.

In July 2018, we issued 2,181,818 shares of common stock to a non-affiliate to convert $12,000 of debt.

In August 2018, we issued 2,250,080 shares of common stock to a non-affiliate to convert $3,000 of debt and $4,000 of interest.

In September 2018, we issued 2,459,016 shares of common stock to a non-affiliate to convert $9,000 of debt.

In September 2018, we issued 3,835,417 shares of common stock to a non-affiliate to convert 18,500 Series B Convertible Preferred Stock with a stated par value of $1.00 and $1,110 accrued dividend.

In October 2018, we issued 7,696,748 shares of common stock to a non-affiliate to convert 25,400 Series B Convertible Preferred Stock with a stated par value of $1.00 and $1,524 in interest.

In November 2018, we issued 3,409,090 shares of common stock to a non-affiliate to convert $4,500 of debt.

In November 2018, we issued 12,944,724 shares of common stock to a non-affiliate to convert 28,340 Series B Convertible Preferred Stock with a stated par value of $1.00 and $1,700 in interest.

In December 2018, we issued 3,868,756 shares of common stock to a non-affiliate to convert $5,084 of debt.

In December 2018, we issued 3,279,428 shares of common stock to a non-affiliate to convert $5,116 of debt.

In December 2018, we issued 22,192,840 shares of common stock to a non-affiliate to convert $19,800 of debt.

In December 2018, we issued 48,657,363 shares of common stock to a non-affiliate to convert 58,250 Series B Convertible Preferred Stock with a stated par value of $1.00 and $3,494 in interest.

During 2018, we issued 250,000 common shares to settle $5,000 of accounts payable to vendor, we issued 43,441,619 common shares to convert $158,500 of debt and $4,000 of fees, we issued 73,134,252 common shares to convert 130,490 Series B Convertible Preferred Stock and $7,828 accrued dividend.

In each instance, these securities were issued following an arm's-length negotiation between Green EnviroTech and the recipient, and no general solicitation was used. These securities were issued in reliance on the exemption from registration provided by Section 4(a)(2) of the Securities Act of 1933 and the rules and regulations promulgated thereunder as not involving any public offering.

Issuer Repurchases of Equity Securities

None.

ITEM 6. SELECTED FINANCIAL DATA.

Not applicable.

ITEM 7. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS.

Forward-Looking Statements

Statements in this annual report on Form 10-K may be "forward-looking statements." Forward-looking statements include, but are not limited to, statements that express our intentions, beliefs, expectations, strategies, predictions or any other statements relating to our future activities or other future events or conditions. These statements are based on current expectations, estimates and projections about our business based, in part, on assumptions made by management. These statements are not guarantees of future performance and involve risks, uncertainties and assumptions that are difficult to predict. Therefore, actual outcomes and results may, and are likely to, differ materially from what is expressed or forecasted in the forward-looking statements due to numerous factors, including those described above and those risks discussed from time to time in this annual report on Form 10-K, including the risks described under "Risk Factors," and "Management's Discussion and Analysis of Financial Condition and Results of Operations" in this annual report on Form 10-K and in other documents which we file with the Commission. In addition, such statements could be affected by risks and uncertainties related to our ability to raise any financing which we may require for our operations, competition, government regulations and requirements, pricing and development difficulties, our ability to make acquisitions and successfully integrate those acquisitions with our business, as well as general industry and market conditions and growth rates, and general economic conditions. Any forward-looking statements speak only as of the date on which they are made, and we do not undertake any obligation to update any forward-looking statement to reflect events or circumstances after the date of this annual report on Form 10-K, except as may be required under applicable securities laws.

Critical Accounting Policy and Estimates

Principles of consolidation – The consolidated financial statements include the accounts of its controlled subsidiaries. Equity investments in which we exercise significant influence, but do not control and are not the primary beneficiary, are accounted for using the equity method of accounting. Investments in which we do not exercise significant influence over the investee are accounted for using the cost method of accounting. Intercompany transactions are eliminated.

Reclassification-Certain reclassifications have been made to the prior period's financial statements to conform to the current period's presentation.

Our Management's Discussion and Analysis of Financial Condition and Results of Operations section discusses our financial statements, which have been prepared in accordance with accounting principles generally accepted in the United States of America. The preparation of these financial statements requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. On an on-going basis, management evaluates its estimates and judgments, including those related to revenue recognition, accrued expenses, financing operations, and contingencies and litigation. Management bases its estimates and judgments on historical experience and on various other factors that are believed to be reasonable under the circumstances, the results of which form the basis for making judgments about the carrying value of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates under different assumptions or conditions. The most significant accounting estimates inherent in the preparation of our financial statements include estimates as to the appropriate carrying value of certain assets and liabilities which are not readily apparent from other sources.

The following discussion of our financial condition and results of operations should be read in conjunction with our audited financial statements for the year ended December 31, 2017, together with notes thereto as previously filed with our Annual Report on Form 10-K. In addition, these accounting policies are described at relevant sections in this discussion and analysis and in the notes to the financial statements included in this Form 10-K for the year ended December 31, 2018.

Results of Operations

Year Ended December 31, 2018 compared to Year Ended December 31, 2017

We incurred $1,924,206 in wages and professional fees for the year ended December 31, 2018, as compared to $3,034,054 for the year ended December 31, 2017, a decrease of approximately 36%. This was a decrease of $1,109,848 in wages and professional fees. We had $1,562,500 in accrued wages, when in 2017, we had $1,684,711 in accrued wages. We issued $5,000 in common stock to settle accounts payable for services, when in 2017 we had $91,250 in services, and we issued no common stock warrants for services in 2018, when in 2017 we issued $673,542 in common stock warrants for services. The common stock was issued for services pertaining to public relations in the financial arena. The balance was $35,000 in paid salary and $326,706 in professional fees. In 2017, we had $90,000 in wages and $528,301 in professional fees.

There were $980,801 in impairments for the year ended December 31, 2018 compared to none for the year ended December 31, 2017. There was no bad debt write offs for the years ended December 31, 2018 and 2017.

The general and administrative expenses for the year ended December 31, 2018 were $78,083 as compared to $307,037 for the year ended December 31, 2017, a decrease of approximately 74%. This decrease amounted to $228,954. Our travel expenses for the year ended December 31, 2018 were $16,087 compared to $73,962 for the year ended December 31, 2017. Our oil samples and lab testing for the year ended December 31, 2018 were none compared to $65,590 for the year ended December 31, 2017. We also had insurance expense in the amount of $6,065 for the year ended December 31, 2018 as compared to $63,711 for the year ended December 31, 2017. The balance of $55,931 was other overhead expenses in 2018 as compared to $103,774 for 2017.

The non-operating expenses for the year ended December 31, 2018, were $92,549 as compared to $530,113 for the year ended December 31, 2017, a decrease of approximately 83%. The decrease of $437,564 in non-operating expenses was largely the result of a change in the fair value of derivatives, offset by an increase of $23,487 in interest expense. We had $615,797 in interest expense in 2018 as compared to $592,310 for 2017. We had a positive change in fair value of derivatives in the amount of $523,248 as compared to 2017 it was negative $722.

Liquidity and Capital Resources

As of December 31, 2018, we had a balance of cash in the bank in the amount of $1,180 as compared to $6,054 as of December 31, 2017. This decrease of $4,874 represented an 80% decrease. We estimate we will need to raise an additional $750,000 in 2019 for working capital. As of December 31, 2018, we had accounts payable to vendors and accrued expenses in the amount of $3,032,286 as compared to $2,737,340 as of December 31, 2017.

On May 22, 2018, we entered into a 12% interest bearing note agreement with JSJ Investments, Inc. in the amount of $75,000, the Note has a $5,500 original issue discount. It was also determined at issue date, the Note had $69,500 in derivative discount. Amortization of debt discounts amounted to $21,167 for the year ended December 31, 2018. Unamortized debt discount as of December 31, 2018 amounted to $53,833. The note has a maturity date of May 22, 2019. The Company may pay this Note in full, together with any and all accrued and unpaid interest, plus any applicable pre-payment premium set forth in the agreement and subject to the terms of the agreement at any time on or prior to the date which occurs 180 days after the date of issue (Prepay Date). In the event the Note is not prepaid in full on or before the Prepay Date, the Note will incur a prepayment premium of 135% for the first 90 days, 140% from 91 days to 120 days, 145% from 121 days to 180 days and 150% until maturity date. The Note has conversion rights at any time after the Prepay Date for its holder at a 40% discount to the lowest trading price during the previous twenty trading days to the date of a conversion notice. On December 3, 2018, JSJ Investments, Inc. exercised its right to convert $5,084 of the debt into 3,868,756 common shares of the Company Stock. This note had a balance of $69,916 and accrued interest in the amount of $5,551 as of December 31, 2018.

On May 31, 2018, we entered into a 12% interest bearing note agreement with Coolidge Capital LLC in the amount of $75,000, the Note has a $4,500 original issue discount. It was also determined on the date of issue, the Note had $40,366 in derivative discount. Amortization of debt discounts amounted to $32,464 for the year ended December 31, 2018. Unamortized debt discount as of December 31, 2018 amounted to $12,402. The note has a maturity date of February 28, 2019. The Company may pay this Note in full, together with any and all accrued and unpaid interest, plus any applicable pre-payment premium set forth in the agreement and subject to the terms of the agreement at any time on or prior to the date which occurs 180 days after the date of issue. The prepayment schedule of payments would be 115% for the first 30 days, 120% for the first 60 days, 125% for the first 90 days, 130% for the first 120 days, 135% for the first 150 days and 140% for the first 180 days. After 180 days from date of issue, there is no prepayment until maturity date when the Note is due with interest. The Note has conversion rights at any time after 180 days after the date of issue for its holder at a 40% discount to the lowest trading price during the previous twenty trading days to the date of conversion. On December 7, 2018, Coolidge Capital LLC exercised its right to convert $5,116 of the debt into 3,279,428 common shares of the Company Stock. This note had a balance of $69,884 and accrued interest in the amount of $5,332 for the year ended December 31, 2018.

On November 1, 2017, the Company issued an eight percent (8%) convertible note in the amount of $75,000. The note is convertible at $0.05 per share for the Company's common stock. On November 7, 2017, the noteholder converted the note and the Company issued 1,500,000 shares as full settlement of the loan.

On May 5, 2017, we received working capital funds in the amount of $77,500 from Auctus Fund LLC ("Auctus"). The note had an interest rate of 10% and was due February 5, 2018. This note was paid in full on November 3, 2017, and the derivative discount of $40,538 was fully amortized to interest expense during the year ended December 31, 2017.

On May 16, 2017, we received working capital funds in the amount of $74,650 from EMA Financial LLC ("EMA"). The note was in the amount of $77,500 with an original issue discount (OID) in the amount of $2,850, had an interest rate of 10%, and was due May 1, 2018. This note was paid in full on November 10, 2017, and the derivative discount and OID totaling $51,480 was fully amortized to interest expense during the year ended December 31, 2017.

On April 12, 2017, we received working capital funds in the amount of $100,000 from a private company. The note had an interest rate of 8%. On July 21, 2017, the private company holding this note with its accrued interest in the amount of $2,192 exercised their right to convert in exchange for 1,481,040 shares of our common stock. The conversion price was the price of the stock at the time with a 15% discount to the market price. During the third quarter, it was determined this note had derivative discount in the amount of $28,130 which was amortized in the third quarter when the note was converted.

On March 29, 2017, we entered into a lease and working capital credit facility with Caliber Capital & Leasing LLC and its assignee, Real Estate Acquisition Development Sales, LLC ("READS"). Under the agreements, READS is providing an initial commitment of up to $2.5 million for the construction of our first processing line in our centralized Carbon Finishing Plant in Ohio. The loan is dated for April 4, 2017 and to date we have $493,000 in draws. The remaining draw is in doubt and GETH is negotiations with other funding institutions to fill the gap in funding. This note received $50,000 assignment from Chris Bowers during the year. This note has a balance of $543,000 as of December 31, 2018 with accrued interest of $59,158 compared to a balance of $493,000 and accrued interest of $8,044 for the year ended December 31, 2017. This note is in default.

On March 3, 2017, we approved a new working capital line of credit loan with our former CEO, Chris Bowers in the amount up to $150,000 at 8% due December 31, 2018. This note has been extended until December 31, 2018 and was not extended further. The note is in default. The note has conversion rights into our common shares at $0.10 per share. As of December 31, 2017, this note has a balance of $90,000 with accrued interest in the amount of $6,420. The Company evaluated this convertible LOC for Beneficial Conversion Features (BCF) and concluded that the LOC incurred a BCF when it was issued on March 3, 2017. The BCF resulted in a debt discount in the amount of $35,300 which was amortized in full during the year ended December 31, 2017. $50,000 of this note was assigned to READS during the year. This note has a balance of $54,100 and accrued interest of $12,222 as of December 31, 2018.

On August 15, 2016, we accepted a Line of Credit (LOC) in the amount of $500,000 from our former CEO Chris Bowers. On November 14, 2016, we accepted a second Line of Credit (LOC) in the amount of $500,000 from our CEO. These two LOCs have an outstanding balance in the amount of $1,000,000 for the years ended December 31, 2018 and 2017, respectively. There was accrued interest as of December 31, 2018 in the amount of $60,000 and none for the year ended 2017. These LOCs accrue interest at the rate of 1% per month based upon $1,000,000 total balance.

We had been paying $10,000 per month in interest on the two LOCs. The due date of the two loans was December 31, 2018. The notes were not extended and are in default. The funds were used for working capital of the Company. The first LOC has two Addendums attached to it. Addendum A clarifies debt conversion rights attached to the LOC at $0.20 per share of common stock. Addendum B clarifies other rights attached to the LOC. These other rights are numbered below. (The second LOC has the same rights as that of the first LOC). The Company evaluated these convertible LOCs for Beneficial Conversion Features (BCF) and concluded that the second LOC incurred a Beneficial Conversion Features (BCF) when it was issued on November 14, 2016. The BCF resulted in a debt discount in the amount of $105,600 which amortized in 2016 and 2017. These certain other rights in Addendum B provide for the following:

1. LOC has Repayment rights: The LOC has priority principal and interest repayment rights from other sources of capital received by the Company.

2. LOC has Warrant rights: Bowers has the right to receive 500,000 (five hundred thousand) $0.10 warrants for providing the LOC and 250,000 (two hundred fifty thousand) $0.10 warrants per $100,000 drawn against the $500,000 LOC. This would be a total of 1,750,000 $0.10 warrants to be issued to Bowers and/or Assigns for providing the funding and the Company using all $500,000 LOC.

3. LOC has Additional Stock Conversion rights: At any time while the LOC is outstanding, Bowers has the right to convert per $100,000 of the LOC for 500,000 shares of duly paid and non-assessable common stock of the Company at a conversion price of $0.20 per share (subject to adjustment in the event of stock splits or stock dividends) by providing a notice of conversion in a form reasonably acceptable to the Company. The full conversion of the LOC would be 2,500,000 shares of the Company common stock.

On February 1, 2016, we issued an 8%, $134,000 Note Payable to our former CEO Chris Bowers for funds received. The funds were used for working capital in Smart Fuel Solutions, Inc. (SFS). On September 28, 2016 when we acquired controlling interest in SFS, we assumed the note. The note is convertible at $0.50 per share. The note was extended to December 31, 2018. It was not extended and is in default. As of December 31, 2018 and 2017, the accrued interest on this note was $26,044 and $15,324 respectively.

The Company has had a Line of Credit with H. E. Capital, S. A. since December 3, 2010. This Line of Credit accrues interest at the rate of 8% per annum and is convertible at $0.10 per share. The due date of the loan was extended to December 31, 2019. During the year ended December 31, 2018, H.E. Capital converted $40,000 of the debt into 1,000,000 common shares of the Company. H.E. Capital also advanced to the Company $6,000. The Company paid $6,000 to H. E. Capital during 2018 to reduce debt. For the year ended December 31, 2017, H.E. Capital converted $230,000 of the debt into 2,300,000 common shares of the Company which H.E. Capital assigned 2,000,000 common shares directly to a third party. H.E. Capital also advanced to the Company $65,000. The Company paid $45,200 to H. E. Capital during 2017 to reduce debt. During 2017, H.E. Capital converted $100,000 of its accrued interest into 1,000,000 of common shares of the Company. For the year ended December 31, 2018, H.E. Capital loan balance was $246,537 with accrued interest in the amount of $81,051 compared to the year ended December 31, 2017, the loan balance was $286,537 with accrued interest in the amount of $59,743.

On November 15, 2012, we issued a promissory note to an individual in the amount of $170,000 at 8% interest. The note was extended to June 30, 2018 and was not extended. The note is in default. The Company used the funds to pay off the convertible notes held by Asher Enterprise, Inc. As of December 31, 2018 and 2017 the loan has an outstanding balance of $170,000 and accrued interest in the amount of $34,130 and $20,530 respectively. The accrued interest in the amount of $49,295 reported for the $170,000 on June 30, 2016 was converted into a new note dated July 1, 2016 with $0.50 per share conversion rights and accruing interest at 8%. The note was extended to June 30, 2018 and was not extended. The note is in default. The accrued interest on this note on December 31, 2018 and 2017 was $9,875 and $5,932 respectively. The $170,000 balance is not convertible only the $49,295 is convertible at $0.50 per share.

We issued debentures in the original amount of $380,000 secured by our assets to a group of investors on October 22, 2010. $75,000 of these notes was paid on April 27, 2012. The balance of these Debentures on December 31, 2018 and 2017 was $305,000. The accrued interest for the years ended December 31, 2018 and 2017 was $311,437 and $274,328 respectively. Please refer to Note 6 of the financial statements which are a part of this filing for further information.

The following tables provide selected financial data about our company for the years ended December 31, 2018 and 2017.

Balance Sheet Data:	12/31/18	12/31/17
Cash	$1,180	$6,054
Total assets	$3,180	$1,050,924
Total liabilities	$5,900,810	$3,035,974
Shareholders’ equity	$(5,897,630)	$(4,985,050)

22

Cash provided by financing activities for the year ended December 31, 2018 was $282,828, as compared to $927,480 for the year ended December 31, 2017.

Off-Balance Sheet Arrangements

We do not have any off-balance sheet arrangements that have or are reasonably likely to have a current or future effect on our financial condition, changes in financial condition, revenues or expenses, results of operations, liquidity, capital expenditures or capital resources that is material to investors.

ITEM 7A. QUANTATIVE AND QUALITATIVE DISCLOSURE ABOUT MARKET RISK

Not applicable.

ITEM 8. FINANCIAL STATEMENTS AND SUPPLEMENTARY DATA

All financial information required by this Item is attached hereto at the end of this annual report on Form 10-K beginning on page F-1 and is hereby incorporated by reference.

ITEM 9. CHANGES IN AND DISAGREEMENTS WITH ACCOUNTANTS ON ACCOUNTING AND FINANCIAL DISCLOSURE.

None.

ITEM 9A. CONTROLS AND PROCEDURES

Our principal executive and principal financial officers have evaluated the effectiveness of our disclosure controls and procedures, as defined in Rules 13a - 15(e) and 15d - 15(e) under the Securities Exchange Act of 1934, as amended (the “Exchange Act”), as of the end of the period covered by this annual report. They have concluded that, based on such evaluation, our disclosure controls and procedures were not effective due to the material weaknesses in our internal control over financial reporting as of December 31, 2018, as further described below.

Management's Report on Internal Control Over Financial Reporting

Our management is responsible for establishing and maintaining adequate internal control over financial reporting. Internal control over financial reporting is defined in Rule 13a-15(f) or 15d-15(f) promulgated under the Exchange Act as a process designed by, or under the supervision of, our principal executive and principal financial officers and effected by our board of directors, management and other personnel, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with accounting principles generally accepted in the United States of America and includes those policies and procedures that:

Pertain to the maintenance of records that in reasonable detail accurately and fairly reflect the transactions and dispositions of our assets;

Provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with accounting principles generally accepted in the United States of America and that our receipts and expenditures are being made only in accordance with authorizations of our management and directors; and

Provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use or disposition of our assets that could have a material effect on the financial statements.

Because of its inherent limitations, internal control over financial reporting may not prevent or detect misstatements. Projections of any evaluation of effectiveness to future periods are subject to the risk that controls may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate. All internal control systems, no matter how well designed, have inherent limitations. Therefore, even those systems determined to be effective can provide only reasonable assurance with respect to financial statement preparation and presentation. Because of the inherent limitations of internal control, there is a risk that material misstatements may not be prevented or detected on a timely basis by internal control over financial reporting. However, these inherent limitations are known features of the financial reporting process. Therefore, it is possible to design into the process safeguards to reduce, though not eliminate, this risk.

As of December 31, 2018 management assessed the effectiveness of our internal control over financial reporting based on the criteria for effective internal control over financial reporting established in Internal Control-Integrated Framework (2013) issued by the Committee of Sponsoring Organizations of the Treadway Commission ("COSO") and SEC guidance on conducting such assessments. Based on that evaluation, they concluded that, during the period covered by this report, such internal controls and procedures were not effective to detect the inappropriate application of US GAAP rules as more fully described below. This was due to deficiencies that existed in the design or operation of our internal controls over financial reporting that adversely affected our internal controls and that were considered to be material weaknesses.

The matters involving internal controls and procedures that our management considered to be material weaknesses were: (1) lack of a functioning audit committee due to a lack of a majority of independent members and a lack of a majority of outside directors on our board of directors, resulting in ineffective oversight in the establishment and monitoring of required internal controls and procedures; (2) inadequate segregation of duties consistent with control objectives; and (3) ineffective controls over period end financial disclosure and reporting processes. The aforementioned material weaknesses were identified by our management in connection with the review of our financial statements as of December 31, 2018. These material weaknesses can be rectified by an injection of funding needed to hire personnel to fill the positions needed to carry out the necessary duties for adequate internal controls. Management believes that the material weaknesses set forth in items (2) and (3) above did not have an effect on our financial results. However, management believes that the lack of a functioning audit committee and the lack of a majority of outside directors on our board of directors results in ineffective oversight in the establishment and monitoring of required internal controls and procedures, which could result in a material misstatement in our financial statements in future periods.

This annual report does not include an attestation report of our registered public accounting firm regarding internal control over financial reporting. Management's report was not subject to attestation by our registered public accounting firm pursuant to rules of the Securities and Exchange Commission which permanently exempted smaller reporting companies.

Management's Remediation Initiatives

In an effort to remediate the identified material weaknesses and other deficiencies and enhance our internal controls, we have initiated initiatives to safe guard our cash as the most important imperative. Our CEO directs our VP of Finance to pay only invoices approved by the CEO. A monthly budget is approved and any deviation from the budget has to have approval. We intend to initiate the following plan when funding permits:

We will create a position to segregate duties consistent with control objectives and will increase our personnel resources and technical accounting expertise within the accounting function when funds are available to us. Further, we plan to appoint one or more outside directors to our board of directors who shall be appointed to an audit committee resulting in a fully functioning audit committee who will undertake the oversight in the establishment and monitoring of required internal controls and procedures such as reviewing and approving estimates and assumptions made by management when funds are available to us.

Management believes that the appointment of one or more outside directors, who shall be appointed to a fully functioning audit committee, will remedy the lack of a functioning audit committee and a lack of a majority of outside directors on our Board.

We anticipate that these initiatives will be at least partially, if not fully, implemented by December 31, 2019. Additionally, we plan to test our updated controls and remediate our deficiencies by December 31, 2019.

Changes in Internal Controls Over Financial Reporting

There was no change in our internal controls over financial reporting that occurred during the quarter ended December 31, 2018, which has materially affected, or is reasonably likely to materially affect, our internal controls over financial reporting.

ITEM 9B. OTHER INFORMATION.

None.

PART III

ITEM 10. DIRECTORS, EXECUTIVE OFFICERS, AND CORPORATE GOVERNANCE.

Below are the names and certain information regarding the Company's executive officers and directors.

Name	**Age**	**Position**
Gary M. DeLaurentiis	74	Chief Executive Officer and Director
Chris Bowers	58	Resigned January 15, 2019
Christopher R. Smith	48	Secretary-Treasurer and Chairman

Directors serve until the next annual meeting of stockholders or until their successors are elected and qualified. Officers serve at the discretion of the board of directors.

Gary M. De Laurentiis, Chairman and Secretary Treasurer

Mr. De Laurentiis has been our Chief Executive Officer and Chairman since July 2009. Prior to that, he served as our Chief Operating Officer from September 2008 until July 2009. Mr. DeLaurentiis has been active in the plastics recycling business for nearly 20 years. In partnership with the Chinese government, he designed and built his first plastics recycling plant in 1987. In the years since, he has designed, remodeled, built and operated plants in Mexico, North Carolina, Ohio, Florida, California and Canada for both local governments and private industries. From 1992 to 1995, Mr. De Laurentiis worked directly with the state government in Campeche, Mexico, living on-site for eighteen (18) months while directing the entire project. In 1996, an Ohio based group recruited Mr. De Laurentiis to open a shuttered recycling plant. Mr. De Laurentiis left the Company in 1999 to start ECO2 Plastics Inc. Subsequently, he left Eco2 Plastics in September 2008 to start Green EnviroTech. Mr. DeLaurentiis' experience in the plastics industry led to the conclusion that Mr. De Laurentiis should serve on the Company's board given the Company's business and structure.

Chris Bowers, Director, President and Chief Executive Officer

Mr. Bowers is an experienced executive, entrepreneur, angel investor and consultant who has worked all over the world. He spent two decades in the high tech industry working with senior leaders in many companies, including the President and CEO of Philips Electronics; and he was a member of the Executive Staff at Applied Materials. During his business career, Mr. Bowers has established, grown and downsized country operations, founded and led consulting practices, led numerous company functions, and been involved in M&A deals and integrations. In the last few years Mr. Bowers has also been directly involved in philanthropy and pro-bono work with Stanford Hospital, with Santa Clara University both in the Miller Center for Social Entrepreneurship and in the Business School; with Second Harvest Food Bank and with The Tech Awards. Mr. Bowers started his career with the British military, serving for 5 years with the UK Special Forces. Mr. Bowers resigned from the board and as our President and CEO effective January 15, 2019 to pursue other interests.

Chris Smith, Director

Mr. Smith has wealth of experience in the financial industry. He was a founder and director of HE Capital, a licensed asset management company with an international clientele based in the Dominican Republic until his resignation in 2014. Mr. Smith specializes in raising capital and structuring companies in both the private and public sectors. He is also a director of Black Lion Oil, Ltd., an affiliate of ours.

Section 16(a) Beneficial Ownership Compliance

Our officers, directors and shareholders owning greater than ten percent (10%) of our shares are required to file beneficial ownership reports pursuant to Section 16(a) of the Securities and Exchange Act (the “Exchange Act”). All such reporting obligations were complied with during the year ended December 31, 2018, except that Gary De Laurentiis, our Chief Executive Officer, has not filed Form 4s due in connection with.

Code of Ethics

We do not currently have a code of ethics that applies to our Chief Executive Officer, Chief Financial Officer, Chief Accounting Officer or Controller, or persons performing similar functions. Because we have only limited business operations and until recently only had one (1) officer and one (1) director, we believe a code of ethics would have limited utility. We intend to adopt such a code of ethics in the coming year as our business operations expand and we have more directors, officers and employees.

Audit Committee Financial Expert

Because of our the small size and early stage, we do not currently have a separately designated standing audit committee established in accordance with Section 3(a)(58)(A) of the Exchange Act, or a committee performing similar functions.

Changes in Nominating Process

During the year ended December 31, 2018, there are no material changes to the procedures by which security holders may recommend nominees to our board of directors.

ITEM 11. EXECUTIVE COMPENSATION.

SUMMARY COMPENSATION TABLE

The following table sets forth all compensation paid or accrued in respect of our Chief Executive Officer and those executive officers who received compensation in excess of $100,000 per year for the years ended December 31, 2018 and 2017.

Name & Principal position	Year	Salary ($)	Bonus ($)	Stock Awards ($)	Warrants Option Awards ($)	Non-Equity Incentive Plan Compensation	Change in Pension Value and Non-Qualified Deferred Compensation Earnings ($)	All Other Compensation Earnings ($)	Total ($)
Gary DeLaurentiis Secretary Treasurer	2018	$300,000							$300,000
Chairman	2017	$300,000			$67,064				$367,064
Chris Bowers									
Former President Chief Executive Officer Director	2018	$360,000			$0				$360,000
	2017	$360,000			$300,000				$660,000

(1) Gary DeLaurentiis, formerly our Secretary Treasurer and our CEO since January 15, 2019, had $280,000 unpaid salary at year end December 31, 2018 and $263,000 at December 31, 2017. Mr. DeLaurentiis received no common stock awards during 2018. Mr. DeLaurentiis received 50,000 common stock warrants valued at $5,000 during 2017 from Smart Fuel Solutions when it merged into the Company on June 30, 2017. Mr. DeLaurentiis received 450,000 common stock warrants valued at $67,064 during 2017.

(2) Chris Bowers, our former CEO effective December 12, 2016, had $305,000 unpaid salary at year end December 31, 2017 and $355,000 at year end December 31, 2018. Mr. Bowers received 1,418,000 common stock warrants valued at $141,800 from Smart Fuel Solutions when it merged into the Company on June 30, 2017. Mr. Bowers received 3,450,000 common stock warrants valued at $339,625 during 2017. Mr. Bowers resigned as our CEO on

January 15, 2019.

Employment Agreements

We do have written employment agreements with our officers.

Director Compensation

None of our directors received any compensation for services as director for the year ended December 31, 2018.

Outstanding Equity Awards at December 31, 2018

The following table sets forth outstanding equity awards to our named executive officers as of December 31, 2017 and 2018. The awards shown are for the year 2017, there were no awards issued in 2018.

OPTION AWARDS						STOCK AWARDS			
Name (a)	Number of Securities Underlying Unexercised Options (#) Exercisable (b)	Number of Securities Underlying Unexercised Options (#) Unexercisable (c)	Equity Incentive Plan Awards: Number of Securities Underlying Unexercised Unearned Options (#) (d)	Option Exercise Price ($) (e)	Option Expiration Date (f)	Number of Shares or Units of Stock That Have Not Vested (#) (g)	Market Value of Shares or Units of Stock That Have Not Vested ($) (h)	Equity Incentive Plan Awards: Number of Unearned Shares, Units or Other Rights That Have Not Vested (#) (i)	Equity Incentive Plan Awards: Market or Payout Value of Unearned Shares, Units or Other Rights That Have Not Vested (#) (j)
Gary DeLaurentiis	2,100,000	-	-	$ 0.10	12/31/2020	-	-	-	-

Chris Bowers	6,868,000	-	-	$ 0.10	12/31/2020	-	-	-	-

27

ITEM 12. SECURITY OWNERSHIP OF CERTAIN BENEFICIAL OWNERS AND MANAGEMENT AND RELATED STOCKHOLDER MATTERS.

The following table sets forth certain information, as of April 16, 2019, with respect to the beneficial ownership of the outstanding Common Stock by (i) any holder of more than five (5%) percent; (ii) each of the Company's executive officers and directors; and (iii) the Company's directors and executive officers as a group. Except as otherwise indicated, each of the stockholders listed below has sole voting and investment power over the shares beneficially owned. This is based upon a total of 398,371,777 shares issued and outstanding as of April 13, 2019.

Name of Beneficial Owner	Common Stock Beneficially Owned	Percentage of Common Stock
Directors and Officers:		
Gary M. DeLaurentiis	440,000	0.100
Chris Bowers	1,250,000	0.300
Chris Smith (1)	38,599,016	9.600
All officers and directors as a group (3 persons)	40,289,016	10.100
Black Lion Oil Ltd	38,599,016	9.600

(1) Mr. Smith is a director of Black Lion Oil Ltd.

Except as otherwise indicated, the address of each beneficial owner is: 14699 Holman Mtn, Jamestown, CA 95327.

Applicable percentage ownership is based on 398,371,777 shares of Common Stock outstanding as of April 13, 2019, together with securities exercisable or convertible into shares of common stock within 60 days of April 13, 2019, for each stockholder. Beneficial ownership is determined in accordance with the rules of the SEC and generally includes voting or investment power with respect to securities. Options or warrants to purchase shares of Common Stock that are currently exercisable or exercisable within 60 days of April 16, 2019, are deemed to be beneficially owned by the person holding such securities for the purpose of computing the percentage of ownership of such person, but are not treated as outstanding for the purpose of computing the percentage ownership of any other person.

ITEM 13. CERTAIN RELATIONSHIPS AND RELATED TRANSACTIONS, AND DIRECTOR INDEPENDENCE.

Certain Relationships and Related Transactions

On January 9, 2017, we issued warrants valued at $35,296 to purchase 150,000 shares of the Company's common stock to Chris Bowers for being on the board of Smart Fuel Solutions.

On January 9, 2017, we issued warrants valued at $35,296 to purchase 150,000 shares of the Company's common stock to Gary DeLaurentiis and Chris Smith for being on the board of Smart Fuel Solutions.

On June 8, 2017, we issued warrants valued at $5,917 to purchase 50,000 shares of the Company's common stock to Chris Bowers for being on the board of Smart Fuel Solutions in 2016. Each of the board members of Smart Fuel Solutions were to receive 50,000 warrants for their service in 2016. Chris Bowers never received his warrants.

On December 13, 2017, we issued warrants valued at $336,261 to purchase 3,250,000 shares of the Company's common stock to Chris Bowers for being on the board of the Company, 50,000 warrants, for a bonus for the year 250,000 warrants and 2,950,000 warrants for taking the positon of Chief Executive Officer of the Company.

On December 13, 2017, we issued warrants valued at $31,039 to purchase 300,000 shares of the Company's common stock to Gary DeLaurentiis for being on the board of the Company, 50,000 warrants, and a bonus for the year 250,000 warrants.

Director Independence

Our directors are not independent as that term is defined under the Nasdaq Marketplace Rules.

ITEM 14. PRINCIPAL ACCOUNTING FEES AND SERVICES

The following table set forth the total fees charged to us for audit services, including quarterly reviews, other audit-related services, tax services, and for other services for the years ended December 31, 2018 and 2017, respectively:

	December 31, 2018	December 31, 2017
Audit services	$ 27,000	$ 45,000
Other audit-related services	-	-
Tax services	-	-
Total	$ 27,000	$ 45,000

29

ITEM 15. EXHIBITS, FINANCIAL STATEMENTS AND SCHEDULES.

Exhibit Number	Description
3.1	Certificate of Incorporation (Incorporated by reference to our registration statement on Form S-1 (File No. 333-149626), filed with the Securities and Exchange Commission on March 11, 2008)
3.2	Certificate of Amendment of Incorporation (Incorporated by reference to our current report on Form 8-K, filed with the Securities and Exchange Commission on July 23, 2010
3.4	Certificate of Amendment to Certificate of Incorporation effective March 17, 2013
3.5	By-Laws (Incorporated by reference to our registration statement on Form S-1 (File No. 333-149626), filed with the Securities and Exchange Commission on March 11, 2008)
10.1	Agreement and Plan of Merger, dated November 20, 2009, by and among the Company, Green Enviro Tech Corp. and Green EnviroTech Acquisition Corp. (Incorporated by reference to our current report on Form 8-K filed with the Securities and Exchange Commission on November 25, 2009)
10.14	Form of Securities Purchase Agreement (incorporated by reference to our current report on Form 8-K filed with the SEC on January 27, 2011)
10.15	Form of Debenture (incorporated by reference to our current report on Form 8-K filed with the SEC on January 27, 2011)
10.16	Form of Security Agreement (incorporated by reference to our current report on Form 8-K filed with the SEC on January 27, 2011)
10.17	Form of Warrant (incorporated by reference to our current report on Form 8-K filed with the SEC on January 27, 2011)
10.24	Letter Agreement, dated as of June 1, 2013, between the Company and Black Lion Oil Limited
10.26	Real Property Lease between Lawrence Economic Development Corporation and GETH CFP, Inc., dated April 11, 2017

31.1	Certification by Principal Executive and Financial Officer, required by Rule 13a-14(a) or Rule 15d-14(a) of the Exchange Act
31.2	Certification by Principal Financial Officer, required by Rule 13a-14(a) or Rule 15d-14(a) of the Exchange Act
32.1	Certification by Principal Executive and Financial Officer, required by Rule 13a-14(b) or Rule 15d-14(b) of the Exchange Act and Section 1350 of Chapter 63 of Title 18 of the United States Code
32.2	Certification by Principal Financial Officer, required by Rule 13a-14(b) or Rule 15d-14(b) of the Exchange Act and Section 1350 of Chapter 63 of Title 18 of the United States Code
EX-101.INS	XBRL INSTANCE DOCUMENT
EX-101.SCH	XBRL TAXONOMY EXTENSION SCHEDULE
EX-101.CAL	XBRL EXTENSION CALCULATION LINKBASE
EX-101.DEF	XBRL EXTENSION DEFINITION LINKBASE
EX-101.LAB	XBRL EXTENSION LABLE LINKBASE
EX-101.PRE	XBRL EXTENSION PRESENTATION LINKBASE

Table of Contents

REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

To the Shareholders and Board of Directors of

Green Envirotech Holdings Corp.

Opinion on the Financial Statements

We have audited the accompanying consolidated balance sheets of Green Envirotech Holdings Corp. and its subsidiaries (collectively, the "Company") as of December 31, 2018 and 2017, and the related consolidated statements of operations, changes in stockholders' deficit, and cash flows for the years then ended, 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, 2018 and 2017, and the results of their operations and their cash flows for the years then ended, in conformity with accounting principles generally accepted in the United States of America.

Going Concern Matter

The accompanying 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 suffered recurring losses from operations and has a net capital deficiency that raises substantial doubt about its ability to continue as a going concern. Management's plans in regard to these matters are also described in Note 1. The financial statements do not include any adjustments that might result from the outcome of this uncertainty.

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/ MaloneBailey, LLP

www.malonebailey.com

We have served as the Company's auditor since 2013

Houston, Texas

April 17, 2019

GREEN ENVIROTECH HOLDINGS CORP.

CONSOLIDATED BALANCE SHEETS

	December 31, 2018	December 31, 2017
ASSETS		
CURRENT ASSETS		
Cash	$1,180	$6,054
Prepaid expenses	2,000	5,812
Other current assets	-	104,284
Total current assets	3,180	116,150
PROPERTY PLANT AND EQUIPMENT		
Construction in Progress	$-	934,774
TOTAL ASSETS	$3,180	$1,050,924
LIABILITIES AND STOCKHOLDERS' DEFICIT		
CURRENT LIABILITIES		
Accounts payable	$842,563	$647,445
Accounts payable-related party	-	25,720
Accrued expenses	2,189,723	2,089,895
Other current liabilities	60,000	60,000
Secured debentures payable	305,000	305,000
Loan Payable-related party-convertible	1,434,637	1,510,537
Loan Payable-other-convertible	222,860	149,295
Loan payable-other-non-convertible	713,000	663,000
Series B 12% Convertible Cumulative Preferred Stock; $0.001 par value, $1.00 stated value, 300,000 shares authorized, 60,910 and 0 shares issued and outstanding as of December 31, 2018 and December 31, 2017 respectively	34,820	-
Derivative liability	60,004	511,237
Total current liabilities	5,862,607	5,962,129
Loan payable-other-convertible, long term	38,203	73,845
TOTAL LIABILITIES	5,900,810	6,035,974
STOCKHOLDERS' DEFICIT		
Preferred stock, $0.001 par value, 25,000,000 shares authorized, 0 shares issued and outstanding	-	-
Convertible Series A Preferred Stock $0.001 par value, 1,000,000 shares authorized, 0 shares issued and outstanding	-	-

Common stock, $0.001 par value, 750,000,000 shares authorized, 156,952,606 and 40,126,655 shares issued and outstanding	156,952	40,127
Additional paid in capital	23,650,375	21,604,141
Accumulated deficit	(29,704,957)	(26,629,318)
Total Green Envirotech Holdings Corp. Stockholders' deficit	(5,897,630)	(4,985,050)
TOTAL LIABILITIES AND STOCKHOLDERS' DEFICIT	$3,180	$1,050,924

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

GREEN ENVIROTECH HOLDINGS CORP.

CONSOLIDATED STATEMENTS OF OPERATIONS

	FOR THE YEAR ENDED DECEMBER 31, 2018	FOR THE YEAR ENDED DECEMBER 31, 2017
OPERATING EXPENSES		
Wages and professional fees	$ 1,924,206	$ 3,034,054
General and administrative	78,083	307,037
Impairment of assets	980,801	
Total operating expenses	2,983,090	3,341,091
Total net loss from operating expenses	2,983,090	3,341,091
OTHER INCOME (EXPENSE)		
Interest expense	(615,797)	(592,310)
Change in fair value of derivatives	523,248	(722)
Derivative reduction as a result of debt settlement	-	62,919
Total non-operating expenses	(92,549)	(530,113)
NET LOSS	(3,075,639)	(3,871,204)
Dividends applicable to preferred stock	(8,404)	-
Loss attributable to noncontrolling interest	-	(60,094)
Net loss applicable to commons stock holders	$ (3,084,043)	$ (3,811,110)
WEIGHTED AVERAGE NUMBER OF COMMON SHARES OUTSTANDING BASIC AND DILUTED	52,654,731	32,099,678
NET LOSS PER COMMON SHARE-BASIC AND DILUTED:	$ (0.06)	$ (0.12)

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

GREEN ENVIROTECH HOLDINGS CORP.

CONSOLIDATED STATEMENTS OF CHANGES IN STOCKHOLDERS’ DEFICIT

FOR THE YEARS ENDED DECEMBER 31, 2018 AND 2017

	Preferred Stock		Common Stock		Additional Paid-In	Accumulated	Total Green Envirotech Holdings Corp. Stockholders’	Noncontrolling	Total Stockhold
	Shares	Amount	Shares	Amount	Capital	Deficit	Deficit	Interests	Deficit
Balance - December 31, 2016	-	-	28,517,597	28,518	20,799,102	(22,818,208)	(1,990,588)	(46,034)	(2,03
Common shares issued for services	-	-	600,000	600	90,650	-	91,250	-	91,250
Common shares issued as a result of Smart Fuel merger			3,000,000	3,000	297,000	-	300,000	-	300,000
Common shares issued as a commitment fee for loan commitment			300,000	300	26,700	-	27,000	-	27,000
Conversion of loans payable for common stock	-	-	6,281,040	6,281	500,911	-	507,192	-	507,192
Warrants issued for services-Related party	-	-	-	-	592,313	-	592,313	-	592,313
Warrants issued for services	-	-	-	-	81,229	-	81,229	-	81,229
	-	-	-	-	(127,660)		(127,660)	-	(127,660

Warrants derivative liability									
Derivative Value for tainted notes	-	-	-	-	(252,858)		(252,858)	-	(252,858
Debt discount from convertible loan payable	-	-	-	-	35,300	-	35,300	-	35,300
BCF associated with convertible notes	-	-	-	-	27,582	-	27,582	-	27,582
Common shares in dispute			1,428,018	1,428			1,428	-	1,428
Minority Interest of Smart Fuel Solutions, Inc.					(466,128)		(466,128)	106,128	(360,000
Net loss	-	-	-	-	-	(3,811,110)	(3,811,110)	(60,094)	(3,871,20
Balance - December 31, 2017	-	-	40,126,655	40,127	21,604,141	(26,629,318)	(4,985,050)	-	(4,985,05
Conversion of loans payable for common stock	-	-	42,441,699	42,441	80,058	-	122,499	-	122,499
Conversion of preferred shares for common stock	-	-	73,134,252	73,134	65,185	-	138,319	-	138,319
Conversion of loans payable for common stock-Related party	-	-	1,000,000	1,000	39,000	-	40,000	-	40,000
Conversion of accounts payable for common stock	-	-	250,000	250	4,750	-	5,000	-	5,000
Derivative liability for tainted warrants	-	-	-	-	(816)	-	(816)	-	(816

Settlement of derivative liability	-	-	-	-	173,346	-	173,346	-	173,346
Accrued salary forgiven	-	-	-	-	1,684,711	-	1,684,711	-	1,684,71
Net loss	-	-	-	-	-	(3,075,639)	(3,075,639)	-	(3,075,63
Balance - December 31, 2018	-	-	156,952,606	156,952	23,650,375	(29,704,957)	(5,897,630)	-	(5,897,63

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

F-4

GREEN ENVIROTECH HOLDINGS CORP.

CONSOLIDATED STATEMENTS OF CASH FLOW

	FOR THE YEAR ENDED DECEMBER 31, 2018	FOR THE YEAR ENDED DECEMBER 31, 2017
CASH FLOWS FROM OPERATING ACTIVITIES:		
Net loss	$ (3,075,639)	$ (3,871,204)
Adjustments to reconcile net loss to net cash used in operating activities:		
Amortization of debt discount	220,925	262,293
Change in fair value of derivatives	(523,248)	722
Common stock issued for services	-	91,250
Derivative reduction as a result of debt settlement	-	(62,919)
Disputed shares issued out of escrow	-	1,428
Initial loss on derivatives	40,354	-
Loss from impairment of assets	980,801	-
Penalty interest	4,000	-
Warrants issued for services	-	81,229
Warrants issued for services-related party	-	592,313
Change in assets and liabilities		
Decrease in deposits and other current assets	108,096	209,369
Increase in accounts payable and accrued expenses	1,957,009	1,856,674
Net cash used in operating activities	(287,702)	(838,845)
CASH FLOWS FROM INVESTING ACTIVITIES:		
Construction in Progress	-	(177,245)
Net cash used in investing activities	-	(177,245)
CASH FLOWS FROM FINANCING ACTIVITIES:		
Borrowing on line of credit - related party	81,100	325,000.00
Principal payments on debt-related party	(67,000)	(28,620)
Borrowing from others - non-related party	140,000	408,300
Borrowing from non-convertible note-related party	-	493,000
Borrowing from non-convertible note-Related Party	-	-
Preferred shares issued for cash	165,000	-
Principal payments on debt-non-related party	-	(270,200)
Payments on accounts payable-related party	(36,272)	-
Net cash provided by financing activities	282,828	927,480
NET DECREASE IN CASH	(4,874)	(88,610)

CASH - BEGINNING OF PERIOD	6,054	94,664
CASH - END OF PERIOD	$ 1,180	$ 6,054
SUPPLEMENTAL NONCASH INVESTING AND FINANCING ACTIVITIES		
SUPPLEMENTAL CASH FLOW INFORMATION:		
Cash paid during the period for:		
Interest	$ 62,642	$ 184,912
Income Taxes	$ -	$ -
NON-CASH SUPPLEMENTAL INFORMATION:		
Accounts Payable settled in exchange for equipment	$ 114,386	$ -
Accrued salary contributed to equity	$ 1,684,711	$ -
Additions to CIP in accounts payable	$ 177,626	$ 34,614
Debt principal and penalty interest converted to common stock	$ 122,499	$ 507,192
Debt principal converted to common stock-Related Party	$ 40,000	$ -
Preferred stock converted into common stock	$ 138,319	$ -
Derivative liability from tainted warrants	$ 816	$ -
Derivative liability from preferred shares	$ 94,327	$ -
Derivative liability from tainted notes	$ 109,866	$ 220,498
Settlement of derivative liability as a result of debt conversion	$ 173,346	$ 380,518
Interest capitalized to CIP	$ 37,931	$ -
Conversion of accounts payable for common stock	$ 5,000	$ -
Costs of minority shares purchased in SFS acquisition	$ -	$ 360,000
Common shares issued for equity purchase agreement	$ -	$ 27,000
Common shares issued for SFS acquisition	$ -	$ 300,000
Debenture issued for equity purchase agreement	$ -	$ 75,000
Expenses paid by related party on behalf of the Company	$ 10,552	$ 54,340
Debt discount from convertible loan payable - BCF & OID	$ -	$ 58,650
Resolution of derivative liability due to conversion of note	$ -	$ 27,582
Debt discount due to derivatives	$ -	$ 220,498

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

GREEN ENVIROTECH HOLDINGS CORP.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

DECEMBER 31, 2018 AND 2017

NOTE 1- ORGANIZATION AND BASIS OF PRESENTATION

Green EnviroTech Holdings Corp. (the “Company”) was incorporated on June 26, 2007, under the name Wolfe Creek Mining, Inc. formed under the laws of the State of Delaware. On November 20, 2009, the Company completed a reverse merger transaction pursuant to which it acquired Green EnviroTech Corp., a Nevada corporation. Wolfe Creek Mining, Inc. up until November 20, 2009, was primarily engaged in the acquisition and exploration of mining properties. Green EnviroTech Corp was incorporated on October 6, 2008 and was engaged in plastics recovery. The financial statements included herein are the financials of Green EnviroTech Holdings Corp. and subsidiaries from October 6, 2008 to current.

Going Concern

These consolidated financial statements have been prepared on a going concern basis which assumes the Company will be able to realize its assets and discharge its liabilities in the normal course of business for the foreseeable future. For the year ended December 31, 2018, the Company had a net loss. The Company also had a working capital deficit and an accumulated deficit. Further losses are anticipated in the development of the Company’s business raising substantial doubt and its ability to continue as a going concern. The ability to continue as a going concern is dependent upon the Company generating profitable operations in the future and/or to obtain the necessary financing to meet its obligations and repay its liabilities when they come due from normal business operations. Management intends to finance operating costs over the next twelve months with loans and/or private placement of common stock.

The continuation of the Company as a going concern is dependent upon the continued financial support from our shareholders and our ability to obtain necessary equity financing to continue toward funding our first operation.

The Company has had very little operating history to date. These consolidated financial statements do not include any adjustments to the recoverability and classification of recorded asset amounts and classification of liabilities that might be necessary should the Company be unable to continue as a going concern. These factors raise substantial doubt regarding its ability to continue as a going concern.

Besides generating revenues from proposed operations, the Company may need to raise additional funds to expand operations to the point at which it can achieve profitability. The terms of new debt or equity that may be raised may not be on terms acceptable to the Company. If it fails to raise adequate funds from unrelated third parties, its officers and directors may need to contribute additional funds to sustain operations.

NOTE 2- SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Principles of Consolidation

The consolidated financial statements include the accounts of the Company and its subsidiary, GETH CFP, Inc., a wholly owned subsidiary, formed in Delaware on February 9, 2017. This subsidiary will be our new carbon finishing plant to be located in Ohio. Intercompany balances and transactions were eliminated between the entities.

Reclassifications

Certain reclassifications have been made to the prior period's financial statements to conform to the current period's presentation.

F-6

GREEN ENVIROTECH HOLDINGS CORP.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

DECEMBER 31, 2018 AND 2017

Use of Estimates

The preparation of consolidated financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosures of contingent assets and liabilities at the date of the consolidated financial statements and the reported amounts of revenue and expenses during the reporting period. Actual results could differ from those estimates.

Cash and Cash Equivalents

We consider cash equivalents when purchased to be all highly liquid debt instruments and other short-term investments with maturity of three months or less.

We maintain cash and cash equivalent balances at one financial institution that is insured by the Federal Deposit Insurance Corporation. We do not have any cash equivalents as of December 31, 2018 and 2017, respectively.

Fixed Assets

Fixed assets are stated at cost, less accumulated depreciation. Depreciation is provided using the straight-line method over the estimated useful lives of the related assets. Costs of maintenance and repairs will be charged to expense as incurred.

Construction in Progress

Construction in progress is stated at cost, which includes the costs of construction and other direct costs attributable to the construction. No provision for depreciation is made on construction in progress until such time as the relevant assets are completed and put into use. During the year end December 31, 2017, we incurred engineering and design costs on our first planned GEN 1 End of Life Tire Processing Plant. The engineering and design includes process flow diagrams, equipment specifications, building layout and piping and instrument drawings. These costs are carried in Construction in Progress. Interest on the borrowing related to construction is capitalized in accordance with ASC 835-20 *Capitalization of Interest.* During the years ended December 31, 2018 and 2017, there were $37,931 and $8,044 interest capitalized, respectively. During the year ended December 31, 2018, due to lack of funding, the Company determined to fully impair the assets in construction in progress and recognized an impairment loss of $980,801. The balance in construction in progress after the recognition of the impairment loss of $114,386 represents the value for the equipment that was used to settle an existing payable to the vendor who refurbished the related equipment.

GREEN ENVIROTECH HOLDINGS CORP.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

DECEMBER 31, 2018 AND 2017

Recoverability of Long-Lived Assets

We will review 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 will be based primarily on our ability to recover the carrying value of our long-lived assets from expected future cash flows from our operations on an undiscounted basis. Please refer to Construction in Progress.

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. Fixed assets to be disposed of by sale will be carried at the lower of the then current carrying value or fair value less estimated costs to sell.

Income Taxes

We account for income taxes in accordance with Accounting Standards Codification ("ASC") 740, *Income Taxes*. There are two major components of income tax expense, current and deferred. Current income tax expense approximates cash to be paid or refunded for taxes for the applicable period. Deferred tax assets and liabilities are determined based upon the difference between the financial statement and tax basis of assets and liabilities as measured by the enacted tax rates, which will be in effect when these differences reverse. Deferred tax expense or benefit is the result of changes between deferred tax assets and liabilities.

A valuation allowance is established when, based on an evaluation of objective verifiable evidence, it is more likely than not that some portion or all of deferred tax assets will not be realized.

ASC 740-10 prescribes a recognition threshold and measurement attribute for the financial statement recognition of a tax position taken or expected to be taken on a tax return. Under ASC 740-10, a tax benefit from an uncertain tax position taken or expected to be taken may be recognized only if it is "more likely than not" that the position is sustainable upon examination, based on its technical merits. The tax benefit of a qualifying position under ASC 740-10 would equal the largest amount of tax benefit that is greater than 50% likely of being realized upon ultimate settlement with a taxing authority having full knowledge of all the relevant information. A liability (including interest and penalties, if applicable) is established to the extent a current benefit has been recognized on a tax return for matters that are considered contingent upon the outcome of an uncertain tax position. Related interest and penalties, if any, are included as components of income tax expense and income taxes payable.

As of January 1, 2018, we have analyzed filing positions in each of the federal and state jurisdictions where we are required to file income tax returns, as well as all open tax years in these jurisdictions. We have identified the U.S. federal, California and Ohio as our “major” tax jurisdictions. Generally, we remain subject to Internal Revenue Service and California Franchise Tax Board examination of our 2010 through 2018 Tax Returns. We will file our first Ohio Corporate Franchise Tax Board return for the year ended December 31, 2018, in 2019. We have certain tax attribute carry forwards, which will remain subject to review and adjustment by the relevant tax authorities until the statute of limitations closes with respect to the year in which such attributes are utilized.

We believe that our income tax filing positions and deductions will be sustained on audit and do not anticipate any adjustments that will result in a material change to our financial position. Therefore, no reserves for uncertain income tax position have been recorded pursuant to ASC 740. In addition, we did not record a cumulative effect adjustment related to the adoption of ASC 740. Related interest and penalties, if any, are included as components of income tax expense and income taxes payable.

GREEN ENVIROTECH HOLDINGS CORP.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

DECEMBER 31, 2018 AND 2017

(Loss) Per Share of Common Stock

We follow ASC 260, *Earnings per Share*. Basic net 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 stock issuable pursuant to the exercise of stock options and warrants and conversion of debt and preferred stock. Common stock equivalents are not included in the computation of diluted earnings per share when we report a loss because to do so would be anti-dilutive for periods presented. As of December 31, 2018, we had common stock equivalents related to outstanding warrants of 24,358,342 and 102,048,949 related to shares issuable upon conversion of debt and preferred stock.

Stock-Based Awards

ASC 718 *Compensation – Stock Compensation* prescribes accounting and reporting standards for all share-based payment transactions in which employee services are acquired. Transactions include incurring liabilities, or issuing or offering to issue shares, options, and other equity instruments such as employee stock ownership plans and stock appreciation rights. Share-based payments to employees, including grants of employee stock options, are recognized as compensation expense in the financial statements based on their fair values. That expense is recognized over the period during which an employee is required to provide services in exchange for the award, known as the requisite service period (usually the vesting period).

We account for stock-based compensation issued to non-employees and consultants in accordance with the provisions of ASC 505-50, *Equity – Based Payments to Non-Employees.* Measurement of share-based payment transactions with non-employees is based on the fair value of whichever is more reliably measurable: (a) the goods or services received; or (b) the equity instruments issued. The fair value of the share-based payment transaction is determined at the earlier of performance commitment date or performance completion date.

We measure the cost of employee services received in exchange for an award of equity instruments, including stock options, based on the grant-date fair value of the award and recognize it as compensation expense over the period the employee is required to provide service in exchange for the award, usually the vesting period. We estimate the fair value of share-based payment awards on the date of grant using an option-pricing model. The value of the portion of the award that is ultimately expected to vest is recognized as expense over the requisite service periods in our statement of operations. The forfeitures are estimated at the time of grant and revised, if necessary, in subsequent periods if actual forfeitures differ from those estimates. For the fiscal periods ended December 31, 2018 and 2017, we estimated our forfeiture rate to be 0% based on the Company's historical experience. There were no stock options granted to employees during the years ended December 31, 2018 and 2017.

During the years ended December 31, 2018 and 2017, we granted no common stock warrants to investors, lenders, consultants and certain officers. The fair value of any stock warrants if issued in conjunction with the issuance of common stock is recorded against common stock as stock issuance cost. The fair value of stock warrants issued in conjunction with notes payable is recognized as a discount on the related debt and amortized to interest expense over the term to maturity.

The fair value of stock-based awards to consultants, employees and directors is calculated using the Black-Scholes option pricing model in valuing options and warrants. The inputs for the valuation analysis of the options and warrants include the market value of the Company's common stock, the estimated volatility of the Company's common stock, the exercise price and the risk free interest rate.

Fair Value Measurements

We have adopted certain provisions of ASC Topic 820. ASC 820 defines fair value, provides a consistent framework for measuring fair value under generally accepted accounting principles and expands fair value financial statement disclosure requirements. ASC 820's valuation techniques are based on observable and unobservable inputs. Observable inputs reflect readily obtainable data from independent sources, while unobservable inputs reflect our market assumptions. ASC 820 classifies these inputs into the following hierarchy:

Level 1 inputs: Quoted prices for identical instruments in active markets.

GREEN ENVIROTECH HOLDINGS CORP.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

DECEMBER 31, 2018 AND 2017

Level 2 inputs: Quoted prices for similar instruments in active markets; quoted prices for identical or similar instruments in markets that are not active; and model-derived valuations whose inputs are observable or whose significant value drivers are observable.

Level 3 inputs: Instruments with primarily unobservable value drivers.

Recently Issued Accounting Standards

There were recently issued updates most of which represented technical corrections to the accounting literature or application to specific industries and are not expected to have a material impact on our financial position, results of operations or cash flows.

Related Party

The Company follows ASC 850, "*Related Party Disclosures,*" for the identification of related parties and disclosure of related party transactions.

NOTE 3- LOAN PAYABLE – RELATED PARTY AND CONVERTIBLE

The Company has had a Line of Credit with H. E. Capital, S. A. since December 3, 2010. This Line of Credit accrues interest at the rate of 8% per annum and is convertible at $0.10 per share. The due date of the loan was extended to December 31, 2019. During the year ended December 31, 2018, H.E. Capital converted $40,000 of the debt into 1,000,000 common shares of the Company. H.E. Capital also advanced to the Company $6,000. The Company paid $6,000 to H. E. Capital during 2018 to reduce debt. During the year ended December 31, 2017, H.E. Capital converted $230,000 of the debt into 2,300,000 common shares of the Company which H.E. Capital assigned 2,000,000 common shares directly to a third party. H.E. Capital also advanced to the Company $65,000. The Company paid $45,200 to H. E. Capital during 2017 to reduce debt. The balance of the loan at December 31, 2018 was $246,537 with accrued interest in the amount of $81,051. During 2017, H.E. Capital converted $100,000 of its accrued interest into 1,000,000 of common shares of the Company. For the year ended December 31, 2017, H.E. Capital loan balance was $286,537 with accrued interest in the amount of $59,743.

GREEN ENVIROTECH HOLDINGS CORP.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

DECEMBER 31, 2018 AND 2017

History of the H. E. Capital loans is as follows:

	December 31, 2018	December 31, 2017
Beginning Balance	$286,537	$496,737
Proceeds	6,000	65,000
Cash payments	(6,000)	(45,200)
Non-cash conversion	(40,000)	(230,000)
Ending Balance	$246,537	$286,537

On February 1, 2016, we issued an 8%, $134,000 Note Payable to our former CEO Chris Bowers for funds received. The funds were used for working capital in Smart Fuel Solutions, Inc. (SFS). On September 28, 2016 when we acquired controlling interest in SFS we assumed the note. The note is convertible at $0.50 per share. This note is in default as of December 31, 2018. As of December 31, 2018 and 2017, the accrued interest on this note was $26,044 and $15,324 respectively.

On March 3, 2017, we approved a new working capital line of credit loan with our former CEO, Chris Bowers in the amount up to $150,000 at 8% due December 31, 2018. This note was extended until December 31, 2018, but was not extended further. The note is now in default. The note has conversion rights into our common shares at $0.10 per share. For the year ended December 31, 2018, this note has a balance of $54,100 with accrued interest in the amount of $12,222. The Company evaluated this convertible LOC for Beneficial Conversion Features (BCF) and concluded that the LOC incurred a BCF when it was issued on March 3, 2017. The CF resulted in a debt discount in the amount of $35,300 which was amortized in full during the year ended December 31, 2017.

On August 15, 2016, we accepted a Line of Credit (LOC) in the amount of $500,000 from our former CEO Chris Bowers. On November 14, 2016, we accepted a second Line of Credit (LOC) in the amount of $500,000 from our CEO. These two LOCs had an outstanding balance in the amount of $1,000,000 for both years ended December 31, 2018 and 2017. There was accrued interest in the amount of $60,000 for the year ended December 31, 2018 and none for the year ended December 31, 2017. These LOCs accrue interest at the rate of 1% per month based upon $1,000,000 total balance. We have been paying $10,000 per month in interest on the two LOCs, but we were not able to make these payments for the last six months of 2018. The due date of the two loans was December 31, 2018. These two loans were not extended and are in default. The funds were used for working capital of the Company. The first LOC has two Addendums attached to it. Addendum A clarifies debt conversion rights attached to the LOC at $0.20 per share of common stock. Addendum B clarifies other rights attached to the LOC. These other rights are numbered below. (The second LOC has the same rights as that of the first LOC). The Company evaluated these convertible LOCs for Beneficial Conversion Features (BCF) and concluded that the second LOC incurred a Beneficial Conversion Features (BCF) when it was issued on November 14, 2016. The BCF resulted in a debt discount in the amount of $105,600 of which $96,800 was amortized for the year ended December 31, 2017 and $8,800 was amortized in the year the LOC was accepted. These certain other rights in Addendum B provide for the following:

GREEN ENVIROTECH HOLDINGS CORP.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

DECEMBER 31, 2018 AND 2017

1. LOC has Repayment rights: The LOC has priority principal and interest repayment rights from other sources of capital received by the Company.
2. LOC has Warrant rights: Bowers has the right to receive 500,000 (five hundred thousand) $0.10 warrants for providing the LOC and 250,000 (two hundred fifty thousand) $0.10 warrants per $100,000 drawn against the $500,000 LOC. This would be a total of 1,750,000 $0.10 warrants to be issued to Bowers and/or Assigns for providing the funding and the Company using all $500,000 LOC.
3. LOC has Additional Stock Conversion rights: At any time while the LOC is outstanding, Bowers has the right to convert per $100,000 of the LOC for 500,000 shares of duly paid and non-assessable common stock of the Company at a conversion price of $0.20 per share (subject to adjustment in the event of stock splits or stock dividends) by providing a notice of conversion in a form reasonably acceptable to the Company. The full conversion of the LOC would be 2,500,000 shares of the Company common stock.

The Company evaluated the addendums under ASC 470-50 and concluded that these addendums did not qualify for debt modification.

The Company analyzed the conversion options in the convertible loan payables for derivative accounting consideration under ASC 815, Derivative and Hedging, and determines that the transactions do not qualify for derivative treatment.

NOTE 4- LOAN PAYABLE – OTHER – NON-CONVERTIBLE

On November 15, 2012, we issued a promissory note to an individual in the amount of $170,000 at 8% interest. The note was extended to June 30 and was not further extended. This note is in default as of December 31, 2018. The Company used the funds to pay off the convertible notes held by Asher Enterprise, Inc. As of December 31, 2018 and 2017 the loan has an outstanding balance of $170,000 and accrued interest in the amount of $34,130 and $20,530 respectively. The accrued interest in the amount of $49,295 reported for the $170,000 on June 30, 2016 was converted into a new note dated July 1, 2016 with $0.50 per share conversion rights and accruing interest at 8%. The accrued interest on this new note on December 31, 2018 was $9,875 and was $5,932 on December 31, 2017. The $170,000 balance is not convertible; only the $49,295 is convertible at $0.50 per share. See Note 5

On March 29, 2017, we entered into a lease and working capital credit facility with Caliber Capital & Leasing LLC and its assignee, Real Estate Acquisition Development Sales, LLC (“READS”). Under the agreements, READS is providing an initial commitment of up to $2.5 million for the construction of our first processing line in our centralized Carbon Finishing Plant in Ohio. We received our first advance on the commitment on October 6, 2017. As of December 31, 2017, we had an outstanding balance in the amount of $493,000 with accrued interest in the amount of $8,044. As of December 31, 2018, we have an outstanding balance in the amount of $543,000 with accrued interest in the amount of $59,158. There was an increase of $50,000 in the note which resulted as a transfer from the Chris Bowers credit line. This is a revolving working capital line which is due in one year and has the option for two one-year extensions. The interest accrues at 9.5% and is allocated to construction in progress. During the year ended December 31, 2018, the working capital credit facility was cancelled and the assets in construction in progress were impaired. Please see Note 2 Construction in Progress

During the year ended December 31, 2018, the former CEO paid expenses on behalf of the Company of $10,552 and received repayments of $36,272. The balance due to the related party was $0 and $25,720 as of December 31, 2018 and 2017, respectively.

GREEN ENVIROTECH HOLDINGS CORP.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

DECEMBER 31, 2018 AND 2017

NOTE 5- LOAN PAYABLE – OTHER –CONVERTIBLE

On May 16, 2016, we approved H.E. Capital S.A.'s (HEC) request to assign to a private company $200,000 of its Line of Credit Note. We approved the request and reduced HEC's Line of Credit Note for that amount and recorded a new note. On July 19, 2016, the private company converted $100,000 of its note into 1,000,000 common shares of the Company's stock. The note bears interest at 8%, is convertible at $0.10 per share and is due on December 31, 2017. The note was extended to December 31, 2018, but was not further extended and is now in default. As of December 31, 2018 and 2017, the balance of this loan is $100,000 with accrued interest in the amount of $22,422 and $14,422 respectively.

On July 1, 2016, we issued a convertible promissory note to an individual in the amount of $49,295 at 8% interest due on December 31, 2017. This note is convertible at $0.50 per share. This note at present has not been extended. This note represents the accrued interest on the $170,000 note we owe the individual. This note was generated at their request. On December 31, 2018 and 2017, this note had accrued interest in the amount of $9,875 and $5,932 respectively.

On May 22, 2018, we entered into a 12% interest bearing note agreement with JSJ Investments, Inc. in the amount of $75,000; the note has a $5,500 original issue discount. It was also determined at issue date, that the note had $69,500 in derivative discount. Amortization of debt discounts amounted to $21,167 for the year ended December 31, 2018. Unamortized debt discount as of December 31, 2018 amounted to $53,833. The note has a maturity date of May 22, 2019. The Company may pay this note in full, together with any and all accrued and unpaid interest, plus any applicable pre-payment premium set forth in the agreement and subject to the terms of the agreement at any time on or prior to the date which occurs 180 days after the date of issue (Prepay Date). In the event the note is not prepaid in full on or before the Prepay Date, the note will incur a prepayment premium of 135% for the first 90 days, 140% from 91 days to 120 days, 145% from 121 days to 180 days and 150% until maturity date. The note has conversion rights at any time after the Prepay Date for its holder at a 40% discount to the lowest trading price during the previous twenty trading days to the date of a conversion notice. On December 3, 2018, JSJ Investments, Inc. exercised its right to convert $5,084 of the debt into 3,868,756 common shares of the Company Stock. This note had a balance of $69,916 and accrued interest in the amount of $5,551 as of December 31, 2018.

On May 31, 2018, we entered into a 12% interest bearing note agreement with Coolidge Capital LLC in the amount of $75,000; the note has a $4,500 original issue discount. It was also determined on the date of issue, that the note had $40,366 in derivative discount. Amortization of debt discounts amounted to $32,464 for the year ended December 31, 2018. Unamortized debt discount as of December 31, 2018 amounted to $12,402. The note has a maturity date of February 28, 2019. The Company may pay this note in full, together with any and all accrued and unpaid interest, plus any applicable pre-payment premium set forth in the agreement and subject to the terms of the agreement at any time on or prior to the date which occurs 180 days after the date of issue. The prepayment schedule of payments would be 115% for the first 30 days, 120% for the first 60 days, 125% for the first 90 days, 130% for the first 120 days, 135% for the first 150 days and 140% for the first 180 days. After 180 days from date of issue, there is no prepayment until maturity date when the Note is due with interest. The note has conversion rights at any time after 180 days after the date of issue for its holder at a 40% discount to the lowest trading price during the previous twenty trading days to the date of conversion. On December 7, 2018, Coolidge Capital LLC exercised its right to convert $5,116 of the debt into 3,279,428 common shares of the Company Stock. This note had a balance of $69,884 and accrued interest in the amount of $5,332 for the year ended December 31, 2018.

The Company analyzed the conversion options in the convertible loan payables for derivative accounting consideration under ASC 815, Derivative and Hedging, and determined that the transactions did qualify for derivative treatment as indicated with the notes so effected. The Company then analyzed these convertible notes for Beneficial Conversion Features (BCF) and concluded there were no BCF on these loan payable convertible notes.

GREEN ENVIROTECH HOLDINGS CORP.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

DECEMBER 31, 2018 AND 2017

NOTE 6- SECURED DEBENTURES

On January 24, 2011, the Company entered into a series of securities purchase agreements with accredited investors (the "Investors"), pursuant to which the Company sold an aggregate of $380,000 in 12% secured debentures (the "Debentures"). The Debentures were initially due at the earlier of 6 months from the date of issuance or upon the Company receiving gross proceeds from subsequent financings in the aggregate amount of $1,000,000. The Debentures bear interest at the rate of 12% per annum, payable upon maturity. The Debentures are secured by the assets of the Company pursuant to security agreements entered into between the Company and the Investors.

The balance of these Debentures on December 31, 2018 and 2017 was $305,000. The accrued interest for the years ended December 31, 2018 and 2017 was $311,437 and $274,328 respectively.

NOTE 7- LOAN PAYABLE – OTHER –CONVERTIBLE –LONG TERM

On July 20, 2017, we entered into an equity purchase agreement for up to $5,000,000 of our common stock with Peak One Opportunity Fund, LP (Peak One). In connection with that same agreement, we also entered into a related registration rights agreement. We issued a non-interest bearing convertible debenture maturing on July 20, 2020 in the amount of $75,000 to Peak One as a commitment fee in connection with the agreement, as well as agreed to issue 300,000 shares of our common stock as commitment shares. On July 25, 2017, we issued these shares valued at $27,000. The note is convertible after 180 days from issuance at a conversion price equal to 90% of the lowest closing bid price of the last 20 days prior to the conversion date. During the prior year, it was determined this note had derivative discount in the amount of $75,000 of which $6,439 was amortized in 2017 leaving a net balance of $68,561 at December 31, 2017. Amortization of debt discounts and conversion amounted to $30,665 for the year ended December 31, 2018. Unamortized debt discount as of December 31, 2018 amounted to $37,896. During the year ended December 31, 2018, Peak One Opportunity LP exercised its right to convert $33,300 of this note for 28,060,946 common shares of the Company's stock. This note had a balance of $41,700 as of December 31, 2018.

On July 27, 2017, we received a $75,000 installment in connection with Peak One Opportunity LP (Peak One) purchase agreement for certain Company convertible non-interest debentures totaling $425,000. We issued to Peak One a three year $75,000 non-interest bearing debenture maturing on July 26, 2020. The debenture had an OID (original issue discount) in the amount of $12,500. As of December 31, 2017, $625 had been amortized with a remaining OID in the amount of $11,785. The debentures when issued are convertible into common shares of the Company with certain terms and conditions as set forth in the agreement. The Holder is entitled to, at any time or from time to time, to convert the conversion amount into conversion shares, at a conversion price for each share of common stock equal to the lesser of (a) $0.15 or (b) sixty five percent (65%) of the lowest closing bid price (as reported by Bloomberg LP) of the common stock for the twenty (20) trading days immediately preceding the date of the date of conversion of the debentures subject in each case to equitable adjustments resulting from any stock splits, stock dividends, recapitalizations or similar events. During the prior year, it was determined this note had derivative discount in the amount of $26,492 of which $2,263 was amortized leaving a balance of $24,229 at December 31, 2017. Amortization of debt discounts amounted to $36,104 for the year ended December 31, 2018. Unamortized debt discount was fully amortized during the year when the note was fully satisfied by conversion. During the year ended December 31, 2018, Peak One Opportunity LP exercised its right to convert the note balance from December 31, 2017 in the amount of $75,000 and $4,000 in penalty for 7,232,569 common shares of the Company’s stock. This note had no balance at year ended December 31, 2018.

GREEN ENVIROTECH HOLDINGS CORP.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

DECEMBER 31, 2018 AND 2017

On November 28, 2017, we received a $50,000 installment in connection with Peak One Opportunity LP (Peak One) purchase agreement for certain Company convertible debentures totaling $425,000. We issued to Peak One a three year $50,000 non-interest bearing debenture maturing on November 27, 2020. The debenture had an OID (original issue discount) in the amount of $8,000. As of December 31, 2017, $222 had been amortized with a remaining OID in the amount of $7,778. The debentures when issued are convertible into common shares of the Company with certain terms and conditions as set forth in the agreement. The Holder is entitled to, at any time or from time to time, to convert the conversion amount into conversion shares, at a conversion price for each share of common stock equal to the lesser of (a) $0.15 or (b) sixty five percent (65%) of the lowest closing bid price (as reported by Bloomberg LP) of the common stock for the twenty (20) trading days immediately preceding the date of the date of conversion of the debentures subject in each case to equitable adjustments resulting from any stock splits, stock dividends, recapitalizations or similar events. During the prior year, it was determined this note had derivative discount in the amount of $14,208 of which $496 was amortized in 2017 leaving a balance of $13,712 at December 31, 2017. Amortization of debt discounts amounted to $5,889 for the year ended December 31, 2018. Unamortized debt discount as of December 31, 2018 amounted to $15,601. This note had a balance of $50,000 for the year ended December 31, 2018.

These debentures total $91,700 and reflect a net derivative discount in the amount of $53,497. The net of the debentures and the derivative discount as shown on the balance sheet is $38,203 for the year ended December 31, 2018 as compared to $73,845 for the year ended December 31, 2017.

NOTE 8- STOCKHOLDERS' DEFICIT

Preferred Stock

The Company has 25,000,000 preferred shares of $0.001 par value stock authorized.

On March 8, 2018, we filed with the state of Delaware, Division of Corporations, a Certificate of Designations of Preferences, Rights and Limitations for 300,000 shares of a Series B Convertible Preferred Stock. The Certificate of Designations was approved by the Division of Corporations. These Series B Convertible Preferred shares are senior to Common Shareholders in reference to liquidation dividends and are junior to the Series A Convertible Preferred shares. The Series B Convertible Preferred Shares have an annual 12% dividend with a stated value of $1.00 and have no voting rights. The redemption options for these shares are 105% for the first 30 days, 110% for the first 60 days, 115% for the first 90 days, 120% for the first 120 days, 125% for the first 150 days and 130% for the first 180 days, then after no redemption rights. Twelve months from the issue date, the Company has a "mandatory redemption date" to redeem the outstanding shares not converted. The shares have conversion rights to convert at 75% of the average of the two lowest common stock prices ten days before the date of conversion.

On March 13, 2018, the Company issued 85,800 shares of our new Series B Convertible Preferred Stock for $75,000. The Company evaluated the classification of the Series B Convertible Preferred Stock under ASC 480-10-25 and determined that due to their mandatory redemption features, the preferred shares were required to be classified as a liability. The embedded conversion option of the preferred shares was also required to be bifurcated and accounted for as derivative liabilities. When issued, the Company recorded an OID and derivative discount of $53,090. For the year ended December 31, 2018, the Company amortized the $53,090 discount, when all of the issued 85,800 shares of Preferred Stock were converted into 32,931,947 shares of common stock which also included $5,148 of accrued dividend.

GREEN ENVIROTECH HOLDINGS CORP.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

DECEMBER 31, 2018 AND 2017

On May 1, 2018, the Company issued 58,300 shares of our Series B Convertible Preferred Stock for $50,000. These shares are shown in the Liability section of the Consolidated Balance Sheet as $8,673 net of their OID and discounted value of $4,937. The Company evaluated the classification of the Series B Convertible Preferred Stock under ASC 480-10-25 and determined that due to their mandatory redemption features, the preferred shares were required to be classified as a liability. The embedded conversion option of the preferred shares was also required to be bifurcated and accounted for as derivative liabilities. During the year ended December 31, 2018, the Company recorded an OID and derivative discount of $43,551 and amortization expense of $38,614 which was charged to interest expense when 44,690 Preferred Shares were converted into 40,202,305 shares of common stock which also included $2,681 accrued dividend. Unamortized discount as of December 31, 2018 amounted to $4,937. As of December 31, 2018, there remains 13,610 Series B Convertible Preferred Shares from this issue.

On October 31, 2018, the Company issued 47,300 shares of our Series B Convertible Preferred Stock for $40,000. These shares are shown in the Liability section of the Consolidated Balance Sheet as $26,147 net of their OID and discounted value of $21,153. The Company evaluated the classification of the Series B Convertible Preferred Stock under ASC 480-10-25 and determined that due to their mandatory redemption features, the preferred shares were required to be classified as a liability. The embedded conversion option of the preferred shares was also required to be bifurcated and accounted for as derivative liabilities. During the year ended December 31, 2018, the Company recorded an OID and derivative discount of $24,085 and amortization expense of $2,932 which was charged to interest expense. Unamortized discount as of December 31, 2018 amounted to $21,153. As of December 31, 2018, there remains 47,300 Series B Convertible Preferred Shares from this issue.

The Series B Convertible Preferred Stock total 60,910 as of December 31, 2018 and reflect a net OID and derivative discount in the amount of $26,090. The net of the Preferred Shares and the OID and derivative discount as shown on the balance sheet is $34,820 as of December 31, 2018 as compared to none as of December 31, 2017.

<u>Common Stock</u>

The Company has 750,000,000 common shares of $0.001 par value stock authorized. On December 31, 2018, we had 156,952,606 common shares outstanding as compared to 40,126,655 common shares outstanding on December 31, 2017.

On October 10, 2018, the Company held a meeting with shareholders concerning its Proxy Statement requesting shareholders' approval to extend the authorized common shares of the Company from 250,000,000 to 750,000,000. It was approved. The Company at the time of the approval had outstanding 48,609,224 common shares and needed approval from 24,304,613 shareholders to proceed. The Proxy Statement was approved by the shareholders and the Certificate of Amendment was stamped approved by the state of Delaware on October 12, 2018.

Warrants

The Company uses a fair price option pricing model in valuing options and warrants. Fair value is defined as the exchange price that would be received for an asset or paid to transfer a liability (an exit price) in the principal or most advantageous market for the asset or liability in an orderly transaction between market participants on the measurement date. Valuation techniques used to measure fair value maximize the use of observable inputs and minimize the use of unobservable inputs. The Company utilizes a fair value hierarchy based on three levels of inputs, of which the first two is considered observable and the last unobservable.

GREEN ENVIROTECH HOLDINGS CORP.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

DECEMBER 31, 2018 AND 2017

Level 1 -	Quoted prices in active markets for identical assets or liabilities. These are typically obtained from real-time quotes for transactions in active exchange markets involving identical assets.
Level 2 -	Quoted prices for similar assets and liabilities in active markets; quoted prices included for identical or similar assets and liabilities that are not active; and model-derived valuations in which all significant inputs and significant value drivers are observable in active markets. These are typically obtained from readily-available pricing sources for comparable instruments.
Level 3 -	Unobservable inputs, where there is little or no market activity for the asset or liability. These inputs reflect the reporting entity's own beliefs about the assumptions that market participants would use in pricing the asset or liability, based on the best information available in the circumstances.

The following table presents the warrant activity during 2018 and 2017:

	Warrants	Weighted Average Exercise Price
Outstanding - December 31, 2016	18,959,342	$ 0.10
Expired-Feb 9, 2017	(1,000)	$ 0.10
Granted-Jan 9, 2017	600,000	$ 0.10
Granted-May 25, 2017	100,000	$ 0.50
Granted-Jun 8, 2017	50,000	$ 0.10
Granted-Dec 13, 2017	4,650,000	$ 0.10
Exercisable as of December 31, 2017	24,358,342	$ 0.10
Outstanding - December 31, 2017	24,358,342	$ 0.10
Outstanding - December 31, 2018	24,358,342	$ 0.10
Exercisable as of December 31, 2018	24,358,342	$ 0.10

The weighted average remaining life of the outstanding common stock warrants as of December 31, 2018 and 2017 was 1.89 and 2.89 years. The aggregate intrinsic value of the outstanding common stock warrants as of December 31, 2018 and 2017 was $0 and $88,045 respectively.

Stock and Warrant issues during the year ended December 31, 2017:

Stock Issues:

we issued 100,000 common shares in January for consulting services valued at $20,000.
we issued 1,300,000 common shares in April to H. E. Capital, a related party, to settle $30,000 of their line of credit debt and $100,000 of accrued interest due them.
we issued 375,000 common shares in May for consulting services valued at $63,750.
we issued 300,000 common shares in July valued at $27,000 as a commitment fee for a loan commitment.
we issued 1,481,040 common shares in July to settle $100,000 of debt and $2,192 of accrued interest due them.
we issued 3,000,000 common shares in September valued at $300,000 as a result of Smart Fuel Solutions, Inc. merger.
we issued 2,000,000 common shares in October to H. E. Capital, a related party, to settle $200,000 of their line of credit debt.
we issued 1,500,000 common shares in November to convert $75,000 of debt.
we issued 125,000 common shares in December for consulting services valued at $7,500.
In December, despite our objection, 1,428,018 shares of common stock that were held as security against default were delivered out of escrow to one of our lenders after the lender was paid in full. We have placed stop transfer instructions on those shares with the transfer agent and requested the shares be returned.

GREEN ENVIROTECH HOLDINGS CORP.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

DECEMBER 31, 2018 AND 2017

Warrant Issues:

we issued 100,000 common stock warrants in May for services rendered valued at $14,608. These warrants were fully vested and have an exercise price of $0.50 per share, and expire on May 25, 2020.
we recognized a total of 650,000 common stock warrants issued by Smart Fuel Solutions, Inc. (SFS), our subsidiary, to its board of directors. SFS issued 600,000 in January and 50,000 in June. Chris Bowers, a related party and SFS chairman, received 200,000 warrants, Gary DeLaurentiis, a related party, received 150,000 warrants as well as the other two board members received 150,000 warrants each. These warrants were valued at $147,199. These warrants were fully vested and have an exercise price of $0.10 per share, and expire on December 31, 2020.
we issued an aggregate of 4,650,000 common stock warrants in December in which 3,250,000 of these warrants were issued to Chris Bowers, our former CEO, for providing lines of credit and for services rendered as our CEO and board member; 300,000 warrants were issued to Gary DeLaurentiis, our chairman; two other board members received 50,000 warrants each; four others received 250,000 warrants each for services rendered. The warrants issued were valued at $481,112. All of these warrants were fully vested and have an exercise price of $0.10 per share, and expire on December 31, 2020.
We approved on December 13, 2017 the extension of the expiration date of all common stock warrants issued to employees. The new expiration date for these warrants and any new issue of common stock warrants will now expire on December 31, 2020. The incremental value as a result of the modification of the term of existing warrants amounting to $30,623 was charged to expense during the year ended December 31, 2017.

Stock and Warrant issues during the year ended December 31, 2018:

Stock Issues:

we issued 35,293,515 common shares to Peak One Opportunity Fund LP to settle $108,300 of debt and $4,000 in penalty.
we issued 250,000 common shares in March to settle $5,000 of accounts payable to a vendor.
we issued 1,000,000 common shares in May to H. E. Capital, a related party, to settle $40,000 of their line of credit debt.
we issued 2,400,000 common shares in September to Geneva Roth Remark Holdings Inc. to convert 12,000 Series B Convertible Preferred Stock and $720 accrued dividend.
we issued 1,435,417 common shares in September to Geneva Roth Remark Holdings Inc. to convert another 6,500 Series B Convertible Preferred Stock and $390 accrued dividend.

we issued 7,696,748 common shares in October to Geneva Roth Remark Holdings Inc. to convert another 25,400 Series B Convertible Preferred Stock and $1,524 accrued dividend.
we issued 12,944,724 common shares in November to Geneva Roth Remark Holdings Inc. to convert another 28,340 Series B Convertible Preferred Stock and $1,700 accrued dividend.
we issued 3,868,756 common shares in December to JSJ Investments Inc. to settle $5,084 of debt.
we issued 3,279,428 common shares in December to Coolidge Capital LLC to settle $5,116 of debt.
we issued 48,657,363 common shares in December to Geneva Roth Remark Holdings Inc. to convert another 58,250 Series B Convertible Preferred Stock and $3,494 accrued dividend.

Warrant Issues: The Company did not issue any warrants during the year ended December 31, 2018.

A recap of our common shares issued during the year ended December 31, 2018; we issued 250,000 common shares for services rendered valued at $5,000, we issued 43,441,699 common shares to convert $158,500 of debt and $4,000 of fees, we issued 73,134,252 common shares to convert 130,490 Series B Convertible Preferred Stock and $7,828 accrued dividend.

GREEN ENVIROTECH HOLDINGS CORP.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

DECEMBER 31, 2018 AND 2017

NOTE 9 – Related Party Transactions

On January 9, 2017, we recognized 350,000 common stock warrants issued by Smart Fuel Solutions, Inc. (SFS), our subsidiary, to its board of directors who were related parties. SFS issued 300,000 in January and 50,000 in June. Chris Bowers, our former CEO & SFS CEO and board member received 200,000 warrants, and Gary DeLaurentiis, our chairman and SFS board member, received 150,000 warrants. These warrants were valued at $76,607. These warrants were fully vested and have an exercise price of $0.10 per share, and expire on December 31, 2020.

On April 3, 2017, we issued 1,300,000 common shares to H. E. Capital to settle $30,000 of their line of credit debt and $100,000 of accrued interest due them.

On October 9, 2017, we issued 2,000,000 common shares to H. E. Capital to settle $200,000 of their line of credit debt.

On December 13, 2017, we issued 3,600,000 common stock warrants as follows, 3,250,000 of these warrants were issued to Chris Bowers, our former CEO, for providing lines of credit and for services rendered as our CEO and board member; 300,000 warrants were issued to Gary DeLaurentiis, our chairman and 50,000 to Chris Smith a board member; These warrants were valued at $372,473 and were fully vested and have an exercise price of $0.10 per share, and expire on December 31, 2020.

On May 22, 2018, we issued 1,000,000 common shares to H. E. Capital to settle $40,000 of their line of credit debt and $100,000 of accrued interest due them.

The Company’s offices are currently located at 14699 Holman Mtn Rd, Jamestown, CA 95327. The space is provided by the Chairman of the Company at no cost.

NOTE 10 – Acquisition of Minority Interest In Smart Fuel Solutions, Inc.

Effective June 30, 2017, we merged Smart Fuel Solutions, Inc. into the Company by acquiring the remaining 17.5% minority interest of 3,600,000 shares in exchange for a similar number of the Company's common shares. The minority interest was valued at $360,000 based on the closing price of the Company's stock at June 30, 2017 of $0.10 per share. We issued 3,000,000 shares valued at $300,000 to a minority shareholder of Smart Fuel as of September 30, 2017 and the remaining 600,000 shares to be issued, remain as a liability on our consolidated balance sheet. The difference in the fair value of the consideration and the carrying amount of the non-controlling interest of $466,128 was charged to additional paid in capital. As a result of the acquisition, Smart Fuel became a wholly-owned subsidiary of the Company. As of December 31, 2018, the Company has issued 3,000,000 of the 3,600,000 shares exchanged. The fair value as of the date of merger of the remaining 600,000 shares is $60,000 and is carried on the consolidated balance sheet as stock payable. The Company also recognized Smart Fuel's 3,143,000 outstanding warrants as if they had been issued by the Company.

NOTE 11 – Income Taxes

Deferred income taxes are determined using the liability method for the temporary differences between the financial reporting basis and income tax basis of the Company's assets and liabilities. Deferred income taxes are measured based on the tax rates expected to be in effect when the temporary differences are included in the Company's tax return. Deferred tax assets and liabilities are recognized based on anticipated future tax consequences attributable to differences between financial statement carrying amounts of assets and liabilities and their respective tax bases. Availability of loss usage is subject to change of ownership limitations under Internal Revenue Code 382. Availability of loss usage is also subject to audit by the Internal Revenue Service (IRS). The IRS, when they do audits, normally go back three years, but this can be extended three more years if it can be proven income was understated by 25% or more. Years from 2012 through 2018 remain subject to review by the IRS.

The 2017 Act reduces the corporate tax rate from 35% to 21% for tax years beginning after December 31, 2017. For net operating losses (NOLs) arising after December 31, 2017, the 2017 Act limits a taxpayer's ability to utilize NOL carryforwards to 80% of taxable income. In addition, NOLs arising after 2017 can be carried forward indefinitely, but carryback is generally prohibited. NOLs generated in tax years beginning before January 1, 2018 will not be subject to the taxable income limitation. The 2017 Act would generally eliminate the carryback of all NOLs arising in a tax year ending after 2017 and instead would permit all such NOLs to be carried forward indefinitely.

GREEN ENVIROTECH HOLDINGS CORP.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

DECEMBER 31, 2018 AND 2017

Net Deferred Tax Assets consisted of the following components as of December 31, 2018 and 2017:

Deferred Tax Assets:	2018	2017
NOL Carryover Tax Advantage	$2,775,731	$2,600,452
Valuation allowance	(2,775,731)	(2,600,452)
	$-	$-

The income tax provision differs from the amount of income tax determined by applying the U.S. Federal Income tax rate to pretax income from continuing operations for the years ended December 31, 2018 and 2017.

At December 31, 2018, the Company had a net operating loss carry forward in the amount of approximately $13,218,000 available to offset future taxable income indefinitely. The Company established valuation allowances equal to the full amount of the deferred tax assets due to the uncertainty of the utilization of the operating losses in future periods.

NOTE 12 – Commitments and CONTINGENCIES

The Company on September 30, 2014 settled a claim in New York courts from a vendor for unpaid fees, MicroCap vs Green EnviroTech, by agreeing to deliver 25,000 shares a month for six months to the plaintiff. All the shares were delivered. On or about June 18, 2015, Microcap asked the court for a judgment alleging a default of the stipulation of settlement. Microcap's position was that what was delivered was unsellable as the Company had not made timely filings of its Securities and Exchange Commission filings. Presently, the Company is current with all of its filings with the SEC. The Company filed a Statement in opposition on June 23, 2015. On June 29, 2015, the Court entered a judgment in the amount of $42,111 in favor of Microcap. The Company recorded the judgment as a liability as of December 31, 2016. This judgement was settled in full during the year ended December 31, 2017.

During 2013, the Company entered into an agreement with Black Lion Oil Limited (Black Lion) whose primary focus is on emerging energy technology with broad applications. Under the agreement, the Company granted to Black Lion exclusive rights to the "waste to oil" process in specific territories outside of the United States. In return Black Lion paid $100,000 in cash to the Company as a fee and agreed to pay the Company royalties amounting to ten percent (5.0%) of Black Lion's gross sales. The Company used the fee for working capital. As of December 31, 2018, Black Lion has not opened its first plant.

NOTE 13 – Fair Value of Financial Instruments and Derivative Liabilities

The carrying value of cash, accounts payable and accrued expenses, and debt approximate their fair values because of the short-term nature of these instruments. Management believes the Company is not exposed to significant interest or credit risks arising from these financial instruments. The carrying amount of the Company's long-term debt approximates fair value based upon its determined derivative discounts. The notes totaled $91,700 with net discounts in the amount of $53,497.

Fair value is defined as the exchange price that would be received for an asset or paid to transfer a liability (an exit price) in the principal or most advantageous market for the asset or liability in an orderly transaction between market participants on the measurement date. Valuation techniques used to measure fair value maximize the use of observable inputs and minimize the use of unobservable inputs. The Company utilizes a fair value hierarchy based on three levels of inputs, of which the first two are considered observable and the last unobservable.

GREEN ENVIROTECH HOLDINGS CORP.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

DECEMBER 31, 2018 AND 2017

Level 1 -	Quoted prices in active markets for identical assets or liabilities. These are typically obtained from real-time quotes for transactions in active exchange markets involving identical assets.
Level 2 -	Quoted prices for similar assets and liabilities in active markets; quoted prices included for identical or similar assets and liabilities that are not active; and model-derived valuations in which all significant inputs and significant value drivers are observable in active markets. These are typically obtained from readily-available pricing sources for comparable instruments.
Level 3 -	Unobservable inputs, where there is little or no market activity for the asset or liability. These inputs reflect the reporting entity's own beliefs about the assumptions that market participants would use in pricing the asset or liability, based on the best information available in the circumstances.

The following table presents the derivative financial instruments, the Company's only financial liabilities measured and recorded at fair value on the Company's consolidated balance sheet on a recurring basis, and their level within the fair value hierarchy as of December 31, 2018:

	Amount	Level 1	Level 2	Level 3
Embedded conversion derivative liability	$59,750	$ -	$ -	$59,750
Warrant derivative liabilities	$254	$ -	$ -	$254
Total	$60,004	$ -	$ -	$60,004

The following table presents the derivative financial instruments, the Company's only financial liabilities measured and recorded at fair value on the Company's consolidated balance sheets on a recurring basis, and their level within the fair value hierarchy as of December 31, 2017:

	Amount	Level 1	Level 2	Level 3
Embedded conversion derivative liability	$378,221	$ -	$ -	$378,221
Warrant derivative liabilities	$133,016	$ -	$ -	$133,016
Total	$511,237	$ -	$ -	$511,237

The embedded conversion feature in the convertible debt instruments that the Company issued, that became convertible during the prior year as well as the mandatorily redeemable Series B convertible preferred stock issued during the year ended December 31, 2018 (see Note 8), qualified these as derivative instruments since the number of shares issuable under the notes and preferred shares are indeterminate based on guidance in FASB ASC 815, Derivatives and Hedging. As a result, all other equity linked instruments including outstanding warrants and fixed rate convertible debt were tainted and also required derivative accounting treatment.

The valuation of the derivative liability of the warrants was determined through the use of a Multinomial Lattice model that values the liability of the warrants based on a risk-neutral valuation where the price of the option is its discounted expected value. The technique applied generates a large number of possible (but random) price paths for the underlying common stock via simulation, and then calculates the associated exercise value (i.e. "payoff") of the option for each path. These payoffs are then averaged and discounted to a current valuation date resulting in the fair value of the option.

GREEN ENVIROTECH HOLDINGS CORP.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

DECEMBER 31, 2018 AND 2017

The valuation of the derivative liability attached to the convertible debt and the preferred shares was arrived at through the use of a Multinomial Lattice model that values the derivative liability within the notes and preferred shares. The technique applied generates a large number of possible (but random) price paths for the underlying (or underlyings) via simulation, and then calculates the associated payment value (cash, stock, or warrants) of the derivative features. The price of the underlying common stock is modeled such that it follows a geometric Brownian motion with constant drift, and elastic volatility (increasing as stock price decreases). The stock price is determined by a random sampling from a normal distribution. Since the underlying random process is the same, for enough price paths, the value of the derivative is derived from path dependent scenarios and outcomes. The features in the notes that were analyzed and incorporated into the model included the conversion features with the reset provisions, the call/redemption/prepayment options, and the default provisions. Based on these features, there are six primary events that can occur; payments are made in cash; payments are made with stock; the note holder converts upon receiving a redemption notice; the note holder converts the note; the issuer redeems the note; or the Company defaults on the note. The model simulates the underlying economic factors that influenced which of these events would occur, when they were likely to occur, and the specific terms that would be in effect at the time (i.e. stock price, conversion price, etc.). Probabilities were assigned to each variable such as redemption likelihood, default likelihood, and timing and pricing of reset events over the remaining term of the notes based on management projections. This led to a cash flow simulation over the life of the note. A discounted cash flow for each simulation was completed, and it was compared to the discounted cash flow of the note without the embedded features, thus determining a value for the derivative liability.

The following assumptions were used for the valuation of the derivative liability related to the Notes, Preferred Shares and subset to the Warrants as of December 31, 2018:

The stock price of $**0.0060** to **$0.0053** in these periods (variable conversion price; reset provisions; and upon redemption or default penalties) would fluctuate with the Company projected volatility;

An event of default adjusting the interest rate would occur **0%** of the time for all notes except the Peak 1 Note which increases **0.50%** per month to a maximum of **5%** with the corresponding penalty;

The projected volatility curve from an annualized analysis for each valuation period was based on the historical volatility of comparable companies and the term remaining for each note was from **212**% through **342**% at issuance, conversion, and quarters ends;

The Company would redeem the notes (with the corresponding penalty) projected initially at **0%** of the time for all notes except the EMA and Auctus Notes which increase monthly by **1.0%** to a maximum of **5.0%** (from alternative financing being available for a redemption event to occur); and

For the variable rate (some notes include conversion rate ceilings – the lessor of variable rates and a fixed rate) and fixed rate Notes, the Holder would convert (after 0 days) at maturity based on ownership and trading volume limits; and

The Holder would automatically convert the note or exercise early at a multiple of the conversion/exercise or the stock price if the registration was effective (after 0 days) and the Company was not in default.

Using the results from the model, the Company recorded additional paid in capital of $173,346 from the conversion of $300,818 of debt. The derivative liability recorded for the convertible feature created a debt discount of $109,866 which is being amortized over the remaining term of the instrument using the effective interest rate method, and is classified as convertible debt on the balance sheet. The Company also issued 191,400 shares of our Series B Convertible Preferred Stock during the year ended December 31, 2018 for $165,000. These shares are shown in current liability section of the Consolidated Balance Sheet net of their discounted value of $26,090 and conversion amount of $130,490. These shares created a derivative discount and OID in the amount of $120,726. The Company recorded the change in the fair value of the derivative liability as a gain of $523,248 to reflect the value of the derivative liability for warrants and convertible instruments as $60,004 as of December 31, 2018.

GREEN ENVIROTECH HOLDINGS CORP.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

DECEMBER 31, 2018 AND 2017

The following table provides a summary of the changes in fair value, including net transfers in and/or out, of the derivative financial instruments, measured at fair value on a recurring basis using significant unobservable inputs as of December 31, 2018:

Balance at December 31, 2017	$511,237
Fair value of derivative liability at issuance	245,361
Settlement of derivative liability due to conversion	(173,346)
Unrealized derivative gain included in other expense	(523,248)
Balance at December 31, 2018	$60,004

The following table provides a summary of the changes in fair value, including net transfers in and/or out, of the derivative financial instruments, measured at fair value on a recurring basis using significant unobservable inputs as of December 31, 2017:

Balance at December 31, 2016	$-
Fair value of derivative liability at issuance charged to debt discount	220,498
Fair value of derivative liability at issuance reclassified from additional paid in capital	380,518
Settlement of derivative liability due to debt paid	(62,919)
Settlement of derivative liability due to conversion	(27,582)
Unrealized derivative loss included in other expense	722
Balance at December 31, 2017	$511,237

NOTE 14 – SUBSEQUENT EVENTS

On January 16, 2019, the Company issued to its Chairman Gary M. DeLaurentiis 137,000,000 @ $0.001 common shares of the Company representing a partial payment of $137,000 of his unpaid accrued compensation of $280,000 at year end December 31, 2018.

On January 17, 2019, the Company authorized and issued to H.E. Capital S.A. at its request 10,000,000 (ten million) free trading common shares of the Company at $0.0027 per share to satisfy $27,000 of the debt it owed H.E. Capital

S.A.

On January 24, 2019, the Company recommended that the shareholders act to authorize the board to effect a reverse split of the Company's common stock in any amount up to 200 to one at any time within one year of the date of the authorization, at the board's discretion. The reverse was approved by the majority shareholders however, has not been approved by the Board or FINRA as of the date of the filing.

On January 24, 2019, the Company authorized and issued to H.E. Capital S.A. at its request 20,000,000 (twenty million) free trading common shares of the Company at $0.0025 per share to satisfy $50,000 of the debt it owed H.E. Capital S.A.

On January 24, 2019, the Company issued to its Chairman Gary M. DeLaurentiis 45,000,000 @ $0.001 common shares of the Company representing a partial payment of $45,000 of his unpaid accrued compensation of $280,000 at December 31, 2018.

On January 24, 2019, the Company recommended the Company's Certificate of Incorporation be amended to make clear the board of directors have the authority to create one or more series of preferred stock. The recommendation was made to the stockholders to clearly delegate that authority to the board of directors. It was approved by the majority stockholders. This has not been approved by the Board to make any changes as of the date of this filing.

During January 2019, we issued 16,029,556 common shares to Geneva Roth Remark Holdings Inc. to convert another 13,610 Series B Convertible Preferred Stock and $817 accrued dividend.

During January and February, we issued 120,119,043 common shares to Peak One Opportunity Fund LP to settle $91,700, representing the remainder of their debt.

GREEN ENVIROTECH HOLDINGS CORP.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

DECEMBER 31, 2018 AND 2017

On February 12, 2019, GHS Investments LLC entered into an agreement with JSJ Investments Inc. (JSJ) to purchase our note dated May 22, 2018 from JSJ. Please see Note 5

On February 13, 2019, Hernan Rizo resigned as the Company’s interim Chief Financial Officer.

On February 15, 2019, GHS Investments LLC converted $16,365 of principal and $6,135 of Interest of the JSJ Investments Inc. note it purchased on February 12, 2019 into 25,000,000 of our common shares.

On February 15, 2019, Coolidge Capital LLC (Coolidge) returned the 3,279,428 shares of our stock it received in a previous conversion when GHS Investments LLC entered into an agreement with Coolidge to purchase our note dated May 31, 2018 from Coolidge. Please see Note 5

On February 22, 2019, we entered into a 10% interest bearing note agreement with GHS Investments LLC in the amount of $47,000. The Note has a $7,000 original issue discount. The note has a 9 month maturity date per note. The Company may prepay this Note upon 3 business days, written notice and in accordance with the following schedule: If within 60 calendar days from the execution of this Note, 120% of all outstanding principal and interest due on each outstanding Note in one payment. On or after 60 calendar days from the execution of the Note and within 120 days from execution, 130% of all outstanding principal and interest due on each outstanding Note in one payment. Between 121 and 180 days from the date of execution, the Note may be prepaid for 135% of all outstanding amounts due on each outstanding Note in one payment. The Note has conversion rights ..0015 at any time after date of issue for its holder.

On March 1, 2019, GHS Investments LLC converted $22,998 of principal and $246 of Interest of the JSJ Investments Inc. note it purchased on February 12, 2019 into 26,000,000 of our common shares.

On March 18, 2019, GHS Investments LLC converted $21,318 of principal and $171 of Interest of the JSJ Investments Inc. note it purchased on February 12, 2019 into 27,550,000 of our common shares.

On March 27, 2019, we entered into a 10% interest bearing note agreement with GHS Investments LLC in the amount of $44,000. The Note has a $4,000 original issue discount. The note has a maturity date nine (9) calendar months from the date the funds are received by the Company. This funds were received on April 2, 2019. The Company may prepay this Note upon 3 business days, written notice and in accordance with the following schedule: If within 60 calendar days from the execution of this Note, 120% of all outstanding principal and interest due on each outstanding Note in one payment. On or after 60 calendar days from the execution of the Note and within 120 days from execution, 130% of all outstanding principal and interest due on each outstanding Note in one payment. Between 121 and 180 days from the date of execution, the Note may be prepaid for 135% of all outstanding amounts due on each outstanding Note in one payment. The Note has conversion rights of .00072 per note, unless in default at any time after date of issue for its holder.

On March 27, 2019, the Company accepted from the DeLaurentiis Family Trust (Trust) offer to transfer common shares of the Company back into the Company in order for the Company to use these shares to complete its reserve shares commitment on a $44,000 loan by GHS Investments LLC. The Company also agreed to replace each share being transferred from the Trust back to the Trust as soon as it has the shares available. The Trust transferred 182,000,000 shares to the Company.

SIGNATURES

Pursuant to the requirements of Section 13 or 15(d) of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

GREEN ENVIROTECH HOLDINGS, CORP.

Date: April 18, 2019 By: */s/ Gary DeLaurentiis*
Gary DeLaurentiis
Chief Executive Officer

Pursuant to the requirements of the Securities Exchange Act, this report has been signed below by the following persons on behalf of the registrant and in the capacities and on the dates indicated.

Signature	Title	Date
/s/ Gary DeLaurentiis Gary DeLaurentiis	Principal Executive Officer and Director	April 18, 2019
/s/ Chris Smith Chris Smith	Principal Financial and Accounting Officer and Director	April 18, 2019
/s/ Christopher R. Smith Christopher R. Smith	Director	April 18, 2019