JPX Global Inc.
Form 10-K
April 14, 2016

**UNITED STATES**

**SECURITIES AND EXCHANGE COMMISSION**

**Washington, D.C. 20549**

**FORM 10-K**

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

**For the year ended December 31, 2015**

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

**For the transition period from to**

**Commission file number:000-54793**

**JPX GLOBAL INC.**

(Exact name of registrant as specified in its charter)

| | |
|---|---|
| **Nevada** | **26-2801338** |
| (State or other jurisdiction of incorporation or organization) | (I.R.S. Employer Identification No.) |
| **9864 E. Grand River, Ste 110-301 Brighton, MI** | **48116** |
| (Address of principal executive offices) | (Zip Code) |

**(780) 349-1755**

(Registrant's telephone number, including area code)

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

| | |
|---|---|
| **None** | **N/A** |
| Title of each class | Name of each exchange on which registered |

Securities registered pursuant to Section 12(b) of the Act: **None**

Securities registered pursuant to Section 12(g) of the Act:**None**

Indicate by check mark if the registrant is a well-known seasoned issuer, as defined in Rule 405 of the Securities Act. Yes No

Indicate by check mark if the registrant is not required to file reports pursuant to Section 13 or Section 15(d) of the Act. Yes No

Indicate by check mark whether the issuer (1) filed all reports required to be filed by Sections 13 or 15(d) of the Securities Exchange Act of 1934 during the past 12 months (or for such shorter

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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 No

Indicate by check mark whether the registrant has submitted electronically and posted on its corporate website, if any, 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 No

Indicate by checkmark if disclosure of delinquent filers pursuant to Item 405 of Regulation S-K (§229.405 of this chapter) is not contained herein, and will not be contained, to the best of registrant's knowledge, in definitive proxy or information statements incorporated by reference in Part III of this Form 10-K or any amendment to this 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 the definitions of "large accelerated filer," "accelerated filer" and "smaller reporting company" in Rule 12b-2 of the Exchange Act.

| | |
|---|---|
| Large accelerated filer | Accelerated filer |
| Non-accelerated filer | Smaller reporting company |

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

Based on the closing price of our common stock as listed on the OTC Bulletin Board, the aggregate market value of the common stock of JPX Global, Inc. held by non-affiliates as of June 30, 2015 was $27,661,742.70.

As of March 31, 2016,there were 167,455,809 shares of common stock outstanding.

**DOCUMENTS INCORPORATED BY REFERENCE**: None.

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**SPECIAL NOTE REGARDING FORWARD-LOOKING STATEMENTS**

Please see the note under "Item 7. Management's Discussion and Analysis of Financial Condition and Results of Operation," for a description of special factors potentially affecting forward-looking statements included in this report.

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**PART I**

**ITEM 1. BUSINESS.**

**Company History**

JPX Global, Inc., (f.k.a. Jasper Explorations, Inc.) (the "Company"), was organized under the laws of the State of Nevada on December 18, 2008 as Jubilee Resources, Inc., to explore mineral properties in North America. The name of the Company was subsequently changed to Jasper Explorations, Inc. on December 16, 2010. The name of the Company was again changed on January 3, 2013 from Jasper Explorations, Inc. to JPX Global, Inc.

On February 15, 2013, the Company entered into an agreement to acquire all of the assets of Scorpex, Inc. in exchange for 103,250,000 shares of Common Stock and 5,000,000 shares of Series A Preferred Stock of the Company. A material condition of the agreement, production of audited financial statements, was not provided by Scorpex and therefore the acquisition agreement was terminated on May 16, 2013. We then resumed operations that existed prior to February 15, 2013, primarily, the exploration for copper, molybdenum and other minerals.

On February 5, 2014, the Company entered into an agreement to acquire all of the assets of Scorpex, Inc., a Nevada corporation, in exchange for 105,000,000 shares of Common Stock and 10,000,000 shares of Series B Preferred Stock (the "Acquisition"). We are now expanding our business to further develop our operations as a development stage waste disposal and recycling company, with the goal of storing and disposing all types of waste, including those classified as industrial, toxic, and hazardous. With the acquisition of the Scorpex assets, the Company has a business model to capitalize on the opportunities available in the integrated waste, and waste management services sector primarily in Mexico. Through its exclusive license with Tratamientos Ambientales Scorpion S.A. de C.V., ("TAS") a Mexican corporation, we will participate in TAS's developing approximately 26 acres it owns located at Fraccion A-2 Del Rancho El Encinito Km 18.7 Carretera A Ensenada-OJOS Delegacion Real Del Castillo, Ensenada, B.C. CP 22800 for the purpose of storing and disposing of residential and commercial, toxic, non-toxic, hazardous and non-hazardous waste. In addition to the Ensenada property detailed above, TAS has finalized a lease for a second property of approximately 5 hectacres located at Parcela 45 Y 46 Plan Libertador Blvd. 2000, Rosarito, B.C. This Rosarito lease is a 6-month term lease with a lessee option to renew every 6 months indefinitely. The cost for the lease is $2500 per month. TAS is a Mexican holding company that owns property, permits, and limited structures and has licensed its assets exclusively to JPX Global, Inc. in return for twenty percent (20%) of net revenues from operations in Mexico.

**Waste Disposal Plan of Operations**

We are a development stage company with no history of operations. As a result of the Acquisition of the Scorpex assets, the Company intends to further capitalize on opportunities in its integrated waste, and waste management service operations, including the receiving, storage, transfer and disposal in an environmental manner. In providing these services, we intend to actively pursue projects and initiatives that we believe make a positive difference for our environment which will be focused on gasification of waste in an environmental manner. It is expected that our customer base will include commercial, industrial, municipal and residential customers, other waste management companies, electric utilities, and governmental entity properties. We are a development stage company and have not realized any revenues. We do not have sufficient capital to enable us to commence and complete our exploration program. We will require additional financing in order to conduct the exploration programs described herein. Our auditors have issued a going concern opinion, raising substantial doubt about the Company’s financial prospects and the Company’s ability to continue as a going concern.

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Waste management and collection involves picking up and transporting waste from where it was generated to our planned gasification facilities. We intend to sub-contract our collection services. Waste is defined as nonhazardous waste sent off-site for final disposal through gasification including household waste, commercial, business or institutional waste, construction and demolition debris, regulated medical waste, yard waste, sludge, scrap tires and hazardous waste.

The Waste Gasification/Thermal Oxidation Plant, where we intend to convert waste to ash, is a two-stage waste combustion process that converts combustible organic matter from its existing solid, sludge or liquid state into a gas under an oxygen depleted environment (also known as “oxidation”). The resulting gas product is then well mixed with ambient air before being burnt off in a secondary gas-processing unit. The technology reverts any man made or organic waste product back to its natural state, which is inert ash or breathable air. The technology is capable of handling community solid waste content and biosolids including medical waste, tires, plastics, wood waste, oily waste, furniture and other organic or man-made compounds found in municipal or industrial waste.

The intended plant is comprised of three basic components: a Primary Gasification Cell, a Secondary Gas Processor, and a computerized Process Logic Controller. Combustible waste material is placed into the primary gasification cell through the load access door. In some facilities this can be done via a loading conveyor. The proposed design is to have collection vehicles dump their waste load directly into the primary oxidation cell. None of these components have been built on the property.

The Primary Cell can be either a batch or continuous feed processor. Based on our research, batch processing provides the most efficient and cost effective strategy for the waste management solution. In the case of batch processing once the cell has received that days collected waste, the door is closed and the process is initiated. The cell does not have to be full for the system to be activated.

An operator is responsible for supervising the loading of waste material, and initiating the process startup. A computer keystroke (or optional manual button and lever control) which pre-heats the secondary gas-processing unit accomplishes this start-up. Once that unit reaches its pre-set temperature, the primary gasification cell heater is activated, and the process begins. Approximately 8 to 12 hours later, the organic wastes in the primary cell will have been converted to a gas, and the cycle will generally be complete. The system will move to its “cool down” mode. In another 4-6 hours, the system may be re-loaded, and another process started, with or without the removal of the preceding load’s ash material.

Residual materials (bottles, cans, ash and misc.) need only to be removed periodically. The composition of MSW consists mainly of organic and combustible waste. Glass and metals are easily extracted in our plant design as it includes equipment that will assist in the process and cut down on labor man-hours. Ash removal is either an automated or manual process. In automated unloading, the base of the primary gasification cell contains a ductile iron furnace floor conveyor that evacuates material remaining in the base of the unit through a side access door. This dry waste material empties into a storage bin, which can be removed to another location for recycling.

Aluminum, metal and glass can be completely recovered. Emissions may be captured and used as a nonfossil fuel source for various “on site” processes.

Our intention is to take the ash that is left over from our disposal process and create a brick out of the residue. The machines that will be used, through 60 thousand pounds of pressure, will create this brick that can then be donated back to any municipality for various uses.

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We intend to provide our services under two types of agreements:

- For commercial and industrial collection services, we intend to enter a multi-year service agreement. The fees under these agreements will be influenced by factors such as collection frequency, type and volume or weight of the waste collected, distance to our facility, labor costs, cost of gasification and general market factors.

- For most residential collection services, we will have a contract with, or a franchise granted by, a municipality, homeowners' association or some other regional authority that will give us the exclusive right to service all or a portion of the homes in an area. These contracts or franchises are typically for periods of one to five years. We expect the fees for residential collection to be either paid by the municipality or authority from their tax revenues or service charges, or are paid directly by the residents receiving the service.

With its current assets, and without further financing, our auditor has expressed substantial doubt as to our ability to continue as a Going Concern. However, the Company plans to raise the capital necessary to fund our business through a private placement and/or a public offering of our common stock.

Because the company has incurred losses, income tax expenses are immaterial. No tax benefits have been booked related to operating loss carry-forwards, given the uncertainty of the Company being able to utilize such loss carry-forwards in future years. The Company anticipates incurring additional losses during the coming year.

**Market**

We believe that the $55 billion US waste management industry will play a substantial role in the coming economic recovery and the growth of worldwide trade as traditional waste conversion, as well as the more technical methods such as gasification, plasma arc gasification, hydrolysis, and pyrolysis become cheaper and more efficient. In a world where in 2011 alone, the world's rapidly increasing urban population generated nearly 2 billion tons of municipal solid waste ("MSW"), it is no longer sufficient to discard trash. It is estimated that this number will rise to at least 2.9 billion tons by 2022. Today, more than 800 thermal waste-to-energy ("WTE") plants operate in nearly 40 countries around the globe. Led by Asia-Pacific and Europe, this number is expected to grow rapidly over the next decade, potentially treating 396 million tons of MSW annually by 2022 with an estimated output of 151 terawatt hours (TWh) of electricity. Of the municipal solid waste generated, 33 percent was recycled in 2011, up from 32 percent in 2010.

**Competition**

The solid waste industry is very competitive. Competition comes from a number of publicly held solid waste companies, private solid waste companies, large commercial and industrial companies handling their own waste collection or disposal operations and public and private waste-to-energy companies. We also have competition from municipalities and regional government authorities with respect to residential and commercial solid waste collection and solid waste landfills.

Operating costs, disposal costs and collection fees vary widely throughout Mexico. The prices that we intend to charge will be determined locally, and typically vary by the volume and weight, type of waste collected, treatment requirements, risk of handling or disposal, frequency of collections, distance to final disposal sites, labor costs and amount and type of equipment furnished to the customer. We will face intense competition in our core business based on pricing and quality of service. However, we believe that we can distinguish the Company from our competition by providing precise accounting, exceptional customer service,

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comprehensive tax management, and competitive pricing. While we intend to offer some customers credit terms, in most cases the credit lines will be secured by corporate or personal guarantees, deposits, letters of credit or other bank instruments, and liens.

**Compliance with Government Regulation**

We will be required to conduct all mineral exploration and waste disposal activities in accordance with government regulations. Such operations are subject to various laws governing land use, the protection of the environment, production, exports, taxes, labor standards, occupational health, waste disposal, toxic substances, safety and other matters. Unfavorable amendments to current laws, regulations and permits governing operations and activities of resource exploration companies, or more stringent implementation thereof, could have a materially adverse impact and cause increases in capital expenditures which could result in a cessation of operations.

**Employees**

As of December 31, 2015, we had approximately 10 employees/independent contractors including a manager / attorney, consultant, and property security. We used the services of various contract personnel from time to time. Although national unemployment rates remain high relative to historical averages, there exists a significant amount of competition for skilled personnel in the waste management and waste conversion industry. Nevertheless, we expect to be able to attract and retain such additional employees as are necessary, commensurate with the anticipated future expansion of our business resulting from future acquisitions and joint ventures. Further, we expect to continue to use consultants, contract labor, attorneys and accountants as necessary.

**Available Information**

JPX Global, Inc. is subject to the information requirements of the Securities Exchange Act of 1934, as amended, and in accordance therewith files quarterly and annual reports, as well as other information with the Securities and Exchange Commission (“Commission”) under File No. 000-54793. Such reports and other information filed with the Commission can be inspected and copied at the public reference facilities maintained by the Commission at 450 Fifth Street, N.W., Washington, D.C. 20549 at prescribed rates, and at various regional and district offices maintained by the Commission throughout the United States. Information about the operation of the Commission’s public reference facilities may be obtained by calling the Commission at 1-800-SEC-0330. The Commission also maintains a website at *http://www.sec.gov* that contains reports and other information regarding the Company and other registrants that file electronic reports and information with the Commission.

**ITEM 1A. RISK FACTORS.**

Since we are a smaller reporting company, we are not required to supply the information required by this Item 1A.

**ITEM 1B. UNRESOLVED STAFF COMMENTS.**

None.

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**ITEM 2. PROPERTIES.**

Our principal executive offices are located at 9864 E Grand River, Ste 110-301, Brighton, Michigan 48116. We believe that our office facilities are suitable and adequate for our operations as currently conducted and contemplated.

**ITEM 3. LEGAL PROCEEDINGS.**

We are not now a party to any material legal proceedings and to our knowledge; no such proceedings are threatened or contemplated.

**ITEM 4. MINE SAFETY DISCLOSURES**

Not Applicable

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**PART II**

**ITEM 5. MARKET FOR COMMON EQUITY, RELATED STOCKHOLDER MATTERS AND PURCHASES OF EQUITY SECURITIES.**

**Market Information**

Our common stock is quoted on OTC Markets under the symbol “JPEX”. We had approximately 313 registered holders of our common stock as of December 31, 2015. Registered holders do not include those stockholders whose stock has been issued in street name. The last reported price for our common stock on April 5, 2016 was $0.0015 per share.

The following table reflects the high and low closing sales prices per share of our common stock during each calendar quarter as reported on OTC Markets:

| | **Price Range(1)** | |
|---|---|---|
| | High | Low |
| Fiscal 2015 | | |
| Fourth quarter | $0.29 | $0.0652 |
| Third quarter | $0.32 | $0.08 |
| Second quarter | $1.99 | $0.29 |
| First quarter | $1.99 | $1.20 |
| Fiscal 2014 | | |
| Fourth quarter | $3.00 | $1.00 |
| Third quarter | $1.39 | $0.27 |
| Second quarter | $1.45 | $0.26 |
| First quarter | $1.41 | $1.20 |

(1) The above quotations reflect inter-dealer prices, without retail mark-up, mark-down, or commission and may not necessarily represent actual transactions.

**Number of Holders**

As of March 31, 2016, there were approximately 313 record holders of our common stock, not counting shares held in "street name" in brokerage accounts which is unknown. As of March 31, 2016, there were 167,455,809 shares of common stock outstanding on record with our stock transfer agent.

**Dividends**

The Company has not paid any cash dividends on its Common Stock since inception and does not anticipate paying cash dividends in the foreseeable future. The Company anticipates that any future earnings will be retained for use in developing and/or expanding the business.

**Sales of Unregistered Securities**

On February 5, 2014, the Company entered into an agreement to acquire all of the assets of Scorpex, Inc., a Nevada corporation, in exchange for 105,000,000 shares of common stock and 10,000,000 shares of Series B Preferred Stock of the Company.

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On January 6, 2014, the Company issued 1,000 shares of Series A Preferred Stock as security for outstanding debts of the Company to Joseph Caywood. Although the preferred stock carries no dividend, distribution, liquidation or conversion rights, each share of Series A preferred stock carries one hundred thousand (100,000) votes, and holders of our preferred stock are able to vote together with our common stockholders on all matters upon which common stockholders may vote. Consequently, the holders of our Series A preferred stock is able to unilaterally control the election of our board of directors and, ultimately, the direction of our Company.

From May 6, 2014 to July 10, 2014, pursuant to the Consulting Agreement with South Bay Holdings, Inc. dated June 1, 2013 (term ended June 1, 2014), the Company issued a total of 7,991,620 shares of common stock to 16 individuals/entities for services rendered to the Company. The stock was valued at a total of $10,398,916 and is included in consulting fees on the 2014 statement of operations.

From May 23, 2014 to July 16, 2014, the Company sold a total of 2,820,000 shares of common stock to 17 individuals/entities at $0.10 per share for total cash proceeds of $282,000.

On July 10, 2014, pursuant to a Consulting Agreement with Joseph Caywood dated July 9, 2014 (term ended December 31, 2014), the Company issued 4,000,000 shares of common stock to Mitchell Dean Hovendick for services rendered to the Company. The stock was valued at $1,080,000 and is included in consulting fees on the 2014 statement of operations.

On August 7, 2014, pursuant to a Consulting Agreement with Joseph Caywood dated August 7, 2014 (term ended December 31, 2014), the Company issued 10,250,000 shares of common stock to Mitchell Dean Hovendick for services rendered to the Company. The stock was valued at $12,402,500 and is included in consulting fees on the 2014 statement of operations.

On October 23, 2014, pursuant to a Consulting Agreement with Wild Cherry Limited, LLC dated October 1, 2014 (term ended December 31, 2014), the Company issued 3,000,000 shares of common stock to Wild Cherry Limited, LLC for services rendered to the Company. The stock was valued at $3,750,000 and is included in consulting fees on the 2014 statement of operations.

On December 2, 2014, the Company issued 150,000 shares of common stock to an individual for services rendered to the Company. The stock was valued at $300,000 and is included in consulting fees on the 2014 statement of operations.

On February 17, 2015, the Company issued 2,050,000 shares of restricted common stock for consulting services rendered.

With respect to the transactions noted above, no solicitation was made and no underwriting discounts were given or paid in connection with these transactions. The Company believes that the issuance of the shares as described above was exempt from registration with the Securities and Exchange Commission pursuant to Section 4(2) of the Securities Act of 1933.

**Penny Stock Rules**

The SEC has also adopted rules that regulate broker-dealer practices in connection with transactions in "penny stocks" as such term is defined by Rule 15g-9. Penny stocks are generally equity securities with a price of less than $5.00 (other than securities registered on certain national securities exchanges or quoted on the Nasdaq system provided that current price and volume information with respect to transactions in such securities is provided by the exchange or system).

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The shares offered by this prospectus constitute penny stocks under the Exchange Act. The shares may remain penny stocks for the foreseeable future. The classification of our shares as penny stocks makes it more difficult for a broker-dealer to sell the stock into a secondary market, which makes it more difficult for a purchaser to liquidate his or her investment. Any broker-dealer engaged by the purchaser for the purpose of selling his or her shares in JPX Global will be subject to the penny stock rules.

The penny stock rules require a broker-dealer, prior to a transaction in a penny stock not otherwise exempt from those rules, deliver a standardized risk disclosure document approved by the SEC, which: (i) contains a description of the nature and level of risk in the market for penny stocks in both public offerings and secondary trading; (ii) contains a description of the broker's or dealer's duties to the customer and of the rights and remedies available to the customer with respect to a violation to such duties or other requirements of the Securities Act; (iii) contains a brief, clear, narrative description of a dealer market, including bid and ask prices for penny stocks and significance of the spread between the bid and ask price; (iv) contains a toll-free telephone number for inquiries on disciplinary actions; (v) defines significant terms in the disclosure document or in the conduct of trading in penny stocks; and (vi) contains such other information and is in such form as the SEC shall require by rule or regulation. The broker-dealer also must provide to the customer, prior to effecting any transaction in a penny stock, (i) bid and offer quotations for the penny stock; (ii) the compensation of the broker-dealer and its salesperson in the transaction; (iii) the number of shares to which such bid and ask prices apply, or other comparable information relating to the depth and liquidity of the market for such stock; and (iv) monthly account statements showing the market value of each penny stock held in the customer's account.

In addition, the penny stock rules require that, prior to a transaction in a penny stock not otherwise exempt from those rules, the broker-dealer must make a special written determination that the penny stock is a suitable investment for the purchaser and receive the purchaser's written acknowledgment of the receipt of a risk disclosure statement, a written agreement to transactions involving penny stocks, and a signed and dated copy of a written suitability statement. These disclosure requirements will have the effect of reducing the trading activity in the secondary market for our stock because it will be subject to these penny stock rules. Therefore, stockholders may have difficulty selling those securities.

**ITEM 6. SELECTED FINANCIAL DATA.**

Not required.

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

**Forward-Looking Statements**

This report contains forward-looking statements that involve risks and uncertainties. We use words such as anticipate, believe, plan, expect, future, intend and similar expressions to identify such forward-looking statements. You should not place too much reliance on these forward-looking statements. Our actual results are likely to differ materially from those anticipated in these forward-looking statements for many reasons.

**Overview**

On February 5, 2014, the Company entered into an agreement to acquire all of the assets of Scorpex, Inc., a Nevada corporation, in exchange for 105,000,000 shares of Common Stock and 10,000,000 shares of Series B Preferred Stock. We are now expanding our business to further develop our operations to capitalize on the opportunities available primarily in Mexico, in the integrated waste, and waste management service

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operations, including the receiving, storage, transfer and disposal of waste in an environmental manner. In providing these services, we intend to actively pursue projects and initiatives that we believe make a positive difference for our environment which will be focused on gasification of waste in an environmental manner. It is expected that our customer base will include commercial, industrial, municipal and residential customers, other waste management companies, electric utilities, and governmental entity properties. We are an exploration stage company and we have not realized any revenues to date. We do not have sufficient capital to enable us to commence and complete our exploration program. We will require additional financing in order to conduct the exploration program described herein." Our auditors have issued a going concern opinion, raising substantial doubt about the Company's financial prospects, and the Company's ability to continue as a going concern. As a waste management company, our principal sources of revenue will result from waste management contracts, but will also include revenue from ancillary services related to the handling and conversion of waste. Expenses which comprise the costs of goods sold include the operational and staffing costs of the trucks and other vehicles used for transporting and special licensing where required. General and administrative expenses have been comprised of administrative wages and benefits; occupancy and office expenses; outside legal, accounting and other professional fees; travel and other miscellaneous office and administrative expenses. Selling and marketing expenses include selling/marketing wages and benefits, advertising and promotional expenses, as well as travel and other miscellaneous related expenses.

Because we have incurred losses, income tax expenses are immaterial. No tax benefits have been booked related to operating loss carryforwards, given our uncertainty of being able to utilize such loss carryforwards in future years. We anticipate incurring additional losses during the coming year.

**Results of Operations**

Following is management's discussion of the relevant items affecting results of operations for the years ended December 31, 2015 and 2014.

*Revenues*. The Company generated net revenues of $-0- during both years ended December 31, 2015 and 2014.

*Consulting Fees*. Consulting fees for the year ended December 31, 2015 were $2,050,000 compared to $28,156,416 for the year ended December 31, 2014. During the year ended December 31, 2014 the Company issued 25,391,620 shares of common stock for services rendered to the Company. The shares were valued at $27,931,416 which represented the market price on the dates of issuance.

*Professional Fees.* Professional fees for the year ended December 31, 2015 were $52,557 compared to $88,906 for the year ended December 31, 2014. Professional fees consist mainly of the fees for the audits and reviews of the Company's financial statements as well as the filings with the SEC. We anticipate that professional fees will increase in future periods as we scale up our operations.

*Other General and Administrative Expenses.* Other general and administrative expenses for the year ended December 31, 2015 were $1,592 compared to $22,191 for the year ended December 31, 2014. The Company expects other general and administrative expenses to increase in future periods as we scale up our operations.

*Other Income (Expense).* The Company had net other expenses of $752 for the year ended December 31, 2015 compared to net other income of $2,152,956 during 2014. The net other income in 2014 includes a gain on the change in fair value of derivative liability of $2,255,855. This derivative liability was calculated using the Black-Scholes model. Other expenses consist of interest expenses and the fair value of preferred stock issued to a related party in 2014 as security for liabilities due to the related party.

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**Liquidity and Capital Resources**

As of December 31, 2015, the Company's primary source of liquidity consisted of $83 in cash and cash equivalents. Since inception, the Company has financed its operations through a combination of short -term loans from related parties and others and through the private placement of its common stock.

The Company has sustained significant net losses which have resulted in an accumulated deficit at December 31, 2015 of $33,303,334 and is currently experiencing a substantial shortfall in operating capital which raises doubt about the Company's ability to continue as a going concern. The Company generated a net loss for the year ended December 31, 2015 of $2,104,901 compared to a net loss for the year ended December 31, 2014 of $26,114,557. Without additional revenues, working capital loans, or equity investment, there is substantial doubt as to our ability to continue operations.

We believe these conditions have resulted from the inherent risks associated with small public companies. Such risks include, but are not limited to, the ability to (i) generate revenues and sales of our products and services at levels sufficient to cover our costs and provide a return for investors, (ii) attract additional capital in order to finance growth, and (iii) successfully compete with other comparable companies having financial, production and marketing resources significantly greater than those of the Company.

We believe that our capital resources are insufficient for ongoing operations, with minimal current cash reserves, particularly given the resources necessary to expand our waste management business. We will likely require considerable amounts of financing to make any significant advancement in our business strategy. There is presently no agreement in place that will guarantee financing for our Company, and we cannot assure you that we will be able to raise any additional funds, or that such funds will be available on acceptable terms. Funds raised through future equity financing will likely be substantially dilutive to current shareholders. Lack of additional funds will materially affect our Company and our business, and may cause us to substantially curtail or even cease operations. Consequently, you could incur a loss of your entire investment in the Company.

**Off-Balance Sheet Arrangements**

We do not have any off-balance sheet arrangements.

**Critical Accounting Policies**

We believe the following critical accounting policies are used in the preparation of our financial statements:

*Use of Estimates.* The preparation of 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 amounts reported in the financial statements and accompanying notes. Actual results could differ from those estimates. On a periodic basis, management reviews those estimates, including those related to valuation allowances, loss contingencies, income taxes, and projection of future cash flows.

*Research and Development.* Research and development costs are charged to operations when incurred and are included in operating expenses.

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Recent Accounting Pronouncements

See Note 3 in the Notes to the Financial Statements for recent accounting pronouncements.

There were various other accounting standards and interpretations recently issued, none of which are expected to a have a material impact on the Company's financial position, operations or cash flows.

**Forward-Looking Statements**

This report contains or incorporates by reference forward-looking statements within the meaning of the United States Private Securities Litigation Reform Act of 1995 concerning our future business plans and strategies, the receipt of working capital, future revenues and other statements that are not historical in nature. In this report, forward-looking statements are often identified by the words “anticipate,” “plan,” “believe,” “expect,” “estimate,” and the like. These forward-looking statements reflect our current beliefs, expectations and opinions with respect to future events, and involve future risks and uncertainties which could cause actual results to differ materially from those expressed or implied.

Other uncertainties that could affect the accuracy of forward-looking statements include:

- the worldwide economic situation;
- any changes in interest rates or inflation;
- the willingness and ability of third parties to honor their contractual commitments;
- our ability to raise additional capital, as it may be affected by current conditions in the stock market and competition for risk capital;
- our capital expenditures, as they may be affected by delays or cost overruns;
- environmental and other regulations, as the same presently exist or may later be amended;
- our ability to identify, finance and integrate any future acquisitions; and
- the volatility of our common stock price.

This list is not exhaustive of the factors that may affect any of our forward-looking statements. You should read this report completely and with the understanding that our actual future results may be materially different from what we expect. These forward-looking statements represent our beliefs, expectations and opinions only as of the date of this report. We do not intend to update these forward looking statements except as required by law. We qualify all of our forward-looking statements by these cautionary statements.

**ITEM 7A. QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK**

Not Applicable.

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**ITEM 8. FINANCIAL STATEMENTS AND SUPPLEMENTARY DATA**

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**REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM**

To the Board of Directors and Stockholders of

JPX Global, Inc.

I have audited the accompanying balance sheets of JPX Global, Inc. (the "Company") as of December 31, 2015 and 2014 and the related statements of operations, stockholders' deficit, and cash flows for the years then ended. These financial statements are the responsibility of the Company's management. My responsibility is to express an opinion on these financial statements based on my audits.

I conducted my audits in accordance with the standards of the Public Company Accounting Oversight Board (United States). Those standards require that I plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. I believe that my audits provide a reasonable basis for my opinion.

In my opinion, the financial statements referred to above present fairly, in all material respects, the financial position of JPX Global, Inc. as of December 31, 2015 and 2014 and the results of its operations and cash flows for the years then ended in conformity with accounting principles generally accepted in the United States.

The accompanying financial statements referred to above have been prepared assuming that the Company will continue as a going concern. As discussed in Note 2 to the financial statements, the Company's present financial situation raises substantial doubt about its ability to continue as a going concern. Management's plans in regard to this matter are also described in Note 2. The financial statements do not include any adjustments that might result from the outcome of this uncertainty.

/s/ MICHAEL T. STUDER, CPA, P.C.

Michael T. Studer, CPA, P.C.

Freeport, New York

April 14, 2016

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JPX GLOBAL, INC.
(formerly Jasper Explorations Inc.)
Balance Sheets

ASSETS

| | December 31, 2015 | December 31, 2014 |
|---|---|---|
| CURRENT ASSETS | | |
| Cash and cash equivalents | $83 | $342 |
| Total Current Assets | 83 | 342 |
| TOTAL ASSETS | $83 | $342 |
| LIABILITIES AND STOCKHOLDERS' DEFICIT | | |
| CURRENT LIABILITIES | | |
| Accounts payable and accrued liabilities | $29,902 | $15,338 |
| Advances from related party | 243,864 | 221,786 |
| Notes payable to related party | 18,000 | — |
| Convertible loan payable - related party | 1,500 | 1,500 |
| Total Current Liabilities | 293,266 | 238,624 |
| TOTAL LIABILITIES | 293,266 | 238,624 |
| STOCKHOLDERS' DEFICIT | | |
| Preferred stock, $0.001 par value; 40,000,000 shares authorized: | | |
| Series A Preferred Stock, $0.001 par value; 1,000 and 1,000 shares issued and outstanding, respectively | 1 | 1 |
| Series B Preferred Stock, $0.001 par value; 10,000,000 and 10,000,000 shares issued and outstanding, respectively | 10,000 | 10,000 |
| Common stock, $0.001 par value; 500,000,000 shares authorized, 167,455,809 and 165,405,809 shares issued and outstanding, respectively | 167,456 | 165,406 |
| Additional paid-in capital | 32,832,694 | 30,784,744 |
| Accumulated deficit | (33,303,334) | (31,198,433) |
| Total Stockholders' Deficit | (293,183) | (238,282) |
| TOTAL LIABILITIES AND STOCKHOLDERS' DEFICIT | $83 | $342 |

The accompanying notes are an integral part of these financial statements

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JPX GLOBAL, INC.
(formerly Jasper Explorations Inc.)
Statements of Operations

| | For the Years Ended December 31, 2015 | 2014 |
|---|---|---|
| NET REVENUES | $— | $— |
| OPERATING EXPENSES | | |
| Consulting fees (including stock-based compensation of $2,050,000 and $27,931,416, respectively) | 2,050,000 | 28,156,416 |
| Professional and accounting fees | 52,557 | 88,906 |
| Other general and administrative | 1,592 | 22,191 |
| Total Operating Expenses | 2,104,149 | 28,267,513 |
| LOSS FROM OPERATIONS | (2,104,149) | (28,267,513) |
| OTHER INCOME (EXPENSES) | | |
| Fair value of Series A Preferred Stock issued to related party as security for liabilities due to related party | — | (100,000) |
| Interest expense | (752) | (2,899) |
| Gain on change in fair value of derivative liability | — | 2,255,855 |
| Total Other Income (Expenses) | (752) | 2,152,956 |
| NET INCOME (LOSS) | $(2,104,901) | $(26,114,557) |
| Net income (loss) per common share - basic and diluted | $(0.01) | $(0.19) |
| Weighted average common shares outstanding - basic and diluted | 167,186,220 | 137,037,069 |

The accompanying notes are an integral part of these financial statements

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JPX GLOBAL, INC.
(formerly Jasper Explorations Inc.)
Statements of Stockholders' Deficit
From January 1, 2014 through December 31, 2015

| | Series A Preferred Stock | | Series B Preferred Stock | | Common Stock | | Additional Paid-in | Accumulated | Total Stockholders' |
|---|---|---|---|---|---|---|---|---|---|
| | Shares | Par | Shares | Par | Shares | Amount | Capital | Deficit | Deficit |
| Balance, January 1, 2014 | — | — | — | — | 32,133,380 | 32,133 | 2,539,692 | (5,083,876 ) | (2,512,051 ) |
| Shares issued for conversion of debt | — | — | — | — | 60,345 | 61 | 74,849 | — | 74,910 |
| Shares issued for acquisition of assets (including 464 "round-up" shares from Scorpex, Inc. spin-off) | — | — | 10,000,000 | 10,000 | 105,000,464 | 105,000 | (115,000 ) | — | — |
| Shares issued for security of debt | 1,000 | 1 | — | — | — | — | 99,999 | — | 100,000 |
| Shares issued for cash | — | — | — | — | 2,820,000 | 2,820 | 279,180 | — | 282,000 |
| Shares issued for services | — | — | — | — | 25,391,620 | 25,392 | 27,906,024 | — | 27,931,416 |
| Net loss for the year | | | | | | | | | |

| | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|
| ended December 31, 2014 | — | — | — | — | — | — | — | (26,114,557) | (26,114,557) |
| Balance, December 31, 2014 | 1,000 | 1 | 10,000,000 | 10,000 | 165,405,809 | 165,406 | 30,784,744 | (31,198,433) | (238,282) |
| Shares issued for services | — | — | — | — | 2,050,000 | 2,050 | 2,047,950 | — | 2,050,000 |
| Net loss for the year ended December 31, 2015 | — | — | — | — | — | — | — | (2,104,901) | (2,104,901) |
| Balance, December 31, 2015 | 1,000 | $1 | 10,000,000 | $10,000 | 167,455,809 | $167,456 | $32,832,694 | $(33,303,334) | $(293,183) |

The accompanying notes are an integral part of these financial statements

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JPX GLOBAL, INC.
(formerly Jasper Explorations Inc.)
Statements of Cash Flows

| | For the Years Ended December 31, 2015 | 2014 |
|---|---|---|
| CASH FLOWS FROM OPERATING ACTIVITIES: | | |
| Net income (loss) | $(2,104,901) | $(26,114,557) |
| Adjustments to reconcile net loss to net cash used by operating activities: | | |
| Common stock issued for services | 2,050,000 | 27,931,416 |
| Series A Preferred Stock issued as security for liabilities due to related party | — | 100,000 |
| Loss (Gain) on change in fair value of derivative liability | — | (2,255,855) |
| Changes in operating assets and liabilities: | | |
| Accounts payable and accrued liabilities | 14,564 | 5,962 |
| Net Cash Used by Operating Activities | (40,337) | (333,034) |
| CASH FLOWS FROM INVESTING ACTIVITIES: | — | — |
| CASH FLOWS FROM FINANCING ACTIVITIES: | | |
| Proceeds from advances from related party (net) | 22,078 | 80,061 |
| Proceeds from notes payable to related party | 18,000 | — |
| Proceeds from sale of common stock | — | 282,000 |
| Payments on convertible note payable | — | (29,250) |
| Net Cash Provided by Financing Activities | 40,078 | 332,811 |
| NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS | (259) | (223) |
| CASH AND CASH EQUIVALENTS, BEGINNING OF PERIOD | 342 | 565 |
| CASH AND CASH EQUIVALENTS, END OF PERIOD | $83 | $342 |
| SUPPLEMENTAL CASH FLOW INFORMATION | | |
| Cash Payments For: | | |
| Interest | $— | $— |
| Taxes | $— | $— |
| Non-cash activity: | | |

| | | |
|---|---|---|
| Common stock issued for conversion of notes payable: | | |
| Satisfaction of notes payable | $— | $42,000 |
| Reduction of derivative liability | — | 32,910 |
| Total | $— | $74,910 |
| Series A Preferred Stock issued as security for liabilities due to related party | $— | $100,000 |
| Common stock issued for services | $2,050,000 | $27,931,416 |

The accompanying notes are an integral part of these financial statements

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**JPX Global, Inc.**

**(f/k/a Jasper Explorations Inc.)**
**NOTES TO THE FINANCIAL STATEMENTS**
**December 31, 2015 and 2014**

1. ORGANIZATION

The Company was incorporated under the laws of the state of Nevada on December 18, 2008, with 75,000,000 authorized common shares with a par value of $0.001.On January 3, 2013, the Company approved the action to amend and restate the Articles of Incorporation to increase the authorized common shares to 500,000,000 and create and authorize 40,000,000 shares of Preferred Stock which was approved by written consent of the holder representing approximately 67% of the outstanding voting securities of the Company. Series A Preferred Stock was created and designated with super-voting rights of 100,000 votes per share of Series A Preferred Stock held, but no conversion, dividend, and liquidation rights.

On February 5, 2014, the Company entered into an agreement to acquire all of the operating assets of Scorpex, Inc. (“Scorpex”) (an entity related by common control) in exchange for 105,000,000 shares of common stock and 10,000,000 shares of Series B Preferred Stockof the Company.Scorpex is majority owned and controlled by JPX Global, Inc.’s then controlling shareholder, Joseph Caywood. Each share of Series B preferred stock is convertible into 10 shares of common stock and is entitled to vote ratably together with our common stockholders on all matters upon which common stockholders may vote. With the acquisition of these assets, which consist primarily of a license agreement, the Company has modified its business plan to include the development of waste management services including the storage, recycling, and disposal of waste. The Company does not presently have any waste management operations.

The acquired assets consist primarily of a license agreement between Scorpex and Tratamientos Ambientales Scorpion, S.A. de C.V. (a corporation formed under the laws of Mexico) (“TAS”). This license agreement with TAS has been assigned to JPX. TAS is a wholly owned subsidiary of Scorpex, and is, therefore, a common control entity. ASC 805-50-30-5 provides guidance on measuring assets and liabilities transferred between entities under common control. As the entities are under common control and the license agreement had no basis on Scorpex’s books they are being acquired at their carrying amounts (with no cost basis) on the date of transfer and, therefore, the transaction value is $-0-.

The license agreement was dated July 30, 2011 and provided Scorpex with an exclusive worldwide license for the permits, property, and any and all of TAS’s other assets necessary for the business of storing, recycling, disposing, and treating waste in Mexico for a term of 10 years. The agreement also provided for Scorpex’s annual payment to TAS of 20% of its Net Revenues (gross cash receipts less cost of processing and other expenses excluding general, administrative, interest, and taxes) from the license. Pursuant to the Assignment Consent dated February 3, 2014, TAS agreed to extend the term of the agreement every 10 years if operations have commenced pursuant to the license agreement.

2. GOING CONCERN

The accompanying financial statements have been prepared assuming that the Company will continue as a going concern. The company does not have sufficient working capital for its planned activity, and to service its debt, which raises substantial doubt about its ability to continue as a going concern. The Company has incurred accumulated losses of $33,303,334 since inception through December 31, 2015.

Continuation of the company as a going concern is dependent upon obtaining additional working capital. The management of the Company has developed a strategy which it believes will accomplish this objective through short term loans from related parties, and additional equity investments, which will enable the company to continue operations for the coming year. These financial statements do not include any adjustments relating to the recoverability and classification of recorded asset amounts, or amounts and classification of liabilities that might result from this uncertainty.

**JPX Global, Inc.**

**(f/k/a Jasper Explorations Inc.)**
**NOTES TO THE FINANCIAL STATEMENTS**
**December 31, 2015 and 2014**

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Accounting Methods

The Company recognizes income and expenses based on the accrual method of accounting. The Company follows accounting principles generally accepted in the United States.

Income Tax

The Company utilizes the liability method of accounting for income taxes. Under the liability method deferred tax assets and liabilities are determined based on the differences between financial reporting and the tax bases of the assets and liabilities and are measured using the enacted tax rates and laws that will be in effect, when the differences are expected to be reversed. An allowance against deferred tax assets is recorded, when it is more likely than not that such tax benefits will not be realized.

Basic and Diluted Net Income (loss) Per Share

The Company follows ASC Topic 260 to account for the earnings per share. Basic earnings per common share ("EPS") calculations are determined by dividing net income by the weighted average number of shares of common stock outstanding during the year. Diluted earnings per common share calculations are determined by dividing net income by the weighted average number of common shares and dilutive common share equivalents outstanding.

For the years ended December 31, 2015 and 2014, the common shares underlying the following dilutive securities were excluded from the calculation of diluted shares outstanding as the effect of their inclusion would be anti-dilutive:

| | Common Shares Issuable Year Ended December 31, 2015 | 2014 |
|---|---|---|
| Convertible loan payable – related party | 1,500,000 | 1,500,000 |
| Series B Preferred Stock | 100,000,000 | 100,000,000 |
| Total common shares issuable | 101,500,000 | 101,500,000 |

Cash & Cash Equivalents

For the purposes of the statement of cash flows, the Company considers all highly liquid investments with a maturity of three months or less to be cash equivalents.

Revenue Recognition

Revenue is recognized upon completion of services or delivery of goods where the sales price is fixed or determinable and the collectability is reasonably assured. The Company has no revenue to date.

Advertising and Market Development

The Company expenses advertising and market development costs. As of December 31, 2015, the company has not incurred any advertising and market development costs.

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**JPX Global, Inc.**

**(f/k/a Jasper Explorations Inc.)**
**NOTES TO THE FINANCIAL STATEMENTS**
**December 31, 2015 and 2014**

Impairment of Long-Lived Assets

The Company reviews and evaluates long-lived assets for impairment when events or changes in circumstances indicate that the related carrying amounts may not be recoverable. The assets are subject to impairment consideration under FASB ASC 360-10-35-17 if events or circumstances indicate that their carrying amount might not be recoverable. When the Company determines that an impairment analysis should be done, the analysis will be performed using the rules of FASB ASC 930-360-35, Asset Impairment, and 360-10 through 15-5, Impairment or Disposal of Long-Lived Assets.

Environmental Requirements

At the report date, environmental requirements related to a formally held mineral claim are unknown and therefore any estimate of future costs cannot be made.

Mineral Property Acquisition Costs

Costs of acquisition and option costs of mineral rights are capitalized upon acquisition. Mine development costs incurred to develop new ore deposits, to expand the capacity of mines, or to develop mine areas substantially in advance of current production are also capitalized once proven and probable reserves exist and the property is a commercially mineable property.

Costs incurred to maintain current production or to maintain assets on a standby basis are charged to operations. If the Company does not continue with exploration after the completion of the feasibility study, the mineral rights will be expensed at that time. Costs of abandoned projects are charged to mining costs including related property and equipment costs. To determine if these costs are in excess of their recoverable amount, periodic evaluation of carrying value of capitalized costs and any related property and equipment costs are based upon expected future cash flows and/or estimated salvage value in accordance with FASB Accounting Standards Codification (ASC) 360-10-35-15, Impairment or Disposal of Long-Lived Assets.

Various factors could impact our ability to achieve forecasted production schedules. Additionally, commodity prices, capital expenditure requirements and reclamation costs could differ from the assumptions the Company may use in cash flow models from exploration stage mineral interests. This, however, involves further risks in addition to those factors applicable to mineral interests where proven and probable reserves have been identified, due to the lower level of confidence that the identified mineralized material can ultimately be mined economically.

Estimates and Assumptions

Management uses estimates and assumptions in preparing financial statements in accordance with generally accepted accounting principles. Those estimates and assumptions affect the reported amounts of the assets and liabilities, the disclosure of contingent assets and liabilities, and the reported revenues and expenses. Actual results could vary from the estimates that were assumed in preparing these financial statements.

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**JPX Global, Inc.**

**(f/k/a Jasper Explorations Inc.)**
**NOTES TO THE FINANCIAL STATEMENTS**
**December 31, 2015 and 2014**

Stock-based compensation

The Company records stock based compensation in accordance with the guidance in ASC Topic 505 and 718 which requires the Company to recognize expenses related to the fair value of its employee stock option awards. This eliminates accounting for share-based compensation transactions using the intrinsic value and requires instead that such transactions be accounted for using a fair-value-based method. The Company recognizes the cost of all share-based awards on a graded vesting basis over the vesting period of the award.

The Company accounts for equity instruments issued in exchange for the receipt of goods or services from other than employees in accordance with FASB ASC 718-10 and the conclusions reached by the FASB ASC 505-50. Costs are measured at the estimated fair market value of the consideration received or the estimated fair value of the equity instruments issued, whichever is more reliably measurable. The value of equity instruments issued for consideration other than employee services is determined on the earliest of a performance commitment or completion of performance by the provider of goods or services as defined by FASB ASC 505-50.

Fair value of financial instruments

Fair value estimates discussed herein are based upon certain market assumptions and pertinent information available to management as of December 31, 2015. The respective carrying value of certain on-balance-sheet financial instruments ap